CITY OF MONTEBELLO
CITY COUNCIL AND PUBLIC FINANCING AUTHORITY
JOINT REGULAR MEETING AGENDA

WEDNESDAY, SEPTEMBER 14, 2022 AT 5:00 PM

CITY HALL COUNCIL CHAMBERS
1600 WEST BEVERLY BOULEVARD
MONTEBELLO, CALIFORNIA

CITY COUNCIL/PUBLIC FINANCING AUTHORITY

Kimberly A. Cobos-Cawthorne, Mayor/Chairperson

Angie M. Jimenez, Mayor Pro Tem/Vice Chairperson

Scarlet Peralta, Councilmember/Member

Salvador Melendez, Councilmember/Member

David N. Torres, Councilmember/Member

CITY MANAGER/EXECUTIVE DIRECTOR

René Bobadilla, City Manager

CITY TREASURER

Rafael Gutierrez

CITY ATTORNEY/AUTHORITY COUNSEL

Arnold M. Alvarez-Glasman

CITY CLERK/SECRETARY OF AUTHORITY

Christopher Jimenez

DEPARTMENT HEADS

Assistant City Manager	**Arlene Salazar**
Fire Chief	**Fernando Pelaez**
Police Chief	**Paul Espinosa**
Director of Finance	**Michael Solorza**
Director of Human Resources	**Nicholas Razo**
Director of Planning/Community Development	**Joseph Palombi**
Director of Public Works	**James Enriquez**
Director of Recreation and Community Services	**David Sosnowski**
Acting Director of Transportation	**Adrianna Kendricks**
Director of Public Affairs and Information Technology	**Michael Chee**

NOTICES

COVID-19 NOTICE: The City Council rescinded the Declaration of the Local Emergency and the continuation of teleconferencing open meetings pursuant to AB 361 by adopting Resolution No. 22-21 on Wednesday, April 13, 2022. This City Council/Public Financing Authority Joint Regular Meeting ("Council"/"PFA") will be held in person and will meet at **City Hall – City Council Chambers, 1600 West Beverly Boulevard, Montebello, California.** The meeting will be live streamed and can be watched on the City's website and YouTube Channel via the following link: https://www.cityofmontebello.com/government/live-streaming.html, and may also be viewed on Spectrum Public Access Channel 3 for all Spectrum cable subscribers.

AMERICANS WITH DISABILITIES ACT: In compliance with the Americans with Disabilities Act (ADA) any person with a disability who requires special accommodations in order to participate in a meeting should contact the Administration Office at (323) 887-1437 Monday-Thursday from 7:30 a.m.-5:30 p.m. Please call 48 hours prior to the meeting to ensure that reasonable arrangements can be made to provide accessibility to this meeting (28 CFR 35.102-35.104 ADA Title II 1203). If you require translation services, please contact the City Clerk's office 72 hours before this meeting. **Si necesita servicios de traducción, comuníquese con la Oficina del Secretario Municipal 72 horas antes de esta reunión.** 如果您需要翻译服务，请在会议前 **72** 小时联系市书记员办公室

RULES OF DECORUM:
As Established by Ordinance 2443, adopted on October 27, 2021: Signs, placards, banners, horns, noise-making devices, or other similar items shall not be permitted in the audience during a Public Meeting if the presence of such item disturbs, disrupts or otherwise impedes the orderly conduct of the meeting. All persons attending a public meeting shall remain seated in the seats provided, unless addressing the body at the podium or entering or leaving the meeting. No member of the audience shall willfully interrupt the orderly conduct at the meeting, this includes clapping or otherwise speaking from their seats. The presiding officer shall direct the removal of any individual whose willful interruption renders infeasible the orderly conduct of the meeting. In the event the removal of the individual or individuals willfully interrupting the meeting does not restore order, the presiding officer may order the meeting room cleared and continue in session. Speakers shall not engage in willful conduct which interrupts the meeting or interferes with the orderly conduct of the meeting. Any person who becomes boisterous while addressing the Council/PFA or who otherwise disrupts the orderly conduct of the Council/PFA's business shall be subject to removal from the Chambers after being admonished by the presiding officer.

PUBLIC COMMENTS:
In-Person: For those interested in participating during the Public Comment period(s) or public testimony period for Public Hearings of the City Council/PFA meetings, you may address the City Council/PFA in person the day of the meeting. Speakers will be required to fill out a speaker card provided at the door and turn it into the Deputy City Clerk prior to each Public Comment announcement period. Staff will number and call each speaker card in the order received. Closed Session begins at 5:00 p.m. and Regular Session begins no later than 6:00 p.m.

Via Email: The public may also submit emailed comments via the City's email address: ccpubliccomment@cityofmontebello.com, up until the day of the meeting, **Wednesday, Septemer 14, 2022 by 3:00 p.m.** These comments will be submitted to all members of the City Council/PFA and may not be read aloud but will be entered into the record of the proceedings to the extent they relate to matters listed on the posted agenda or otherwise address matters/issues within the subject matter jurisdiction of the City Council/PFA. Any requests to provide public comment which is submitted after the deadlines indicated above will not be submitted to the City Council/PFA, with the exception of non-agenda written item comments which will be held over for the next regularly scheduled meeting.

AGENDA MATERIALS: The agenda and/or agenda packet are available for public inspection at City's website at: https://www.cityofmontebello.com/council-agendas.html.

IN CONSIDERATION OF OTHERS, PLEASE TURN OFF, OR MUTE, ALL CELL PHONES AND PAGERS
THANK YOU FOR YOUR COOPERATION

OPENING CEREMONIES

CALL TO ORDER

ROLL CALL

PUBLIC COMMENTS FOR CLOSED SESSION ITEMS
At this time, the general public may address the City Council/PFA on Closed Session Items. Please be aware that the maximum time allotted for members of the public to speak on Closed Session Items shall not exceed three (3) minutes per person. State Law prohibits the City Council/PFA from taking action or entertaining extended discussion on a topic not listed on the agenda. Please show courtesy to others and direct all of your comments to the Mayor.

CLOSED SESSION 5:00 P.M.
The City Attorney shall provide a briefing on the item listed for Closed Session as follows:

1. **THREAT TO PUBLIC SERVICES OR FACILITIES**
   Government Code Section 54957
   Consultation with City Manager, Police Chief, City Attorney and other related City officials.
2. **CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION**
   Government Code Section 54956.9(d)(4)
   One Matter Related to Montebello Armory, 244 George Hensel Drive

REGULAR SESSION NO LATER THAN 6:00 P.M.

CLOSED SESSION REPORT

INVOCATION

PLEDGE OF ALLEGIANCE

CORRECTIONS TO THE AGENDA CITY MANAGER

CEREMONIAL/PRESENTATIONS

3. **RECOGNITION OF CITIZEN OF THE MONTH - GARY MENDIBLES**
4. **RECOGNITION OF 2022 HELEN PUTNAM AWARD FOR EXCELLENCE - LEAGUE OF CITIES**
5. **RECOGNITION OF SAN GABRIEL VALLEY COUNCIL OF GOVERNMENTS TINY HOMES**
6. **RECOGNITION OF MONTEBELLO COMMUNITY ASSISTANCE PROGRAM (MCAP) LANDLORDS FOR ASSISTANCE WITH MCAP CLIENTS**
7. **RECOGNITION OF NATIONAL HISPANIC HERITAGE MONTH**
8. **RECOGNITION OF NATIONAL PREPAREDNESS MONTH**
9. **2022 FIREWORK RESPONSE PRESENTATION**

PUBLIC COMMENTS ON NON-AGENDA AND AGENDA ITEMS (30 MINUTES)

At this time, the general public may address the City Council/PFA on both non-agenda *and* agenda items. Please be aware that the maximum time allotted for members of the public to speak shall not exceed three (3) minutes per speaker. State Law prohibits the City Council/PFA from taking action or entertaining extended discussion on a topic not listed on the agenda. Please show courtesy to others and direct all of your comments to the Mayor.

STAFF COMMUNICATIONS ON ITEMS OF COMMUNITY INTEREST

PUBLIC HEARING

10. PUBLIC HEARING FOR ASSEMBLY BILL 481 ADOPTION OF MILITARY EQUIPMENT USE POLICY

RECOMMENDATION: It is recommended that the City Council:

1) Conduct a Public Hearing regarding adoption of the City of Montebello's Military Equipment Use Policy in compliance with Assembly Bill 481 ("AB 481"); and

2) Take such additional, related, action that may be desirable.

11. ADOPT RESOLUTION NO. 22-78 APPROVING THE FISCAL YEAR 2021-22 CONSOLIDATED ANNUAL PERFORMANCE AND EVALUATION REPORT (CAPER)

RECOMMENDATION: It is recommended that the City Council conduct a Public Hearing and consider the following:

1) Adopt a Resolution approving the Fiscal Year 2021-22 draft Consolidated Annual Performance and Evaluation Report (CAPER); and

2) Approve the use of $40,207 in unspent CDBG funds from 2015 towards the annual payment of the City's outstanding Section 108 loan amount; and

3) Take such additional, related action that may be desirable.

12. ADOPT RESOLUTION NO. 22-80 OF THE CITY COUNCIL AND RESOLUTION NO. 22-02 OF THE PUBLIC FINANCING AUTHORITY AUTHORIZING THE EXECUTION AND DELIVERY OF DOCUMENTS AND CERTIFICATES IN CONNECTION WITH THE ISSUANCE OF SERIES 2022A LEASE REVENUE BONDS, APPROVING THE ISSUANCE OF SUCH BONDS, AUTHORIZING THE DISTRIBUTION OF AN OFFICIAL STATEMENT IN CONNECTION WITH THE SALE OF SUCH BONDS, AND AUTHORIZING RELATED ACTIONS

RECOMMENDATION: It is recommended that the City Council and Public Financing Authority:

1) Hold a Public Hearing with respect to the issuance of the Series 2022A Lease Revenue Bonds ("2022A Bonds"); and

2) City Council adopt a Resolution Authorizing the Execution and Delivery of a First Amendment to the Site and Facility Lease, a Third Amendment to Lease Agreement, a Continuing Disclosure Certificate, and a Bond Purchase Agreement in Connection with the Issuance by the Montebello Public Financing Authority of Lease Revenue Bonds, Approving the Issuance of Such Bonds in One or More Series in an Aggregate Principal Amount Not to Exceed $16,500,000, Authorizing the Distribution of an Official Statement in Connection with the Offering and Sale of Such Bonds, and Authorizing the Execution of Necessary Documents and Certificates and Related Actions; and

3) Montebello Public Financing Authority adopt a Resolution Authorizing the Execution and Delivery of a First Amendment to the Site and Facility Lease, a Third Amendment to Lease Agreement, a Third Supplemental Indenture, a First Amendment to Assignment Agreement, and a Bond Purchase Agreement in Connection with the Issuance of the Montebello Public Financing Authority Lease Revenue Bonds, Approving the Issuance of

Such Bonds in One or More Series in an Aggregate Principal Amount Not to Exceed $16,500,000, Authorizing the Distribution of an Official Statement in Connection with the Offering and Sale of Such Bonds, and Authorizing the Execution of Necessary Documents and Certificates and Related Actions.

13. PUBLIC HEARING APPROVING AN ENERGY SERVICES CONTRACT WITH ALLIANCE BUILDING SOLUTIONS, INC.

NOTE: This Public Hearing will be continued to the City Council Meeting of September 28, 2022 or at a date thereafter as determined by the City Council.

CONSENT CALENDAR

All matters listed under the Consent Calendar are considered to be routine. Any items a Councilmember wishes to discuss should be designated at this time. All other items may be approved in a single motion. Such approval will also waive the reading of any ordinance.

14. APPROVAL OF MEMORANDUM OF UNDERSTANDING NO. 22-22 BETWEEN THE CITY OF MONTEBELLO AND THE MONTEBELLO UNIFIED SCHOOL DISTRICT, APPROVING AN AGREEMENT TO SHARE COMMUNICATION PLATFORMS

RECOMMENDATION: It is recommended that the City Council:

1) Approve a Memorandum of Understanding to share communication platforms with Montebello Unified School District (MUSD), and

2) Authorize the City Manager to execute the agreement.

15. ADOPT RESOLUTION NO. 22-76 - DECLARATION OF EXEMPT SURPLUS LAND OF CITY-OWNED PROPERTY LOCATED AT 5055 PASSONS BOULEVARD (LOS ANGELES COUNTY ASSESSOR'S PARCEL NO. 6377-007-270)

RECOMMENDATION: It is recommended that the City Council:

1) Adopt Resolution No. 22-76 (Attachment A) to formally declare the property located at 5055 Passons Boulevard as exempt surplus land; and

2) Take such additional, related, action that may be desirable.

16. ADOPT RESOLUTION NO. 22-77 APPROVING SIGN LEASE AGREEMENT NO. 4026 FOR THE PROPOSED DIGITAL SIGN FOR THE PROPERTY LOCATED AT 315 N. GARFIELD AVENUE AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE SIGN LEASE AGREEMENT

RECOMMENDATION: It is recommended that the City Council:

1) Approve Sign Lease Agreement No. 4026 between The Archdiocese of Los Angeles Education and Welfare Corporation and Cantwell-Sacred Heart of Mary High School, and the City of Montebello for the property located at 315 N. Garfield Avenue; and

2) Authorize the City Manager to execute the Sign Lease Agreement for usage of a proposed digital sign at 315 N. Garfield Avenue; and

3) Take such additional, related, action that may be desirable.

17. SECOND READING AND ADOPTION OF ORDINANCE NO. 2452 UPDATING MONTEBELLO MUNICIPAL CODE CHAPTER 2.16 – DIRECTOR OF FINANCE

RECOMMENDATION: It is recommended that the City Council:

1) Waive Second Reading and adopt Ordinance No. 2452 Amending Montebello Municipal Code Chapter 2.16.020 – Director of Finance, Powers and Duties; and

2) Take such additional, related action(s) that may be desirable.

18. PAYMENT OF BILLS: ADOPT RESOLUTION NO. 22-75 APPROVING THE CITY WARRANT REGISTER OF DEMAND DATED SEPTEMBER 14, 2022

RECOMMENDATION: It is recommended that the City Council:

1) Adopt Resolution No. 22-75 approving the Warrant Register dated September 14, 2022.

19. APPROVAL OF CITY COUNCIL MINUTES – MAY 3, 2022, SPECIAL MEETING; JUNE 1, 2022, ADJOURNED MEETING, AND JUNE 8, 2022, REGULAR MEETING.

RECOMMENDATION: It is recommended that the City Council:

1) Approve said minutes as written.

AB 1234 TRAVEL REPORTS

Members of the City Council will provide a brief report on meetings attended at the expense of the local agency as required by Government Code Section 53232.3(d).

COUNCIL ORALS

Council member announcements; requests for future agenda items; conference/meetings reports.

- **Angie M. Jimenez, Mayor Pro Tem**
  1) Ask for Council Consensus to direct staff to reach out to Southern California Edison to assist with the street lights in the southern part of Montebello.
  2) Ask for Council Consensus to direct staff to look into working with the appropriate agencies for pedestrian safety for the intersection at Whittier Boulevard and 6th Street, in the downtown area.
  3) Latino Heritage Month - ask for Council Consensus to direct staff to honor Montebello home grown, world class artist Yolanda Gonzales, and up and coming Francisco Palomares for their contributions to the Arts.

- **David N. Torres, Councilmember**
  1) Request for Council consensus for a presentation on Bicycle Master Plan implementation.
  2) Request for Council consensus to update the water system map.
  3) Concerns about public comments exceeding 3 minute allotment by using multiple email addresses; request to create measures to ensure fairness and prevent abuse.
  4) Public safety concerns from businesses along the Whittier Blvd. corridor.
  5) Follow-up on 45-day moratorium regarding warehouses and commercial trucking study.

- **Salvador Melendez, Councilmember**

- **Scarlet Peralta, Councilmember**
  1) Discussion and action regarding drought conditions, water regulations and improving communications among the five water companies in Montebello to increase information for our residents.
  2) Discussion on traffic & safety related concerns.
  3) Request for information regarding Exit 6A Findlay Avenue and the removal of K Rails.

- **Kimberly A. Cobos-Cawthorne, Mayor**

ADJOURNMENT

The City of Montebello will adjourn to the next **Regular Meeting on September 28, 2022 at 5:00 p.m.** which can be live streamed at www.cityofmontebello.com (Click on Live Stream). I, Alicia Fernandez, Senior Deputy City Clerk for the City of Montebello hereby certify that a copy of this agenda has been posted on or before **Sunday, September 11, 2022 at 5:00 p.m.**

Alicia Fernandez, Senior Deputy City Clerk

ITEM # 10

CITY OF MONTEBELLO
CITY COUNCIL AND PUBLIC FINANCING AUTHORITY AGENDA STAFF REPORT

TO: Honorable Mayor and City Council Members

FROM: René Bobadilla, P.E., City Manager

BY: Paul Espinosa, Police Chief

SUBJECT: **PUBLIC HEARING FOR ASSEMBLY BILL 481 ADOPTION OF MILITARY EQUIPMENT USE POLICY**

DATE: September 14, 2022

RECOMMENDATION(S):

RECOMMENDATION: It is recommended that the City Council:

1) Conduct a Public Hearing regarding adoption of the City of Montebello's Military Equipment Use Policy in compliance with Assembly Bill 481 ("AB 481"); and

2) Take such additional, related, action that may be desirable.

FISCAL IMPACT:

There is no fiscal impact associated with recommended actions.

BACKGROUND:

On June 22, 2022, the Montebello Police Department ("MPD") presented a Military Equipment Use Policy ("Policy") (Attachment "A") to the City Council and received approval of the Policy. Assembly Bill 481 requires a public hearing be held for the public to submit comments regarding the adoption of the Policy before City Council adopts an ordinance formally establishing the Policy. In accordance with the requirements of AB 481, the Policy was made available to the public on the City's website on May 27, 2022.

ENVIRONMENTAL IMPACT:

N/A

ANALYSIS:

N/A

DISCUSSION:

Assembly Bill 481, as codified in Government Code sections 7070 through 7075, requires a law enforcement agency ("LEA") to obtain approval from the applicable governing body, via adoption of a Military Equipment Use Policy ("Policy") by ordinance prior to the LEA funding, acquiring, or using military equipment.

"Military equipment" as defined under AB 481 includes, but is not limited to, unmanned aerial or ground vehicles, armored vehicles, command and control vehicles, pepper balls, less lethal shotguns, less lethal 40mm projectile launchers, long range acoustic devices, and flashbangs. Notwithstanding the definition stated above, "military equipment" does not include general equipment not designated as prohibited or controlled by the federal Defense Logistics Agency, per Government Code section 7070(c)(16).

The MPD does not currently have any military equipment that is prohibited or controlled by the Federal Defense Logistics Agency.

SUMMARY:

Staff recommends that the City Council conduct a Public Hearing to receive public comment regarding the adoption of the City's Military Equipment Use Policy in compliance with AB 481.

ATTACHMENT(S):

1. Attachment A - Military Equipment Use Policy

NEXT STEPS:

N/A

Military Equipment

707.1 PURPOSE AND SCOPE

The purpose of this policy is to provide guidelines for the approval, acquisition, and reporting requirements of military equipment (Government Code § 7070; Government Code § 7071; Government Code § 7072) for the Montebello Police Department ("Department").

707.1.1 DEFINITIONS

Definitions related to this policy include (Government Code § 7070):

Governing body – The elected or appointed body that oversees the Department. **Military equipment** – Includes but is not limited to the following:

- Unmanned, remotely piloted, powered aerial or ground vehicles.
- Mine-resistant ambush-protected (MRAP) vehicles or armored personnel carriers.
- High mobility multipurpose wheeled vehicles (HMMWV), two-and-one-half-ton trucks, five-ton trucks, or wheeled vehicles that have a breaching or entry apparatus attached.
- Tracked armored vehicles that provide ballistic protection to their occupants.
- Command and control vehicles that are either built or modified to facilitate the operational control and direction of public safety units.
- Weaponized aircraft, vessels, or vehicles of any kind.
- Battering rams, slugs, and breaching apparatuses that are explosive in nature. This does not include a handheld, one-person ram.
- Firearms and ammunition of .50 caliber or greater, excluding standard-issue shotguns and standard-issue shotgun ammunition.
- Specialized firearms and ammunition of less than .50 caliber, including firearms and accessories identified as assault weapons in Penal Code § 30510 and Penal Code § 30515, with the exception of standard-issue handguns.
- Any firearm or firearm accessory that is designed to launch explosive projectiles.
- Noise-flash diversionary devices and explosive breaching tools.
- Munitions containing tear gas or OC, excluding standard, service-issued handheld pepper spray.
- TASER® Shockwave, microwave weapons, water cannons, and long-range acoustic devices (LRADs).
- Kinetic energy weapons and munitions.
- Any other equipment as determined by a governing body or a state agency to require additional oversight.

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707.2 POLICY

It is the policy of the Montebello Police Department that members of this Department comply with the provisions of Government Code § 7071 with respect to military equipment.

707.3 MILITARY EQUIPMENT COORDINATOR

The Chief of Police should designate a member of this Department to act as the military equipment coordinator. The responsibilities of the military equipment coordinator include but are not limited to:

(a) Acting as liaison to the governing body for matters related to the requirements of this policy.

(b) Identifying Department equipment that qualifies as military equipment in the current possession of the Department, or the equipment the Department intends to acquire that requires approval by the governing body.

(c) Conducting an inventory of all military equipment at least annually.

(d) Collaborating with any allied agency that may use military equipment within the jurisdiction of Montebello Police Department (Government Code § 7071).

(e) Preparing for, scheduling, and coordinating the annual community engagement meeting to include:

1. Publicizing the details of the meeting.
2. Preparing for public questions regarding the [department/office]'s funding, acquisition, and use of equipment.

(f) Preparing the annual military equipment report for submission to the Chief of Police and ensuring that the report is made available on the Department website (Government Code § 7072).

(g) Establishing the procedure for a person to register a complaint or concern, or how that person may submit a question about the use of a type of military equipment, and how the Department will respond in a timely manner.

707.4 MILITARY EQUIPMENT INVENTORY

The following constitutes a list of qualifying equipment for the Department:

- The Montebello Police Department does not currently have any "Military Equipment" that is prohibited or controlled by the Federal Defense Logistics Agency per CA Government Code 7070(c)(16).

707.5 APPROVAL

The Chief of Police or the authorized designee shall obtain approval from the governing body by way of an ordinance adopting the military equipment policy. As part of the approval process, the

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Chief of Police or the authorized designee shall ensure the proposed military equipment policy is submitted to the governing body and is available on the Department website at least 30 days prior to any public hearing concerning the military equipment at issue (Government Code § 7071). The military equipment policy must be approved by the governing body prior to engaging in any of the following (Government Code § 7071):

(a) Requesting military equipment made available pursuant to 10 USC § 2576a.

(b) Seeking funds for military equipment, including but not limited to applying for a grant, soliciting or accepting private, local, state, or federal funds, in-kind donations, or other donations or transfers.

(c) Acquiring military equipment either permanently or temporarily, including by borrowing or leasing.

(d) Collaborating with another law enforcement agency in the deployment or other use of military equipment within the jurisdiction of this Department.

(e) Using any new or existing military equipment for a purpose, in a manner, or by a person not previously approved by the governing body.

(f) Soliciting or responding to a proposal for, or entering into an agreement with, any other person or entity to seek funds for, apply to receive, acquire, use, or collaborate in the use of military equipment.

(g) Acquiring military equipment through any means not provided above.

707.6 COORDINATION WITH OTHER JURISDICTIONS

Military equipment should not be used by any other law enforcement agency or member in this jurisdiction unless the military equipment is approved for use in accordance with this policy.

707.7 ANNUAL REPORT

Upon approval of a military equipment policy, the Chief of Police or the authorized designee should submit a military equipment report to the governing body for each type of military equipment approved within one year of approval, and annually thereafter for as long as the military equipment is available for use (Government Code § 7072).

The Chief of Police or the authorized designee should also make each annual military equipment report publicly available on the Department website for as long as the military equipment is available for use. The report shall include all information required by Government Code § 7072 for the preceding calendar year for each type of military equipment in Department inventory.

707.8 COMMUNITY ENGAGEMENT

Within 30 days of submitting and publicly releasing the annual report, the Department shall hold at least one well-publicized and conveniently located community engagement meeting, at which the Department should discuss the report and respond to public questions regarding the funding, acquisition, or use of military equipment. Any member of the public can submit a question, comment or concern by contacting the Montebello Police Department.

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ITEM # 11

CITY OF MONTEBELLO
CITY COUNCIL AND PUBLIC FINANCING AUTHORITY AGENDA STAFF REPORT

TO: Honorable Mayor and City Council Members

FROM: René Bobadilla, P.E., City Manager

BY: Joseph Palombi, Director of Planning & Community Development

SUBJECT: **ADOPT RESOLUTION NO. 22-78 APPROVING THE FISCAL YEAR 2021-22 CONSOLIDATED ANNUAL PERFORMANCE AND EVALUATION REPORT (CAPER)**

DATE: September 14, 2022

RECOMMENDATION(S):

RECOMMENDATION: It is recommended that the City Council conduct a Public Hearing and consider the following:

1) Adopt a Resolution approving the Fiscal Year 2021-22 draft Consolidated Annual Performance and Evaluation Report (CAPER); and

2) Approve the use of $40,207 in unspent CDBG funds from 2015 towards the annual payment of the City's outstanding Section 108 loan amount; and

3) Take such additional, related action that may be desirable.

FISCAL IMPACT:

The submission of the CAPER is a condition imposed by the United States Department of Housing and Urban Development ("HUD") that allows the City to continue to receive federal funds. There is no fiscal impact related to the recommended actions. The City Council is being asked to approve the use of unspent funds from 2015 program year towards the annual payment of the City's outstanding Section 108 loan amount.

BACKGROUND:

HUD provides funding annually to the City of Montebello ("City") for Housing and Community Development Programs, specifically Community Development Block Grant ("CDBG") and Home Investment Partnerships ("HOME") Program funds. The City is required to submit the Fiscal Year 2021-22 CAPER to HUD to provide a summary of activities for the period beginning July 1, 2021 through June 30, 2022. The Fiscal Year 2021-22 CAPER (Attachment B) describes the use of funds to further meet the needs of low- and moderate-income persons and households that were described in the City's Five-Year 2020-25 Consolidated Plan and as further identified in the City's Fiscal Year 2021-22 Action Plan.

Consistent with previous years, the City has identified unspent CDBG funds from 2015 program year. Therefore, in order to use these funds prior to their expiration, staff seeks approval from the City Council to use these unspent funds totaling $48,207 toward the repayment of its outstanding Section 108 loan amount. The revised amounts will be reflected in the final CAPER that is submitted to HUD. It is important to note that this CAPER is due to HUD on or before September 28, 2022. A formal amendment of the City's Action Plan is not required to spend these funds on repayment of the Section 108 loan.

As required by HUD, the draft CAPER was publicly noticed and made available for public review and comment on the City's website from August 30, 2022 to September 14, 2022 at the following link: https://www.cityofmontebello.com/. It is also available for public review at City Hall in the Planning and Community Development Department located at 1600 W. Beverly Boulevard, Montebello, California 90640.

ENVIRONMENTAL IMPACT:

Pursuant to the California Environmental Quality Act (CEQA), this project is exempt from CEQA under the common sense rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. (14 CCR section 15061). Because it can be seen with certainty that there is no possibility that the Fiscal Year 2021-22 CAPER (the "Project") will have a significant effect on the environment, the Project is not subject to CEQA pursuant to State CEQA Guidelines Section 15061(b)(3).

ANALYSIS:

All activities funded by the City through the CDBG Program must meet one(1) of the following three (3) national objectives:

1. Benefit low- and moderate-income persons as defined by federal statutes;
2. Prevent or eliminate slums or blight; or

3. Address a community development urgent need posing a severe and immediate threat to the health or welfare of the community.

The federal statutes for the various grant programs covered by the CAPER include several basic goals. These goals relate to HUD's major commitments and priorities, as established by the United States Congress, covering the following three (3) major areas:

1. Provide decent housing by assisting the homeless in obtaining appropriate housing; preserve the affordable housing stock; increase the availability of permanent housing that is affordable for low-income households without discrimination, and increase the supply of supportive housing for those with special needs;
2. Provide a suitable living environment by improving the safety and livability of neighborhoods; reduce the income groups within an area through decentralization of housing opportunities and revitalization of deteriorating neighborhoods; restore and preserve properties of special architectural, historical, or aesthetic value, and conserve energy resources; and
3. Expand economic opportunities by creating jobs accessible to low-income persons; provide access for low-income households to mortgage financing and credit for development activities that promote long-term community viability and empower low-income persons to achieve self-sufficiency to reduce poverty in federally assisted and public housing.

The Draft CAPER for Fiscal Year 2021-22 reports the accomplishments of the CDBG-funded programs. The following is intended to provide a summary of accomplishments from July 1, 2021 to June 30, 2022:

- Provided $8,154 to the Montebello Community Assistance Program (MCAP) for emergency shelter services for a total of four (4) participants;
- 186 tenant/landlord issues were resolved via the Fair Housing Program administered by the Housing Rights Center;
- 407 persons were assisted via public services administered by the YMCA, Hearts of Compassion, MCAP, and Summer Youth Employment Program;
- Reconciled Program Income for CDBG and HOME totaling approximately $155,000 available for future CDBG programs.

DISCUSSION:

N/A

SUMMARY:

It is recommended that the City Council conduct a public hearing to allow members of

the public to provide comment on the Fiscal Year 2021-22 CAPER; and subsequently adopt the Resolution authorizing the City Manager, or designee, to submit to HUD the City's Fiscal Year 2020-21 CAPER as well as approve the use of unspent CDBG funds from 2015 program year towards repayment of the City's outstanding Section 108 loan amount.

ATTACHMENT(S):

1. Attachment A - Resolution 22-78 - CAPER 2021-2022
2. Attachment B - Draft CAPER City of Montebello (2021-22)
3. Attachment C - Public Hearing Notice (2021-22 CAPER)

NEXT STEPS:

N/A

RESOLUTION NO. 22-78

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MONTEBELLO, APPROVING AND AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE, TO SUBMIT TO HUD THE CITY'S FISCAL YEAR (FY) 2021-2022 CONSOLIDATED ANNUAL PERFORMANCE AND EVALUATION REPORT (CAPER)

WHEREAS, the City of Montebello ("City") has applied and received Community Development Block Grant (CDBG) and HOME Investment Partnership (HOME) funds from the Government of the United States under Title I of the Housing and Community Development Act of 1974; and

WHEREAS, the U.S. Department of Housing and Urban Development (HUD) is the federal agency that promulgates regulations and oversees the administration of the CDBG and HOME program; and

WHEREAS, HUD requires that the entitlement jurisdictions, including the City, complete an annual evaluation of their grants programs through a report known as the Consolidated Annual Performance and Evaluation Report (CAPER); and

WHEREAS, consistent with previous years, City staff identified unspent CDBG funds from 2015 that can be used to repay a portion of the existing Section 108 loan; and

WHEREAS, City staff published a notice announcing the availability of the CAPER in the Daily Journal on August 30, 2022, triggering a 15-day public comment period of the report; and

WHEREAS, On September 14, 2022, the City Council held a duly noticed public hearing to consider the program year 2021-2022 CAPER.

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

SECTION 1: The City Council does hereby declare that the above recitals are true and correct and incorporated herein by reference.

SECTION 2: The City Council does hereby authorize the City Manager, or designee, to submit the City's FY 2021-2022 CAPER to HUD.

SECTION 3: The City Council hereby allows staff to use unspent 2015 CDBG funds in the amount of $48,206.57 toward the repayment of the existing Section 108 loan.

SECTION 4: The City Council hereby allows staff to make minor technical and clerical modification, and/or necessary corrections to the CAPER as required by HUD.

SECTION 5: The City Clerk shall certify to the adoption of this Resolution which shall be effective upon its adoption.

APPROVED, AND ADOPTED this 14th day of September 2022.

_____
Kimberly Ann Cobos-Cawthorne, Mayor

ATTEST: **APPROVED AS TO FORM:**

_____ _____
Christopher Jimenez, City Clerk Arnold M. Alvarez-Glasman, City Attorney

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS:
CITY OF MONTEBELLO)

I, Christopher Jimenez, City Clerk of the City of Montebello, County of Los Angeles, State of California, hereby certify that the foregoing Resolution No. 22-78 was passed and adopted by the City Council of the City of Montebello, signed by the Mayor and attested by the City Clerk at a regular meeting of said Council held on the 14th day of September 2022 and that said Resolution was adopted by the following vote, to-wit:

AYES:
NOES:
ABSTAIN:
ABSENT:

The undersigned, City Clerk of the City of Montebello, does hereby attest and certify that the foregoing Resolution is a true, full and correct copy of a resolution duly adopted at a meeting of said City which was duly convened and held on the date stated thereon, and that said document has not been amended, modified, repealed or rescinded since its date of adoption and is in full force and effect as of the date hereof.

DATE: _____ _____
Christopher Jimenez, City Clerk

CITY OF MONTEBELLO

CONSOLIDATED ANNUAL PERFORMANCE AND EVALUATION REPORT (CAPER) DRAFT

July 1, 2021 – June 30, 2022

Planning and Community Development Department
1600 West Beverly Blvd.
Montebello, CA 90640

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CR-05 - Goals and Outcomes

Progress the jurisdiction has made in carrying out its strategic plan and its action plan. 91.520(a)

As part of the application and allocation process for Community Development Block Grant (CDBG) and HOME Investment Partnership (HOME) funds, the City must prepare and submit the Consolidated Annual Performance and Evaluation Report (CAPER). The CAPER presents a summary of resources made available during the program year, accomplishments based on priorities established by the Consolidated Plan and documented in the 2021-2022 Annual Action Plan, and an assessment of the City's annual performance toward meeting its five-year goals. This document represents the second year of reporting of the 2020-2025 Five-Year Consolidated Plan.

Comparison of the proposed versus actual outcomes for each outcome measure submitted with the consolidated plan and explain, if applicable, why progress was not made toward meeting goals and objectives. 91.520(g)

The City's mission is to enhance the quality of life for its residents by maximizing the use of available resources to assure the availability of safe, decent, and affordable housing. This report reviews how the goals set by the City for public service programs were met. All CDBG funds except for Planning/Administration, were used for activities in benefit of low-and-moderate-income persons. As the City made strides in meeting its annual goals as outlined in its 2021-2022 Annual Action Plan, it also The City's mission is to enhance the quality of life for all its residents by maximizing the use of available resources to assure the availability of safe, decent, and affordable housing. This report reviews how the goals set by the City for public service programs were met. All CDBG funds except for Planning/Administration, were used for activities that benefited low-and-moderate-income persons.

The City did make progress in accomplishing their Annual goals in addition to making advancement in reaching their 5 year goals. The Fair Housing Program, for example, exceeded their goal by addressing 183 Montebello residents with tenant and landlord issues. The reaming CDBG funds are currently still in progress as they are for Capital Improvement Projects, which are part of the Annual and 5 year goals of the City. Once completed, these activities will be have benefited a large portion of the Low-moderate-income residents in the City.

The City’s HOME program Annual goals have not been fully met. The City had a goal of rehabilitating 2 homes during the reporting period. The rehab program had a late start, and due to the pandemic some projects were placed on hold. However, the City is actively working on the implementation of this program.

Goal	Category	Source / Amount	Indicator	Unit of Measure	Expected – Strategic Plan	Actual – Strategic Plan	Percent Complete	Expected – Program Year	Actual – Program Year	Percent Complete
Planning and Administration	Program Administration	CDBG: $119,433 HOME: $30,069	Other	Other	1	1	100%	1	1	100%
Expand fair housing choice and access	Public services	CDBG: $20,000	Other	Persons Assisted	500	336	67%	100	183	183%
Expanding economic opportunities	Non-Housing Community Development	CDBG: $471,596	Other	Other	1	1	100%	1	1	100%
Provide vital public services	Homeless Non-Housing Community Development	CDBG: $86,140	Homelessness Prevention	Persons Assisted	175	743	424%	633	407	64%
Increase affordable housing opportunities	Affordable Housing	HOME: $372,254	Other	Other	1	0	0.00%	1	0	0.00%
Maintain decent and energy efficient housing stock	Affordable Housing Non-Homeless Special Needs	HOME: $100,000	Homeowner Housing Rehabilitated	Household Housing Unit	15	0	0.00%	2	0	0.00%

Create sustainable neighborhoods	Non-Housing Community Development	CDBG: $0	Public service activities other than Low/ Moderate Income Housing Benefit	Persons Assisted	600	0	0.00%	N/A	N/A	N/A
Create sustainable neighborhoods	Non-Housing Community Development	CDBG: $0	Public service activities for Low/Moderate Income Housing Benefit	Households Assisted	20	0	0.00%	N/A	N/A	N/A
Increase earning capacity for LMI families	Non-Housing Economic Development	CDBG: $0	Jobs created/retained	Jobs	48	0	0.00%	N/A	N/A	N/A

Table 1 - Accomplishments – Program Year & Strategic Plan to Date

Assess how the jurisdiction's use of funds, particularly CDBG, addresses the priorities and specific objectives identified in the plan, giving special attention to the highest priority activities identified.

The City continued to address the needs of its community by offering housing and public service programs to its residents. As part of its 2020-2025 Consolidated Plan, the City prioritized preserving the supply of affordable housing, equal access to housing opportunities, providing public services for low-income residents, the improvement of infrastructure and public facilities, commercial rehabilitation, and economic development. As part of their role, City Council consistently assesses high needs in the City and makes recommendations, with consideration to available resources and the objectives outlined in the Consolidated Plan.

The 2021-2022 Action Plan was reflective of the 2020-2025 Consolidated Plan, representing incremental steps toward accomplishing the Five-Year Consolidated Plan goals. Program Year 2021-2022 was the second year of the 2020-2025 Consolidated Plan. The CDBG and HOME funded Programs continued to meet the needs of the Montebello community of seniors, youth, homeless, and low- to moderate-income families, and other special needs populations. The City is moving towards meeting their high priority goals by working on the HOME rehabilitation projects

during the 2021/2022 Fiscal Year which meets their goal of maintaining decent housing stock. The City is also using CDBG funding to work towards rehabilitating their public facilities which is a high priority.

In addition to CDBG funds, the City also received supplemental CDBG Coronavirus (CDBG-CV) funding which was programmed into the 2020-2021 Annual Action Plan. All CDBG funds except for planning/administration were used to benefit low- and moderate-income persons. All the City's CDBG funds were used exclusively for one or more of the three national objectives.

Montebello received a total of a total of $910,151 of supplemental CDBG-Coronavirus (CDBG-CV) funds to use to prepare, prevent, and respond to the Coronavirus pandemic (COVID-19). The City chose to amend their 2019-2020 Annual Action Plan to program their CDBG-CV funds. CDBG-CV activities are currently in progress and funds are expected to be fully expended by the Year 2023.

CR-10 - Racial and Ethnic composition of families assisted

Describe the families assisted (including the racial and ethnic status of families assisted). 91.520(a)

	CDBG	HOME
White	54	0
Black or African American	2	0
Asian	42	0
American Indian or American Native	2	0
Native Hawaiian or Other Pacific Islander	0	0
Other: Multi Racial	307	0
Total	**407**	**0**
Hispanic	184	0
Not Hispanic	223	0

Table 2 – Table of assistance to racial and ethnic populations by source of funds

Narrative

The above racial and ethnic breakdown is for the public service activities carried out during the 2021-2022 fiscal year. The breakdown includes:

1. Summer Youth Employment Program: provides subsidized employment and workforce development opportunities to youth. 12 youth were provided employment.
2. Montebello Community Assistance Program (MCAP): provided hotel vouchers to homeless and medically compromised individuals in the City; four (4) people received services
3. YMCA: provided food distribution services to 30 seniors
4. Heart of Compassion: provided food distribution services to 178 households to prevent food insecurity.
5. Housing Rights Center: provides fair housing services to residents to prevent discrimination, provide referrals, investigations, case management, and litigation, and resolve landlord tenant disputes; they served 183 people.

CR-15 - Resources and Investments 91.520(a)

Identify the resources made available

Source of Funds	Source	Resources Made Available	Amount Expended During Program Year
CDBG	public - federal	$697,169	$649,468.06
HOME	public - federal	$502,323	$0

Table 3 - Resources Made Available

Narrative

The City programmed $697,169 in CDBG funds during the 2021-2022 fiscal year. The largest expenditure under the CDBG Program is the City's repayment of the Section 108 Economic Development Loan. A total of $649,468.06 of CDBG funds have been expended thus far.

The City received $502,323 in HOME funds during the 2021-2022 fiscal year. During this program year, the City has not yet expended any HOME funds. The City is in progress of rehabilitating two homes in the City.

The City also received $910,151 in CDBG-CV funding to help prepare, prevent, and respond to the COVID 19 pandemic. The City funded various public service activities in the City including the YMCA, Heart of Compassion, and the Mexican American Opportunity Foundation to provide residents with emergency food and groceries. In addition to these public services, the City established the Montebello Community Assistance Program (MCAP), which outreached to and engaged the City's homeless population to support with emergency motel vouchers, PPE's and hygiene kits. The MCAP program also provided rental, utility, and mortgage relief assistance.

Identify the geographic distribution and location of investments

Target Area	Planned Percentage of Allocation	Actual Percentage of Allocation	Narrative Description
Citywide	100	100	Other
Qualified Census Tracts			Local Target area

Table 4 – Identify the geographic distribution and location of investments

Narrative

The City generally does not typically allocate funds on a geographic basis, choosing instead, when possible, to fund activities that will benefit all residents citywide. On an annual basis, the City prioritizes the use of its CDBG funding for citywide housing and community development activities such as housing, public services, fair housing, and public facilities. Activities identified under the public services category and targeted to special needs populations are offered on a citywide basis and/or where resources can

be coordinated with existing facilities or services. Public improvements and public facilities are qualified as benefitting low- and moderate-income persons.

When the City funds public facilities and improvements projects with CDBG funds, then priority areas are identified to when identifying activities/locations. Identified areas are based on 2010 Census data according to household income levels. To determine project eligibility, the HUD standard is that at least 51 percent of low-moderate income residents must occupy the area where public facility improvements are being performed. Keeping the national objectives of the CDBG and HOME programs in mind, project eligibility review is based upon the type of activity and the clientele served. A project is evaluated either on the 51 percent low-moderate income population for facilities and services located within the broader community.

Leveraging

Explain how federal funds leveraged additional resources (private, state and local funds), including a description of how matching requirements were satisfied, as well as how any publicly owned land or property located within the jurisdiction that were used to address the needs identified in the plan.

The following Federal and Non-Federal funding sources are typically used to leverage funds allocated to activities: General Funds; Gas Tax; Metropolitan Transit Authority Funds; and Measure R Funds. To address public infrastructure needs the City also uses general funds, gas tax, water funds, among resources.

In addition to these sources, public services subrecipients used private and other funds to leverage the City's CDBG Program funds.

As a recipient of HOME funds, the City is required to make non-Federal financial contributions to projects that qualify as affordable housing under the HOME Program. Annually, the match contributions must total a minimum of 25% of the HOME funds expended from the City's HOME entitlement amount. (less administration costs) unless the City has received a reduction in the match requirement.

The City's poverty rate for FY 2021-2022 was 13.39% and the PCI was $23,055. As such, the City met the PCI criterion and qualifies for a 50% HOME Match reduction.

The City did not use any publicly owned land or property to address any needs identified in the FY 2021-2022 Annual Action Plan.

Fiscal Year Summary – HOME Match	
1. Excess match from prior Federal fiscal year	0
2. Match contributed during current Federal fiscal year	0
3 .Total match available for current Federal fiscal year (Line 1 plus Line 2)	0
4. Match liability for current Federal fiscal year	0
5. Excess match carried over to next Federal fiscal year (Line 3 minus Line 4)	0

Table 5 – Fiscal Year Summary - HOME Match Report

Match Contribution for the Federal Fiscal Year								
Project No. or Other ID	Date of Contribution	Cash (non-Federal sources)	Foregone Taxes, Fees, Charges	Appraised Land/Real Property	Required Infrastructure	Site Preparation, Construction Materials, Donated labor	Bond Financing	Total Match
0	0	0	0	0	0	0	0	0

Table 6 – Match Contribution for the Federal Fiscal Year

HOME MBE/WBE report

Program Income – Enter the program amounts for the reporting period				
Balance on hand at beginning of reporting period $	Amount received during reporting period $	Total amount expended during reporting period $	Amount expended for TBRA $	Balance on hand at end of reporting period $
0	**0**	**0**	**0**	**0**

Table 7 – Program Income

Minority Business Enterprises and Women Business Enterprises – Indicate the number and dollar value of contracts for HOME projects completed during the reporting period						
	Total	**Minority Business Enterprises**				**White Non-Hispanic**
		Alaskan Native or American Indian	**Asian or Pacific Islander**	**Black Non-Hispanic**	**Hispanic**	
Contracts						
Number	0	0	0	0	0	0
Dollar Amount	0	0	0	0	0	0
Sub-Contracts						
Number	0	0	0	0	0	0
Dollar Amount	0	0	0	0	0	0

	Total	**Women Business Enterprises**	**Male**
Contracts			
Number	0	0	0
Dollar Amount	0	0	0
Sub-Contracts			
Number	0	0	0
Dollar Amount	0	0	0

Table 8 - Minority Business and Women Business Enterprises

Minority Owners of Rental Property – Indicate the number of HOME assisted rental property owners and the total amount of HOME funds in these rental properties assisted						
	Total	**Minority Property Owners**				**White Non-Hispanic**
		Alaskan Native or American Indian	**Asian or Pacific Islander**	**Black Non-Hispanic**	**Hispanic**	
Number	0	0	0	0	0	0
Dollar Amount	0	0	0	0	0	0

Table 9 – Minority Owners of Rental Property

Relocation and Real Property Acquisition – Indicate the number of persons displaced, the cost of relocation payments, the number of parcels acquired, and the cost of acquisition		
Parcels Acquired	0	0
Businesses Displaced	0	0
Nonprofit Organizations Displaced	0	0
Households Temporarily Relocated, not Displaced	0	0

Households Displaced	**Total**	**Minority Property Enterprises**				**White Non-Hispanic**
		Alaskan Native or American Indian	**Asian or Pacific Islander**	**Black Non-Hispanic**	**Hispanic**	
Number	0	0	0	0	0	0
Cost	0	0	0	0	0	0

Table 10 – Relocation and Real Property Acquisition

CR-20 - Affordable Housing 91.520(b)

Evaluation of the jurisdiction's progress in providing affordable housing, including the number and types of families served, the number of extremely low-income, low-income, moderate-income, and middle-income persons served.

	One-Year Goal	Actual
Number of Homeless households to be provided affordable housing units	15	4
Number of Non-Homeless households to be provided affordable housing units	2	0
Number of Special-Needs households to be provided affordable housing units	18	12
Total	**35**	**16**

Table 11 – Number of Households

	One-Year Goal	Actual
Number of households supported through Rental Assistance	0	0
Number of households supported through The Production of New Units	0	0
Number of households supported through Rehab of Existing Units	2	0
Number of households supported through Acquisition of Existing Units	1	0
Total	**3**	**0**

Table 12 – Number of Households Supported

Discuss the difference between goals and outcomes and problems encountered in meeting these goals.

To meet its affordable housing goal the City carried out the following activities:

Section 8 Housing Choice Voucher (HCV) Program – The City of Montebello participates in the Los Angeles County Housing Authority administration of Housing Choice Voucher Program, which provides rental assistance to very low-income families, the disabled, and the elderly for them to access affordable decent, safe, and sanitary housing in the City of Montebello.

The City allocated HOME funds for a Home Rehabilitation Program. This Program is for income-qualified applicants, offering a deferred loan for improvements to their property and to bring their dwelling up to code.

During program year 2021-2022, the City's Home Rehabilitation Program had a goal of completing two projects, however due to difficulties finding eligible projects and applicants the Program was unable to meet its goal. The Program did however find one eligible homeowner at the end of the fiscal and that project is expected to start and be completed in the upcoming 2021-2022 fiscal year.

The Housing Rights Center affirmatively furthers fair housing by providing outreach, mediating between tenant and landlords, and enforcement efforts to eliminate housing discrimination. During 2021 – 2022, 183 households were assisted with general housing and discrimination services.

Discuss how these outcomes will impact future annual action plans.

The City will continue to support programs and activities that help low- and moderate-income homeowners and renters. In addition, the City will continue to utilize HOME and CDBG funds to improve housing and supportive services. In program year 2021-2022, the City initiated and completed the following actions:

For-profit and nonprofit developers play a significant role in providing affordable housing in Montebello. The City will work with developers and continue to provide financial incentives through HOME funds and the sale of City-owned parcels, as well as offer regulatory incentives, including but not limited to density bonuses and flexible development standards to private developers to increase the supply of affordable housing. To provide housing opportunities for extremely low-income households, the City will work with developers of single resident occupancy (SRO) housing, prioritize the use of Section 8 vouchers for this income group, utilize regulatory incentives, and encourage the development of second units to provide housing for extremely low-income individuals or households.

The City refers residents to the Los Angeles County Housing Authority as affordable housing needs are identified for additional support. City residents can also reach out to the City for rental assistance and to be connected to the Section 8 program.

Include the number of extremely low-income, low-income, and moderate-income persons served by each activity where information on income by family size is required to determine the eligibility of the activity.

Number of Households Served	CDBG Actual	HOME Actual
Extremely Low-income	265	0
Low-income	70	0
Moderate-income	72	0
Total	**407**	**0**

Table 13 – Number of Households Served

Narrative Information

Through the City's CDBG programs, 407 persons were assisted. The City is currently in progress with assisting one homeowner with rehabilitation of their home with HOME funds.

The Los Angeles County Development Authority (LACDA) provides rental assistance through its Section 8 Housing Choice Voucher Program to address the worst case needs for affordable housing. Under the voucher program, eligible households with annual incomes below 50 percent of the HUD Area Median Income are assisted to find decent, safe, and sanitary affordable housing. Participants are required to pay up to 30 percent of their adjusted gross monthly income for rent and the Housing Authority pays the balance of the monthly rent directly to the landlord.

LACDA also maintains a waiting list for the affordable housing developments constructed under the City's Affordable Housing Program. These projects are affordable to extremely low, very low-, low- and moderate-income households. LACDA requires that preference be given to eligible households in the following order:

1. Households that have been displaced from their residences due to programs or projects implemented by the City;
2. Households that currently have a Section 8 Housing Choice Voucher;
3. Households that are listed on the Authority's Section 8 and Affordable Rental;
4. Households who live and/or work in Montebello.

CR-25 - Homeless and Other Special Needs 91.220(d, e); 91.320(d, e); 91.520(c)

Evaluate the jurisdiction's progress in meeting its specific objectives for reducing and ending homelessness through:

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

The City of Montebello is part of the Los Angeles Continuum of Care (LACoC) which includes all areas of the county except for the cities of Long Beach, Glendale, and Pasadena, and includes an estimated 55,188 homeless people. The Continuum of Care Program recognizes that there is a variety of needs for people experiencing homelessness and that different strategies are needed to meet those needs. Recognized components of the Continuum of Care include outreach, access center/drop-in center, safe haven, supportive services, overnight shelter (year-round shelter and winter shelter), emergency shelter, transitional housing, permanent housing and permanent supportive housing, and prevention.

Addressing the emergency shelter and transitional housing needs of homeless persons

The City of Montebello recognizes that homelessness is a regional problem and it is committed to continue to address homelessness through its CDBG funds. For many years, the City has supported several homeless service providers in the community that provide homeless prevention services, supportive services, and emergency and transitional shelter.

The City actively works with Hearts of Compassion and the newly established called Montebello Community Assistance Program (MCAP) to provide a number of important services for homeless clients including emergency shelter services, food, counseling, and transportation vouchers.

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

The City will continue to coordinate the operation of housing programs with county and local social service agencies, including the Los Angeles County Department of Public Social Services, the United Way of Greater Los Angeles, the Housing Rights Center, and other nonprofit and public service agencies. The City has also established a homeless outreach program called Montebello Community Assistance Program (MCAP) in FY 2020-2021 to help address homelessness in the community.

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

The City of Montebello established its own homeless program (MCAP) to meet the needs of the homeless population in the City. The MCAP program provided outreach services, motel vouchers, food, and showers for homeless person in the community. In addition, the City continues to coordinate with County agencies including the Los Angeles Homeless Services Agency, Los Angeles County Housing Authority, and the Los Angeles County Community Development Commission.

As part of its 2021-2022 CDBG activities, the City was able to fund Hearts of Compassion and the YMCA who provide food distribution services to seniors and low-income households. A Summer Youth Employment Program (SYEP) was also funded with CDBG funds; subsidized employment programs like these help with youth development but can also help households offset costs while the youth is earning their own income.

CR-30 - Public Housing 91.220(h); 91.320(j)

Actions taken to address the needs of public housing

The City supports the efforts of the Housing Authority in making available rental assistance to low-income households through the Section 8 program, but the City has no direct involvement in the ownership or management of public housing.

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

The City supports the efforts of the Housing Authority in making available rental assistance to low-income households through the Section 8 program, but the City has no direct involvement in the ownership or management of public housing.

Actions taken to provide assistance to troubled PHAs

The City of Montebello does not administer public housing programs. The Housing Authority is not a trouble PHA.

CR-35 - Other Actions 91.220(j)-(k); 91.320(i)-(j)

Actions taken to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment. 91.220 (j); 91.320 (i)

In FY 2019-2020, the City of Montebello updated its Housing Element to remove barriers to affordable housing. The City continues to:

- Maintain dialogue with developers, residents, and nonprofit organizations involved in housing projects to assist Montebello in making the best planning, infrastructure, and development decisions.
- Continue to work toward increasing public awareness and acceptance of the need for affordable housing throughout the city.
- Research housing programs and determine feasibility with consideration of the current housing market and funding for programs.

The City of Montebello, through the LA County Housing Authority, offered the Section 8 Housing Choice Voucher (HCV) Program – The Los Angeles County Housing Authority administers the City of Montebello's Housing Choice Voucher Program, which provides rental assistance to very low-income families, the disabled, and the elderly in order for them to access affordable decent, safe, and sanitary housing in the City of Montebello.

The City of Montebello has the following programs:

- Housing Rehabilitation and Preservation Program (HRPP) – Provides forgivable loans to eligible Montebello homeowners to rehabilitate their homes. The City is currently in progress of working with one homeowner to complete eligibility qualification and start on the project.
- Acquisition & New Construction – The City is currently setting funds aside to develop affordable housing in the future.

Actions taken to address obstacles to meeting underserved needs. 91.220(k); 91.320(j)

Like most cities, funding is a major obstacle in meeting all the needs of the community. Over the years, community partnerships with county, state, and federal agencies have been integral to filling the gaps of unmet community needs in the City. During the 2021-2022 program year, the City provided CDBG funds to address food insecurity for families and seniors, room vouchers and other services for those experiencing or at-risk of homelessness, and subsidized employment options for youth.

During the 2021-2022 fiscal year, the City continued the implementation of its in-house homeless

outreach program, known as MCAP. The City of Montebello maintains communication with all registered social service providers located in the city that provide services to the residents. The City of Montebello will continue to leverage and promote its existing relationships with service providers and foster new relationships ones to ensure that all the needs of the community are adequately fulfilled.

The City uses the Chamber of Commerce, local newspapers, the City website, and community events to promote all housing and community services and programs citywide.

Actions taken to reduce lead-based paint hazards. 91.220(k); 91.320(j)

The City of Montebello provides educational resources related to lead-based paint hazards to the public through CDBG reports (Annual Action Plans, CAPERS, etc.), brochures, and public announcements. All CDBG- and HOME-funded housing programs and projects have incorporated lead-based paint hazard reduction efforts.

In FY 2021– 2022, actions to evaluate and reduce the number of housing units containing lead-based paint hazards continued to be in place. These efforts will ultimately increase the inventory of lead-safe housing available to extremely low-income, low-income, and moderate-income families.

Actions taken to reduce the number of poverty-level families. 91.220(k); 91.320(j)

The factors contributing to persons living at or below poverty level are numerous. The City cannot address all factors so it looks to partner with social and public service providers that can help families no longer live in poverty.

For example, the City maintains a listing of public services agencies and homeless resources, and links to social service agencies that can be shared residents. In addition, the City supports other government agencies, private developers, and nonprofit agencies that are involved in creating affordable housing and economic opportunities for low- and moderate-income residents. As noted, in this section the City also tries to be intentional in the activities and subrecipients it is funding with CDBG funds; looking to fund providers who can address the needs of the City’s residents and whose services can make significant impact in the community.

Actions taken to develop institutional structure. 91.220(k); 91.320(j)

The City of Montebello’s efforts to eliminate institutional gaps and enhance coordination of programs includes working closely with nonprofits and other governmental entities to determine the critical needs of households. The City continues its outreach efforts through public meetings and public hearings to solicit public and nonprofit agency comments on how the City of Montebello allocates its CDBG funds.

As part of its grant administration, the City has established a monitoring process to assess its subrecipients' performance in meeting both client needs and in having the capacity to comply with

regulatory requirements. The City regularly monitors its subrecipients works with them to ensure complete financial and performance documentation are maintained in the project files.

The City intends to continue to fund fair housing activities to promote, educate, and enforce fair housing in the community. The City will also continue to coordinate and make referrals for residents seeking affordable housing, local government services, and social service agencies to maximize the effectiveness of planned activities.

Through its federal entitlement and other resources, Montebello collaborates with various nonprofit agencies and public service groups in the delivery of programs. These agencies and groups include the following:

- Housing Rights Center
- YMCA
- Heart of Compassion
- Montebello Community Assistance Program
- Mexican American Opportunity Foundation
- Summer Youth Employment Program

Actions taken to enhance coordination between public and private housing and social service agencies. 91.220(k); 91.320(j)

One of the ways the City coordinates between public/private housing and social service agencies is through its participation in the Los Angeles Continuum of Care (LA CoC) who, as noted earlier in this CAPER, provide various services to help those at-risk of and currently experiencing homelessness. The City also maintains an active contract with the East San Gabriel Valley Coalition for the Homeless who like the LA CoC provide services like access to shelters, motel vouchers, food security, and counseling.

The City's selection of CDBG public service recipients is another way that it coordinates with housing and social service agencies. The City invites a variety of service providers in different sectors, like housing and social services so that residents may access their services; in this manner the City is able to connect its residents with services that they would have otherwise have had to navigate different systems to access.

Identify actions taken to overcome the effects of any impediments identified in the jurisdictions analysis of impediments to fair housing choice. 91.520(a)

In 2020 the City of Montebello updated its Analysis of Impediments (AI) to Fair Housing Choice. The analysis in the AI demonstrates that residents in Montebello often experience housing discrimination based on disability and familial status. Also, potential discriminatory advertising occurs because some ads discourage disabled people from applying because of "No Pets" allowed rules. Disabled people, under the law, may request a reasonable accommodation because they need a service or companion animal.

Actions to remedy these impediments include the following:

1. The City will continue to retain the Housing Rights Center to process housing discrimination complaints.
2. The City's website will post background information on fair housing and how to contact the Housing Rights Center.
3. Educational and outreach materials will be disseminated to residents, local real estate agents, and the on-site apartment managers of the larger apartment communities.
4. The City will amend its agreement with the Housing Rights Center to include a periodic review of newspaper and online advertising. When discriminatory advertising is found, the Housing Rights Center will then contact the on-site manager of the apartment community placing the ad.
5. The City will amend its agreement with the Housing Rights Center to include coordinating with local newspapers to include a statement that disabled people have a right to request a reasonable accommodation for a service or companion animal.

Currently, the City promotes fair housing through its contract with the Housing Rights Center. The Housing Rights Center was founded in 1968 as a nonprofit, non-partisan educational agency dedicated to promoting the enforcement of fair housing laws and encouraging an atmosphere of open housing through education, enforcement activities, counseling services, and outreach programs. The Housing Rights Center is funded as part of the City's CDBG Administration activities. In program year 2021-2022 the City allocated $20,000 of it CDBG funds towards the Housing Rights Center.

During FY 2021-2022, the Housing Rights Center conducted fair housing workshops via Zoom, distributed outreach materials to publicize events, distributed educational materials, and completed surveys to determine the extent of unfair housing conditions in the city. These efforts were aimed at tenants, homeowners, and landlords. In the instances that complaints are received, the City refers individuals to the Housing Rights Center.

CR-40 - Monitoring 91.220 and 91.230

Describe the standards and procedures used to monitor activities carried out in furtherance of the plan and used to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements

In 2021-2022, City staff and program consultants consistently revisit program policies and procedures and discuss ways to improve on monitoring and working with subrecipients to ensure compliance with applicable local and federal regulations. Currently at the beginning of each program year, City staff meet with all CDBG-funded project managers to discuss the reporting requirements and the monitoring expectations. Program providers are required, on a quarterly basis, to provide progress reports, which are reviewed for compliance.

During the course of the year, site monitoring reviews are usually held with program providers utilizing the following model.

- A formal monitoring notification letter submitted to subrecipient agencies prior to monitoring.
- An entrance interview being held with key representatives for clarification of the program's purpose, scope, objectives, and goals.
- The review ends with an exit conference to present preliminary results of the monitoring, provide an opportunity to discuss program compliance and reporting concerns, and provide an opportunity for the program provider to report on steps being taken to address areas of non-compliance or non-performance.
- Documentation of the monitoring includes completed monitoring check sheets, supporting documentation, and a final results letter.
- Formal notification of the results of the monitoring review are sent to the program provider, which creates a permanent written record and an outline of any concerns and/or findings, and set a deadline for written response and corrective actions.
- It is the monitor's responsibility to provide the technical assistance needed to ensure that the programs are productive and in compliance with federal regulations.

Citizen Participation Plan 91.105(d); 91.115(d)

Describe the efforts to provide citizens with reasonable notice and an opportunity to comment on performance reports.

The City of Montebello undertook all reporting and planning program requirements in compliance with CDBG and HOME program regulations and citizen participation requirements. Specifically, the City of Montebello:

- City staff attended and participated in City Council meetings and other pertinent meetings.
- City staff attended, when available, HUD workshops and trainings for staff development and capacity building

Public participation related to the year-end CAPER report has been encouraged in compliance with the citizen participation requirements of the City of Montebello Citizen Participation Plan. A notice was published on August 30, 2022, announcing the availability of the CAPER for public review for a 15-day comment period from August 30, 2033 to September 14, 2022. The report was made available for review at the City of Montebello lobby and the City website at, https://www.CityOfMontebello.com. Comments received will be incorporated into the final document.

CR-45 - CDBG 91.520(c)

Specify the nature of, and reasons for, any changes in the jurisdiction's program objectives and indications of how the jurisdiction would change its programs as a result of its experiences.

The City did not have any changes to the program objectives.

Does this Jurisdiction have any open Brownfields Economic Development Initiative (BEDI) grants?

No

[BEDI grantees] Describe accomplishments and program outcomes during the last year.

Not applicable

CR-50 - HOME 91.520(d)

Include the results of on-site inspections of affordable rental housing assisted under the program to determine compliance with housing codes and other applicable regulations

Please list those projects that should have been inspected on-site this program year based upon the schedule in §92.504(d). Indicate which of these were inspected and a summary of issues that were detected during the inspection. For those that were not inspected, please indicate the reason and how you will remedy the situation.

The City has one eligible project which was recertified during the program year and was found to continue to be eligible.

Provide an assessment of the jurisdiction's affirmative marketing actions for HOME units. 92.351(b)

According to HOME Regulations, HOME funded rental housing projects consisting of five or more assisted units must include and adhere to affirmative marketing procedures and requirements. Currently, the City monitors one rental property. As such the affirmative marketing procedures and requirements are not applicable. The following outlines the City's marketing plan should the City increase units to five or more. For each HOME project the City undertakes, the requirement is triggered and an affirmative marketing plan is developed. Each Affirmative Marketing Plan will include the following:

- List of methods to inform the public, owners and potential tenants about fair housing laws and City’s marketing policy:
- Description of the efforts that will be made to conduct affirmative market housing units assisted with HOME funds. Owners and leasing agents will place advertisements to market HOME assisted units through local sources, public agencies and social service organizations;
- Description of outreach efforts to people not likely to apply for housing without special outreach. These efforts will include the distribution of marketing materials to organizations that likely have contact with these populations;
- Maintenance of records to document actions taken to affirmatively market HOME assisted units and to assess marketing effectiveness; and
- Description of actions that will be taken if requirements are not met.
- During site visits, overall performance related to fair housing and non-discrimination is monitored to ensure fair housing compliance.

Refer to IDIS reports to describe the amount and use of program income for projects, including the number of projects and owner and tenant characteristics

The City of Montebello received $166,750 in HOME Program Income during the reporting fiscal year.

Describe other actions taken to foster and maintain affordable housing. 91.220(k) (STATES ONLY: Including the coordination of LIHTC with the development of affordable housing). 91.320(j)

Not applicable

CR-58 – Section 3

Identify the number of individuals assisted and the types of assistance provided

Total Labor Hours	CDBG	HOME
Total Number of Activities	0	0
Total Labor Hours	0	0
Total Section 3 Worker Hours	0	0
Total Targeted Section 3 Worker Hours	0	0

Table 14 – Total Labor Hours

Qualitative Efforts - Number of Activities by Program	CDBG	HOME
Outreach efforts to generate job applicants who are Public Housing Targeted Workers	0	0
Outreach efforts to generate job applicants who are Other Funding Targeted Workers.	0	0
Direct, on-the job training (including apprenticeships).	0	0
Indirect training such as arranging for, contracting for, or paying tuition for, off-site training.	0	0
Technical assistance to help Section 3 workers compete for jobs (e.g., resume assistance, coaching).	0	0
Outreach efforts to identify and secure bids from Section 3 business concerns.	0	0
Technical assistance to help Section 3 business concerns understand and bid on contracts.	0	0
Division of contracts into smaller jobs to facilitate participation by Section 3 business concerns.	0	0
Provided or connected residents with assistance in seeking employment including: drafting resumes, preparing for interviews, finding job opportunities, connecting residents to job placement services.	0	0
Held one or more job fairs.	0	0
Provided or connected residents with supportive services that can provide direct services or referrals.	0	0
Provided or connected residents with supportive services that provide one or more of the following: work readiness health screenings, interview clothing, uniforms, test fees, transportation.	0	0
Assisted residents with finding child care.	0	0
Assisted residents to apply for, or attend community college or a four year educational institution.	0	0
Assisted residents to apply for, or attend vocational/technical training.	0	0
Assisted residents to obtain financial literacy training and/or coaching.	0	0
Bonding assistance, guaranties, or other efforts to support viable bids from Section 3 business concerns.	0	0
Provided or connected residents with training on computer use or online technologies.	0	0
Promoting the use of a business registry designed to create opportunities for disadvantaged and small businesses.	0	0
Outreach, engagement, or referrals with the state one-stop system, as designed in Section 121(e)(2) of the Workforce Innovation and Opportunity Act.	0	0
Other.	0	0

Table 15 – Qualitative Efforts - Number of Activities by Program

Narrative

The City did not have any eligible Section 3 activities for the fiscal year.

PART I: SUMMARY OF CDBG RESOURCES	
01 UNEXPENDED CDBG FUNDS AT END OF PREVIOUS PROGRAM YEAR	0.00
02 ENTITLEMENT GRANT	687,276.00
03 SURPLUS URBAN RENEWAL	0.00
04 SECTION 108 GUARANTEED LOAN FUNDS	0.00
05 CURRENT YEAR PROGRAM INCOME	132,130.95
05a CURRENT YEAR SECTION 108 PROGRAM INCOME (FOR SI TYPE)	0.00
06 FUNDS RETURNED TO THE LINE-OF-CREDIT	0.00
06a FUNDS RETURNED TO THE LOCAL CDBG ACCOUNT	0.00
07 ADJUSTMENT TO COMPUTE TOTAL AVAILABLE	0.00
08 TOTAL AVAILABLE (SUM, LINES 01-07)	819,406.95
PART II: SUMMARY OF CDBG EXPENDITURES	
09 DISBURSEMENTS OTHER THAN SECTION 108 REPAYMENTS AND PLANNING/ADMINISTRATION	288,665.04
10 ADJUSTMENT TO COMPUTE TOTAL AMOUNT SUBJECT TO LOW/MOD BENEFIT	0.00
11 AMOUNT SUBJECT TO LOW/MOD BENEFIT (LINE 09 + LINE 10)	288,665.04
12 DISBURSED IN IDIS FOR PLANNING/ADMINISTRATION	181,910.05
13 DISBURSED IN IDIS FOR SECTION 108 REPAYMENTS	933,815.66
14 ADJUSTMENT TO COMPUTE TOTAL EXPENDITURES	0.00
15 TOTAL EXPENDITURES (SUM, LINES 11-14)	1,404,390.75
16 UNEXPENDED BALANCE (LINE 08 - LINE 15)	(584,983.80)
PART III: LOWMOD BENEFIT THIS REPORTING PERIOD	
17 EXPENDED FOR LOW/MOD HOUSING IN SPECIAL AREAS	0.00
18 EXPENDED FOR LOW/MOD MULTI-UNIT HOUSING	0.00
19 DISBURSED FOR OTHER LOW/MOD ACTIVITIES	288,665.04
20 ADJUSTMENT TO COMPUTE TOTAL LOW/MOD CREDIT	0.00
21 TOTAL LOW/MOD CREDIT (SUM, LINES 17-20)	288,665.04
22 PERCENT LOW/MOD CREDIT (LINE 21/LINE 11)	100.00%
LOW/MOD BENEFIT FOR MULTI-YEAR CERTIFICATIONS	
23 PROGRAM YEARS(PY) COVERED IN CERTIFICATION	PY: PY: PY:
24 CUMULATIVE NET EXPENDITURES SUBJECT TO LOW/MOD BENEFIT CALCULATION	0.00
25 CUMULATIVE EXPENDITURES BENEFITING LOW/MOD PERSONS	0.00
26 PERCENT BENEFIT TO LOW/MOD PERSONS (LINE 25/LINE 24)	0.00%
PART IV: PUBLIC SERVICE (PS) CAP CALCULATIONS	
27 DISBURSED IN IDIS FOR PUBLIC SERVICES	66,667.75
28 PS UNLIQUIDATED OBLIGATIONS AT END OF CURRENT PROGRAM YEAR	0.00
29 PS UNLIQUIDATED OBLIGATIONS AT END OF PREVIOUS PROGRAM YEAR	0.00
30 ADJUSTMENT TO COMPUTE TOTAL PS OBLIGATIONS	0.00
31 TOTAL PS OBLIGATIONS (LINE 27 + LINE 28 - LINE 29 + LINE 30)	66,667.75
32 ENTITLEMENT GRANT	687,276.00
33 PRIOR YEAR PROGRAM INCOME	493,785.06
34 ADJUSTMENT TO COMPUTE TOTAL SUBJECT TO PS CAP	0.00
35 TOTAL SUBJECT TO PS CAP (SUM, LINES 32-34)	1,181,061.06
36 PERCENT FUNDS OBLIGATED FOR PS ACTIVITIES (LINE 31/LINE 35)	5.64%
PART V: PLANNING AND ADMINISTRATION (PA) CAP	
37 DISBURSED IN IDIS FOR PLANNING/ADMINISTRATION	181,910.05
38 PA UNLIQUIDATED OBLIGATIONS AT END OF CURRENT PROGRAM YEAR	0.00
39 PA UNLIQUIDATED OBLIGATIONS AT END OF PREVIOUS PROGRAM YEAR	0.00
40 ADJUSTMENT TO COMPUTE TOTAL PA OBLIGATIONS	0.00
41 TOTAL PA OBLIGATIONS (LINE 37 + LINE 38 - LINE 39 +LINE 40)	181,910.05
42 ENTITLEMENT GRANT	687,276.00
43 CURRENT YEAR PROGRAM INCOME	132,130.95
44 ADJUSTMENT TO COMPUTE TOTAL SUBJECT TO PA CAP	0.00
45 TOTAL SUBJECT TO PA CAP (SUM, LINES 42-44)	819,406.95
46 PERCENT FUNDS OBLIGATED FOR PA ACTIVITIES (LINE 41/LINE 45)	22.20%

LINE 17 DETAIL: ACTIVITIES TO CONSIDER IN DETERMINING THE AMOUNT TO ENTER ON LINE 17

Report returned no data.

LINE 18 DETAIL: ACTIVITIES TO CONSIDER IN DETERMINING THE AMOUNT TO ENTER ON LINE 18

Report returned no data.

LINE 19 DETAIL: ACTIVITIES INCLUDED IN THE COMPUTATION OF LINE 19

Plan Year	IDIS Project	IDIS Activity	Voucher Number	Activity Name	Matrix Code	National Objective	Drawn Amount
2020	4	484	6528665	STREET IMPROVEMENTS	03K	LMA	$66,379.50
2020	4	484	6570482	STREET IMPROVEMENTS	03K	LMA	$129,582.92
					03K	Matrix Code	$195,962.42
2020	3	485	6528665	PUBLIC FACILITIES IMPROVEMENT Fire Station	03O	LMA	$6,616.00
2020	3	485	6652160	PUBLIC FACILITIES IMPROVEMENT Fire Station	03O	LMA	$19,418.87
					03O	Matrix Code	$26,034.87
2021	6	492	6626030	SYEP	05H	LMC	$21,447.57
2021	6	492	6652160	SYEP	05H	LMC	$7,234.18
					05H	Matrix Code	$28,681.75
2021	3	489	6626030	Heart of Compassion	05W	LMC	$11,493.00
2021	3	489	6672276	Heart of Compassion	05W	LMC	$11,493.00
2021	4	490	6626030	YMCA Montebello/Commerce	05W	LMC	$15,000.00
					05W	Matrix Code	$37,986.00
Total							$288,665.04

LINE 27 DETAIL: ACTIVITIES INCLUDED IN THE COMPUTATION OF LINE 27

Plan Year	IDIS Project	IDIS Activity	Voucher Number	Activity to prevent, prepare for, and respond to Coronavirus	Activity Name	Grant Number	Fund Type	Matrix Code	National Objective	Drawn Amount
2021	6	492	6626030	No	SYEP	B15MC060555	EN	05H	LMC	$21,447.57
2021	6	492	6652160	No	SYEP	B21MC060555	PI	05H	LMC	$7,234.18
								05H	Matrix Code	$28,681.75
2021	3	489	6626030	No	Heart of Compassion	B15MC060555	EN	05W	LMC	$11,493.00
2021	3	489	6672276	No	Heart of Compassion	B21MC060555	PI	05W	LMC	$11,493.00
2021	4	490	6626030	No	YMCA Montebello/Commerce	B15MC060555	EN	05W	LMC	$15,000.00
								05W	Matrix Code	$37,986.00
				No	Activity to prevent, prepare for, and respond to Coronavirus					$66,667.75
Total										$66,667.75

LINE 37 DETAIL: ACTIVITIES INCLUDED IN THE COMPUTATION OF LINE 37

Plan Year	IDIS Project	IDIS Activity	Voucher Number	Activity Name	Matrix Code	National Objective	Drawn Amount
2020	6	479	6528665	PLANNING AND ADMINISTRATION (CDBG)	21A		$30,587.38
2020	6	479	6528666	PLANNING AND ADMINISTRATION (CDBG)	21A		$39,835.05
2021	7	493	6626030	Planning and Administration CDBG	21A		$66,670.74
2021	7	493	6672276	Planning and Administration CDBG	21A		$18,313.34
					21A	Matrix Code	$155,406.51
2020	1	472	6528665	Southern California Housing Rights Center (HRC)	21D		$20,000.00
2021	1	487	6626030	Housing Rights Center	21D		$6,503.54
					21D	Matrix Code	$26,503.54
Total							$181,910.05

CITY OF MONTEBELLO CITY COUNCIL
PUBLIC COMMENT AND PUBLIC HEARING NOTICE

NOTICE OF PUBLIC COMMENT PERIOD AND OF PUBLIC HEARING REGARDING COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)
CITY OF MONTEBELLO CITY COUNCIL CONSOLIDATED ANNUAL PERFORMANCE AND EVALUATION REPORT (CAPER) FOR THE PERIOD JULY 1, 2021 TO JUNE 30, 2022

PROJECT DESCRIPTION: The City of Montebello is a recipient of Community Development Block Grant (CDBG) and HOME Investment Partnership program (HOME) funds. These funds are awarded to the City by the United States Department of Housing and Urban Development (HUD). For the City to receive these funds, the City is required to prepare a Five-Year Consolidated Plan as well as an Annual Action Plan outlining the planned use of CDBG and HOME funds. At the conclusion of the fiscal year, the City must prepare a year end performance report known as the CAPER. The 2021-2022 CAPER covers the period of July 1, 2021 through June 30, 2022, and provides a summary of activities undertaken within CDBG and HOME funds during the report period.

Public Review and Comment Period: The draft 2021-2022 Consolidated Annual Performance and Evaluation Report (CAPER) will be available for public review and comment for fifteen (15) days beginning on August 30, 2022 and ending on September 14, 2022. This document will be available for public review on the City of Montebello's website at https://www.cityofmontebello.com.

During the comment period, comments and/or questions may be submitted to:

Planning and Community Development Department
Attn: Rosemary Perich, Housing Manager
1600 W. Beverly Boulevard, Montebello, CA 90640
Office telephone: (323) 887-1200 Ext. 454
Monday through Thursday, 7:30 A.M. to 5:30 P.M.

PUBLIC HEARING INFORMATION:

NOTICE IS HEREBY GIVEN that the City Council ("City Council') of the City of Montebello ("City") will conduct a public hearing to receive the draft 2021-2022 Consolidated Annual Performance and Evaluation Report (CAPER). The meeting / public hearing is scheduled to be held on:

Date: Wednesday, September 14, 2022
Time: 6:00 p.m. or as soon thereafter as the matter may be heard
Place: City Hall Council Chambers, 1600 W. Beverly Blvd., Montebello, CA 90640

It is noticed that from August 30, 2022 to September 14, 2022 the draft 2021-2022 Consolidated Annual Performance and Evaluation Report (CAPER) may be reviewed at the following locations:

City of Montebello Website – Homepage
https://www.cityofmontebello.com

In- Person: For those interested in participating during the Public Comment period(s) or public testimony period for Public Hearings of the City Council meetings, you may address the City Council in person the day of the meeting. Speakers will be required to fill out a speaker card provided at the door and turn it into the Deputy City Clerk prior to each Public Comment announcement period. Staff will number and call each speaker card in the order received. Closed Session begins at 5:00 p.m., Regular Session will follow no later than 6:00 p.m.

Via Email: The public may also submit emailed comments via the City's email address: ccpubliccomment@cityofmontebello.com, up until the day of the meeting, **Wednesday, September 14, 2022 by 3:00 p.m.** These comments will be submitted to all members of the City Council and may not be read aloud but will be entered into the record of the proceedings to the extent they relate to matters listed on the posted agenda. Any requests to provide public comment which is submitted after the deadlines indicated above will not be submitted to the City Council.

Alicia Fernandez, Deputy City Clerk

Dated: August 23, 2022
Date posted: August 30, 2022
Date published: August 30, 2022

ITEM # 12

CITY OF MONTEBELLO
CITY COUNCIL AND PUBLIC FINANCING AUTHORITY AGENDA STAFF REPORT

TO: Honorable Mayor and City Council Members

FROM: René Bobadilla, P.E., City Manager

BY: Michael Solorza, Director of Finance

SUBJECT: **ADOPT RESOLUTION NO. 22-80 OF THE CITY COUNCIL AND RESOLUTION NO. 22-02 OF THE PUBLIC FINANCING AUTHORITY AUTHORIZING THE EXECUTION AND DELIVERY OF DOCUMENTS AND CERTIFICATES IN CONNECTION WITH THE ISSUANCE OF SERIES 2022A LEASE REVENUE BONDS, APPROVING THE ISSUANCE OF SUCH BONDS, AUTHORIZING THE DISTRIBUTION OF AN OFFICIAL STATEMENT IN CONNECTION WITH THE SALE OF SUCH BONDS, AND AUTHORIZING RELATED ACTIONS**

DATE: September 14, 2022

RECOMMENDATION(S):

RECOMMENDATION: It is recommended that the City Council and Public Financing Authority:

1) Hold a Public Hearing with respect to the issuance of the Series 2022A Lease Revenue Bonds ("2022A Bonds"); and

2) City Council adopt a Resolution Authorizing the Execution and Delivery of a First Amendment to the Site and Facility Lease, a Third Amendment to Lease Agreement, a Continuing Disclosure Certificate, and a Bond Purchase Agreement in Connection with the Issuance by the Montebello Public Financing Authority of Lease Revenue Bonds, Approving the Issuance of Such Bonds in One or More Series in an Aggregate Principal Amount Not to Exceed $16,500,000, Authorizing the Distribution of an Official Statement in Connection with the Offering and Sale of Such Bonds, and Authorizing the Execution of Necessary Documents and Certificates and Related Actions; and

3) Montebello Public Financing Authority adopt a Resolution Authorizing the Execution and Delivery of a First Amendment to the Site and Facility Lease, a Third Amendment to Lease Agreement, a Third Supplemental Indenture, a First Amendment to Assignment Agreement, and a Bond Purchase Agreement in Connection with the Issuance of the Montebello Public Financing Authority Lease Revenue Bonds, Approving the Issuance of Such Bonds in One or More Series in an Aggregate Principal Amount Not to Exceed $16,500,000, Authorizing the Distribution of an Official Statement in Connection with the Offering and Sale of Such Bonds, and Authorizing the Execution of Necessary Documents and Certificates and Related Actions.

FISCAL IMPACT:

These bonds are being issued to provide funding for design, architectural, engineering, construction and other related costs for the Golf Course Improvement Project. The project will re-invent 72.5 acres of the City's 118 acre public, 18-hole golf course. Once completed, the new public golf course will generate revenue from green fees, cart rental, merchandise sales, etc. The City anticipates that the Project will increase golf course operating revenues from those sources so that, together with revenues to be received by the City in connection with the Topgolf Project, General Fund transfers into the Golf Course Fund will be eliminated in future years, while providing sufficient funding to cover the annual debt service on the Series 2022A bonds.

A significant goal of re-imagining the entire 118-acre golf course is to address recommendations made in the 2018 State Auditor report. The City's golf course is a drain on the General Fund, operating at a loss each year, requiring a subsidy to close the gap between expenses and revenue on an annual basis. The subsidies provided from the General Fund to the Golf Course Fund the last three years have been:

- 2020-21: $471,300
- 2019-20: $751,000
- 2018-19: $641,850
- 2017-18: $963,320

These subsidy amounts reduce the General Fund's reserves, which reduces the resources available to help the City with unforeseen economic situations (i.e., a pandemic) or unplanned capital projects (i.e, Police Department water damage remediation). It is imperative that action be taken to improve the financial standing of the Golf Course, and this improvement project is designed to accomplish that goal.

While significant strides have been made since 2020 to reduce expenses and improve revenue at the Golf Course, it nonetheless continues to operate at a deficit. Transforming the Golf Course through this project will help end the General Fund subsidy, while modernizing the course through the infusion of more than $15 million in capital. Attached (Attachment K) is a rendering of the golf course redesign.

In accordance with California Government Code Section 5852.1, good faith estimates are provided with respect to the various costs associated with the 2022A Bonds

(Attachment A). Based on interest rates as of September 6, 2022 (and a True Interest Cost of 4.72%), issuing the Series 2022A Lease Revenue Bonds in the principal amount of $15.14 million for a 30-year term is estimated to generate approximately $15.52 million in Project proceeds (i.e., sources available for design, engineering, construction and related project costs). Average annual debt service is estimated to be approximately $1 million, and total debt service is estimated to be approximately $30.35 million, to be paid by the General Fund through the final maturity of November, 2052 (30 year bond term).

BACKGROUND:

The City is proceeding with renovating a portion of the existing Montebello Municipal Golf Course property. The Project consists of the replacement of the City's existing 18-hole, 72.5 acre golf course with a new 9-hole championship golf course, including a putting green area and a new 6-hole/10-hole, par 3 short course with lights (Attachment K). The City also plans to construct a new clubhouse that will be financed from sources other than the proceeds of the 2022A Bonds.

The reimagined Golf Course will be a destination complex, offering a publicly accessible golf course, but in a re-packaged format. The 9-hole championship golf course will be challenging and can be played twice for a full 18-hole experience. It is designed as a par 35 course, with total yardage varying from 3,185 (black tees) to 2,805 (red tees). The 6-hole/10-hole, par 3 short course will have different tee and pin placements, allowing guests to play the course "forward" and "backward" to get a varying experience with each round. Re-invigorating the golf course with this modern design will improve playability and increase attendance, with the ultimate goal of creating a self-sustaining course no longer in need of General Fund subsidies.

Furthermore, this economic development project is anticipated to bolster the City's appeal, particularly given its freeway accessible location near the two city-owned hotels (i.e., Hilton Garden Inn and Home2Suites) and event center (I.e., Quiet Cannon). The City anticipates that the Project will increase golf course operating revenues so that, together with revenues to be received by the City in connection with the Topgolf Project, General Fund transfers into the Golf Course Fund will be eliminated in future years. In addition, revenue from the Project and the Top Golf Project will be sufficient to cover annual debt service on the Series 2022A Lease Revenue Bonds.

The construction of the Golf Course Project will be phased as follows:

- Phase 1 – Golf course rough site work construction (Civil Contractor) including rough grading, underground and utilities construction, pavement and concrete flatwork;
- Phase 2 – Golf course construction (Golf Course Contractor) including finished grading, construction of golf course features (i.e. tee boxes, fairways, greens and sand traps), turf and landscaping; and
- Phase 3 – Clubhouse construction.

The anticipated construction schedule for Phase 1 is as follows:

- Advertise for Construction Bids August 25, 2022
- Bid Opening September 22, 2022
- Award of Contract September 28, 2022
- Start Construction October 2022
- Complete Construction September 2023

The anticipated construction schedule for Phase 2 is as follows:

- Advertise Notice Requesting Contractor Prequalification Packages August 8, 2022
- Prequalified Contactor Approval September 15, 2022
- Request for Construction Bids September 19, 2022
- Bid Opening October 10, 2022
- Award of Contract October 26, 2022
- Start Construction December 2022
- Complete Construction December 2022

The above schedule anticipates the opening of the re-imagined golf course in September 2023.

Issuing these bonds, as is the case with all lease revenue bonds, requires assets sufficiently valued to act as collateral. The City has various city-owned assets, some of which are currently pledged for other bond issues. In order to put together an asset package for the 2022A Bonds, it is necessary to utilize assets currently encumbered by an earlier bond issue. This type of action is referred to as a "parity deal."

In 2014, to facilitate prepaying and defeasing certain outstanding certificates of participation previously executed and delivered by the City, the Public Finance Authority issued its Lease Revenue Refunding Bonds, Series 2014A, Series 2014B and Series 2014C (Taxable) (together, the "2014 Bonds"). The 2014 Bonds are payable from lease payments made by the City under a 2014 Lease Agreement with respect to property on which the City Hall and Police Department of the City are located.

In order to finance the Golf Course Improvement Project, the Authority will issue 2022A Bonds (in an amount not to exceed $16.5 million) as Additional Bonds as defined in the 2014 Indenture. This action does not change or impact the debt service for the 2014ABC bonds. The 2014ABC bonds will mature and be fully paid off beginning in Fiscal Year 2024-25 through FY 2028-29. There are provisions in the various resolutions and bond documents (Attachments B through G) which allow for pledged assets to be released once part or all of the 2014ABC series is paid off.

Facilitating the issuance of the 2022A Bonds requires the City and the Authority to enter into a First Amendment to Site and Facility Lease (Attachment E) between the City and

the Authority and a Third Amendment to Lease Agreement (Attachment F), which will amend the 2014 Site and Facility Lease and the 2014 Lease Agreement to add the City's Fire Station No. 56 (1166 S. Greenwood Avenue) as an additional Leased Property (asset) – in addition to City Hall and the Police Department Headquarters building (both located at 1600 W. Beverly Boulevard). Based on their insured values, the three assets – City Hall, Police Department and Fire Station No. 56 – provide enough security for the outstanding balance of the Series 2014ABC bonds as well as the new balance from the Series 2022A bonds.

ENVIRONMENTAL IMPACT:

N/A

ANALYSIS:

The attached City and Public Finance Authority Resolutions (Attachments B and C) accomplish the following:

1. Appoints and retains the financing team (Urban Futures, Inc., as Municipal Advisor, Stradling Yocca Carlson & Rauth as Bond Counsel, Quint & Thimmig LLP as Disclosure Counsel, and The Bank of New York Mellon Trust Company as Trustee);

2. Approves all actions needed to authorize the issuance and sale of the Series 2022A Bonds, including securing municipal bond insurance and establishing a reserve account insurance policy;

3. Approves execution and delivery of all documents needed to authorize the issuance and sale of the 2022A Bonds, including the form financing documents described below, together with any changes or additions deemed advisable and approved by the Mayor, the Mayor Pro Tem (in the Mayor's absence), the City Manager, the Finance Director, or their authorized designees ("Authorized Officers");

> Third Supplemental Indenture (together with the 2014 Indenture) between the Authority and the Trustee which sets forth the material terms and provisions relating to the 2014 Bonds and the 2022A Bonds and provides for payment of the Base Rental Payments to the 2014 and 2022A Bond owners.
>
> First Amendment to Site and Facility Lease (together with the 2014 Site and Facility Lease) between the City as lessor and the Authority as lessee, whereby the City leases the Leased Property to the Authority in consideration of the payment by the Authority to the City of an upfront rental payment.
>
> Third Amendment to Lease Agreement (together with the 2014 Lease Agreement) between the Authority as lessor and the City as lessee, whereby the Authority subleases the Leased Property back to the City in consideration of the payment by the City of Base Rental Payments.

First Amendment to Assignment Agreement (together with the 2014 Assignment Agreement) between the Authority and the Trustee, whereby the Authority assigns certain of its rights, including its right to receive the Base Rental Payments, to the Trustee for the benefit of the 2014 and 2022A Bond owners.

Bond Purchase Agreement among the City, the Authority, and the underwriter, Cabrera Capital Markets, LLC, which provides the terms and provisions by which the 2022A Bonds will be sold with a negotiated method of sale. Such terms and provisions include a true interest cost of the 2022A Bonds which shall not exceed 5.50% and the underwriter's discount which shall not exceed 0.80% of the aggregate initial principal amount of the 2022A Bonds.

Preliminary Official Statement to be distributed to prospective purchasers of the 2022A Bonds which must contain all facts material to the 2022A Bonds and the City (with certain permitted exceptions to be completed in the final Official Statement) and must not omit any material facts.

Continuing Disclosure Certificate (included in the Preliminary Official Statement) executed by the City, whereby the City agrees to provide certain annual reports to investors in order to allow the underwriter to comply with federal securities laws.

4. Finds and Determines that the action(s) taken by the Resolutions are categorically exempt from the California Environmental Quality Act ("CEQA") pursuant to Section 15378(b) of the CEQA Guidelines;

5. Authorizes the inclusion of other assets in the Leased Property (Senior Center, Aquatic Center, Youth Center, and/or the Municipal Golf Course) if required. At this point, it is not anticipated that additional assets will be required;

6. Authorizes the issuance of the 2022A Bonds on a standalone basis and the release of the City Hall or the Police Department from the assets securing the 2014 Bonds and to be used as security for the 2022A Bonds. At this point, it is not anticipated that the 2022A Bonds will be issued on a standalone basis.

Public Hearing

In accordance with California Government Code Section 6586.5, the City must hold a public hearing to consider public testimony concerning the possible issuance of Series 2022A Bonds by the Public Financing Authority (the "Authority") to finance the costs of the acquisition, construction and/or installation of improvements at the City's municipal golf course and related improvements, facilities and equipment (the "Project"). The Resolutions approve the issuance of the 2022A Bonds by the Authority and find that there are significant public benefits in connection with financing the Project with the proceeds of the 2022A Bonds.

This meeting has been convened as a joint meeting of the City Council and the Authority Board of Directors in order to allow the City Council, and the City Council Members acting in their capacity as the Authority Board, to hold the hearing as described above and

consider adoption of a Resolution of each body authorizing the issuance of the 2022A Bonds, approving the form of related financing documents, and taking related actions.

DISCUSSION:

N/A

SUMMARY:

Staff is recommending that the City Council adopt Resolution No. 22-XX (Attachment B) and the Authority adopt Resolution No. 22-XX (Attachment C) Authorizing the Execution and Delivery of Documents and Certificates in Connection with the Issuance of Series 2022A Lease Revenue Bonds, Approving the Issuance of Such Bonds, Authorizing the Distribution of an Official Statement in Connection with the Sale of Such Bonds, and Authorizing Related Actions.

ATTACHMENT(S):

1. ATTACHMENT A - Montebello 2022A LRB Good Faith Estimates
2. ATTACHMENT B - City Resolution No. 22-80 Montebello 2022 Lease Revenue Bonds
3. ATTACHMENT C - Authority Resolution No. 22-02 Montebello 2022 Lease Revenue Bonds
4. ATTACHMENT D - 3rd Supplemental Indenture City of Montebello 2022A LRBs
5. ATTACHMENT E - 1st Amendment to Site Lease
6. ATTACHMENT F - 3rd Amendment to Lease Agreement
7. ATTACHMENT G - 1st Amendment to Assignment Agreement
8. ATTACHMENT H - Montebello 2022 LRB - Bond Purchase Agreement
9. ATTACHMENT I - Montebello Preliminary Official Statement
10. ATTACHMENT J - Form of Continuing Disclosure Certificate
11. ATTACHMENT K - Golf Course Design Plans, Site Map, Sportfive

NEXT STEPS:

N/A

GOOD FAITH ESTIMATES

The good faith estimates set forth herein are provided with respect to the 2022A Bonds in accordance with California Government Code Section 5852.1. Such good faith estimates have been provided to the City by Urban Futures, Inc., as municipal advisor to the City (the "Municipal Advisor"), each with respect to the 2022A Bonds, and are based on interest rates provided by Cabrera Capital Markets, LLC, as of September 6, 2022.

Principal Amount. The Municipal Advisor has informed the City that, based on the City's financing plan and current market conditions, its good faith estimate of the aggregate principal amount of the 2022A Bonds to be sold is $15,140,000 (the "Estimated Principal Amount").

True Interest Cost of the Bonds. The Municipal Advisor has informed the City that, assuming that the Estimated Principal Amount of the 2022A Bonds is sold, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the true interest cost of the 2022A Bonds, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the 2022A Bonds, is 4.72%.

Finance Charge of the Bonds. The Municipal Advisor has informed the City that, assuming that the Estimated Principal Amount of the 2022A Bonds is sold, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the finance charge for the 2022A Bonds, which means the sum of all fees and charges paid to third parties (or costs associated with the 2022A Bonds), is $618,021.

Amount of Proceeds to be Received. The Municipal Advisor has informed the City that, assuming that the Estimated Principal Amount of the 2022A Bonds is sold, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the amount of proceeds expected to be received by the City for sale of the 2022A Bonds, less the finance charge of the 2022A Bonds, as estimated above, and any reserve fund funded with proceeds of the 2022A Bonds, is $15,520,908.

Total Payment Amount. The Municipal Advisor has informed the City that, assuming that the Estimated Principal Amount of the 2022A Bonds is sold, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the total payment amount, which means the sum total of all payments the City will make to pay debt service on the 2022A Bonds, plus the finance charge for the 2022A Bonds, as described above, not paid with the proceeds of the 2022A Bonds, calculated to the final maturity of the 2022A Bonds, is $30,346,207.

The foregoing estimates constitute good faith estimates only. The actual principal amount of the 2022A Bonds issued and sold, the true interest cost thereof, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates due to (a) the actual date of the sale of the 2022A Bonds being different than the date assumed for purposes of such estimates, (b) the actual principal amount of 2022A Bonds sold being different from

the Estimated Principal Amount, (c) the actual amortization of the 2022A Bonds being different than the amortization assumed for purposes of such estimates, (d) the actual market interest rates at the time of sale of the 2022A Bonds being different than those estimated for purposes of such estimates, (e) other market conditions, or (f) alterations in the City's financing plan, or a combination of such factors. The actual date of sale of the 2022A Bonds and the actual principal amount of 2022A Bonds sold will be determined by the City based on the timing of the need for proceeds of the 2022A Bonds and other factors. The actual interest rates borne by the 2022A Bonds will depend on market interest rates at the time of sale thereof. The actual amortization of the 2022A Bonds will also depend, in part, on market interest rates at the time of sale thereof. Market interest rates are affected by economic and other factors beyond the control of the City.

RESOLUTION NO. 22-80

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MONTEBELLO AUTHORIZING THE EXECUTION AND DELIVERY OF A FIRST AMENDMENT TO SITE AND FACILITY LEASE, A THIRD AMENDMENT TO LEASE AGREEMENT, A CONTINUING DISCLOSURE CERTIFICATE, AND A BOND PURCHASE AGREEMENT IN CONNECTION WITH THE ISSUANCE BY THE MONTEBELLO PUBLIC FINANCING AUTHORITY OF LEASE REVENUE BONDS, APPROVING THE ISSUANCE OF SUCH BONDS IN ONE OR MORE SERIES IN AN AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED $16,500,000, AUTHORIZING THE DISTRIBUTION OF AN OFFICIAL STATEMENT IN CONNECTION WITH THE OFFERING AND SALE OF SUCH BONDS, AND AUTHORIZING THE EXECUTION OF NECESSARY DOCUMENTS AND CERTIFICATES AND RELATED ACTIONS

RECITALS

WHEREAS, the City of Montebello, California (the "City") is a general law city duly organized and existing under the laws of the State of California (the "State");

WHEREAS, in order to prepay and defease certain outstanding certificates of participation previously executed and delivered by the City, the Montebello Public Financing Authority (the "Authority") issued its Lease Revenue Refunding Bonds, Series 2014A (the "Series 2014A Bonds") pursuant to an Indenture, dated as of September 1, 2014 (the "Original Indenture"), its Lease Revenue Refunding Bonds, Series 2014B (the "Series 2014B Bonds") pursuant to a First Supplemental Indenture, dated as of September 1, 2014 (the "First Supplemental Indenture") and its Lease Revenue Refunding Bonds, Series 2014C (Taxable) (the "Series 2014C Bonds" and collectively with the Series 2014A Bonds and the Series 2014B Bonds, the "2014 Bonds") pursuant to a Second Supplemental Indenture, dated as of September 1, 2014 (the "Second Supplemental Indenture," and collectively with the Original Indenture and the First Supplemental Indenture, the "2014 Indenture"), each by and between the Authority and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee");

WHEREAS, in connection with the issuance of the 2014 Bonds, the City and the Authority entered into a Site and Facility Lease dated as of September 1, 2014 (the "2014 Site and Facility Lease"), and recorded in the official records of the County of Los Angeles (the "County") on September 10, 2014 as Document No. 20140948072, pursuant to which the City leased to the Authority the City Hall and Police Department of the City, located at 1600 W. Beverly Boulevard in the City (the "Existing Leased Property") described therein and a Lease Agreement between the Authority and the City dated as of September 1, 2014 (the "Original Lease Agreement") and recorded in the official records of the County on September 10, 2014 as Document No. 20140948073, as amended by the First Amendment to Lease Agreement, dated as of September 1, 2014 (the "First Amendment to Lease Agreement") and recorded in the official records of the County on September 10, 2014 as Document No. 20140948074, and the Second Amendment to Lease Agreement, dated as of September 1, 2014 (the "Second Amendment to Lease Agreement" and collectively with the Original Lease Agreement and the First Amendment to Lease Agreement, the "2014 Lease Agreement") and recorded in the official records of the County on September 10, 2014 as Document No.

20140948075, pursuant to which the City leased the Existing Leased Property back from the Authority;

WHEREAS, the City desires to finance the costs of the acquisition, construction and/or installation of improvements at the City's municipal golf course and related improvements, facilities and equipment (the "Project");

WHEREAS, the Authority and the City have determined that it would be in the best interests of the City and residents of the City to authorize the preparation, sale and delivery of the "Montebello Public Financing Authority Lease Revenue Bonds, Series 2022A" (the "Series 2022A Bonds") for the purpose of financing the Project;

WHEREAS, the Authority and City desire to issue the Series 2022A Bonds as Additional Bonds (as defined in the Original Indenture);

WHEREAS, in order to facilitate the issuance of the Series 2022A Bonds, the City and the Authority desire to enter into a First Amendment to Site and Facility Lease between the City and the Authority (the "First Amendment to Site and Facility Lease") and a Third Amendment to Lease Agreement (the "Third Amendment to Lease Agreement"), which amend the 2014 Site and Facility Lease and the 2014 Lease Agreement, respectively, to add to the Existing Leased Property, additional City property consisting of the City's Fire Station No. 56 located at 1166 S. Greenwood Avenue in the City (the "Additional Leased Property" and together with the Existing Leased Property, the "Leased Property");

WHEREAS, pursuant to the 2014 Lease Agreement, as amended by the Third Amendment to Lease Agreement, the City will lease the Leased Property from the Authority, and pay certain Base Rental Payments (as defined in the 2014 Lease Agreement), which are pledged to the owners of the 2014 Bonds and the Series 2022A Bonds by the Authority pursuant to the 2014 Indenture, as supplemented by the Third Supplemental Indenture (the "Third Supplemental Indenture") to be entered into by the Authority and the Trustee in connection with the issuance of the Series 2022A Bonds;

WHEREAS, the Series 2022A Bonds will be issued pursuant to the Marks-Roos Local Bond Pooling Act of 1985, commencing with Section 6584 of the California Government Code (the "Act");

WHEREAS, the City and the Authority desire to provide for the negotiated sale of the Series 2022A Bonds;

WHEREAS, the City and the Authority have selected Cabrera Capital Markets, LLC, as the underwriter (the "Underwriter") of the Series 2022A Bonds, and in connection therewith, to purchase the Series 2022A Bonds from the Authority pursuant to a Bond Purchase Agreement (the "Bond Purchase Agreement");

WHEREAS, Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended ("Rule 15c2-12"), requires that, in order to be able to purchase or sell the Series 2022A Bonds, the Underwriter thereof must have reasonably determined that the City has undertaken in a written agreement or contract for the benefit of the holders of the Series 2022A Bonds to provide disclosure of certain financial information and certain enumerated events on an ongoing basis;

WHEREAS, in order to cause such requirement to be satisfied, the City desires to execute and deliver a Continuing Disclosure Certificate (the "Continuing Disclosure Certificate");

WHEREAS, a form of a Preliminary Official Statement with respect to the Series 2022A Bonds (the "Preliminary Official Statement") has been prepared;

WHEREAS, the City is a member of the Authority and the Project will be located within the boundaries of the City;

WHEREAS, the City has, prior to the consideration of this resolution, held a public hearing on the financing of the Project with the proceeds of the issuance of the Series 2022A Bonds in accordance with Section 6586.5 of the Act, which hearing was held at 1600 W. Beverly Boulevard, Montebello, California 90640 on September 14, 2022;

WHEREAS, notice of such hearing was published once in the Montebello News, a newspaper of general circulation in the City, at least five days prior to the hearing (in accordance with Section 6586.5 of the Act);

WHEREAS, the City Council of the City (the "City Council") has been presented with the form of each document referred to herein relating to the financing contemplated hereby, and the City Council desires to authorize and direct the execution of such documents and the consummation of such financing; and

WHEREAS, all acts, conditions and things required by the laws of the State of California to exist, to have happened and to have been performed precedent to and in connection with the consummation of such financing authorized hereby do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the City is now duly authorized and empowered, pursuant to each and every requirement of law, to consummate such financing for the purpose, in the manner and upon the terms herein provided.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MONTEBELLO HEREBY RESOLVES, FINDS, AND DECLARES AS FOLLOWS:

SECTION 1. Findings. Each of the above recitals is true and correct. Following a duly noticed and conducted public hearing, the City Council hereby finds and determines that there are significant public benefits to the citizens of the City through the use of the Act to assist the City with respect to the subject matter hereof through the approval of the issuance of the Series 2022A Bonds and otherwise hereunder within the meaning of Section 6586(a)-(d), inclusive, of the Act, in that the issuance of the Series 2022A Bonds and related transactions will result in more efficient delivery of local agency services to residential and commercial development.

SECTION 2. First Amendment to Site and Facility Lease and Third Amendment to Lease Agreement. The forms of the First Amendment to Site and Facility Lease and Third Amendment to Lease Agreement, on file with the City Clerk, are hereby approved, and the Mayor of the City (or in her absence, the Mayor Pro Tem), the City Manager, the Finance Director of the City, or their authorized designees (the "Authorized Officers"), are each hereby authorized and directed, for and in the name and on behalf of the City, to execute and deliver

the First Amendment to Site and Facility Lease and Third Amendment to Lease Agreement in said forms, with such changes, insertions and omissions therein as the Authorized Officer executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof; provided, however, that the term of the First Amendment to Site and Facility Lease and Third Amendment to Lease Agreement shall terminate no later than June 1, 2053 (provided that such term may be extended as provided therein) and the true interest cost applicable to the interest components of the Base Rental Payments shall not exceed 5.50%.

SECTION 3. Bond Purchase Agreement. The Bond Purchase Agreement, on file with the City Clerk, is hereby approved and the Authorized Officers are, and each of them is, hereby authorized and directed, for and in the name of the City, to execute and deliver the acceptance thereof set forth in the Bond Purchase Agreement, with such changes, insertions and omissions as the Authorized Officer executing the same may require or approve, such requirement or approval to be conclusively evidenced by the execution of the Bond Purchase Agreement by such Authorized Officer; provided, however, that such changes, insertions and omissions shall not result in an aggregate Underwriter's discount in excess of 0.80% of the aggregate principal amount of the Series 2022A Bonds (not including any original issue discount or premium).

SECTION 4. Principal Amount. The issuance of not to exceed $16,500,000 aggregate principal amount of the Series 2022A Bonds, in one or more series, in the principal amount, bearing interest at the rates and maturing on the dates as specified in the Indenture as finally executed, is hereby approved.

SECTION 5. Preliminary Official Statement. The form of a Preliminary Official Statement, on file with the City Clerk, with such changes, insertions and omissions therein as may be approved by an Authorized Officer, is hereby approved, and the use of the Preliminary Official Statement in connection with the offering and sale of the Series 2022A Bonds is hereby authorized and approved. The Authorized Officers are each hereby authorized to certify on behalf of the City that the Preliminary Official Statement is deemed final as of its date, within the meaning of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended (except for the omission of certain final pricing, rating and related information as permitted by such Rule 15c2-12). The Authorized Officers are each hereby authorized and directed to furnish, or cause to be furnished, to prospective investors for the Series 2022A Bonds a reasonable number of copies of the Preliminary Official Statement.

SECTION 6. Official Statement. The preparation, execution and delivery of the Official Statement, and its use in connection with the offering and sale of the Series 2022A Bonds, is hereby authorized and approved. The Official Statement shall be in the form of the Preliminary Official Statement with such changes, insertions and omissions as may be approved by an Authorized Officer, such approval to be conclusively evidenced by the execution and delivery thereof. The Authorized Officers are each hereby authorized and directed, for and in the name of and on behalf of the City, to execute the final Official Statement and any amendment or supplement thereto for and in the name and on behalf of the City.

SECTION 7. Continuing Disclosure Certificate. The form of the Continuing Disclosure Certificate, on file with the City Clerk, is hereby approved, and the Authorized Officers are each hereby authorized and directed, for and in the name and on behalf of the City, to execute

and deliver the Continuing Disclosure Certificate in said form, with such changes, insertions and omissions therein as the Authorized Officer executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

SECTION 8. Professionals. The City Council hereby approves and appoints Stradling Yocca Carlson & Rauth, a Professional Corporation, as Bond Counsel, Quint & Thimming LLP, as Disclosure Counsel, Urban Futures Inc., as Municipal Advisor, and The Bank of New York Mellon Trust Company, N.A., as Trustee, each to provide such services to the City as may be required to issue the Series 2022A Bonds. The Authorized Officers are hereby authorized to enter into contracts or to sign such other documentation as is necessary or appropriate to evidence such engagements and retain such services in connection with the Series 2022A Bonds.

SECTION 9. Municipal Bond Insurance. Each of the Authorized Officers is authorized to select a municipal bond insurer to insure payments of the principal of and interest on the Series 2022A Bonds and to provide a reserve account insurance policy, so long as such Authorized Officer determines that obtaining the municipal bond insurance policy and/or reserve account insurance policy provided thereby will result in a lower interest rate or yield to maturity with respect to the Series 2022A Bonds. Bond Counsel is hereby directed to make all changes to the First Amendment to Site and Facility Lease, the Third Amendment to Lease Agreement, and Bond Purchase Agreement, and Disclosure Counsel is hereby directed to make all changes to the Preliminary Official Statement and the final Official Statement, as are necessary to reflect the selection of a municipal bond insurer and the reasonable comments thereof.

SECTION 10. CEQA. Based on the entire record before it and a public hearing, the City Council finds and determines that the action(s) taken by this resolution are categorically exempt from the California Environmental Quality Act ("CEQA") pursuant to Section 15378(b) of the CEQA Guidelines. The action(s) constitute the replacement of a publicly owned commercial facility with a new facility of substantially the same size, purpose, and capacity; and in fact contemplate a reduction of the facility's size and capacity, in that the project to be financed is the demolition of an existing 18-hole golf course and the redesign, construction, and operating of a 9-hole golf course within a portion of the existing golf course site without any expansion possible or contemplated.

SECTION 11. Other Actions. The officers, employees, and agents of the City are hereby authorized and directed, jointly and severally, to do any and all things which they may deem necessary or advisable in order to consummate the transactions herein authorized and otherwise to carry out, give effect to and comply with the terms and intent of this Resolution, including but not limited to, adding property to, substituting property for, or removing property from the Leased Property, and taking any and all actions in order to clear any title exceptions to the Leased Property. Without limiting the generality of the foregoing, the Authorized Officers are hereby authorized to include the City's Senior Center located at 115 S. Taylor Avenue, the George Hensel Aquatic Center located at 1300 Olympic Boulevard, the Kathy Hensel Youth Center located at 236 S. Taylor Avenue, and/or the City's Golf Course located at 901 Via San Clemente in the City, as additional Leased Assets, without further authority from the City Council. As an alternative to issuance of the 2022A Bonds under the Third Supplemental Indenture and pursuant to the First Amendment to Site and Facility Lease, the Third Amendment to Lease Agreement, the Authorized Officers are further authorized to issue the Series 2022A Bonds on a standalone basis under an Indenture of Trust and pursuant to

a separate Site Lease and Lease Agreement with respect to any combination of the City-owned assets described in this Resolution, as determined to be appropriate by the Executive Director in consultation with Bond Counsel. To that end, the Authorized Officers are directed to take all actions, sign all instruments, including without limitation amendments and supplements to the Site and Facility Lease, Lease Agreement, Indenture, Assignment Agreement, and other legal documents relating to the 2014 Bonds as may be necessary or appropriate to effectuate the removal of the City's City Hall or Police Headquarters facility and related property from the assets securing the 2014 Bonds and to substitute the removed assets with other City-owned assets referred to in this Resolution, to enable such released assets to be used as security for the 2022A Bonds. All actions heretofore taken by the officers and agents of the Authority with respect to the transactions set forth above are hereby approved, confirmed and ratified.

SECTION 12. Good Faith Estimates. In accordance with Government Code Section 5852.1, there has been presented to this City Council in the Staff Report accompanying this Resolution certain good faith estimates provided to the City by its Municipal Advisor with respect to the Series 2022A Bonds. The City Council hereby finds that the requirements of Section 5852.1 have been satisfied.

SECTION 13. Effective Date. This resolution shall take effect immediately upon its passage.

APPROVED AND ADOPTED this 14th of September, 2022.

_____
Kimberly A. Cobos-Cawthorne, Mayor

ATTEST:

_____
Christopher Jimenez, City Clerk

APPROVED AS TO FORM:

_____
Arnold M. Alvarez-Glasman, City Attorney

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS:
CITY OF MONTEBELLO)

I, Christopher Jimenez, City Clerk of the City of Montebello, County of Los Angeles, State of California, hereby certify that the foregoing Resolution No. 22-80 was passed and adopted by the City Council of the City of Montebello, signed by the Mayor and attested by the City Clerk at a regular meeting of said Council held on the 14th day of September 2022 and that said Resolution was adopted by the following vote, to wit:

AYES:
NOTES:
ABSTAIN:
ABSENT:

The undersigned, City Clerk of the City of Montebello, does hereby attest and certify that the foregoing Resolution is a true, full and correct copy of a resolution duly adopted at a meeting of said City which was duly convened and held on the date stated thereon, and that said document has not been amended, modified, repealed or rescinded since its date of adoption and is in full force and effect as of the date hereof.

DATE: _____

_____
Christopher Jimenez, City Clerk

RESOLUTION NO. 22-02

RESOLUTION OF THE MONTEBELLO PUBLIC FINANCING AUTHORITY AUTHORIZING THE EXECUTION AND DELIVERY OF A FIRST AMENDMENT TO SITE AND FACILITY LEASE, A THIRD AMENDMENT TO LEASE AGREEMENT, A THIRD SUPPLEMENTAL INDENTURE, A FIRST AMENDMENT TO ASSIGNMENT AGREEMENT, AND A BOND PURCHASE AGREEMENT IN CONNECTION WITH THE ISSUANCE OF THE MONTEBELLO PUBLIC FINANCING AUTHORITY LEASE REVENUE BONDS, APPROVING THE ISSUANCE OF SUCH BONDS IN ONE OR MORE SERIES IN AN AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED $16,500,000, AUTHORIZING THE DISTRIBUTION OF AN OFFICIAL STATEMENT IN CONNECTION WITH THE OFFERING AND SALE OF SUCH BONDS, AND AUTHORIZING THE EXECUTION OF NECESSARY DOCUMENTS AND CERTIFICATES AND RELATED ACTIONS

RECITALS

WHEREAS, the City of Montebello, California (the "City") is a general law city duly organized and existing under the laws of the State of California (the "State");

WHEREAS, in order to prepay and defease certain outstanding certificates of participation previously executed and delivered by the City, the Montebello Public Financing Authority (the "Authority") issued its Lease Revenue Refunding Bonds, Series 2014A (the "Series 2014A Bonds") pursuant to an Indenture, dated as of September 1, 2014 (the "Original Indenture"), its Lease Revenue Refunding Bonds, Series 2014B (the "Series 2014B Bonds") pursuant to a First Supplemental Indenture, dated as of September 1, 2014 (the "First Supplemental Indenture") and its Lease Revenue Refunding Bonds, Series 2014C (Taxable) (the "Series 2014C Bonds" and collectively with the Series 2014A Bonds and the Series 2014B Bonds, the "2014 Bonds") pursuant to a Second Supplemental Indenture, dated as of September 1, 2014 (the "Second Supplemental Indenture," and collectively with the Original Indenture and the First Supplemental Indenture, the "2014 Indenture"), each by and between the Authority and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee");

WHEREAS, in connection with the issuance of the 2014 Bonds, the City and the Authority entered into a Site and Facility Lease dated as of September 1, 2014 (the "2014 Site and Facility Lease"), and recorded in the official records of the County of Los Angeles (the "County") on September 10, 2014 as Document No. 20140948072, pursuant to which the City leased to the Authority the City Hall and Police Department of the City, located at 1600 W. Beverly Boulevard in the City (the "Existing Leased Property") described therein and a Lease Agreement between the Authority and the City dated as of September 1, 2014 (the "Original Lease Agreement") and recorded in the official records of the County on September 10, 2014 as Document No. 20140948073, as amended by the First Amendment to Lease Agreement, dated as of September 1, 2014 (the "First Amendment to Lease Agreement") and recorded in the official records of the County on September 10, 2014 as Document No. 20140948074, and the Second Amendment to Lease Agreement, dated as of September 1, 2014 (the "Second Amendment to Lease Agreement" and collectively with the Original Lease Agreement and the First Amendment to Lease Agreement, the "2014 Lease Agreement") and recorded in the official records of the County on September 10, 2014 as Document No.

20140948075, pursuant to which the City leased the Existing Leased Property back from the Authority;

WHEREAS, the City desires to finance the costs of the acquisition, construction and/or installation of improvements at the City's municipal golf course and related improvements, facilities and equipment (the "Project");

WHEREAS, the Authority and the City have determined that it would be in the best interests of the City and residents of the City to authorize the preparation, sale and delivery of the "Montebello Public Financing Authority Lease Revenue Bonds, Series 2022A" (the "Series 2022A Bonds") for the purpose of financing the Project;

WHEREAS, the Authority and City desire to issue the Series 2022A Bonds as Additional Bonds (as defined in the Original Indenture);

WHEREAS, in order to facilitate the issuance of the Series 2022A Bonds, the City and the Authority desire to enter into a First Amendment to Site and Facility Lease between the City and the Authority (the "First Amendment to Site and Facility Lease") and a Third Amendment to Lease Agreement (the "Third Amendment to Lease Agreement"), which amend the 2014 Site and Facility Lease and the 2014 Lease Agreement, respectively, to add to the Existing Leased Property additional City property consisting of the City's Fire Station No. 56 located at 1166 S. Greenwood Avenue in the City (the "Additional Leased Property" and together with the Existing Leased Property, the "Leased Property");

WHEREAS, pursuant to the 2014 Lease Agreement, as amended by the Third Amendment to Lease Agreement, the City will lease the Leased Property from the Authority, and pay certain Base Rental Payments (as defined in the 2014 Lease Agreement), which are pledged to the owners of the 2014 Bonds and the Series 2022A Bonds by the Authority pursuant to the 2014 Indenture, as supplemented by the Third Supplemental Indenture (the "Third Supplemental Indenture") to be entered into by the Authority and the Trustee in connection with the issuance of the Series 2022A Bonds;

WHEREAS, in connection with the issuance of the 2014 Bonds, the Authority and the Trustee entered into an Assignment Agreement (the "2014 Assignment Agreement") pursuant to which, among other things, all rights to receive the Base Rental Payments have been assigned without recourse by the Authority to the Trustee and in order to facilitate the issuance of the Series 2022A Bonds, the Authority and the Trustee desire to enter into a First Amendment to Assignment Agreement to add the Additional Leased Property to the description of the leased property therein;

WHEREAS, the Series 2022A Bonds will be issued pursuant to the Marks-Roos Local Bond Pooling Act of 1985, commencing with Section 6584 of the California Government Code (the "Act");

WHEREAS, the City and the Authority desire to provide for the negotiated sale of the Series 2022A Bonds;

WHEREAS, the City and the Authority have selected Cabrera Capital Markets, LLC, as the underwriter (the "Underwriter") of the Series 2022A Bonds, and in connection therewith, to purchase the Series 2022A Bonds from the Authority pursuant to a Bond Purchase Agreement (the "Bond Purchase Agreement");

WHEREAS, a form of a Preliminary Official Statement with respect to the Series 2022A Bonds (the "Preliminary Official Statement") has been prepared;

WHEREAS, the City is a member of the Authority and the Project will be located within the boundaries of the City;

WHEREAS, the City has, prior to the consideration of this resolution, held a public hearing on the financing of the Project with the proceeds of the issuance of the Series 2022A Bonds in accordance with Section 6586.5 of the Act, which hearing was held at 1600 W. Beverly Boulevard, Montebello, California 90640 on September 14, 2022;

WHEREAS, notice of such hearing was published once in the Montebello News, a newspaper of general circulation in the City, at least five days prior to the hearing in accordance with Section 6586.5 of the Act;

WHEREAS, the Board of Directors of the Authority (the "Board of Directors") has been presented with the form of each document referred to herein, and the Board of Directors desires to authorize and direct the execution of such documents and the consummation of such financing; and

WHEREAS, all acts, conditions and things required by the laws of the State of California to exist, to have happened and to have been performed precedent to and in connection with the consummation of such financing authorized hereby do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the Authority is now duly authorized and empowered, pursuant to each and every requirement of law, to consummate such financing for the purpose, in the manner and upon the terms herein provided.

NOW, THEREFORE, THE MONTEBELLO PUBLIC FINANCING AUTHORITY HEREBY RESOLVES, FINDS, AND DECLARES AS FOLLOWS:

SECTION 1. Findings. All of the recitals herein contained are true and correct and the Board of Directors so finds. The Board of Directors has determined and hereby finds that the Authority's assistance in financing the Project by the issuance of the Series 2022A Bonds will result in significant public benefits of the types described in Section 6586 (a) through (d), inclusive, of the Act, in that the issuance of the Series 2022A Bonds and related transactions will result in more efficient delivery of local agency services to residential and commercial development.

SECTION 2. First Amendment to Site and Facility Lease and Third Amendment to Lease Agreement. The forms of the First Amendment to Site and Facility Lease and Third Amendment to Lease Agreement, on file with the Secretary of the Authority, are hereby approved, and the Chair, the Executive Director, and the Treasurer of the Authority, and any designee thereof (the "Authorized Officers"), are each hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver the First Amendment to Site and Facility Lease and the Third Amendment to Lease Agreement, respectively, in substantially said forms, with such changes, insertions and omissions therein as the Authorized Officer executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof; provided, however, that the term of the Third Amendment to Lease Agreement and the First Amendment to Site and Facility Lease shall terminate no later than June 1, 2053 (provided that such term may be extended as provided therein) and the true interest cost applicable to the interest components

of the Base Rental Payments shall not exceed 5.50%.

SECTION 3. Third Supplemental Indenture. The form of the Third Supplemental Indenture, on file with the Secretary of the Authority, is hereby approved, and the Authorized Officers are each hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver the Third Supplemental Indenture in substantially said form, with such changes, insertions and omissions therein as the Authorized Officer executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof; provided, however, that the aggregate amount of the Series 2022A Bonds shall not exceed $16,500,000, the final maturity date of the Series 2022A Bonds shall be no later than June 1, 2053, and the true interest cost applicable to the Series 2022A Bonds shall not exceed 5.50%; provided, further, that such changes, insertions and omissions shall be consistent with the terms of the Series 2022A Bonds established at negotiated sale pursuant to the Bond Purchase Agreement.

SECTION 4. Principal Amount. The issuance of not to exceed $16,500,000 aggregate principal amount of the Series 2022A Bonds, in one or more series, in the principal amounts, bearing interest at the rates and maturing on the dates as specified in the Indenture as finally executed, is hereby approved.

SECTION 5. First Amendment to Assignment Agreement. The form of the First Amendment to Assignment Agreement, on file with the Secretary of the Authority, is hereby approved, and the Authorized Officers are each hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver the First Amendment to Assignment Agreement in substantially said form, with such changes, insertions and omissions therein as the Authorized Officer executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

SECTION 6. Bond Purchase Agreement. The Bond Purchase Agreement on file with the Secretary of the Authority is hereby approved. The Authorized Officers are, and each of them is, hereby authorized and directed, for and in the name of the Authority to execute and deliver the Bond Purchase Agreement in substantially said form, with such changes, insertions and omissions as the Authorized Officer executing the same may require or approve, such approval to be conclusively evidenced by the execution of the Bond Purchase Agreement by such Authorized Officer; provided, however, that such changes, insertions and omissions shall not result in an aggregate Underwriter's discount in excess of 0.80% of the aggregate principal amount of the Series 2022A Bonds (not including any original issue discount or premium).

SECTION 7. Preliminary Official Statement. The form of the Preliminary Official Statement, on file with the Secretary of the Authority, with such changes, insertions and omissions therein as may be approved by an Authorized Officer, is hereby approved, and the use of the Preliminary Official Statement in connection with the offering and sale of the Series 2022A Bonds is hereby authorized and approved. The Authorized Officers are each hereby authorized to certify on behalf of the Authority that the Preliminary Official Statement is deemed final as of its date, within the meaning of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended (except for the omission of certain final pricing, rating and related information as permitted by such Rule 15c2-12). The Authorized Officers are each hereby authorized and directed to furnish, or cause to be furnished, to prospective investors for the Series 2022A Bonds a reasonable number of copies of the Preliminary Official Statement.

SECTION 8. Official Statement. The preparation, execution and delivery of the Official Statement, and its use in connection with the offering and sale of the Series 2022A Bonds, is hereby authorized and approved. The Official Statement shall be in the form of the Preliminary Official Statement with such changes, insertions and omissions as may be approved by an Authorized Officer, such approval to be conclusively evidenced by the execution and delivery thereof. The Authorized Officers are each hereby authorized and directed, for and in the name of and on behalf of the Authority, to execute the final Official Statement and any amendment or supplement thereto for and in the name and on behalf of the Authority.

SECTION 9. Professionals. The Board of Directors hereby approves and appoints Stradling Yocca Carlson & Rauth, a Professional Corporation, as Bond Counsel, Quint & Thimmig LLP as Disclosure Counsel, Urban Futures Inc., as Municipal Advisor, and The Bank of New York Mellon Trust Company, N.A., as Trustee, each to provide such services to the Authority as may be required to issue the Series 2022A Bonds. The Authorized Officers are hereby authorized to enter into contracts or to sign such other documentation as is necessary or appropriate to evidence such engagements and retain such services in connection with the Series 2022A Bonds.

SECTION 10. Municipal Bond Insurance. Each of the Authorized Officers is authorized to select a municipal bond insurer to insure payments of the principal of and interest on the Series 2022A Bonds and to provide a reserve account insurance policy, so long as such Authorized Officer determines that obtaining the municipal bond insurance policy and/or reserve account insurance policy provided thereby will result in a lower interest rate or yield to maturity with respect to the Series 2022A Bonds. Bond Counsel is hereby directed to make all changes to the Third Supplemental Indenture, the First Amendment to Site and Facility Lease, the Third Amendment to Lease Agreement, the First Amendment to Assignment Agreement, and Bond Purchase Agreement, and Disclosure Counsel is hereby directed to make all changes to the Preliminary Official Statement and the final Official Statement, as are necessary to reflect the selection of a municipal bond insurer and the reasonable comments thereof.

SECTION 11. CEQA. Based on the entire record before it and a public hearing, the Board of Directors finds and determines that the action(s) taken by this resolution are categorically exempt from the California Environmental Quality Act ("CEQA") pursuant to Section 15378(b) of the CEQA Guidelines. The action(s) constitute the replacement of a publicly owned commercial facility with a new facility of substantially the same size, purpose, and capacity; and in fact contemplate a reduction of the facility's size and capacity, in that the project to be financed is the demolition of an existing 18-hole golf course and the redesign, construction, and operating of a 9-hole golf course within a portion of the existing golf course site without any expansion possible or contemplated.

SECTION 12. Other Actions. The officers, employees, and agents of the Authority are hereby authorized and directed, jointly and severally, to do any and all things which they may deem necessary or advisable in order to consummate the transactions herein authorized and otherwise to carry out, give effect to and comply with the terms and intent of this Resolution, including but not limited to, adding property to, substituting property for, or removing property from the Leased Property, and taking any and all actions in order to clear any title exceptions to the Leased Property. Without limiting the generality of the foregoing, the Authorized Officers are hereby authorized to include the City's Senior Center located at 115 S. Taylor Avenue, the George Hensel Aquatic Center located at 1300 Olympic Boulevard,

the Kathy Hensel Youth Center located at 236 S. Taylor Avenue, and/or the City's Golf Course located at 901 Via San Clemente in the City, as additional Leased Assets, without further authority from the Authority Board. As an alternative to issuance of the 2022A Bonds under the Third Supplemental Indenture and pursuant to the First Amendment to Site and Facility Lease, the Third Amendment to Lease Agreement, the Authorized Officers are further authorized to issue the Series 2022A Bonds on a standalone basis under an Indenture of Trust and pursuant to a separate Site Lease and Lease Agreement with respect to any combination of the City-owned assets described in this Resolution, as determined to be appropriate by the Executive Director in consultation with Bond Counsel. To that end, the Authorized Officers are directed to take all actions, sign all instruments, including without limitation amendments and supplements to the Site and Facility Lease, Lease Agreement, Indenture, Assignment Agreement, and other legal documents relating to the 2014 Bonds as may be necessary or appropriate to effectuate the removal of the City's City Hall or Police Headquarters facility and related property from the assets securing the 2014 Bonds and to substitute the removed assets with other City-owned assets referred to in this Resolution, to enable such released assets to be used as security for the 2022A Bonds. All actions heretofore taken by the officers and agents of the Authority with respect to the transactions set forth above are hereby approved, confirmed and ratified.

SECTION 13. Good Faith Estimates. In accordance with Government Code Section 5852.1, there has been presented to this Board of Directors in the Staff Report accompanying this Resolution certain good faith estimates provided to the Authority by its Municipal Advisor with respect to the Series 2022A Bonds. The Board of Directors hereby finds that the requirements of Section 5852.1 have been satisfied.

SECTION 14. Effective Date. This resolution shall take effect immediately upon its passage.

APPROVED AND ADOPTED this 14th day of September 2022.

_____
Kimberly A. Cobos-Cawthorne, Mayor

ATTEST: **APPROVED AS TO FORM:**

_____ _____
Christopher Jimenez, City Clerk Arnold M. Alvarez-Glasman, City Attorney

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS:

CITY OF MONTEBELLO)

I, Christopher Jimenez, City Clerk of the City of Montebello, County of Los Angeles, State of California, hereby certify that the foregoing Resolution No. 22-02 was passed and adopted by the City Council of the City of Montebello, signed by the Mayor and attested by the City Clerk at a regular meeting of said Council held on the 14th day of September 2022 and that said Resolution was adopted by the following vote, to-wit:

AYES:
NOES:
ABSTAIN:
ABSENT:

The undersigned, City Clerk of the City of Montebello, does hereby attest and certify that the foregoing Resolution is a true, full and correct copy of a resolution duly adopted at a meeting of said City which was duly convened and held on the date stated thereon, and that said document has not been amended, modified, repealed or rescinded since its date of adoption and is in full force and effect as of the date hereof.

DATE: _____ _____
Christopher Jimenez, City Clerk

THIRD SUPPLEMENTAL INDENTURE

Dated as of _____ 1, 2022

Supplementing the

INDENTURE

Dated as of September 1, 2014

by and between

MONTEBELLO PUBLIC FINANCING AUTHORITY

and

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.,
as Trustee

Relating to

$_____
MONTEBELLO PUBLIC FINANCING AUTHORITY
LEASE REVENUE BONDS
SERIES 2022A

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THIRD SUPPLEMENTAL INDENTURE

This THIRD SUPPLEMENTAL INDENTURE, dated as of _____ 1, 2022 (the "Third Supplemental Indenture"), is entered into by and between the MONTEBELLO PUBLIC FINANCING AUTHORITY, a joint exercise of powers entity duly organized and existing under the laws of the State of California (the "Authority") and THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., a national banking association duly organized and existing under and by virtue of the laws of the United States, as Trustee (the "Trustee"), and supplements and amends the INDENTURE, dated as of September 1, 2014 (the "Original Indenture"), as supplemented by the First Supplemental Indenture, dated as of September 1, 2014 (the "First Supplemental Indenture") and by the Second Supplemental Indenture, dated as of September 1, 2014 (the "Second Supplemental Indenture," and collectively with the Original Indenture and the First Supplemental Indenture, the "2014 Indenture"), each by and between the Authority and the Trustee.

***WITNESSETH*:**

WHEREAS, in order to prepay and defease certain outstanding certificates of participation previously executed and delivered by the City of Montebello (the "City"), the Authority issued its Lease Revenue Refunding Bonds, Series 2014A (the "Series 2014A Bonds") pursuant to the Original Indenture, its Lease Revenue Refunding Bonds, Series 2014B (the "Series 2014B Bonds") pursuant to the First Supplemental Indenture and its Lease Revenue Refunding Bonds, Series 2014C (Taxable) (the "Series 2014C Bonds" and collectively with the Series 2014A Bonds and the Series 2014B Bonds, the "2014 Bonds") pursuant to the Second Supplemental Indenture; and

WHEREAS, the City and the Authority have determined that it would be in the best interests of the City and the Authority to provide the funds necessary to finance the costs of the acquisition, construction and/or installation of improvements at the City's municipal golf course and related improvements, facilities and equipment described in Exhibit B hereto (the "Project") through the issuance by the Authority of the Series 2022A Bonds (as defined herein) as Additional Bonds (as defined in the Original Indenture) under the 2014 Indenture, which are payable from the Base Rental Payments (as defined in the Original Indenture) to be made by the City under the Lease Agreement (as defined herein); and

WHEREAS, all rights to receive the Base Rental Payments have been assigned without recourse by the Authority to the Trustee pursuant to an Assignment Agreement, dated as of September 1, 2014, as amended by the First Amendment to Assignment Agreement, dated of even date herewith and executed and delivered by the Authority and Trustee in connection with the issuance of the 2014 Bonds and the Series 2022A Bonds; and

WHEREAS, the Authority and the City desire to provide for the issuance by the Authority of the Series 2022A Bonds, in the aggregate principal amount of $_____, in order to finance the Project; and

WHEREAS, the 2014 Bonds and the Series 2022A Bonds will be payable equally and ratably from the Base Rental Payments; and

WHEREAS, in order to provide for the authentication and delivery of the Series 2022A Bonds, to establish and declare the terms and conditions upon which the Series 2022A Bonds are to

be issued and secured, and to secure the payment of the principal thereof, premium, if any, and interest thereon, the Authority and the City have authorized the execution and delivery of this Third Supplemental Indenture; and

NOW THEREFORE, in consideration of the premises and of the mutual agreements and covenants contained herein and for other valuable consideration, the parties do hereby agree as follows:

ARTICLE I

DEFINITIONS

Section 1.01 Definitions. Except as otherwise provided in this Section 1.01, all terms used herein which are defined in the 2014 Indenture shall have the meanings assigned to them therein. All other capitalized terms used herein without definition shall have the meaning given to such terms in the Lease Agreement.

"**Bonds**" means the Series 2014A Bonds, Series 2014B Bonds, Series 2014C Bonds, Series 2022A Bonds and any Additional Bonds issued under the Indenture.

"**Closing Date**" means, with respect to the Series 2022A Bonds, _____, 2022.

"**Indenture**" means the Indenture, as originally executed, as supplemented by the First Supplemental Indenture, the Second Supplemental Indenture, this Third Supplemental Indenture, and as it may be further amended or supplemented from time to time by any Supplemental Indenture.

"**Insurance Policy**" means the insurance policy issued by the Insurer guaranteeing the scheduled payment of principal of and interest on the [Insured Series 2022A] Bonds when due.

["**Insured Series 2022A Bonds**" means the Series 2022A Bonds maturing on and after August 1, 20__.]

"**Insurer**" means [Assured Guaranty Municipal Corp.], or any successor thereto or assignee thereof.

"**Interest Payment Date**" means, with respect to the Series 2022A Bonds, May 1 and November 1 of each year, commencing on [May 1, 2023].

"**Lease Agreement**" means the Lease Agreement, dated as of September 1, 2014, by and between the City and the Authority, as originally executed, as amended and supplemented by the First Amendment to Lease Agreement, dated as of September 1, 2014, the Second Amendment to Lease Agreement, dated as of September 1, 2014 and the Third Amendment to Lease Agreement, dated of even date herewith, and as it may be from time to time further amended in accordance with the provisions thereof.

"**Series 2022A Rebate Fund**" means the fund by that name established and held by the Trustee pursuant to Section 5.01 hereof.

"**Series 2022A Rebate Requirement**" has the meaning ascribed to the term "Rebate Requirement" in the Tax Certificate.

"**Series 2022A Bonds**" means the Montebello Public Financing Authority Lease Revenue Bonds, Series 2022A issued pursuant to the Indenture.

"**Series 2022A Interest Account**" means the account by that name established and held by the Trustee pursuant to Section 3.04 hereof.

"**Series 2022A Principal Account**" means the account by that name established and held by the Trustee pursuant to Section 3.05 hereof.

"**Series 2022A Project Fund**" means the account by that name established in accordance with Section 3.02 hereof.

"**Series 2022A Reserve Account**" means the account by that name established and held by the Trustee pursuant to Section 3.06 hereof.

"**Series 2022A Reserve Policy**" means the municipal bond debt service reserve insurance policy issued by the Insurer and deposited in the Series 2022A Reserve Account to satisfy the Series 2022A Reserve Requirement.

"**Series 2022A Reserve Requirement**" means, as of the date of issuance of the 2022A Bonds, an amount equal to the least of: (i) 100% of the Maximum Annual Debt Service for the 2022A Bonds; (ii) 125% of average Annual Debt Service on the 2022A Bonds as of the date of issuance of the 2022A Bonds, and (iii) ten percent (10%) of the issue price (as defined pursuant to section 148 of the Code); provided, that notwithstanding any provision hereof to the contrary, all or any portion of the Series 2022A Reserve Requirement may be satisfied by the provision of a policy of insurance, a surety bond, a letter of credit or other comparable credit facility, or a combination thereof, which, together with money on deposit in Series 2022A Reserve Account provide an aggregate amount equal to the Series 2022A Reserve Requirement; provided further that at the time of issuance of such letter of credit, surety bond or other comparable credit facility, the long-term credit rating of such commercial bank or insurance company is "AA" or "Aa2" by S&P or Moody's, respectively, or higher, and, if rated by A.M. Best & Company, a minimum rating of "A."

"**Tax Certificate**" means the Tax Certificate executed by the Authority at the time of issuance of the Series 2022A Bonds relating to the requirements of Section 148 of the Code, as originally executed and as it may from time to time be amended in accordance with the provisions thereof.

"**Tax-Exempt Parity Debt**" has the meaning given thereto in Section 5.01 hereto.

"**Third Amendment to Lease Agreement**" means the Third Amendment to Lease Agreement, dated as of _____ 1, 2022, by and between the Authority and the City.

Section 1.02 Rules of Construction. All references in this Third Supplemental Indenture to "Articles," "Section," and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Third Supplemental Indenture; and the words "herein," "hereof," "hereunder," and other words of similar import refer to this Third Supplemental Indenture as a whole and not to any particular Article, Section or subdivision hereof.

Section 1.03 Authorization and Purpose of Bonds. The Authority has reviewed all proceedings heretofore taken relative to the authorization of the Series 2022A Bonds and has found,

as a result of such review, and hereby find and determines that all things, conditions, and acts required by law to exists, to happen and to be performed precedent to and in the issuance of the Series 2022A Bonds do exist, have happened and have been performed in due time, form and manner as required by law, and the Authority is now authorized under the Joint Exercise of Powers Agreement and the Bond Law and each and every requirement of law, to issue the Bonds in the manner and form provided in this Third Supplemental Indenture. Accordingly, the Authority hereby authorizes the issuance of the Series 2022A Bonds pursuant to the Bond Law and this Third Supplemental Indenture for the purpose described in the recitals hereof.

Section 1.04 Equal Security. In consideration of the acceptance of the Bonds by the Owners thereof, this Third Supplemental Indenture shall be deemed to be and shall constitute a contract between the Authority and the Owners from time to time of the Bonds; and the covenants and agreements herein set forth to be performed on behalf of the Authority shall be for the equal and proportionate benefit, security and protection of all Owners without preference, priority or distinction as to security ore otherwise of any of the Bonds over any of the others by reason of the number or date thereof or the time of sale, execution or delivery thereof, or otherwise for any cause whatsoever, except as expressly provided therein or herein.

ARTICLE II

THE SERIES 2022A BONDS

Section 2.01 Authorization and Issuance of Series 2022A Bonds. Pursuant to Section 3.07 of the Original Indenture, the Authority may at any time issue Additional Bonds pursuant to a Supplemental Indenture. The Authority and the City have determined that all acts and proceedings required by law necessary to make the Series 2022A Bonds, when executed by the Authority, authenticated and delivered by the Trustee and duly issued, the valid, binding and legal special obligations of the Authority, have been done and taken, and the execution and delivery of this Third Supplemental Indenture has been in all respects duly authorized. The Series 2022A Bonds are hereby designated the "Montebello Public Financing Authority Lease Revenue Bonds, Series 2022A."

The Authority may, at any time, execute the Series 2022A Bonds for issuance hereunder and deliver the same to the Trustee. The Trustee shall authenticate the Series 2022A Bonds and deliver the Series 2022A Bonds to the original purchaser thereof upon receipt of a Written Request of the Authority and upon receipt of the purchase price therefor.

As set forth in Section 4.01 of the Original Indenture, subject to the provisions of the 2014 Indenture permitting the application thereof for the purposes and on the terms and conditions set forth therein and herein, the Bonds shall be secured by a first lien on and pledge (which shall be effected in the manner and to the extent provided in the Original Indenture) of all of the Revenues, including all of the moneys including all of the moneys in the Series 2022A Interest Account, the Series 2022A Principal Account and the Series 2022A Reserve Account for such Bonds, if any, including all amounts derived from the investment of such moneys. The Bonds shall be equally secured by a pledge, charge and lien upon the Revenues and such moneys without priority for number, date of the Bonds, date of execution or date of delivery; and the payment of the interest on and principal of the Bonds and any premiums upon the redemption of any portion thereof shall be and are secured by an exclusive pledge, charge and lien upon the Revenues and such moneys. So long as any of the Bonds are Outstanding, the Revenues and such moneys shall not be used for any

other purpose; except that out of the Revenues there may be apportioned such sums, for such purposes, as are expressly permitted by the 2014 Indenture.

Section 2.02 Terms of the Series 2022A Bonds.

(a) The Series 2022A Bonds shall be dated the Closing Date, shall mature on the dates and in the amounts, and shall bear interest (calculated on the basis of a 360-day year of twelve 30-day months) at the rates, set forth in the following table:

Maturity Date (November 1)	***Principal Amount***	***Interest Rate***

The Series 2022A Bonds shall be delivered in fully registered form, numbered from one upwards in consecutive numerical order (with such alphabetical prefix as the Trustee shall determine). Each Series 2022A Bonds shall be executed and delivered in their respective Authorized Denominations.

Each Series 2022A Bond shall bear interest from the Interest Payment Date next preceding the date of authentication thereof, unless (i) it is executed during the period from the day after the Record Date for an Interest Payment Date to and including such Interest Payment Date, in which event it shall bear interest from such Interest Payment Date, or (ii) it is authenticated on or prior to the Record Date for the first Interest Payment Date, in which event it shall bear interest from the Closing Date; provided, however, that if, at the time of authentication of any Series 2022A Bond interest with respect to such Series 2022A Bond is in default, such Series 2022A Bond shall bear interest from the Interest Payment Date to which interest has been paid or made available for payment with respect to such Bond.

Interest with respect to any Series 2022A Bond shall be payable in lawful money of the United States of America on each Interest Payment Date to the Owner thereof as of the close of business on the Record Date, such interest to be paid by check of the Trustee, mailed by first class mail no later than the Interest Payment Date to the Owner at his address as it appears, on such Record

Date, on the Registration Books maintained by the Trustee; provided, however, that at the written request of the Owner of at least $1,000,000 in aggregate principal amount of Outstanding Series 2022A Bonds filed with the Trustee prior to any Record Date, interest on such Series 2022A Bonds shall be paid to such Owner on each succeeding Interest Payment Date (unless such request has been revoked in writing) by wire transfer of immediately available funds to an account in the United States designated in such written request. Payments of defaulted interest with respect to the Series 2022A Bonds shall be paid by check or draft to the registered Owners of the Series 2022A Bonds as of a special record date to be fixed by the Trustee, notice of which special record date shall be given to the registered Owners of the Series 2022A Bonds not less than ten days prior thereto. The principal of and premium, if any, on the Series 2022A Bonds are payable by check when due upon surrender thereof at the Trust Office in lawful money of the United States of America.

Section 2.03 Redemption of Series 2022A Bonds.

(a) Extraordinary Redemption. The Series 2022A Bonds are subject to redemption prior to their respective maturity dates, upon notice from the Authority to the Trustee at least forty-five (45) days (or such lesser number of days acceptable to the Trustee, in the sole discretion of the Trustee) prior to the date fixed for redemption, as a whole or in part on any date, from prepayments of Base Rental Payments made by the City pursuant to Section 4.01(a) of the Third Amendment to Lease Agreement from funds received by the City due to a taking of the Leased Property or any portion thereof under the power of eminent domain or from insurance proceeds received by the City due to damage to or destruction of the Leased Property or any portion thereof, under the circumstances and upon the conditions and terms prescribed herein and in the Lease Agreement.

Redemption of Series 2022A Bonds pursuant to this subparagraph (a) shall be made at a redemption price equal to the sum of the principal of the Series 2022A Bonds to be redeemed plus accrued interest thereon to the date fixed for redemption, without premium.

(b) Optional Redemption. The Series 2022A Bonds maturing on or after November 1, 20__ shall be subject to redemption prior to their respective maturity dates, upon notice from Authority to the Trustee at least forty-five (45) days (or such lesser number of days acceptable to the Trustee, in the sole discretion of the Trustee) prior to the date fixed for redemption, as a whole or in part on any date on or after November 1 20__, in such maturities as the Authority shall designate (and by lot within any maturity) from prepayments of 2022A Base Rental Payments made at the option of the City pursuant to Section 4.01(b) of the Third Amendment to Lease Agreement, at a redemption price equal to the principal amount of the Series 2022A Bonds to be redeemed, plus accrued but unpaid interest to the date fixed for redemption, without premium.

If some but not all of the Series 2022A Bonds have been redeemed pursuant to mandatory or optional redemptions, the total amount of sinking account payments to be made subsequent to such redemption shall be reduced in an amount equal to the principal amount of the Series 2022A Bonds so redeemed by reducing each such future sinking account payment on a pro rata basis (as nearly as practicable) in integral multiples of $5,000, as shall be designated pursuant to written notice filed by Authority with the Trustee. In the event of any reductions in the amount of sinking account payments due as a result of some but not all of the Series 2022A Bonds being redeemed pursuant to extraordinary or optional redemptions, the Authority shall provide the Trustee with a revised schedule reflecting such reductions.

(c) Mandatory Sinking Fund Redemption. The Series 2022A Bonds with stated maturities on November 1, 20__ are subject to mandatory sinking fund redemption in part (by lot) on each November 1 on and after November 1, 20__, in integral multiples of $5,000 at a Redemption Price equal to the principal amount thereof plus accrued interest to the date fixed for redemption, without premium, in accordance with the following schedule:

Redemption Date (November 1)	***Principal Amount***
*	

* Final Maturity.

If some but not all of the Series 2022A Bonds have been redeemed pursuant to extraordinary or optional redemptions, the total amount of sinking account payments to be made subsequent to such redemption shall be reduced in an amount equal to the principal amount of the Series 2022A Bonds so redeemed by reducing each such future sinking account payment on a pro rata basis (as nearly as practicable) in integral multiples of $5,000, as shall be designated pursuant to written notice filed by Authority with the Trustee. In the event of any reductions in the amount of sinking account payments due as a result of some but not all of the Series 2022A Bonds being redeemed pursuant to extraordinary or optional redemptions, the Authority shall provide the Trustee with a revised schedule reflecting such reductions.

Section 2.04 Form of Series 2022A Bonds. The Series 2022A Bonds shall be in substantially the form set forth in Exhibit A hereto, with appropriate or necessary insertions, omissions and variations as permitted or required by the 2014 Indenture and hereby.

Section 2.05 Execution of Series 2022A Bonds. The Series 2022A Bonds shall be signed in the name and on behalf of the Authority with the manual or facsimile signature of its Chair or Executive Director, and attested with the manual or facsimile signature of its Secretary or any Assistant Secretary, and shall be delivered to the Trustee for authentication by it. In case any officer of the Authority who shall have signed any of the Series 2022A Bonds shall cease to be such officer before the Series 2022A Bonds so signed shall have been authenticated or delivered by the Trustee or issued by the Authority, such Series 2022A Bonds may nevertheless be authenticated, delivered and issued and, upon such authentication, delivery and issue, shall be as binding upon the Authority as though the individual who signed the same had continued to be such officer of the Authority. Also, any Series 2022A Bond may be signed on behalf of the Authority by any individual who on the actual date of the execution of such Series 2022A Bond shall be the proper officer although on the nominal date of such Series 2022A Bond such individual shall not have been such officer.

Only such of the Series 2022A Bonds as shall bear thereon a certificate of authentication, manually executed on behalf of the Trustee, shall be valid or obligatory for any purpose or entitled to the benefits of this Third Supplemental Indenture, and such certificate of the Trustee shall be conclusive evidence that the Series 2022A Bonds so authenticated have been duly authenticated and delivered hereunder and are entitled to the benefits of this Third Supplemental Indenture.

Section 2.06 Applicability of Original Indenture Provisions to 2022A Bonds. The Series 2022A Bonds shall constitute "Bonds" under the Original Indenture, including without limitation for purposes of subsections (c) through (f) of Section 2.03 and Sections 2.06 through 2.15 of the Original Indenture.

ARTICLE III

APPLICATION OF PROCEEDS; ESTABLISHMENT OF FUNDS

Section 3.01 Application of Proceeds of Sale of Series 2022A Bonds. On the Closing Date, the net proceeds of the sale of the Series 2022A Bonds received by the Trustee, $_____, shall be deposited by the Trustee as follows:

(a) The Trustee shall deposit the amount of $_____ in the Costs of Issuance Fund;

(b) The Trustee shall deposit the amount of $_____ in the Series 2022A Project Fund of the Project Fund.

The Trustee may establish one or more temporary funds or accounts in its records to record and facilitate such deposits and transfers.

Section 3.02 Costs of Issuance Fund. There is hereby established a fund to be held by the Trustee known as the "Costs of Issuance Fund," into which shall be deposited a portion of the proceeds of the sale of the Series 2022A Bonds pursuant to Section 3.02. The moneys in the Costs of Issuance Fund shall be used to pay Costs of Issuance related to the Series 2022A Bonds from time to time and shall be disbursed by the Trustee upon delivery to the Trustee of a requisition, substantially in the form attached to the Original Indenture as Exhibit B, executed by an officer of the Authority. Each such requisition shall be sufficient evidence to the Trustee of the facts stated therein and the Trustee shall have no duty to confirm the accuracy of such facts. On the date that is 180 days following the Closing Date, or upon the earlier receipt by the Trustee of a Request of the Authority certifying that all Costs of Issuance related to the Series 2022A Bonds have been paid or provided for, the Trustee shall transfer any remaining amounts in the Costs of Issuance Fund to the Lease Revenue Fund and the Trustee shall then close the Costs of Issuance Fund.

Section 3.03 Establishment and Application of Series 2022A Project Fund. The Trustee shall establish and maintain a separate fund designated as the "Series 2022A Project Fund." The moneys in the Series 2022A Project Fund shall be disbursed by the Trustee on behalf of the City as specified in a Written Request of the City in the form attached hereto as Exhibit C. Each Written Request of the City shall be sufficient evidence to the Trustee of the facts stated therein and the Trustee shall have no duty to confirm the accuracy of such facts. On the date on which the City determines that amounts in the Series 2022A Project Fund are no longer necessary for payment of the cost of the Project, the City shall submit a Written Request to the Trustee to transfer any remaining balance in the Series 2022A Project Fund not needed for Series 2022A Project Fund purposes, at the City's sole discretion, either (a) to the Base Rental Payment Fund for application in accordance with Section 4.02 of the Original Indenture, or (b) to the City for use on eligible capital facilities, and the Series 2022A Project Fund shall be closed.

ARTICLE IV

REVENUES FLOW OF FUNDS

Section 4.01 Series 2022A Interest Account. The Trustee shall establish and maintain a separate account to be known as the "Series 2022A Interest Account." On or before each Interest Payment Date, the Trustee shall deposit in the Series 2022A Interest Account an amount required to cause the aggregate amount on deposit in the Series 2022A Interest Account to equal the amount of interest becoming due and payable on such Interest Payment Date on all respective Outstanding Series 2022A Bonds. No deposit shall be made into the Series 2022A Interest Account if the amount contained therein is at least equal to the interest becoming due and payable upon all respective Outstanding Series 2022A Bonds on each succeeding Interest Payment Date within the then current Bond Year. All moneys in the Series 2022A Interest Account shall be used and withdrawn by the Trustee solely for the purpose of paying the interest on the Series 2022A Bonds as it shall become due and payable (including accrued interest on any Series 2022A Bonds redeemed prior to maturity).

Section 4.02 Series 2022A Principal Account. The Trustee shall establish and maintain a separate account to be known as the "Series 2022A Principal Account." On or before each Interest Payment Date, the Trustee shall deposit in the Series 2022A Principal Account an amount required to cause the aggregate amount on deposit in the Series 2022A Principal Account to equal the principal amount of the Series 2022A Bonds maturing on such Interest Payment Date pursuant to Section 2.02 or Section 4.01 or pursuant to a Supplemental Indenture, as the case may be. All moneys in the Series 2022A Principal Account shall be used and withdrawn by the Trustee solely for the purpose of paying the principal of the Series 2022A Bonds.

Section 4.03 Series 2022A Reserve Account. The Trustee shall establish and maintain a separate account to be known as the "Series 2022A Reserve Account." On or before each Interest Payment Date, the Trustee shall deposit in the Series 2022A Reserve Account such amount as may be necessary to maintain a balance therein equal to the Series 2022A Reserve Requirement. No deposit shall be made in the Series 2022A Reserve Account so long as there shall be on deposit an amount equal to the Series 2022A Reserve Requirement. All money in the Series 2022A Reserve Account shall be used and withdrawn by the Trustee solely for the purpose of replenishing the Series 2022A Interest Account or Series 2022A Principal Account established hereunder in the event of any deficiency at any time in any of such accounts, or for the purpose of paying the interest on or principal of or redemption premiums, if any, on the Bonds in the event that no other money of the Authority is lawfully available therefor. All moneys in the Series 2022A Reserve Account in excess of the Series 2022A Reserve Requirement may be applied (i) to the optional redemption of the Series 2022A Bonds then Outstanding pursuant to Section 4.01(b) hereof or (ii) as a credit against the next following base rental payment under the Lease as directed in a Request by the City.

The Series 2022A Reserve Requirement shall initially be satisfied by delivery of the Series 2022A Reserve Policy by the Series 2022A Insurer on the 2022A Closing Date. The City will have no obligation to replace the Series 2022A Reserve Policy or to fund the Series 2022A Reserve Account with cash if, at any time that the 2022A Bonds are Outstanding, any rating assigned to the Series 2022A Insurer is downgraded, suspended or withdrawn or amounts are not available under the Series 2022A Reserve Policy, other than in connection with a draw on the Series 2022A Reserve Policy.

Section 4.04 Series 2022A Rebate Fund.

(a) Establishment. The Trustee shall establish a fund for the Bonds designated the "Series 2022A Rebate Fund" when required in accordance herewith. Absent an Opinion of Counsel that the exclusion from gross income for federal income tax purposes of interest on the Series 2022A Bonds will not be adversely affected, the Authority shall cause to be deposited in the Series 2022A Rebate Fund such amounts as are required to be deposited therein pursuant to this Section and the Tax Certificate. All money at any time deposited in the Series 2022A Rebate Fund shall be held by the Trustee in trust for payment to the United States Treasury. All amounts on deposit in the Series 2022A Rebate Fund for the Series 2022A Bonds shall be governed by this Section and the Tax Certificate, unless and to the extent that the Authority delivers to the Trustee an opinion of Bond Counsel that the exclusion from gross income for federal income tax purposes of interest on the Series 2022A Bonds will not be adversely affected if such requirements are not satisfied. Notwithstanding anything to the contrary contained herein or in the Tax Certificate, the Trustee: (1) shall be deemed conclusively to have complied with the provisions thereof if it follows all Written Requests of the Authority or Written Requests of the City; (2) shall have no liability or responsibility to enforce compliance by the Authority or the City with the terms of the Tax Certificate and shall not be deemed to have knowledge of the terms thereof; (3) may rely conclusively on the Authority's or the City's calculations and determinations and certifications relating to rebate matters; and (4) shall have no responsibility to independently make any calculations or determinations or to review the Authority's or the City's calculations or determinations thereunder.

(b) Computation. Within 55 days of the end of each fifth Bond Year (as such term is defined in the Tax Certificate), the Authority shall calculate or cause to be calculated the amount of rebatable arbitrage, in accordance with Section 148(f)(2) of the Code and Section 1.148 3 of the Treasury Regulations (taking into account any applicable exceptions with respect to the computation of the rebatable arbitrage, described, if applicable, in the Tax Certificate (e.g., the temporary investments exceptions of Section 148(f)(4)(B) and the construction expenditures exception of Section 148(f)(4)(C) of the Code), and taking into account whether the election pursuant to Section 148(f)(4)(C)(vii) of the Code (the "1½% Penalty") has been made), for this purpose treating the last day of the applicable Bond Year as a computation date, within the meaning of Section 1.148 1(b) of the Treasury Regulations (the "Rebatable Arbitrage"). The Authority shall obtain expert advice as to the amount of the Rebatable Arbitrage to comply with this Section.

(c) Transfer. Within 55 days of the end of each fifth Bond Year, upon the Written Request of the Authority or Written Request of the City, an amount shall be deposited to the Series 2022A Rebate Fund by the Trustee from any Rental Payments legally available for such purpose (as specified by the Authority or the City in the aforesaid Written Request), if and to the extent required, so that the balance in the Series 2022A Rebate Fund shall equal the amount of Rebatable Arbitrage so calculated in accordance with clause (i) of this subsection (a). In the event that immediately following the transfer required by the previous sentence, the amount then on deposit to the credit of the Series 2022A Rebate Fund exceeds the amount required to be on deposit therein, upon Written Request of the Authority or Written Request of the City, the Trustee shall withdraw the excess from the Series 2022A Rebate Fund and then credit the excess to the Lease Revenue Fund.

(d) Payment to the Treasury. The Trustee shall pay, as directed by Written Request of the Authority, to the United States Treasury, out of amounts in the Series 2022A Rebate Fund:

(i) Not later than 60 days after the end of: (X) the fifth Bond Year; and (Y) each applicable fifth Bond Year thereafter, an amount equal to at least 90% of the Rebatable Arbitrage calculated as of the end of such Bond Year; and

(ii) Not later than 60 days after the payment of all of the Bonds, an amount equal to 100% of the Rebatable Arbitrage calculated as of the end of such applicable Bond Year, and any income attributable to the Rebatable Arbitrage, computed in accordance with Section 148(f) of the Code and Section 1.148 3 of the Treasury Regulations.

In the event that, prior to the time of any payment required to be made from the Series 2022A Rebate Fund, the amount in the Series 2022A Rebate Fund is not sufficient to make such payment when such payment is due, the Authority shall calculate or cause to be calculated the amount of such deficiency and deposit an amount received from any legally available source equal to such deficiency prior to the time such payment is due. Each payment required to be made pursuant to this subsection (a) shall be made to the Internal Revenue Service Center, Ogden, Utah 84201 on or before the date on which such payment is due, and shall be accompanied by Internal Revenue Service Form 8038 T (prepared by the Authority), or shall be made in such other manner as provided under the Code.

(e) Disposition of Unexpended Funds. Any funds remaining in the Series 2022A Rebate Fund after redemption and payment of the Series 2022A Bonds and the payments described in subsection (a) above being made may be withdrawn by the Authority and utilized in any manner by the Authority.

(f) Survival of Defeasance. Notwithstanding anything in this Section to the contrary, the obligation to comply with the requirements of this Section shall survive the defeasance or payment in full of the Series 2022A Bonds.

ARTICLE V

COVENANTS OF THE AUTHORITY

Section 5.01 Tax Covenants Relating to Series 2022A Bonds. Notwithstanding any other provision of the Indenture, absent an Opinion of Counsel that the exclusion from gross income of the interest on the Series 2022A Bonds will not be adversely affected for federal income tax purposes, the City and the Authority covenant to comply with all applicable requirements of the Code necessary to preserve such exclusion from gross income with respect to the Series 2022A Bonds and specifically covenant, without limiting the generality of the foregoing, as follows:

(a) Private Activity. The City and the Authority will not take any action or refrain from taking any action or make any use of the proceeds of the Series 2022A Bonds or of any other moneys or property which would cause the Series 2022A Bonds to be "private activity bonds" within the meaning of Section 141 of the Code;

(b) Arbitrage. The City and the Authority will make no use of the proceeds of the Series 2022A Bonds or of any other amounts or property, regardless of the source, and will not take any action or refrain from taking any action which would cause the Series 2022A Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code;

(c) Federal Guarantee. The City and the Authority will make no use of the proceeds of the Series 2022A Bonds and will not take or omit to take any action that would cause the Series 2022A Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Code;

(d) Information Reporting. The City and the Authority will take or cause to be taken all necessary action to comply with the informational reporting requirement of Section 149(e) of the Code necessary to preserve the exclusion of interest on the Series 2022A Bonds pursuant to Section 103(a) of the Code;

(e) Hedge Bonds. The City and the Authority will make no use of the proceeds of the Series 2022A Bonds or any other amounts or property, regardless of the source, and will not take any action or refrain from taking any action that would cause the Series 2022A Bonds to be considered "hedge bonds" within the meaning of Section 149(g) of the Code unless the City and the Authority take all necessary action to assure compliance with the requirements of Section 149(g) of the Code to maintain the exclusion from gross income of interest on the Series 2022A Bonds for federal income tax purposes; and

(f) Miscellaneous. The City and the Authority will not take any action or refrain from taking any action inconsistent with its expectations stated in the Tax Certificate and will comply with the covenants and requirements stated therein and incorporated by reference herein.

This Section and the covenants set forth herein shall not be applicable to, and nothing contained herein shall be deemed to prevent the City and the Authority from causing the Trustee to issue revenue bonds or to execute and deliver contracts payable on a parity with the Series 2022A Bonds, the interest with respect to which has been determined by an Opinion of Counsel to be subject to federal income taxation.

ARTICLE VI

MISCELLANEOUS

Section 6.01 Survival of 2014 Indenture. Except as otherwise amended hereby, the 2014 Indenture shall remain in full force and effect.

Section 6.02 Validity of Bonds. The validity of the authorization and issuance of the Bonds shall not be affected in any way by any proceedings taken with respect to the application of proceeds of the Bonds, and the recital contained in the Bonds that the same are issued pursuant to the Bond Law shall be conclusive evidence of their validity and of the regularity of their issuance.

Section 6.03 Partial Invalidity. If any one or more of the agreements, conditions, covenants or terms required herein to be observed or performed by or on the part of the Authority, the City or the Trustee shall be contrary to law, then such agreement or agreements, such condition or conditions, such covenant or covenants or such term or terms shall be null and void to the extent contrary to law and shall be deemed separable from the remaining agreements, conditions, covenants and terms hereof and shall in no way affect the validity hereof or of the Bonds, and the Owners shall retain all the benefit, protection and security afforded to them under any applicable provisions of law. The Authority, the City and the Trustee hereby declare that they would have executed this Third Supplemental Indenture, and each and every Article, Section, paragraph, subsection, sentence, clause and phrase hereof and would have authorized the execution and delivery of the Series 2022A Bonds

pursuant hereto irrespective of the fact that any one or more Articles, Sections, paragraphs, subsections, sentences, clauses or phrases hereof or the application thereof to any person or circumstance may be held to be unconstitutional, unenforceable or invalid.

Section 6.04 Insurance Policy Requirements.

[TO COME]

Section 6.05 Reserve Policy Requirements.

[TO COME]

Section 6.06 Waiver of Personal Liability. Notwithstanding anything contained herein to the contrary, no member, officer or employee of the Authority or the City shall be individually or personally liable for the payment of any moneys, including without limitation, the principal of or interest on the Series 2022A Bonds, but nothing contained herein shall relieve any member, officer or employee of the City or the Authority from the performance of any official duty provided by any applicable provisions of law, by the Lease Agreement or hereby.

Section 6.07 Successor Deemed Included in all References to Predecessor. Whenever the Authority, the City or the Trustee, or any officer thereof, is named or referred to herein, such reference shall be deemed to include the successor to the powers, duties and functions that are presently vested in the Authority, the City or the Trustee, or such officer, and all agreements, conditions, covenants and terms required hereby to be observed or performed by or on behalf of the Authority, the City or the Trustee, or any officer thereof, shall bind and inure to the benefit of the respective successors thereof whether so expressed or not.

Section 6.08 Execution in Counterparts. This Third Supplemental Indenture may be executed in several counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

Section 6.09 Governing Law. This Third Supplemental Indenture shall be construed and governed in accordance with the laws of the State of California.

IN WITNESS WHEREOF, the Authority and the City have caused this Third Supplemental Indenture to be signed in their respective names by their representative thereunto duly authorized, and the Trustee, in token of its acceptance of the trusts created hereunder, has caused this Third Supplemental Indenture to be signed in its corporate name by its officer thereunto duly authorized, all as of the day and year first above written.

MONTEBELLO PUBLIC FINANCING AUTHORITY

By: _____
Executive Director

ATTEST:

_____
Secretary

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.,
as Trustee

By: _____
Authorized Officer

EXHIBIT A

FORM OF SERIES 2022A BOND

No. ____ $_____

UNLESS THIS BOND IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY TO THE TRUSTEE FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY BOND ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR SUCH OTHER NAME AS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY AND ANY PAYMENT IS MADE TO CEDE & CO., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL SINCE THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

MONTEBELLO PUBLIC FINANCING AUTHORITY
LEASE REVENUE BONDS, SERIES 2022A

INTEREST RATE	MATURITY DATE	DATED DATE	CUSIP
_____%	November 1, 20__	_____, 2022	_____

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: _____ DOLLARS

The Montebello Public Financing Authority (the "Authority"), a joint powers authority organized and existing under the laws of the State of California, for value received, hereby promises to pay (but only out of the Revenues, as defined in the Indenture hereinafter referred to, and certain other moneys) to the Registered Owner identified above or registered assigns (the "Registered Owner"), on the Maturity Date identified above or any earlier redemption date, the principal amount identified above (the "Principal Amount") in lawful money of the United States of America; and to pay interest thereon at the Rate of Interest identified above in like money from the Interest Payment Date (as hereinafter defined) next preceding the date of authentication of this Bond (unless this Bond is authenticated on or before an Interest Payment Date and after the fifteenth calendar day of the month preceding such Interest Payment Date, in which event it shall bear interest from such Interest Payment Date, or unless this Bond is authenticated on or prior to _____ 15, 202_, in which event it shall bear interest from the Dated Date identified above; provided, however, that if, at the time of authentication of this Bond, interest is in default on this Bond, this Bond shall bear interest from the Interest Payment Date to which interest hereon has previously been paid or made available or payment), payable semiannually on May 1 and November 1 in each year, commencing _____ 1, 202_ (the "Interest Payment Dates") until payment of such Principal Amount in full. The Principal Amount hereof is payable by check upon presentation hereof upon maturity or earlier redemption at the principal corporate trust office (the "Trust Office") of The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"), in Los Angeles, California, or at such other office as the Trustee may designate. Interest hereon is payable by check of the Trustee mailed by first class mail on each Interest Payment Date to the Registered Owner hereof at the address of the Registered Owner as it appears on the registration books of the Trustee as of the fifteenth calendar

day of the month preceding such Interest Payment Date (except that in the case of a Registered Owner of at least $1,000,000 in aggregate principal amount of Outstanding Bonds, such payment may, at such Registered Owner's option, be made by wire transfer of immediately available funds in accordance with written instructions provided by such Registered Owner prior to the fifteenth calendar day of the month preceding such Interest Payment Date).

This Bond is one of a duly authorized issue of bonds of the Authority designated the "Montebello Public Financing Authority Lease Revenue Bonds, Series 2022A" (the "Bonds"), in the aggregate principal amount of $_____ issued pursuant to the Indenture, dated as of September 1, 2014, as supplemented by the First Supplemental Indenture dated as of September 1, 2014, the Second Supplemental Indenture dated as of September 1, 2014 and the Third Supplemental Indenture dated as of _____ 1, 2022 (as supplemented, the "Indenture"), each by and between the Authority and the Trustee. Reference is hereby made to the Indenture and all indentures supplemental thereto for a description of the rights thereunder of the owners of the Bonds, of the nature and extent of the Revenues (as that term is defined in the Indenture), of the rights, duties and immunities of the Trustee and of the rights and obligations of the Authority thereunder; and all of the terms of the Indenture are hereby incorporated herein and constitute a contract between the Authority and the Registered Owner hereof, and to all of the provisions of which Indenture the Registered Owner hereof, by acceptance hereof, assents and agrees.

The Bonds are authorized to be issued pursuant to the provisions of the Marks-Roos Local Bond Pooling Act of 1985, constituting Article 4, Chapter 5, Division 7, Title l of the Government Code of the State of California (the "Act"). The Bonds are special obligations of the Authority and, as and to the extent set forth in the Indenture, are payable solely from and secured by a first lien on and pledge of the Revenues as provided in the Indenture. All of the Bonds are equally secured by a pledge of, and charge and lien upon, all of the Revenues (other than deposits to the Series 2022A Rebate Fund created by the Indenture), and the Revenues (other than deposits to the Series 2022A Rebate Fund created by the Indenture) constitute a trust fund for the security and payment of the principal of and interest on the Bonds. The full faith and credit of the Authority are not pledged for the payment of the principal of or interest or premium (if any) on the Bonds. The Bonds are not secured by a legal or equitable pledge of, or charge, lien or encumbrance upon, any of the property of the Authority or any of its income or receipts, except the Revenues and such other moneys and securities as provided in the Indenture.

The Bonds have been issued for the purpose of funding the costs of the acquisition, construction and/or installation of improvements at the City's municipal golf course (the "Project") and related improvements, facilities and equipment. The Authority and the City have entered into a Lease Agreement, dated as of September 1, 2014, as originally executed, as amended and supplemented by the First Amendment to Lease Agreement, dated as of September 1, 2014, the Second Amendment to Lease Agreement, dated as of September 1, 2014 and the Third Amendment to Lease Agreement, dated _____ 1, 2022, under which the City is obligated to pay amounts which are anticipated to be sufficient to enable the Authority to pay the principal of and interest on the Bonds.

The Series 2022A Bonds are subject to redemption prior to their respective maturity dates as provided in the Indenture.

The Bonds may be issued in denominations of $5,000 or any integral multiple thereof. Subject to the limitations and upon payment of the charges, if any, provided in the Indenture, this

Bond may be exchanged at the Trust Office of the Trustee for a like aggregate principal amount, interest rate and maturity of fully registered Bonds of other authorized denominations.

This Bond is transferable by the Registered Owner hereof, in person or by his attorney duly authorized in writing, at the Trust Office of the Trustee, but only in the manner, subject to the limitations and upon payment of the charges provided in the Indenture, and upon surrender and cancellation of this Bond. Upon such transfer a new fully registered Bond or Bonds, of Authorized Denomination or Denominations, for the same aggregate principal amount and of the same maturity will be issued to the transferee in exchange herefor. The Authority and the Trustee may treat the Registered Owner hereof as the absolute owner hereof for all purposes, and the Authority and the Trustee shall not be affected by any notice to the contrary. The Trustee shall not be required to register the transfer or exchange of any Bond during the period in which the Trustee is selecting Bonds for redemption or any Bond selected for redemption.

The Indenture and the rights and obligations of the Authority and of the owners of the Bonds and of the Trustee may be modified or amended from time to time and at any time in the manner, to the extent, and upon the terms provided in the Indenture; provided that no such modification or amendment shall (a) extend the maturity of or reduce the interest rate on any Bond or otherwise alter or impair the obligation of the Authority to pay the principal, interest or premiums at the time and place and at the rate and in the currency provided therein of any Bond without the express written consent of the owner of such Bond, (b) reduce the percentage of Bonds required for the written consent to any such amendment or modification, or (c) without its written consent thereto, modify any of the rights or obligations of the Trustee, all as more fully set forth in the Indenture.

It is hereby certified that all things, conditions and acts required to exist, to have happened and to have been performed precedent to and in the issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by the Constitution and statutes of the State of California and by the Act (as such term is defined on the reverse side hereof) and the amount of this Bond, together with all other indebtedness of the Authority, does not exceed any limit prescribed by the Constitution or statutes of the State of California or by the Act.

This Bond shall not be entitled to any benefit under the Indenture (as such term is defined on the reverse side hereof), or become valid or obligatory for any purpose, until the certificate of authentication hereon shall have been manually signed by the Trustee.

IN WITNESS WHEREOF, the Authority has caused this Bond to be signed in its name and on its behalf by the facsimile signatures of its Executive Director and Secretary, all as of the Dated Date identified above.

MONTEBELLO PUBLIC FINANCING AUTHORITY

By: _____
Executive Director

Attest:

_____
Secretary

[**FORM OF TRUSTEE'S CERTIFICATE OF AUTHENTICATION**]

This is one of the Series 2022A Bonds described in the within-mentioned Indenture and registered on the Registration Books.

Date: _____, 2022

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.,
as Trustee

By:_____
Authorized Signatory

[STATEMENT OF INSURANCE]

[FORM OF LEGAL OPINION]

The following is a true copy of the opinion rendered by Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California, in connection with the issuance of, and dated as of the date of the original delivery of, the Bonds. A signed copy is on file in my office.

_____
Secretary of the Montebello Public Financing Authority

[FORM OF ASSIGNMENT]

For value, received the undersigned hereby sells, assigns and transfers unto _____ whose address and social security or other tax identifying number is _____, the within-mentioned Bond and hereby irrevocably constitute(s) and appoint(s) _____ attorney, to transfer the same on the registration books of the Trustee with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

_____
Note: Signature(s) must be guaranteed by an eligible guarantor.

_____
Note: The signature(s) on this Assignment must correspond with the name(s) as written on the face of the within pond in every particular without alteration or enlargement or any change whatsoever.

EXHIBIT B

DESCRIPTION OF PROJECT

Montebello Golf Course Project. The Project consists of the replacement of the City's existing 18-hole, 72.5-acre golf course. The Project will include a new 9-hole championship golf course with a putting green complex and a new 6-hole, par 3 golf course with lights.

EXHIBIT C

FORM OF PROJECT FUND REQUISITION

REQUISITION NO. _____ FOR
DISBURSEMENT FROM SERIES 2022A PROJECT FUND

The undersigned hereby states and certifies:

(i) that he/she is the duly appointed, qualified and acting _____ of the City of Montebello (the "City"), and as such, is familiar with the facts herein certified and is authorized to certify the same;

(ii) that, pursuant to Section [4.04] of the Third Supplemental Indenture, dated as of _____ 1, 2022 (the "Indenture"), by and between the Montebello Public Financing Authority (the "Authority") and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"), related to the Authority's Lease Revenue Bonds, Series 2022A, the undersigned hereby requests the Trustee to disburse this date the following amounts from the Series 2022A Project Fund established under the Indenture, to the payees designated on the attached Exhibit 1;

(iii) that each obligation mentioned herein has been incurred by the City and is a proper charge against the Series 2022A Project Fund; and

(iv) that there has not been filed with or served upon the City notice of any lien, right to lien or attachment upon, or claim affecting the right to receive payment of, any of the moneys payable to any of the payees named on the attached Exhibit 1, which has not been released or will not be released simultaneously with the payment of such obligation, other than materialmen's or mechanics' liens accruing by mere operation of law.

All capitalized terms used herein and not defined herein shall have the meanings ascribed thereto in the Indenture.

Dated: _____ CITY OF MONTEBELLO

By: _____
Its: _____

EXHIBIT 1

SERIES 2022A PROJECT FUND DISBURSEMENTS

Item Number	***Payee Name and Address***	***Purpose of Obligation***	***Amount***
_____			_____
_____			_____
_____			_____
_____			_____
_____			_____

RECORDING REQUESTED BY:)
County of Los Angeles)
AND WHEN RECORDED MAIL TO:)
Stradling Yocca Carlson & Rauth)
660 Newport Center Drive, Suite 1600)
Newport Beach, California 92660)
Attention: Vanessa S. Legbandt, Esq.)

[Space above for recorder's use.]

This First Amendment to Site and Facility Lease is recorded for the benefit of the City of Montebello and is exempt from California documentary transfer tax pursuant to Section 11928 of the California Revenue and Taxation Code and from recording fees pursuant to Sections 6103, 27383 and 27388.1 (a)(2)(D) and (d)(2) of the California Government Code. Lease term less than 35 years.

FIRST AMENDMENT TO SITE AND FACILITY LEASE

Dated _____ 1, 2022

by and between

CITY OF MONTEBELLO

and

MONTEBELLO PUBLIC FINANCING AUTHORITY

relating to the

$_____
Montebello Public Financing Authority
Lease Revenue Bonds
Series 2022A

FIRST AMENDMENT TO SITE AND FACILITY LEASE

This FIRST AMENDMENT TO SITE AND FACILITY LEASE (the "First Amendment to Site and Facility Lease") is made and entered into as of _____ 1, 2022, by and between the CITY OF MONTEBELLO, a city duly organized and existing under the laws of the State of California, as lessor (the "City"), and the MONTEBELLO PUBLIC FINANCING AUTHORITY, a joint exercise of powers authority duly organized and existing under and by virtue of the laws of the State of California, as lessee (the "Authority"). This First Amendment to Site and Facility Lease amends, in part, the Site and Facility Lease, dated as of September 1, 2014, and recorded in the official records of the County of Los Angeles (the "County") on September 10, 2014 as Document No. 20140948072 (the "2014 Site and Facility Lease," and together with the First Amendment to Site and Facility Lease, the "Site Lease") by and between the City, as lessor, and the Authority, as lessee.

W I T N E S S E T H :

WHEREAS, in order to prepay and defease certain outstanding certificates of participation previously executed and delivered by the City, the Authority issued its Lease Revenue Refunding Bonds, Series 2014A (the "Series 2014A Bonds") pursuant to an Indenture, dated as of September 1, 2014 (the "Original Indenture"), its Lease Revenue Refunding Bonds, Series 2014B (the "Series 2014B Bonds") pursuant to a First Supplemental Indenture, dated as of September 1, 2014 (the "First Supplemental Indenture") and Lease Revenue Refunding Bonds, Series 2014C (Taxable) (the "Series 2014C Bonds" and collectively with the Series 2014A Bonds and the Series 2014B Bonds, the "2014 Bonds") pursuant to a Second Supplemental Indenture, dated as of September 1, 2014 (the "Second Supplemental Indenture," and collectively with the Original Indenture and the First Supplemental Indenture, the "2014 Indenture"), each by and between the Authority and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"); and

WHEREAS, the 2014 Indenture provides for the issuance of bonds secured on a parity thereunder; and

WHEREAS, in order to provide for the payment of the bonds issued under the 2014 Indenture, the City and the Authority have entered into the 2014 Site and Facility Lease, pursuant to which the City has leased to the Authority certain real property owned by the City, together with the City-owned improvements located thereon, as described in Exhibit A thereto (collectively, the "Existing Leased Property"); and

WHEREAS, pursuant to Section 3.07 of the Original Indenture, the Authority may issue Additional Bonds (as defined in the 2014 Indenture) pursuant to a Supplemental Indenture (as defined in the 2014 Indenture); and

WHEREAS, the Authority and the City have determined that it would be in the best interests of the City and residents of the City to authorize the preparation, sale and delivery of the "Montebello Public Financing Authority Lease Revenue Bonds, Series 2022A" (the "Series 2022A Bonds") for the purpose of financing the costs of the acquisition, construction and/or installation of improvements at the City's municipal golf course (the "Project") and related improvements, facilities and equipment described in Exhibit C to the Third Amendment to Lease Agreement;

WHEREAS, to finance the Project, the City will enter into this First Amendment to Site and Facility Lease with the Authority pursuant to which the City and the Authority will add to the Existing Leased Property certain additional real property as described herein (together with the Existing Leased Property, the "Leased Property"), and will confirm that the lease to the Authority of the Leased Property is also made in consideration of the issuance by the Authority of its City of the Series 2022A Bonds; and

WHEREAS, concurrently with the execution of this First Amendment to Site and Facility Lease, the Authority and the City are entering into a Third Amendment to Lease Agreement, dated of even date herewith (the "Third Amendment to Lease Agreement") which supplements and amends the Lease Agreement dated as of September 1, 2014 (the "Original Lease Agreement"), as amended by the First Amendment to Lease Agreement, dated as of September 1, 2014 (the "First Amendment to Lease Agreement") and the Second Amendment to Lease Agreement, dated as of September 1, 2014 (the "Second Amendment to Lease Agreement" and collectively with the Original Lease Agreement, the First Amendment to Lease Agreement and the Third Amendment to Lease Agreement, the "Lease Agreement"), pursuant to which the Authority will lease the Leased Property to the City and the City is required to make Base Rental Payments sufficient to pay debt service on the bonds issued under the Indenture, including the Series 2022A Bonds; and

WHEREAS, to provide funds to finance the Project, the City has requested the Authority to issue the Series 2022A Bonds, pursuant to the Indenture, as supplemented and amended by a Third Supplemental Indenture, dated of even date herewith, by and between the Authority and the Trustee; and

WHEREAS, the 2014 Site and Facility Lease may be amended pursuant to Section 20 thereof; and

WHEREAS, Assured Guaranty Municipal Corp., as insurer of the Series 2014A Bonds, the Series 2014B Bonds and the Series 2014C Bonds, has consented to this First Amendment to Site and Facility Lease.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, and for other valuable consideration, it is hereby mutually agreed as follows:

SECTION 1. Definitions. Unless the context otherwise requires, the capitalized terms herein which are not defined herein shall have the meanings referenced in the 2014 Site and Facility Lease.

SECTION 2. Lease of the Leased Property. Exhibit A to the 2014 Site and Facility Lease is hereby deleted in its entirety and replaced by Exhibit A hereto. From and after the date of recordation hereof, the Leased Property shall consist of the real property described in Exhibit A hereto and all improvements thereon, and all rights appurtenant thereto, and subject, however, to any conditions, reservations, and easements of record as of the date hereof. All references in the Site Lease to Leased Property shall refer to the Leased Property described herein.

SECTION 3. No Other Amendments. Except as expressly set forth in Section 2 above, all other provisions of the Site Lease remain in full force and effect.

SECTION 4. **Counterparts**. This First Amendment to Site and Facility Lease may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the Authority and the City have caused this First Amendment to Site and Facility Lease to be executed by their respective officers thereunto duly authorized, all as of the day and year first above written.

MONTEBELLO PUBLIC FINANCING AUTHORITY, as Lessee

By: _____
Executive Director

ATTEST:

_____
Secretary

CITY OF MONTEBELLO, as Lessor

By: _____
City Manager

ATTEST:

_____
City Clerk

CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in real property conveyed under the foregoing to the Montebello Public Financing Authority, a joint exercise of powers authority (the "Authority"), is hereby accepted by the undersigned officer or agent on behalf of the Board of Directors of the Authority, pursuant to authority conferred by resolution of the said Board of Directors adopted on September 14, 2022, and the grantee consents to recordation thereof by its duly authorized officer.

Dated: _____, 2022

MONTEBELLO PUBLIC FINANCING AUTHORITY, as Lessee

By: _____
Executive Director

ATTEST:

_____
Secretary

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
) ss.
COUNTY OF LOS ANGELES)

On _____ before me, _____, Notary Public,

personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal

_____
SIGNATURE OF NOTARY PUBLIC

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
) ss.
COUNTY OF LOS ANGELES)

On _____ before me, _____, Notary Public,

personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal

_____
SIGNATURE OF NOTARY PUBLIC

EXHIBIT A

DESCRIPTION OF THE LEASED PROPERTY

All that certain real property situated in the City of Montebello, County of Los Angeles, State of California, described as follows:

Fire Station No. 56 Property:

PARCEL 1A: APN: A PORTION OF 6352-005-903 LOT 1 OF TRACT NO. 11691, IN THE CITY OF MONTEBELLO, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 211 PAGE 20 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 1B: APN: THE REMAINDER OF 6352-005-903 THE SOUTH ONE-HALF OF LOT 2 OF TRACT NO. 11691, IN THE CITY OF MONTEBELLO, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 211 PAGE 20 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM ALL PETROLEUM, OIL, ASPHALTUM, GAS AND OTHER HYDROCARBON SUBSTANCES, IN AND UNDER SAID LAND AS RESERVED IN DEED RECORDED JULY 31, 1940, AS INSTRUMENT NO. 488, IN BOOK 17617 PAGE 265, OF OFFICIAL RECORDS.

PARCEL 1C: APN: 6352-005-905 THE WESTERLY 40 FEET OF LOT 3 OF TRACT NO. 11691, IN THE CITY OF MONTEBELLO, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 211 PAGE 20 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM THE NORTHERLY 50 FEET THEREOF.

EXCEPT THEREFROM THE INTEREST IN THE PETROL, OIL, ASPHALTUM AND GAS AND ALL OTHER HYDROCARBON SUBSTANCES IN AND UNDER SAID LAND EXCEPTED IN THE FOLLOWING DEED RECORDED: JULY 23, 1940, AS INSTRUMENT NO. 551, IN BOOK 17582 PAGE 362, NOVEMBER 04, 1942, AS INSTRUMENT NO. 512, IN BOOK 19628 PAGE 246 AND JULY 25, 1946, IN BOOK 23497 PAGE 66, ALL OF OFFICIAL RECORDS.

PARCEL 2D: APN: 6352-005-904 LOT 3 OF TRACT NO. 11691, IN THE CITY OF MONTEBELLO, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 211 PAGE 20 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM THE NORTHERLY 50 FEET THEREOF.

ALSO EXCEPT THEREFOM THE WESTERLY 40 FEET THEREOF. ALSO EXCEPT THEREFROM THE INTEREST IN THE PETROL, OIL, ASPHALTUM AND GAS AND ALL OTHER HYDROCARBON SUBSTANCES IN AND UNDER SAID LAND EXCEPTED IN THE DEED RECORDED JULY 23, 1940 AS INSTRUMENT NO. 551, IN BOOK 17582 PAGE 362 OF OFFICIAL RECORDS.

Police Department Property:

Parcel 2A

LOT 177 OF MONTEBELLO, IN THE CITY OF MONTEBELLO, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 78, PAGES 19, ET SEQ., OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM THE SOUTHERLY 360 FEET OF LOT 177 OF MONTEBELLO, IN THE CITY OF MONTEBELLO, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 78, PAGES 19, ET SEQ., OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

Parcel 2B

LOT 179 OF MONTEBELLO, IN THE CITY OF MONTEBELLO, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 78, PAGES 19, ET SEQ., OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM THE NORTHERLY 270 FEET OF THE EASTERLY 280 FEET OF SAID LOT 179, ALSO EXCEPTING FROM SAID PORTION OF LOT 179, THE SOUTHERLY 15 FEET OF THE WESTERLY 105 FEET THEREOF.

ALSO EXCEPT THEREFROM THE SOUTHERLY 360 FEET OF THE WESTERLY 155 FEET OF LOT 179 OF MONTEBELLO, IN THE CITY OF MONTEBELLO, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 78, PAGES 19, ET SEQ., OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

ALSO EXCEPT THEREFROM THE SOUTHERLY 345 FEET OF THE EASTERLY 175 FEET OF LOT 179 OF MONTEBELLO, IN THE CITY OF MONTEBELLO, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 78, PAGES 19, ET SEQ., OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

ALSO EXCEPT THEREFROM SUCH INTERESTS IN OIL, GAS AND OTHER HYDROCARBON SUBSTANCES AND SUCH OTHER RIGHTS IN SAID LAND AS WERE GRANTED TO UNION OIL COMPANY OF CALIFORNIA, BY DEED RECORDED APRIL 12, 1956 AS DOCUMENT NO. 3614 IN BOOK 40872 PAGE 61, OFFICIAL RECORDS. BY DEED DATED JULY 11, 1963 AND RECORDED AUGUST 20, 1963 AS INSTRUMENT NO. 5442, IN BOOK D-2152 PAGE 609, OFFICIAL RECORDS, THE RIGHTS AND INTERESTS ABOVE GRANTED WERE RELEASED AND QUITCLAIMED AS TO THE SURFACE OF SAID LAND AND THE TOP 500 FEET OF THE SUBSURFACE, MEASURED VERTICALLY DOWNWARD FROM THE SURFACE THEREOF.

ALSO EXCEPT THE REMAINING INTEREST IN: (1) ALL OIL, GAS, AND OTHER HYDROCARBON SUBSTANCES UNDER AND IN THAT PORTION OF SAID LAND LYING BELOW A DEPTH OF 500 FEET FROM THE SURFACE THEREOF; (2} THE RIGHT TO INJECT OR INTRODUCE FROM TIME TO TIME, STORE THEREIN AND SUBSEQUENTLY REMOVE FROM SAID LAND ANY OIL, GAS, PETROLEUM AND OTHER HYDROCARBON SUBSTANCES UNDER AND IN THAT PORTION OF SAID LAND LYING BELOW A DEPTH OF 500 FEET FROM THE SURFACE THEREOF; (3) THE LANDOWNER'S ROYALTIES UNDER THE EXISTING OIL AND GAS LEASE COVERING SAID LAND, WITHOUT, HOWEVER, ANY RIGHT OF ENTRY UPON OR USE OF THE SURFACE OF SAID LAND WITH RESPECT TO ANY OF THE RIGHTS HEREIN RESERVED, AS RESERVED BY BENEDICTINE FATHERS OF MONTEBELLO, LOS ANGELES COUNTY, CALIFORNIA, A RELIGIOUS CORPORATION, IN THE DEED RECORDED FEBRUARY 2, 1961 AS INSTRUMENT NO. 1372 IN BOOK D-1111 PAGE 702, OFFICIAL RECORDS.

City Hall Property:

Parcel 3A

THE SOUTHERLY 360 FEET OF LOT 177 OF MONTEBELLO, IN THE CITY OF MONTEBELLO, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 78, PAGES 19, ET SEQ., OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

Parcel 3B

THE SOUTHERLY 360 FEET OF THE WESTERLY 155 FEET OF LOT 179 OF MONTEBELLO, IN THE CITY OF MONTEBELLO, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 78, PAGES 19, ET SEQ., OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

Parcel 3C

THE SOUTHERLY 345 FEET OF THE EASTERLY 175 FEET OF LOT 179 OF MONTEBELLO, IN THE CITY OF MONTEBELLO, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 78, PAGES 19, ET SEQ., OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM SUCH INTERESTS IN OIL, GAS AND OTHER HYDROCARBON SUBSTANCES AND SUCH OTHER RIGHTS IN SAID LAND AS WERE GRANTED TO UNION OIL COMPANY OF CALIFORNIA, BY DEED RECORDED APRIL 12, 1956 AS DOCUMENT NO. 3614 IN BOOK 40872 PAGE 61, OFFICIAL RECORDS. BY DEED DATED JULY 11, 1963 AND RECORDED AUGUST 20, 1963 AS INSTRUMENT NO. 5442, IN BOOK D-2152 PAGE 609, OFFICIAL RECORDS, THE RIGHTS AND INTERESTS ABOVE GRANTED WERE RELEASED AND QUITCLAIMED AS TO THE SURFACE OF SAID LAND AND THE TOP 500 FEET OF THE SUBSURFACE, MEASURED VERTICALLY DOWNWARD FROM THE SURFACE THEREOF.

ALSO EXCEPT THE REMAINING INTEREST IN: (1) ALL OIL, GAS, AND OTHER HYDROCARBON SUBSTANCES UNDER AND IN THAT PORTION OF SAID LAND LYING BELOW A DEPTH OF 500 FEET FROM THE SURFACE THEREOF; (2} THE RIGHT TO INJECT OR INTRODUCE FROM TIME TO TIME, STORE THEREIN AND SUBSEQUENTLY REMOVE FROM SAID LAND ANY OIL, GAS, PETROLEUM AND OTHER HYDROCARBON SUBSTANCES UNDER AND IN THAT PORTION OF SAID LAND LYING BELOW A DEPTH OF 500 FEET FROM THE SURFACE THEREOF; (3) THE LANDOWNER'S ROYALTIES UNDER THE EXISTING OIL AND GAS LEASE COVERING SAID LAND, WITHOUT, HOWEVER, ANY RIGHT OF ENTRY UPON OR USE OF THE SURFACE OF SAID LAND WITH RESPECT TO ANY OF THE RIGHTS HEREIN RESERVED, AS RESERVED BY BENEDICTINE FATHERS OF MONTEBELLO, LOS ANGELES COUNTY, CALIFORNIA, A RELIGIOUS CORPORATION, IN THE DEED RECORDED FEBRUARY 2, 1961 AS INSTRUMENT NO. 1372 IN BOOK D-1111 PAGE 702, OFFICIAL RECORDS.

RECORDING REQUESTED BY:
County of Los Angeles
AND WHEN RECORDED MAIL TO:
Stradling Yocca Carlson & Rauth
660 Newport Center Drive, Suite 1600
Newport Beach, California 92660
Attn: Vanessa S. Legbandt, Esq.

[Space above for recorder's use.]

This Third Amendment to Lease Agreement is recorded for the benefit of the City of Montebello and is exempt from California documentary transfer tax pursuant to Section 11928 of the California Revenue and Taxation Code and from recording fees pursuant to Sections 6103, 27383 and 27388.1 (a)(2)(D) and (d)(2) of the California Government Code. Lease term less than 35 years.

THIRD AMENDMENT TO LEASE AGREEMENT

Dated as of _____ 1, 2022

by and between

MONTEBELLO PUBLIC FINANCING AUTHORITY

and

CITY OF MONTEBELLO

relating to

$_____
Montebello Public Financing Authority
Lease Revenue Bonds
Series 2022A

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THIRD AMENDMENT TO LEASE AGREEMENT

This Third Amendment to Lease Agreement, dated as of _____ 1, 2022 (this "Third Amendment to Lease Agreement") is made by and between the MONTEBELLO PUBLIC FINANCING AUTHORITY, a joint exercise of powers authority duly organized and existing under and by virtue of the laws of the State of California, as lessor (the "Authority"), and the CITY OF MONTEBELLO, a city duly organized and existing under the laws of the State of California, as lessee (the "City"). This Third Amendment to Lease Agreement amends the Lease Agreement, dated as of September 1, 2014 (the "Original Lease Agreement"), and recorded in the official records of the County of Los Angeles (the "County") on September 10, 2014 as Document No. 20140948073, as amended by the First Amendment to Lease Agreement, dated as of September 1, 2014 (the "First Amendment to Lease Agreement") and recorded in the official records of the County on September 10, 2014 as Document No. 20140948074, and the Second Amendment to Lease Agreement, dated as of September 1, 2014 (the "Second Amendment to Lease Agreement," and collectively with the Original Lease Agreement and the First Amendment to Lease Agreement, the "2014 Lease Agreement") (the 2014 Lease Agreement together with the Third Amendment to Lease Agreement is referred to herein as the "Lease Agreement") and recorded in the official records of the County on September 10, 2014 as Document No. 20140948075, each by and between the Authority, as lessor, and the City, as lessee.

W I T N E S S E T H:

WHEREAS, in order to prepay and defease certain outstanding certificates of participation previously executed and delivered by the City, the Authority issued its Lease Revenue Refunding Bonds, Series 2014A (the "Series 2014A Bonds") pursuant to an Indenture, dated as of September 1, 2014 (the "Original Indenture"), its Lease Revenue Refunding Bonds, Series 2014B (the "Series 2014B Bonds") pursuant to a First Supplemental Indenture, dated as of September 1, 2014 (the "First Supplemental Indenture") and Lease Revenue Refunding Bonds, Series 2014C (Taxable) (the "Series 2014C Bonds" and collectively with the Series 2014A Bonds and the Series 2014B Bonds, the "2014 Bonds") pursuant to a Second Supplemental Indenture, dated as of September 1, 2014 (the "Second Supplemental Indenture," and collectively with the Original Indenture and the First Supplemental Indenture, the "2014 Indenture"), each by and between the Authority and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"); and

WHEREAS, the 2014 Indenture provides for the issuance of bonds secured on a parity thereunder; and

WHEREAS, in order to provide for the payment of the bonds issued under the 2014 Indenture, the City and the Authority have entered into the Site and Facility Lease, dated as of September 1, 2014 (the "2014 Site and Facility Lease"), pursuant to which the City has leased to the Authority certain real property owned by the City, together with the City-owned improvements located thereon, as described in Exhibit A thereto (collectively, the "Existing Leased Property"); and

WHEREAS, pursuant to Section 3.07 of the Original Indenture, the Authority may issue Additional Bonds (as defined in the 2014 Indenture) pursuant to a Supplemental Indenture (as defined in the 2014 Indenture); and

WHEREAS, pursuant to Section 21 of the Original Lease Agreement, the Lease Agreement may be amended to provide for the issuance of Additional Bonds and to make such other changes or modifications as the Authority or the City may deem desirable or necessary, and which shall not materially adversely affect the interests of the Owners; and

WHEREAS, the City has determined in Resolution No. 22-__ that it would be in the best interests of the City and residents of the City to authorize the preparation, sale and delivery of the "Montebello Public Financing Authority Lease Revenue Bonds, Series 2022A" (the "Series 2022A Bonds") in the aggregate principal amount of $_____ as Additional Bonds pursuant to the 2014 Indenture, as further amended and supplemented by the Third Supplemental Indenture dated of even date herewith (the "Third Supplemental Indenture"), by and between the Authority and the Trustee, for the purpose of financing the costs of the acquisition, construction and/or installation of improvements at the City's municipal golf course described in Exhibit C hereto (the "Project"); and

WHEREAS, to finance the Project, the City and the Authority will enter into a First Amendment to Site and Facility Lease, dated as of even date herewith (the "First Amendment to Site and Facility Lease"), which supplements and amends the 2014 Site and Facility Lease by adding additional real property to the Existing Leased Property leased thereunder, and into this Third Amendment to Lease Agreement pursuant to which the City will lease back the additional real property added to the Existing Leased Property pursuant to the First Amendment to Site and Facility Lease as a part of the property leased to the City described in Exhibit A hereto, and agree to make Base Rental Payments sufficient to pay debt service on the 2014 Bonds and the Series 2022A Bonds; and

WHEREAS, to provide funds to finance the Project, the Authority will issue the Series 2022A Bonds pursuant to the Third Supplemental Indenture,; and

WHEREAS, the Authority, pursuant to this Third Amendment to Lease Agreement, desires to provide for additional base rental under the 2014 Lease Agreement in accordance with the base rental schedule attached hereto as Exhibit B (the "2022A Base Rental Payments"), that corresponds with the principal and interest coming due on the Series 2022A Bonds; and

WHEREAS, Assured Guaranty Municipal Corp., as insurer of the Series 2014A Bonds, the Series 2014B Bonds and the Series 2014C Bonds, has consented to this Third Amendment to Lease Agreement.

NOW, THEREFORE, in consideration of the above premises and of the mutual covenants hereinafter contained and for other good and valuable consideration, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS

Section 1.01. Definitions. Except as otherwise provided in this Section 1.01, the capitalized terms used herein shall have the meanings specified in the 2014 Lease Agreement and the 2014 Indenture.

"**City Hall Property**" means the real property described as "City Hall Property" in Exhibit A hereto and the improvements located thereon, including the City of Montebello City Hall building located at 1600 W. Beverly Boulevard, Montebello, California.

"**Completion Certificate**" means a certificate provided by _____ evidencing that the remediation of mold identified at the Police Department Property as of the date hereof has been completed.

"**Fire Station No. 56 Property**" means the real property described as Fire Station No. 56 in Exhibit A hereto and the improvements located thereon, including the City of Montebello Fire Station No. 56 located at 1166 S. Greenwood Avenue, Montebello, California.

"**Police Department Property**" means the real property described as "Police Department Property" in Exhibit A hereto and the improvements located thereon, including the City of Montebello City Hall building located at 1600 W. Beverly Boulevard, Montebello, California.

ARTICLE II

AMENDMENTS

Section 2.01. **Lease of the Leased Property**. Exhibit A to the Original Lease Agreement is hereby deleted in its entirety and replaced by Exhibit A hereto. From and after the date of recordation hereof, the Leased Property shall consist of the real property described in Exhibit A hereto and all improvements thereon, and all rights appurtenant thereto, and subject, however, to any conditions, reservations, and easements of record as of the date hereof. All references in the Lease Agreement to Leased Property shall refer to the Leased Property described in Exhibit A hereto.

Section 2.02. **Release of Fire Station No. 56 After Completion of Mold Remediation at Police Headquarters**. Without regard to the requirements of Article 7 of the Original Lease Agreement, the Authority may provide for release and deletion of the Fire Station No. 56 Property from the Leased Property such that the Police Headquarters Property and, if any 2014 Bonds remain Outstanding under the Indenture, the City Hall Property, shall constitute the Remaining Portion, provided that the City shall satisfy conditions (i) and (ii) below, compliance with each of which requirements is hereby declared to be a condition precedent to such release:

(a) The City shall file with the Authority and the Trustee a copy of a Lease Supplement which deletes the Fire Station No. 56 Property from the Lease Agreement; and

(b) The City shall have delivered the Completion Certificate to the Trustee.

Upon the satisfaction of all such conditions under this Section 2.02, this Lease Agreement shall thereupon end as to the Released Portion and shall thereupon continue as to the Remaining Portion, and the Fire Station No. 56 Property shall be released from the Lease Agreement and no longer form part of the Property hereunder without further act or deed of the City, the Authority, or the Trustee, provided the Authority and the Trustee shall execute any such instruments evidencing such release as may be reasonably requested by the City from time to time. The City shall not be entitled to any reduction, diminution, extension or other modification of the Base Rental Payments whatsoever as a result of such deletion.

ARTICLE III

TERM

Section 3.01. **Term of Lease**. Pursuant to the Lease Agreement, the Authority leased to the City and the City leased from the Authority, on the terms and conditions set forth in the Lease Agreement, the Leased Property. The term of this Third Amendment to Lease Agreement shall commence on _____, 2022.

The term of the leasehold interest created hereby shall expire (a) with respect to the City Hall Property, on the date that no 2014 Bonds remain Outstanding under the Indenture, and (b) with respect to the Police Department Property (and if not previously released in accordance with Section 2.02 hereof, the Fire Station No. 56 Property), on the earliest of (i) November 1, 20__ (the "Expiration Date"); (ii) the date the last 2022A Base Rental Payment is made under the provisions hereof; or (iii) the date of discharge of the Indenture pursuant to Section 9.03 of the Original Indenture. Notwithstanding the foregoing, with respect to any portion of the Leased Property not previously released or for which the Lease Agreement was not previously terminated under subsection (a) hereof, the term of the Lease Agreement shall automatically be extended for a period of ten (10) years, if, on the Expiration Date, the Indenture has not been fully discharged, and shall terminate on the date when the Indenture has been fully discharged.

Throughout the term of this Third Amendment to Lease Agreement, title to the Leased Property shall remain in the City.

ARTICLE IV

RENTAL

Subject to the provisions of Section 6.01 hereof and Section 16 of the Lease Agreement, the City agrees to pay to the Authority, its successors or assigns, as additional base rental payments for the use and possession of the Leased Property, 2022A Base Rental Payments, as hereinafter provided and as provided in the Lease Agreement, in accordance with the 2022A Base Rental Payment Schedule attached as Exhibit B hereto, less any amounts credited against the 2022A Base Rental Payments pursuant to Section 4.02(d) of the Original Indenture. The obligation of the City to pay the 2022A Base Rental Payments with respect to the Series 2022A Bonds shall rank *pari passu* with the obligation of the City to pay base rental payments with respect to the Series 2022A Bonds and any Additional Bonds. The City shall pay to the Trustee the 2022A Base Rental Payments coming due fifteen days prior to the next succeeding May 1 and November I, respectively, as set forth in Exhibit B and such payments shall constitute payment in arrears in consideration for the City's use and possession of the Leased Property for the six-month period preceding the due date of such 2022A Base Rental Payments. Such rental payments shall constitute additional 2022A Base Rental Payments under the Lease Agreement.

The City shall also pay to the Insurer as "Additional Rental Payments", in addition to the Series 2022A Base Rental Payments: [(i) all interest on Series 2022A Insurer Advances (as more fully described in the Third Supplemental Indenture), (ii) all amounts payable to the Insurer pursuant to Section 8.06 hereof and (iii) all Reserve Policy Costs (as more fully described in the Third Supplemental Indenture).] Such rental payments shall constitute Additional Rental Payments under the Indenture.

ARTICLE V

USE OF PROCEEDS

Section 5.01. **Use of Proceeds of the Series 2022A Bonds**. The parties hereto agree that the proceeds of the Series 2022A Bonds will be used to pay the costs of the Project and to pay for costs of issuance of the Series 2022A Bonds.

ARTICLE VI

PREPAYMENT

Section 6.01. **Optional Prepayment**. The City may at its option prepay from any source of available moneys for redemption of the Series 2022A Bonds pursuant to Section 4.01(b) of the Third Supplemental Indenture, all or any part (in an integral multiple of $5,000) of the Principal Component of 2022A Base Rental Payments (and corresponding Interest Component) so that the aggregate annual amounts of Principal Component of 2022A Base Rental Payments which shall be payable after such prepayment shall each be an integral of $5,000, at a prepayment price equal to the principal amount to be redeemed, plus accrued but unpaid interest to the prepayment date, without premium.

Before making any prepayment pursuant to this Section, the City shall give written notice to the Trustee specifying the date on which the prepayment will be made, which date shall not be less than forty-five (45) days from the date such notice is given unless the Trustee agrees to a shorter period.

The Authority and the City hereby agree that any prepayment in part under this Section and the redemption of any Series 2022A Bonds by the Authority pursuant to Section 4.01(b) of the Third Supplemental Indenture shall be credited towards the City's obligations hereunder at the option of the City in any manner determined in writing delivered to the Trustee by the City. A prepayment made pursuant to this Section shall not cause a defeasance of any Bonds unless the requirements of Section 9.03 of the Original Indenture are satisfied.

In the event of prepayment in full of the Principal Component of all 2022A Base Rental Payments, such that the Lease Agreement shall be terminated by its terms as provided in Section 2 of the Original Lease Agreement, all amounts then on deposit under the Indenture which are to be credited to the City's obligations to make 2022A Base Rental Payments shall be credited towards the amounts then required to be so prepaid. In the event of the prepayment of some but not all of the Principal Components of the 2022A Base Rental Payments, the City shall replace the 2022A Base Rental Schedule with a revised 2022A Base Rental Payment Schedule reflecting such prepayment of the Principal Components of the 2022A Base Rental Payments.

ARTICLE VII

MISCELLANEOUS

Section 7.01. **Survival of 2014 Lease Agreement**. Except as otherwise amended hereby, the 2014 Lease Agreement shall remain in full force and effect.

Section 7.02. Binding Effect. This Third Amendment to Lease Agreement shall inure to the benefit of and shall be binding upon the Authority and the City and their respective successors and assigns.

Section 7.03. Validity and Severability. If for any reason this Third Amendment to Lease Agreement shall be held by a court of competent jurisdiction to be void, voidable or unenforceable by the Authority or by the City, or if for any reason it is held by such a court that any of the covenants and conditions of the City hereunder, including the covenant to pay Base Rental Payments and Additional Rental Payments, is unenforceable for the full term hereof; then and in such event the Lease Agreement is and shall be deemed to be a Lease Agreement under which the Base Rental Payments and Additional Rental Payments are to be paid by the City annually in consideration of the right of the City to possess, occupy and use the Leased Property, and all of the terms, provisions and conditions of the Lease Agreement, except to the extent that such terms, provisions and conditions are contrary to or inconsistent with such holding, shall remain in full force and effect.

Section 7.04. 2022A Insurer Requirements.

[TO COME]

Section 7.05. California Law. This Third Amendment to Lease Agreement shall be governed by and construed and interpreted in accordance with the laws of the State of California.

Section 7.06. Section Headings. All section headings contained herein are for convenience of reference only and are not intended to define or limit the scope of any provision of this Third Amendment to Lease Agreement.

Section 7.07. Execution. This Third Amendment to Lease Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all together shall constitute but one and the same Third Amendment to Lease Agreement.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK.]

IN WITNESS WHEREOF, the Authority and the City have caused this Third Amendment to Lease Agreement to be executed by their respective officers thereunto duly authorized, all as of the day and year first above written.

MONTEBELLO PUBLIC FINANCING AUTHORITY, as Lessor

By: _____
Executive Director

ATTEST:

_____
Secretary

CITY OF MONTEBELLO, as Lessee

By: _____
City Manager

ATTEST:

_____
City Clerk

CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in real property conveyed under the foregoing to the City of Montebello, a city duly organized and existing under the laws of the State of California, is hereby accepted by the undersigned officer or agent on behalf of the City Council of the City of Montebello, pursuant to authority conferred by resolution of the said City Council adopted on September 14, 2022, and the grantee consents to recordation thereof by its duly authorized officer.

Dated: _____, 2022

CITY OF MONTEBELLO

By: _____
City Manager

4886-1775-6454v6/200907-0002

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
) ss.
COUNTY OF LOS ANGELES)

On _____ before me, _____, Notary Public,

personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal

_____
SIGNATURE OF NOTARY PUBLIC

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
) ss.
COUNTY OF LOS ANGELES)

On _____ before me, _____, Notary Public,

personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal

_____
SIGNATURE OF NOTARY PUBLIC

EXHIBIT A

DESCRIPTION OF THE LEASED PROPERTY

All that certain real property situated in the City of Montebello, County of Los Angeles, State of California, described as follows:

Fire Station No. 56 Property:

PARCEL 1A: APN: A PORTION OF 6352-005-903 LOT 1 OF TRACT NO. 11691, IN THE CITY OF MONTEBELLO, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 211 PAGE 20 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 1B: APN: THE REMAINDER OF 6352-005-903 THE SOUTH ONE-HALF OF LOT 2 OF TRACT NO. 11691, IN THE CITY OF MONTEBELLO, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 211 PAGE 20 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM ALL PETROLEUM, OIL, ASPHALTUM, GAS AND OTHER HYDROCARBON SUBSTANCES, IN AND UNDER SAID LAND AS RESERVED IN DEED RECORDED JULY 31, 1940, AS INSTRUMENT NO. 488, IN BOOK 17617 PAGE 265, OF OFFICIAL RECORDS.

PARCEL 1C: APN: 6352-005-905 THE WESTERLY 40 FEET OF LOT 3 OF TRACT NO. 11691, IN THE CITY OF MONTEBELLO, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 211 PAGE 20 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM THE NORTHERLY 50 FEET THEREOF.

EXCEPT THEREFROM THE INTEREST IN THE PETROL, OIL, ASPHALTUM AND GAS AND ALL OTHER HYDROCARBON SUBSTANCES IN AND UNDER SAID LAND EXCEPTED IN THE FOLLOWING DEED RECORDED: JULY 23, 1940, AS INSTRUMENT NO. 551, IN BOOK 17582 PAGE 362, NOVEMBER 04, 1942, AS INSTRUMENT NO. 512, IN BOOK 19628 PAGE 246 AND JULY 25, 1946, IN BOOK 23497 PAGE 66, ALL OF OFFICIAL RECORDS.

PARCEL 2D: APN: 6352-005-904 LOT 3 OF TRACT NO. 11691, IN THE CITY OF MONTEBELLO, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 211 PAGE 20 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM THE NORTHERLY 50 FEET THEREOF.

ALSO EXCEPT THEREFOM THE WESTERLY 40 FEET THEREOF. ALSO EXCEPT THEREFROM THE INTEREST IN THE PETROL, OIL, ASPHALTUM AND GAS AND ALL OTHER HYDROCARBON SUBSTANCES IN AND UNDER SAID LAND EXCEPTED IN THE DEED RECORDED JULY 23, 1940 AS INSTRUMENT NO. 551, IN BOOK 17582 PAGE 362 OF OFFICIAL RECORDS.

Police Department Property:

Parcel 2A

LOT 177 OF MONTEBELLO, IN THE CITY OF MONTEBELLO, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 78, PAGES 19, ET SEQ., OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM THE SOUTHERLY 360 FEET OF LOT 177 OF MONTEBELLO, IN THE CITY OF MONTEBELLO, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 78, PAGES 19, ET SEQ., OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

Parcel 2B

LOT 179 OF MONTEBELLO, IN THE CITY OF MONTEBELLO, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 78, PAGES 19, ET SEQ., OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM THE NORTHERLY 270 FEET OF THE EASTERLY 280 FEET OF SAID LOT 179, ALSO EXCEPTING FROM SAID PORTION OF LOT 179, THE SOUTHERLY 15 FEET OF THE WESTERLY 105 FEET THEREOF.

ALSO EXCEPT THEREFROM THE SOUTHERLY 360 FEET OF THE WESTERLY 155 FEET OF LOT 179 OF MONTEBELLO, IN THE CITY OF MONTEBELLO, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 78, PAGES 19, ET SEQ., OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

ALSO EXCEPT THEREFROM THE SOUTHERLY 345 FEET OF THE EASTERLY 175 FEET OF LOT 179 OF MONTEBELLO, IN THE CITY OF MONTEBELLO, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 78, PAGES 19, ET SEQ., OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

ALSO EXCEPT THEREFROM SUCH INTERESTS IN OIL, GAS AND OTHER HYDROCARBON SUBSTANCES AND SUCH OTHER RIGHTS IN SAID LAND AS WERE GRANTED TO UNION OIL COMPANY OF CALIFORNIA, BY DEED RECORDED APRIL 12, 1956 AS DOCUMENT NO. 3614 IN BOOK 40872 PAGE 61, OFFICIAL RECORDS. BY DEED DATED JULY 11, 1963 AND RECORDED AUGUST 20, 1963 AS INSTRUMENT NO. 5442, IN BOOK D-2152 PAGE 609, OFFICIAL RECORDS, THE RIGHTS AND INTERESTS ABOVE GRANTED WERE RELEASED AND QUITCLAIMED AS TO THE SURFACE OF SAID LAND AND THE TOP 500 FEET OF THE SUBSURFACE, MEASURED VERTICALLY DOWNWARD FROM THE SURFACE THEREOF.

ALSO EXCEPT THE REMAINING INTEREST IN: (1) ALL OIL, GAS, AND OTHER HYDROCARBON SUBSTANCES UNDER AND IN THAT PORTION OF SAID LAND LYING BELOW A DEPTH OF 500 FEET FROM THE SURFACE THEREOF; (2} THE RIGHT TO INJECT OR INTRODUCE FROM TIME TO TIME, STORE THEREIN AND SUBSEQUENTLY REMOVE FROM SAID LAND ANY OIL, GAS, PETROLEUM AND OTHER HYDROCARBON SUBSTANCES UNDER AND IN THAT PORTION OF SAID LAND LYING BELOW A DEPTH OF 500 FEET FROM THE SURFACE THEREOF; (3) THE LANDOWNER'S ROYALTIES UNDER THE EXISTING OIL AND GAS LEASE COVERING SAID LAND, WITHOUT, HOWEVER, ANY RIGHT OF ENTRY UPON OR USE OF THE SURFACE OF SAID LAND WITH RESPECT TO ANY OF THE RIGHTS HEREIN RESERVED, AS RESERVED BY BENEDICTINE FATHERS OF MONTEBELLO, LOS ANGELES COUNTY, CALIFORNIA, A RELIGIOUS CORPORATION, IN THE DEED RECORDED FEBRUARY 2, 1961 AS INSTRUMENT NO. 1372 IN BOOK D-1111 PAGE 702, OFFICIAL RECORDS.

City Hall Property:

Parcel 3A

THE SOUTHERLY 360 FEET OF LOT 177 OF MONTEBELLO, IN THE CITY OF MONTEBELLO, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 78, PAGES 19, ET SEQ., OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

Parcel 3B

THE SOUTHERLY 360 FEET OF THE WESTERLY 155 FEET OF LOT 179 OF MONTEBELLO, IN THE CITY OF MONTEBELLO, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 78, PAGES 19, ET SEQ., OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

Parcel 3C

THE SOUTHERLY 345 FEET OF THE EASTERLY 175 FEET OF LOT 179 OF MONTEBELLO, IN THE CITY OF MONTEBELLO, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 78, PAGES 19, ET SEQ., OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM SUCH INTERESTS IN OIL, GAS AND OTHER HYDROCARBON SUBSTANCES AND SUCH OTHER RIGHTS IN SAID LAND AS WERE GRANTED TO UNION OIL COMPANY OF CALIFORNIA, BY DEED RECORDED APRIL 12, 1956 AS DOCUMENT NO. 3614 IN BOOK 40872 PAGE 61, OFFICIAL RECORDS. BY DEED DATED JULY 11, 1963 AND RECORDED AUGUST 20, 1963 AS INSTRUMENT NO. 5442, IN BOOK D-2152 PAGE 609, OFFICIAL RECORDS, THE RIGHTS AND INTERESTS ABOVE GRANTED WERE RELEASED AND QUITCLAIMED AS TO THE SURFACE OF SAID LAND AND THE TOP 500 FEET OF THE SUBSURFACE, MEASURED VERTICALLY DOWNWARD FROM THE SURFACE THEREOF.

ALSO EXCEPT THE REMAINING INTEREST IN: (1) ALL OIL, GAS, AND OTHER HYDROCARBON SUBSTANCES UNDER AND IN THAT PORTION OF SAID LAND LYING BELOW A DEPTH OF 500 FEET FROM THE SURFACE THEREOF; (2} THE RIGHT TO INJECT OR INTRODUCE FROM TIME TO TIME, STORE THEREIN AND SUBSEQUENTLY REMOVE FROM SAID LAND ANY OIL, GAS, PETROLEUM AND OTHER HYDROCARBON SUBSTANCES UNDER AND IN THAT PORTION OF SAID LAND LYING BELOW A DEPTH OF 500 FEET FROM THE SURFACE THEREOF; (3) THE LANDOWNER'S ROYALTIES UNDER THE EXISTING OIL AND GAS LEASE COVERING SAID LAND, WITHOUT, HOWEVER, ANY RIGHT OF ENTRY UPON OR USE OF THE SURFACE OF SAID LAND WITH RESPECT TO ANY OF THE RIGHTS HEREIN RESERVED, AS RESERVED BY BENEDICTINE FATHERS OF MONTEBELLO, LOS ANGELES COUNTY, CALIFORNIA, A RELIGIOUS CORPORATION, IN THE DEED RECORDED FEBRUARY 2, 1961 AS INSTRUMENT NO. 1372 IN BOOK D-1111 PAGE 702, OFFICIAL RECORDS.

EXHIBIT B

2022A BASE RENTAL PAYMENT SCHEDULE

Interest Payment Date[*]	*Principal Component*	*Interest Component*	*Total Base Rental*

[*] Base Rental Payments to be made no later than the Base Rental Deposit Date preceding each Interest Payment Date.

EXHIBIT C

DESCRIPTION OF THE PROJECT

Montebello Golf Course Project. The Project consists of the replacement of the City's existing 18-hole, 72.5-acre golf course. The Project will include a new 9-hole championship golf course with a putting green complex and a new 6-hole, par 3 golf course with lights.

RECORDING REQUESTED BY:)
County of Los Angeles)
AND WHEN RECORDED MAIL TO:)
Stradling Yocca Carlson & Rauth)
660 Newport Center Drive, Suite 1600)
Newport Beach, California 92660)
Attention: Vanessa S. Legbandt, Esq.)

[Space above for recorder's use.]

This First Amendment to Assignment Agreement is recorded for the benefit of the City of Montebello and is exempt from California documentary transfer tax pursuant to Section 11928 of the California Revenue and Taxation Code and from recording fees pursuant to Sections 6103, 27383 and 27388.1 (a)(2)(D) and (d)(2) of the California Government Code. Lease term less than 35 years.

FIRST AMENDMENT TO ASSIGNMENT AGREEMENT

Dated _____ 1, 2022

by and between

MONTEBELLO PUBLIC FINANCING AUTHORITY

and

THE BANK OF NEW YORK MELLO TRUST COMPANY, N.A.
as Trustee

relating to the

$_____
Montebello Public Financing Authority
Lease Revenue Bonds
Series 2022A

FIRST AMENDMENT TO ASSIGNMENT AGREEMENT

This FIRST AMENDMENT TO ASSIGNMENT AGREEMENT (the "First Amendment to Assignment Agreement") is made and entered into as of _____ 1, 2022, by and between the MONTEBELLO PUBLIC FINANCING AUTHORITY, a joint exercise of powers authority duly organized and existing under and by virtue of the laws of the State of California (the "Authority") and THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., a national banking association organized and existing under the laws of the United States of America, as trustee (the "Trustee"). This First Amendment to Assignment Agreement amends, in part, the Assignment Agreement, dated as of September 1, 2014, and recorded in the official records of the County of Los Angeles (the "County") on September 10, 2014 as Document No. 20140948076 (the "2014 Assignment Agreement," and together with the First Amendment to Assignment Agreement, the "Assignment Agreement") by and between the Authority and the Trustee.

W I T N E S S E T H :

WHEREAS, in order to prepay and defease certain outstanding certificates of participation previously executed and delivered by the City of Montebello (the "City"), the Authority issued its Lease Revenue Refunding Bonds, Series 2014A (the "Series 2014A Bonds") pursuant to an Indenture, dated as of September 1, 2014 (the "Original Indenture"), its Lease Revenue Refunding Bonds, Series 2014B (the "Series 2014B Bonds") pursuant to a First Supplemental Indenture, dated as of September 1, 2014 (the "First Supplemental Indenture") and Lease Revenue Refunding Bonds, Series 2014C (Taxable) (the "Series 2014C Bonds" and collectively with the Series 2014A Bonds and the Series 2014B Bonds, the "2014 Bonds") pursuant to a Second Supplemental Indenture, dated as of September 1, 2014 (the "Second Supplemental Indenture," and collectively with the Original Indenture and the First Supplemental Indenture, the "2014 Indenture"), each by and between the Authority and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"); and

WHEREAS, in connection with the issuance of the 2014 Bonds, the Authority and the City entered into the Site and Facility Lease, dated as of September 1, 2014 and recorded in the official records of the County on September 10, 2014 as Document No. 20140948072 (the "2014 Site Lease") whereby the City agreed to lease to the Authority the City Hall and Police Department of the City, located at 1600 W. Beverly Boulevard in the City (the "Existing Leased Property"); and

WHEREAS, the Authority and the City entered into the Lease Agreement, dated as of September 1, 2014 (the "Original Lease Agreement") and recorded in the official records of the County on September 10, 2014 as Document No. 20140948073, as amended by the First Amendment to Lease Agreement, dated as of September 1, 2014 (the "First Amendment to Lease Agreement") and recorded in the official records of the County on September 10, 2014 as Document No. 20140948074, and the Second Amendment to Lease Agreement, dated as of September 1, 2014 (the "Second Amendment to Lease Agreement" and together with the Original Lease Agreement and the First Amendment to Lease Agreement, the "2014 Lease Agreement") and recorded in the official records of the County on September 10, 2014 as Document No. 20140948075, pursuant to which the City leased the Existing Leased Property back from the Authority; and

WHEREAS, the City and the Authority desire to finance the costs of the acquisition, construction and/or installation of improvements at the City's municipal golf course (the "Project") and related improvements, facilities and equipment; and

WHEREAS, in order to finance the Project, the City will lease certain additional real property and the improvements located thereon (together with the Existing Leased Property, the "Leased Property") pursuant to the 2014 Site Lease, as amended by the First Amendment to Site and Facility Lease, dated of even date herewith and recorded concurrently herewith (the "First Amendment to Site Lease" and together with the 2014 Site Lease, the "Site Lease"), and the City will sublease the Leased Property back from the Authority pursuant to the 2014 Lease Agreement, as amended by the Third Amendment to Lease Agreement dated of even date herewith and recorded concurrently herewith (the "Third Amendment to Lease Agreement," and collectively with the 2014 Lease Agreement, the "Lease Agreement"); and

WHEREAS, the Authority and the Trustee desire to amend the 2014 Assignment Agreement to include all of the Leased Property in Exhibit A hereto.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, and for other valuable consideration, it is hereby mutually agreed as follows:

SECTION 1. Definitions. Unless the context otherwise requires, the capitalized terms used herein which are not defined herein shall have the meanings referenced in the 2014 Assignment Agreement.

SECTION 2. Leased Property. Exhibit A to the 2014 Assignment Agreement is hereby deleted in its entirety and replaced by Exhibit A hereto. From and after the date of recordation hereof, the Leased Property shall consist of the real property described in Exhibit A hereto and all improvements thereon, and all rights appurtenant thereto, and subject, however, to any conditions, reservations, and easements of record as of the date hereof. All references in the Assignment Agreement to Leased Property shall refer to the Leased Property described in Exhibit A hereto.

SECTION 3. No Other Amendments. Except as expressly set forth in Section 2 above, all other provisions of the Assignment Agreement remain in full force and effect.

SECTION 4. Counterparts. This First Amendment to Assignment Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the Authority and the Trustee have caused this First Amendment to Assignment Agreement to be executed by their respective officers thereunto duly authorized, all as of the day and year first above written.

MONTEBELLO PUBLIC FINANCING AUTHORITY

By: _____
Executive Director

ATTEST:

_____
Secretary

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., as Trustee

By: _____
Authorized Officer

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
) ss.
COUNTY OF LOS ANGELES)

On _____ before me, _____, Notary Public,

personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal

_____
SIGNATURE OF NOTARY PUBLIC

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
) ss.
COUNTY OF LOS ANGELES)

On _____ before me, _____, Notary Public,

personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose names(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal

_____
SIGNATURE OF NOTARY PUBLIC

EXHIBIT A

DESCRIPTION OF THE LEASED PROPERTY

All that certain real property situated in the City of Montebello, County of Los Angeles, State of California, described as follows:

Fire Station No. 56 Property:

PARCEL 1A: APN: A PORTION OF 6352-005-903 LOT 1 OF TRACT NO. 11691, IN THE CITY OF MONTEBELLO, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 211 PAGE 20 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL 1B: APN: THE REMAINDER OF 6352-005-903 THE SOUTH ONE-HALF OF LOT 2 OF TRACT NO. 11691, IN THE CITY OF MONTEBELLO, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 211 PAGE 20 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM ALL PETROLEUM, OIL, ASPHALTUM, GAS AND OTHER HYDROCARBON SUBSTANCES, IN AND UNDER SAID LAND AS RESERVED IN DEED RECORDED JULY 31, 1940, AS INSTRUMENT NO. 488, IN BOOK 17617 PAGE 265, OF OFFICIAL RECORDS.

PARCEL 1C: APN: 6352-005-905 THE WESTERLY 40 FEET OF LOT 3 OF TRACT NO. 11691, IN THE CITY OF MONTEBELLO, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 211 PAGE 20 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM THE NORTHERLY 50 FEET THEREOF.

EXCEPT THEREFROM THE INTEREST IN THE PETROL, OIL, ASPHALTUM AND GAS AND ALL OTHER HYDROCARBON SUBSTANCES IN AND UNDER SAID LAND EXCEPTED IN THE FOLLOWING DEED RECORDED: JULY 23, 1940, AS INSTRUMENT NO. 551, IN BOOK 17582 PAGE 362, NOVEMBER 04, 1942, AS INSTRUMENT NO. 512, IN BOOK 19628 PAGE 246 AND JULY 25, 1946, IN BOOK 23497 PAGE 66, ALL OF OFFICIAL RECORDS.

PARCEL 2D: APN: 6352-005-904 LOT 3 OF TRACT NO. 11691, IN THE CITY OF MONTEBELLO, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 211 PAGE 20 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM THE NORTHERLY 50 FEET THEREOF.

ALSO EXCEPT THEREFOM THE WESTERLY 40 FEET THEREOF. ALSO EXCEPT THEREFROM THE INTEREST IN THE PETROL, OIL, ASPHALTUM AND GAS AND ALL OTHER HYDROCARBON SUBSTANCES IN AND UNDER SAID LAND EXCEPTED IN THE DEED RECORDED JULY 23, 1940 AS INSTRUMENT NO. 551, IN BOOK 17582 PAGE 362 OF OFFICIAL RECORDS.

Police Department Property:

Parcel 2A

LOT 177 OF MONTEBELLO, IN THE CITY OF MONTEBELLO, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 78, PAGES 19, ET SEQ., OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM THE SOUTHERLY 360 FEET OF LOT 177 OF MONTEBELLO, IN THE CITY OF MONTEBELLO, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 78, PAGES 19, ET SEQ., OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

Parcel 2B

LOT 179 OF MONTEBELLO, IN THE CITY OF MONTEBELLO, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 78, PAGES 19, ET SEQ., OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM THE NORTHERLY 270 FEET OF THE EASTERLY 280 FEET OF SAID LOT 179, ALSO EXCEPTING FROM SAID PORTION OF LOT 179, THE SOUTHERLY 15 FEET OF THE WESTERLY 105 FEET THEREOF.

ALSO EXCEPT THEREFROM THE SOUTHERLY 360 FEET OF THE WESTERLY 155 FEET OF LOT 179 OF MONTEBELLO, IN THE CITY OF MONTEBELLO, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 78, PAGES 19, ET SEQ., OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

ALSO EXCEPT THEREFROM THE SOUTHERLY 345 FEET OF THE EASTERLY 175 FEET OF LOT 179 OF MONTEBELLO, IN THE CITY OF MONTEBELLO, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 78, PAGES 19, ET SEQ., OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

ALSO EXCEPT THEREFROM SUCH INTERESTS IN OIL, GAS AND OTHER HYDROCARBON SUBSTANCES AND SUCH OTHER RIGHTS IN SAID LAND AS WERE GRANTED TO UNION OIL COMPANY OF CALIFORNIA, BY DEED RECORDED APRIL 12, 1956 AS DOCUMENT NO. 3614 IN BOOK 40872 PAGE 61, OFFICIAL RECORDS. BY DEED DATED JULY 11, 1963 AND RECORDED AUGUST 20, 1963 AS INSTRUMENT NO. 5442, IN BOOK D-2152 PAGE 609, OFFICIAL RECORDS, THE RIGHTS AND INTERESTS ABOVE GRANTED WERE RELEASED AND QUITCLAIMED AS TO THE SURFACE OF SAID LAND AND THE TOP 500 FEET OF THE SUBSURFACE, MEASURED VERTICALLY DOWNWARD FROM THE SURFACE THEREOF.

ALSO EXCEPT THE REMAINING INTEREST IN: (1) ALL OIL, GAS, AND OTHER HYDROCARBON SUBSTANCES UNDER AND IN THAT PORTION OF SAID LAND LYING BELOW A DEPTH OF 500 FEET FROM THE SURFACE THEREOF; (2} THE RIGHT TO INJECT OR INTRODUCE FROM TIME TO TIME, STORE THEREIN AND SUBSEQUENTLY REMOVE FROM SAID LAND ANY OIL, GAS, PETROLEUM AND OTHER HYDROCARBON SUBSTANCES UNDER AND IN THAT PORTION OF SAID LAND LYING BELOW A DEPTH OF 500 FEET FROM THE SURFACE THEREOF; (3) THE LANDOWNER'S ROYALTIES UNDER THE EXISTING OIL AND GAS LEASE COVERING SAID LAND, WITHOUT, HOWEVER, ANY RIGHT OF ENTRY UPON OR USE OF THE SURFACE OF SAID LAND WITH RESPECT TO ANY OF THE RIGHTS HEREIN RESERVED, AS RESERVED BY BENEDICTINE FATHERS OF MONTEBELLO, LOS ANGELES COUNTY, CALIFORNIA, A RELIGIOUS CORPORATION, IN THE DEED RECORDED FEBRUARY 2, 1961 AS INSTRUMENT NO. 1372 IN BOOK D-1111 PAGE 702, OFFICIAL RECORDS.

City Hall Property:

Parcel 3A

THE SOUTHERLY 360 FEET OF LOT 177 OF MONTEBELLO, IN THE CITY OF MONTEBELLO, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 78, PAGES 19, ET SEQ., OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

Parcel 3B

THE SOUTHERLY 360 FEET OF THE WESTERLY 155 FEET OF LOT 179 OF MONTEBELLO, IN THE CITY OF MONTEBELLO, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 78, PAGES 19, ET SEQ., OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

Parcel 3C

THE SOUTHERLY 345 FEET OF THE EASTERLY 175 FEET OF LOT 179 OF MONTEBELLO, IN THE CITY OF MONTEBELLO, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 78, PAGES 19, ET SEQ., OF MISCELLANEOUS RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THEREFROM SUCH INTERESTS IN OIL, GAS AND OTHER HYDROCARBON SUBSTANCES AND SUCH OTHER RIGHTS IN SAID LAND AS WERE GRANTED TO UNION OIL COMPANY OF CALIFORNIA, BY DEED RECORDED APRIL 12, 1956 AS DOCUMENT NO. 3614 IN BOOK 40872 PAGE 61, OFFICIAL RECORDS. BY DEED DATED JULY 11, 1963 AND RECORDED AUGUST 20, 1963 AS INSTRUMENT NO. 5442, IN BOOK D-2152 PAGE 609, OFFICIAL RECORDS, THE RIGHTS AND INTERESTS ABOVE GRANTED WERE RELEASED AND QUITCLAIMED AS TO THE SURFACE OF SAID LAND AND THE TOP 500 FEET OF THE SUBSURFACE, MEASURED VERTICALLY DOWNWARD FROM THE SURFACE THEREOF.

ALSO EXCEPT THE REMAINING INTEREST IN: (1) ALL OIL, GAS, AND OTHER HYDROCARBON SUBSTANCES UNDER AND IN THAT PORTION OF SAID LAND LYING BELOW A DEPTH OF 500 FEET FROM THE SURFACE THEREOF; (2} THE RIGHT TO INJECT OR INTRODUCE FROM TIME TO TIME, STORE THEREIN AND SUBSEQUENTLY REMOVE FROM SAID LAND ANY OIL, GAS, PETROLEUM AND OTHER HYDROCARBON SUBSTANCES UNDER AND IN THAT PORTION OF SAID LAND LYING BELOW A DEPTH OF 500 FEET FROM THE SURFACE THEREOF; (3) THE LANDOWNER'S ROYALTIES UNDER THE EXISTING OIL AND GAS LEASE COVERING SAID LAND, WITHOUT, HOWEVER, ANY RIGHT OF ENTRY UPON OR USE OF THE SURFACE OF SAID LAND WITH RESPECT TO ANY OF THE RIGHTS HEREIN RESERVED, AS RESERVED BY BENEDICTINE FATHERS OF MONTEBELLO, LOS ANGELES COUNTY, CALIFORNIA, A RELIGIOUS CORPORATION, IN THE DEED RECORDED FEBRUARY 2, 1961 AS INSTRUMENT NO. 1372 IN BOOK D-1111 PAGE 702, OFFICIAL RECORDS.

$_____
MONTEBELLO PUBLIC FINANCING AUTHORITY
LEASE REVENUE BONDS, SERIES 2022A

BOND PURCHASE AGREEMENT

_____, 2022

Montebello Public Financing Authority
1600 W. Beverly Boulevard
Montebello, CA 90640

City of Montebello
1600 W. Beverly Boulevard
Montebello, CA 90640

Ladies and Gentlemen:

The undersigned Cabrera Capital Markets, LLC (the "Underwriter") offers to enter into this Bond Purchase Agreement (this "Purchase Agreement") with the Montebello Financing Authority (the "Authority") and the City of Montebello, California (the "City"), which, upon the acceptance by the Authority and the City, will be binding upon the Authority, the City and the Underwriter. This offer is made subject to acceptance by the Authority and by the City by the execution of this Purchase Agreement and delivery of the same to the Underwriter prior to 11:59 P.M., California time, on the date hereof, and, if not so accepted, will be subject to withdrawal by the Underwriter upon notice delivered to the Authority and the City at any time prior to the acceptance hereof by the Authority and the City. Capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Indenture (defined herein).

Section 1. Purchase and Sale. Upon the terms and conditions and on the basis of the representations, warranties and agreements herein set forth, the Underwriter hereby agrees to purchase from the Authority, and the Authority hereby agrees to issue, sell and deliver to the Underwriter all (but not less than all) of the Montebello Public Financing Authority Lease Revenue Bonds, Series 2022A (the "Bonds") in the aggregate principal amount of $_____. The Bonds shall be dated as of their date of delivery. Interest on the Bonds shall be payable semiannually on May 1 and November 1 in each year, commencing May 1, 2023 (each an "Interest Payment Date") and will bear interest at the rates and on the dates as set forth in Exhibit A hereto. The purchase price for the Bonds shall be $_____ (which represents the principal amount of the Bonds in the amount of $_____, plus original issue premium in the amount of $_____, less an Underwriter's discount of $_____).

The City and Authority acknowledge and agree that: (i) the purchase and sale of the Bonds pursuant to this Purchase Agreement is an arm's-length commercial transaction among the City, the Authority and the Underwriter; (ii) in connection therewith and with the discussions, undertakings and procedures leading up to the consummation of such transaction, the Underwriter is and has been acting solely as a principal and is not acting as a municipal advisor (as defined in Section 15B of the Securities

Exchange Act of 1934, as amended), financial advisor or fiduciary; (iii) the Underwriter has not assumed an advisory or fiduciary responsibility in favor of the City or the Authority with respect to the offering contemplated hereby or the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriter has provided other services or is currently providing other services to the City or the Authority on other matters); and (iv) the City and the Authority have consulted their own legal, financial, municipal and other advisors to the extent they have deemed appropriate.

Section 2. The Bonds. The Bonds shall be secured by Revenues and any other amounts (including proceeds of the sale of the Bonds) held in the applicable Interest Account, the applicable Principal Account and the Reserve Account (all as defined in the Indenture, dated as of September 1, 2014, as amended, including as amended by the Third Supplemental Indenture, dated as of October 1, 2022 (the "Third Supplemental Indenture," and collectively, the "Indenture"), by and among the Authority, the City and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee")). Revenues consist primarily of certain base rental payments (the "Base Rental Payments") to be paid by the City pursuant to the Lease Agreement, dated as of September 1, 2014, as amended, including as amended by the Third Amendment to Lease Agreement, dated as of October 1, 2022 (the "Third Amendment to Lease Agreement," and collectively, the "Lease Agreement"), by and between the Authority and the City. The Authority's right to receive the Base Rental Payments due under the Lease Agreement and to exercise remedies upon default under such Lease Agreement shall be assigned to the Trustee for the benefit of the owners of the Bonds pursuant to an Assignment Agreement, dated as of September 1, 2014, as amended by the First Amendment to Assignment Agreement, dated as of October 1, 2022 (the "First Amendment to Assignment Agreement," and collectively, the "Assignment Agreement"), by and between the Authority and the Trustee.

Section 3. Public Offering and Establishment of Issue Price. The Underwriter agrees to make a *bona fide* initial public offering of all the Bonds at the public offering prices (or yields) set forth on Exhibit A attached hereto and incorporated herein by reference. Subsequent to the initial public offering, the Underwriter reserves the right to change the public offering prices (or yields) as they deem necessary in connection with the marketing of the Bonds, provided that the Underwriter shall not change the interest rates set forth on Exhibit A. The Bonds may be offered and sold to certain dealers at prices lower than such initial public offering prices.

The Underwriter agrees to assist the Authority in establishing the issue price of the Bonds and shall execute and deliver to the Authority at Closing (as defined below) an "issue price" or similar certificate, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Exhibit B, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Underwriter, the Authority and Bond Counsel (as defined below), to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Bonds.

The Authority will treat the first price at which 10% of each maturity of the Bonds (the "10% test"), identified as "10% Test Used" in Exhibit A, is sold to the public as the issue price of that maturity (if different interest rates apply within a maturity, each separate CUSIP number within that maturity will be subject to the 10% test). At or promptly after the execution of this Purchase Agreement, the Underwriter shall report to the Authority the price or prices at which it has sold to the public each maturity of Bonds.

The Underwriter shall promptly advise the Authority when it has sold 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public, if that occurs prior to the close of the fifth (5th) business day after the sale date.

The Underwriter acknowledges that sales of any Bonds to any person that is a related party to the Underwriter shall not constitute sales to the public for purposes of this section. Further, for purposes of this section:

(i) "public" means any person other than an underwriter or a related party;

(ii) "underwriter" means (A) any person that agrees pursuant to a written contract with the Authority (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the public);

(iii) a purchaser of any of the Bonds is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other); and

(iv) "sale date" means the date of execution of this Purchase Agreement by all parties.

Section 4. The Official Statement. By their acceptance of this Purchase Agreement, the Authority and the City ratify, confirm and approve of the use and distribution by the Underwriter prior to the date hereof of the Preliminary Official Statement relating to the Bonds, dated _____, 2022 (including the cover page, all appendices and all information incorporated therein and any supplements or amendments thereto and as disseminated in its printed physical form or in electronic form in all respects materially consistent with such physical form, the "Preliminary Official Statement") that authorized officers of the City and the Authority deemed "final" as of its date, for purposes of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended ("Rule 15c2-12") except for certain omissions permitted to be omitted therefrom by Rule 15c2-12. The Authority and the City hereby agree to deliver or cause to be delivered to the Underwriter, within seven (7) business days of the date hereof, copies of the final official statement, dated the date hereof, relating to the Bonds (including all information previously permitted to have been omitted by Rule 15c2-12, the cover page, all appendices, all information incorporated therein and any amendments or supplements as have been approved by the Authority, the City and the Underwriter (the "Official Statement")) in such quantity as the Underwriter shall reasonably request to comply with Rule 15c2-12(b)(4) and the rules of the Municipal Securities Rulemaking Board (the "MSRB").

Section 5. Closing. At 8:30 a.m., California time, on _____, 2022, or at such other time or date as the Authority, the City and the Underwriter mutually agree upon, the Authority shall deliver or cause to be delivered to the Trustee, and the Trustee shall deliver or cause to be delivered through the facilities of The Depository Trust Company, New York New York ("DTC"), the Bonds in definitive form, duly executed and authenticated. Concurrently with the delivery of the Bonds, the Authority and the City shall deliver the documents hereinafter mentioned at the offices of Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California ("Bond Counsel") or another place to be mutually agreed upon by the Authority, the City and the Underwriter. The Underwriter will accept such delivery and pay the purchase price of the Bonds as set forth in Section 1 hereof by wire transfer in immediately available funds. This payment for and delivery of the Bonds, together with the delivery of the aforementioned documents referenced herein, is called the "Closing."

The Bonds shall be registered in the name of Cede & Co., as nominee of DTC in denominations of $5,000 and any integral multiple thereof, and shall be made available to the Underwriter at least one (1) business day before the Closing for purposes of inspection and packaging. The Authority and the City acknowledge that the services of DTC will be used initially by the Underwriter to permit the issuance of the Bonds in book-entry form, and agree to cooperate fully with the Underwriter in employing such services.

Section 6. Representations, Warranties and Covenants of the Authority. The Authority represents, warrants and covenants to the Underwriter and the City that:

(a) The Authority is and will be at the date of Closing a joint exercise of powers authority organized and existing under the laws of the State of California (the "State"), including Section 6500 *et seq.* of the Government Code of the State of California (the "JPA Act") with all necessary power and authority to enter into and perform its duties under the Site and Facility Lease, dated as of September 1, 2014, as amended by the First Amendment to Site and Facility Lease, dated as of October 1, 2022 (the "First Amendment to Site Lease," and collectively, the "Site Lease"), by and between the City and the Authority, the Lease Agreement, the Indenture, the Assignment Agreement, and this Purchase Agreement (collectively, the "Authority Documents").

(b) The Authority has complied with all filing requirements of the JPA Act.

(c) By official action of the Authority prior to or concurrently with the acceptance hereof, the Authority has duly approved the distribution of the Preliminary Official Statement and the distribution of the Official Statement (including in electronic form), and has duly authorized and approved the execution and delivery of, and the performance by the Authority of the obligations on its part contained, in the Authority Documents. When executed and delivered, each Authority Document will constitute the legal, valid and binding obligation of the Authority enforceable in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or affecting creditors' rights generally.

(d) Prior to the date hereof, the Authority has provided to the Underwriter for its review the Preliminary Official Statement that an authorized officer of the Authority has deemed final for purposes of Rule 15c2-12, has approved the distribution of the Preliminary Official Statement and the Official Statement and has duly authorized the execution and delivery of the Official Statement (including in electronic form). The Preliminary Official Statement, at the date thereof, did not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein (other than the information relating to DTC and its book-entry system, as to which

no view is expressed), in light of the circumstances under which they were made, not misleading. As of the date hereof and on the Closing, the final Official Statement did not and will not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein (other than the information relating to DTC and its book-entry system, as to which no view is expressed), in light of the circumstances under which they were made, not misleading.

(e) The execution and delivery by the Authority of the Authority Documents and the approval and execution by the Authority of the Official Statement and compliance with the provisions on the Authority's part contained in the Authority Documents, will not conflict with or constitute a breach of or default under any law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Authority is a party or is otherwise subject to, which conflict, breach or default has or may have a material adverse effect on the ability of the Authority to carry out its obligations under the Authority Documents, nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any material lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the properties or assets of the Authority under the terms of any such law, administrative regulation, judgment, decree, loan agreement, indenture, trust agreement, bond, note, resolution, agreement or other instrument, except as provided by the Authority Documents.

(f) The Authority will advise the Underwriter promptly of any proposal to amend or supplement the Official Statement and will not effect or consent to any such amendment or supplement without the consent of the Underwriter, which consent will not be unreasonably withheld. The Authority will advise the Underwriter promptly of the institution of any proceedings known to it by any governmental agency prohibiting or otherwise affecting the use of the Official Statement in connection with the offering, sale or distribution of the Bonds.

(g) The Authority is not in breach of or default under any applicable law or administrative regulation of the State or the United States of America or any applicable judgment or decree or any loan agreement, indenture, trust agreement, bond, note, resolution, agreement or other instrument to which the Authority is a party or is otherwise subject, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or an event of default under any such instrument, in each case which breach or default has or may have a material adverse effect on the ability of the Authority to perform its obligations under the Authority Documents.

(h) As of the time of acceptance hereof and as of the date of Closing, no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, is pending with respect to which the Authority has been served or, to the best knowledge of the officers of the Authority, threatened (i) in any way questioning the corporate existence of the Authority or the titles of the officers of the Authority to their respective offices, (ii) affecting, contesting or seeking to prohibit, restrain or enjoin the execution or delivery of any of the Bonds, or in any way contesting or affecting the validity of the Bonds or the Authority Documents or the consummation of the transactions contemplated thereby, or contesting the exclusion of the interest on the Bonds from gross income for federal income tax purposes or contesting the powers of the Authority to enter into the Authority Documents or (iii) contesting the completeness or accuracy of the Preliminary Official Statement or the Official Statement or any supplement or amendment thereto or asserting that the Preliminary Official Statement or the Official Statement contained any untrue statement of a material fact or omitted to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were

made, not misleading, and there is no basis for any action, suit, proceeding, inquiry or investigation of the nature described in clause (i) through (iii) of this sentence.

(i) Any certificate signed by any officer of the Authority authorized to execute such certificate in connection with the issuance, sale and delivery of the Bonds and delivered to the Underwriter shall be deemed a representation and warranty of the Authority to the Underwriter and the City as to the statements made therein but not of the person signing such certificate.

(j) The Authority will apply the proceeds of the Bonds in accordance with the Indenture.

Section 7. Representations, Warranties and Covenants of the City. The City represents, warrants and covenants to the Underwriter and the Authority that:

(a) The City is and will be at the date of Closing a municipal corporation and general law city duly organized and existing pursuant to and under the Constitution and laws of the State and has all necessary power and authority to enter into and perform its duties under the Continuing Disclosure Certificate relating to the Bonds (the "Continuing Disclosure Certificate"), the Site Lease, the Lease Agreement, the Indenture and this Purchase Agreement (collectively, the "City Documents" and, together with the Authority Documents, the "Legal Documents") and has by official action duly authorized and approved the execution and delivery of, and the performance by the City of the obligations on its part contained in the City Documents.

(b) By official action of the City prior to or concurrently with the acceptance hereof, the City has duly approved the distribution of the Preliminary Official Statement and the distribution of the Official Statement (including in electronic form), and has duly authorized and approved the execution and delivery of, and the performance by the City of the obligations on its part contained, in the City Documents. When executed and delivered, each City Document will constitute the legally valid and binding obligation of the City enforceable in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or similar laws or equitable principles relating to or affecting creditors' rights generally.

(c) The Preliminary Official Statement heretofore delivered to the Underwriter is hereby deemed final by the City as of its date and as of the date hereof, except for the omission of such information as is permitted to be omitted in accordance with paragraph (b)(i) of Rule 15c2-12. The Preliminary Official Statement, at the date thereof, did not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein (other than the information relating to DTC and its book-entry system, as to which no view is expressed), in the light of the circumstances under which they were made, not misleading. As of the date hereof and on the Closing, the final Official Statement did not and will not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein (other than the information relating to DTC and its book-entry system, as to which no view is expressed), in the light of the circumstances under which they were made, not misleading.

(d) The execution and delivery by the City of the City Documents and the approval by the City of the Official Statement and compliance with the provisions on the City's part contained in the City Documents, will not conflict with or constitute a breach of or default under any law, administrative regulation, judgment, decree, loan agreement, indenture, trust agreement, bond, note, resolution, agreement or other instrument to which the City is a party or is otherwise subject to, which

conflict, breach or default has or may have a material adverse effect on the ability of the City to carry out its obligations under the City Documents, nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any material lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the properties or assets of City under the terms of any such law, administrative regulation, judgment, decree, loan agreement, indenture, trust agreement, bond, note, resolution, agreement or other instrument, except as provided by the City Documents.

(e) The City will advise the Underwriter promptly of any proposal to amend or supplement the Official Statement and will not effect or consent to any such amendment or supplement without the consent of the Underwriter, which consent will not be unreasonably withheld. The City will advise the Underwriter promptly of the institution of any proceedings known to it by any governmental authority prohibiting or otherwise affecting the use of the Official Statement in connection with the offering, sale or distribution of the Bonds.

(f) The City is not in breach of or default under any applicable law or administrative regulation of the State or the United States of America or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the City is a party or is otherwise subject, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or an event of default under any such instrument, in each case which breach or default has or may have a material adverse effect on the ability of the City to perform its obligations under the City Documents.

(g) The financial statements relating to the receipts, expenditures and cash balances of the City as of June 30, 2021 as set forth in the Official Statement fairly represent the receipts, expenditures and cash balances of the General Fund. Except as disclosed in the Preliminary Official Statement, the Official Statement or otherwise disclosed in writing to the Underwriter, there has not been any materially adverse change in the financial condition of the General Fund or in its operations since June 30, 2021 and, except as disclosed in the Preliminary Official Statement, the Official Statement or otherwise disclosed in writing to the Underwriter, there has been no occurrence, circumstance or combination thereof which is reasonably expected to result in any such materially adverse change.

(h) As of the time of acceptance hereof and as of the date of Closing, no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, is pending or, to the knowledge of the officers of the City, threatened (i) in any way questioning the corporate existence of the City or the titles of the officers of the City to their respective offices; (ii) affecting, contesting or seeking to prohibit, restrain or enjoin the execution or delivery of any of the Bonds, or in any way contesting or affecting the validity of the Bonds or the City Documents or the consummation of the transactions contemplated thereby, or contesting the exclusion of the interest on the Bonds from gross income for federal income tax purposes or contesting the power of the City to enter into the City Documents; (iii) which may result in any material adverse change to the financial condition of the City or to its ability to pay the Base Rental Payments when due; or (iv) contesting the completeness or accuracy of the Preliminary Official Statement or the Official Statement or any supplement or amendment thereto or asserting that the Preliminary Official Statement or the Official Statement contained any untrue statement of a material fact or omitted to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, and there is no basis for any action, suit, proceeding, inquiry or investigation of the nature described in clause (i) through (iv) of this sentence.

(i) To the extent required by law, the City will undertake, pursuant to the Continuing Disclosure Certificate, to provide annual reports and notices of certain events. A description of this undertaking is set forth in the Preliminary Official Statement and will also be set forth in the final Official Statement. Except as otherwise disclosed in the Preliminary Official Statement, the City has not failed to comply in all material respects with any previous undertakings with regard to the Rule 15c2-12 to provide annual reports or notices of enumerated events in the past five years.

(j) Any certificate signed by any officer of the City authorized to execute such certificate in connection with the issuance, sale and delivery of the Bonds and delivered to the Underwriter shall be deemed a representation and warranty of the City to the Underwriter and the Authority as to the statements made therein but not of the person signing such certificate.

(k) As of the date hereof, the City does not have any material obligations secured by payments from the General Fund of the City, except as disclosed in the Official Statement.

(l) The exceptions set forth in the title insurance policy for the Leased Property insuring, subject only to Permitted Encumbrances, the fee interest of the City in the Leased Property, the Authority's leasehold estate in the Leased Property under the Site Lease, and the City's leasehold estate in the Leased Property under the Lease Agreement, do not materially impair the use of the Leased Property, the existing facilities and the sites thereof for the purposes for which they are or may reasonably be expected to be held.

Section 8. Conditions to the Obligations of the Underwriter. The Underwriter has entered into this Purchase Agreement in reliance upon the representations and warranties of the Authority and the City contained herein. The obligations of the Underwriter to accept delivery of and pay for the Bonds on the date of the Closing shall be subject, at the option of the Underwriter, to the accuracy in all respects of the statements of the officers and other officials of the Authority and of the City, as well as authorized representatives of Bond Counsel, Disclosure Counsel and the Trustee made in any Bonds or other documents furnished pursuant to the provisions hereof; to the performance by the Authority and the City of their obligations to be performed hereunder at or prior to the date of the Closing; and to the following additional conditions:

(a) The representations, warranties and covenants of the City and the Authority contained herein shall be true, complete and correct at the date hereof and at the time of the Closing, as if made on the date of the Closing;

(b) At the time of Closing, the Legal Documents shall be in full force and effect as valid and binding agreements between or among the various parties thereto, and the Legal Documents and the Official Statement shall not have been amended, modified or supplemented except as may have been agreed to in writing by the Underwriter, and all such reasonable actions as, in the opinion of Bond Counsel, shall reasonably deem necessary in connection with the transactions contemplated hereby;

(c) At the time of the Closing, no default shall have occurred or be existing under the Authority Documents, the City Documents, or any other agreement or document pursuant to which any of the City's financial obligations were executed and delivered, and the City shall not be in default in the payment of principal or interest with respect to any of its financial obligations, which default would adversely impact the ability of the City to make the Base Rental Payments;

(d) In recognition of the desire of the Authority, the City and the Underwriter to effect a successful public offering of the Bonds, and in view of the potential adverse impact of any of the following events on such a public offering, this Purchase Agreement shall be subject to termination in the absolute discretion of the Underwriter by notification, in writing, to the Authority and the City prior to delivery of and payment for the Bonds, if at any time prior to such time, regardless of whether any of the following statements of fact were in existence or known of on the date of this Purchase Agreement:

(i) any event shall occur which makes untrue any statement or results in an omission to state a material fact necessary to make the statements in the Official Statement, in the light of the circumstances under which they were made, not misleading, which event, in the reasonable opinion of the Underwriter would materially or adversely affect the ability of the Underwriter to market the Bonds; or

(ii) the marketability of the Bonds or the market price thereof, in the reasonable opinion of the Underwriter, has been materially adversely affected by an amendment to the Constitution of the United States of America or by any legislation in or by the Congress of the United States of America or by the State, or the amendment of legislation pending as of the date of this Purchase Agreement in the Congress of the United States of America, or the recommendation to Congress or endorsement for passage (by press release, other form of notice or otherwise) of legislation by the President of the United States of America, the Treasury Department of the United States of America, the Internal Revenue Service or the Chairman or ranking minority member of the Committee on Finance of the United States Senate or the Committee on Ways and Means of the United States House of Representatives, or the proposal for consideration of legislation by either such Committee or by any member thereof, or the presentment of legislation for consideration as an option by either such Committee, or by the staff of the Joint Committee on Taxation of the Congress of the United States of America, or the favorable reporting for passage of legislation to either House of the Congress of the United States of America by a Committee of such House to which such legislation has been referred for consideration, or any decision of any federal or state court or any ruling or regulation (final, temporary or proposed) or official statement on behalf of the United States Treasury Department, the Internal Revenue Service or other federal or State authority affecting the federal or State tax status of the Authority or the City, or the interest on or with respect to bonds or notes (including the Bonds); or

(iii) any legislation, ordinance, rule or regulation shall be introduced in, or be enacted by any governmental body, department or agency of the State, or a decision by any court of competent jurisdiction within the State shall be rendered which materially adversely affects the market price of the Bonds; or

(iv) an order, decree or injunction issued by any court of competent jurisdiction, or order, ruling, regulation (final, temporary or proposed), official statement or other form of notice or communication issued or made by or on behalf of the Securities and Exchange Commission, or any other governmental agency having jurisdiction of the subject matter, to the effect that: (i) obligations of the general character of the Bonds, or the Bonds, including any or all underlying arrangements, are not exempt from registration under the Securities Act of 1933, as amended, or that the Indenture is not exempt from qualification under the Trust Indenture Act of 1939, as

amended; or (ii) the issuance, offering or sale of obligations of the general character of the Bonds, or the issuance, offering or sale of the Bonds, including any or all underlying obligations, as contemplated hereby or by the Official Statement, is or would be in violation of the federal securities laws as amended and then in effect; or

(v) legislation shall be enacted by the Congress of the United States of America, or a decision by a court of the United States of America shall be rendered, to the effect that obligations of the general character of the Bonds, or the Bonds are not exempt from registration under or other requirements of the Securities Act of 1933, as amended and as then in effect, or the Securities Exchange Act of 1934, as amended and as then in effect, or that the Indenture is not exempt from qualification under or other requirements of the Trust Indenture Act of 1939, as amended and as then in effect; or

(vi) additional material restrictions not in force as of the date hereof shall have been imposed upon trading in securities generally by any domestic governmental authority or by any domestic national securities exchange, which are material to the marketability of the Bonds; or

(vii) a general banking moratorium shall have been declared by federal, State or New York authorities, or the general suspension of trading on any national securities exchange; or

(viii) there shall have occurred any outbreak or escalation of hostilities, declaration by the United States of America of a national emergency or war or other calamity or crisis the effect of which on financial markets is materially adverse such as to make it, in the sole judgment of the Underwriter, impractical to proceed with the purchase or delivery of the Bonds as contemplated by the final Official Statement (exclusive of any amendment or supplement thereto); or

(ix) any rating of the Bonds or the rating of any obligations of the City secured by the City's general fund shall have been downgraded or withdrawn by a national rating service, which, in the reasonable opinion of the Underwriter, materially adversely affects the market price of the Bonds; or

(x) the commencement of any action, suit or proceeding described in Section 6(h) or Section 7(h);

(e) at or prior to the Closing, the Underwriter shall receive the following documents, in each case to the reasonable satisfaction in form and substance of the Underwriter:

(i) all resolutions relating to the Bonds adopted by the Authority and certified by an authorized official of the Authority authorizing the execution and delivery of the Bonds, the Authority Documents and the Official Statement;

(ii) all resolutions relating to the Bonds adopted by the City and certified by an authorized official of the City authorizing the execution and delivery of the City Documents and the delivery of the Bonds and the Official Statement;

(iii) the Legal Documents duly executed and delivered by the respective parties thereto, with only such amendments, modifications or supplements as may have been agreed to in writing by the Underwriter;

(iv) the approving opinion of Bond Counsel, dated the date of Closing and addressed to the Authority and the City, in substantially the form attached as Appendix D to the Official Statement, together with a reliance letter thereon addressed to the Underwriter;

(v) a supplemental opinion of Bond Counsel dated the date of Closing and addressed to the Underwriter, to the effect that:

(A) the statements on the cover of the Official Statement and in the Official Statement under the captions "INTRODUCTION," "THE SERIES 2022A BONDS," "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2022A BONDS," and "TAX MATTERS," and in APPENDIX B – "SUMMARY OF THE PRINCIPAL LEGAL DOCUMENTS" and APPENDIX D – "PROPOSED FORM OF BOND COUNSEL OPINION," and excluding any material that may be treated as included under such captions and appendices by any cross-reference, insofar as such statements expressly summarize provisions of the Bonds, the Site Lease, the Lease Agreement, the Assignment Agreement, the Indenture, and Bond Counsel's final opinion concerning certain federal tax matters relating to the Bonds, are accurate in all material respects as of the date of Closing.

(B) the Purchase Agreement has been duly authorized, executed and delivered by the Authority and the City and is the valid, legal and binding agreement of the Authority and the City enforceable in accordance with its terms, except that the rights and obligations under the Purchase Agreement are subject to bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance and other similar laws affecting creditors' rights, to the application of equitable principles if equitable remedies are sought, to the exercise of judicial discretion in appropriate cases and to limitations on legal remedies against public agencies in the State, and provided that no opinion is expressed with respect to any indemnification or contribution provisions contained therein.

(C) the Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Indenture is exempt from qualification under the Trust Indenture Act of 1939, as amended.

(vi) the Official Statement, executed on behalf of the Authority and the City;

(vii) evidence that the Bonds have received an underlying rating of "___" by S&P Global Ratings;

(viii) a certificate, dated the date of Closing, signed by a duly authorized officer of the Authority satisfactory in form and substance to the Underwriter to the

effect that: (i) the representations, warranties and covenants of the Authority contained in this Purchase Agreement are true and correct in all material respects on and as of the date of Closing with the same effect as if made on the date of the Closing by the Authority, and the Authority has complied with all of the terms and conditions of this Purchase Agreement required to be complied with by the Authority at or prior to the date of Closing; (ii) to the best of such officer's knowledge, no event affecting the Authority has occurred since the date of the Official Statement which should be disclosed in the Official Statement for the purposes for which it is to be used or which is necessary to disclose therein in order to make the statements and information therein not misleading in any material respect; (iii) the information and statements contained in the Official Statement (other than information relating to DTC and its book-entry system) did not as of its date and do not as of the Closing contain an untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading in any material respect; and (iv) the Authority is not in breach of or default under any applicable law or administrative regulation of the State or the United States of America or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Authority is a party or is otherwise subject, which would have a material adverse impact on the Authority's ability to perform its obligations under the Authority Documents, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute such a default or an event of default under any such instrument;

(ix) a certificate, dated the date of Closing, signed by a duly authorized officer of the City satisfactory in form and substance to the Underwriter to the effect that: (i) the representations, warranties and covenants of the City contained in this Purchase Agreement are true and correct in all material respects on and as of the date of Closing with the same effect as if made on the date of the Closing by the City, and the City has complied with all of the terms and conditions of the Purchase Agreement required to be complied with by the City at or prior to the date of Closing; (ii) to the best of such officer's knowledge, no event affecting the City has occurred since the date of the Official Statement which should be disclosed in the Official Statement for the purposes for which it is to be used or which is necessary to disclose therein in order to make the statements and information therein not misleading in any material respect; (iii) the information and statements contained in the Official Statement (other than information relating to DTC and its book-entry system) did not as of its date and do not as of the Closing contain an untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading in any material respect; (iv) the City is not in breach of or default under any applicable law or administrative regulation of the State or the United States of America or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement (including but not limited to the Lease Agreement) or other instrument to which the City is a party or is otherwise subject, which would have a material adverse impact on the City's ability to perform its obligations under the City Documents, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute such a default or an event of default under any such instrument; and (v) no further consent is required for inclusion of its audited financial statements in the Official Statement;

(x) an opinion dated the date of Closing and addressed to the Underwriter, the Trustee and Bond Counsel, of the Office of the City Attorney of the City, as Counsel to the Authority, to the effect that:

(A) the Authority is a joint exercise of powers authority organized and existing under the laws of the State of California;

(B) the resolution of the Authority approving and authorizing the execution and delivery of the Authority Documents, the Bonds and the Official Statement and other actions of the Authority was duly adopted at a meeting of the governing body of the Authority which was called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout, and the resolution is now in full force and effect and has not been amended or superseded in any way;

(C) there is no action, suit, proceeding, inquiry or investigation at law or in equity before or by any court or public body pending with respect to which the Authority has been served or, to the best of such counsel's knowledge, threatened against or affecting the Authority, except as may be disclosed in the Official Statement, which would materially adversely impact the Authority's ability to complete the transactions contemplated by the Authority Documents, the Official Statement or any other document or certificate related to such transactions, restrain or enjoin the collection of Base Rental Payments with respect to the Lease Agreement, or in any way contesting or affecting the validity of the Bonds, the Official Statement, the Authority Documents or the transactions described in and contemplated thereby wherein an unfavorable decision, ruling or finding would materially adversely affect the validity and enforceability of the Bonds or the Authority Documents or in which a final adverse decision could materially adversely affect the operations of the Authority;

(D) the execution and delivery of the Authority Documents and the issuance of the Bonds and compliance with the provisions thereof, do not and will not in any material respect conflict with or constitute on the part of the Authority a breach of or default under any agreement or other instrument to which the Authority is a party or by which it is bound or any existing law, regulation, court order or consent decree to which the Authority is subject, which breach or default has or may have a material adverse effect on the ability of the Authority to perform its obligations under the Authority Documents; and

(E) no authorization, approval, consent, or other order of the State of California or any other governmental body within the State of California is required for the valid authorization, execution and delivery of the Authority Documents or the Official Statement by the Authority or the consummation by the Authority of the transactions on its part contemplated therein, except such as have been obtained and except such as may be required under state securities or blue sky laws in connection with the purchase and distribution of the Bonds by the Underwriter.

(xi) an opinion dated the date of Closing and addressed to the Underwriter, the Trustee and the Bond Counsel, of the Office of the City Attorney of the City, to the effect that:

(A) the City is a municipal corporation and a general law city duly organized and validly existing under the Constitution and laws of the State of California;

(B) the resolution of the City approving and authorizing the execution and delivery of the City Documents and approving and authorizing the issuance of the Bonds and the delivery of the Official Statement and other actions of the City was duly adopted at a meeting of the governing body of the City which was called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout, and the resolution is now in full force and effect and has not been amended or superseded in any way;

(C) there is no action, suit, proceeding, inquiry or investigation at law or in equity before or by any court or public body pending with respect to which the City has been served or, to the best of such City Attorney's knowledge, threatened against or affecting the City, except as may be disclosed in the Official Statement, which would materially adversely impact the City's ability to complete the transactions contemplated by the City Documents, the Official Statement or any other document or certificate related to such transactions, restrain or enjoin the collection of Base Rental Payments with respect to the Lease Agreement, or in any way contesting or affecting the validity of the Bonds, the Official Statement or the City Documents;

(D) the execution and delivery of the City Documents and compliance with the provisions thereof, do not and will not in any material respect conflict with or constitute on the part of the City a breach of or default under any agreement or other instrument to which the City is a party or by which it is bound or any existing law, regulation, court order or consent decree to which the City is subject, which breach or default has or may have a material adverse effect on the ability of the City to perform its obligations under the City Documents; and

(E) no authorization, approval, consent, or other order of the State of California or any other governmental body within the State of California is required for the valid authorization, execution and delivery of the City Documents or the consummation by the City of the transactions on its part contemplated therein, except such as have been obtained and except such as may be required under state securities or blue sky laws in connection with the purchase and distribution of the Bonds by the Underwriter.

(xii) an opinion of Quint & Thimmig LLP, Larkspur, California, Disclosure Counsel to the Authority and the City dated the date of Closing and addressed to the Authority, the City, the Underwriter in the form set forth in Exhibit C;

(xiii) an opinion of counsel to the Trustee, addressed to the Underwriter and the Authority, dated the date of the Closing, to the effect that:

(A) the Trustee is a national banking association duly organized and validly existing under the laws of the United States of America, having full corporate power to undertake the trust created under the Indenture;

(B) the Indenture and the Assignment Agreement (together, the "Trustee Documents") have each been duly authorized, executed and delivered by the Trustee and, assuming due authorization, execution and delivery by the other parties thereto, the Trustee Documents constitute the valid, legal and binding obligations of the Trustee enforceable in accordance with their terms, except as enforcement thereof may be limited by bankruptcy, insolvency or other laws affecting the enforcement of creditors' rights generally and by the application of equitable principles, if equitable remedies are sought;

(C) the Trustee has duly authenticated the Bonds upon the order of Authority;

(D) the Trustee's actions in executing and delivering the Trustee Documents are in full compliance with, and do not conflict with any applicable law or governmental regulation and, to the best of such counsel's knowledge, after reasonable inquiry with respect thereto, do not conflict with or violate any contract to which the Trustee is a party or any administrative or judicial decision by which the Trustee is bound;

(E) no consent, approval, authorization or other action by any governmental or regulatory authority having jurisdiction over the banking or trust powers of the Trustee that has not been obtained is or will be required for the execution and delivery of the Bonds or the consummation by the Trustee of its obligations under the Trustee Documents; and

(F) there is no action, suit, proceeding, inquiry or investigation at law or in equity before or by any court or public body pending or, to the best of such counsel's knowledge, threatened against or affecting the Trustee, which would materially adversely impact the Trustee's ability to complete the transactions contemplated by the Trustee Documents.

(xiv) a certificate, dated the date of Closing, signed by a duly authorized officer of the Trustee satisfactory in form and substance to the Underwriter, to the effect that:

(A) the Trustee is duly organized and existing as a national banking association under the laws of the United States of America, having the full corporate power and authority to enter into and perform its duties under the Trustee Documents;

(B) the Trustee is duly authorized to enter into the Trustee Documents and has duly executed and delivered the Trustee Documents, and

assuming due authorization and execution by the other parties thereto, the Trustee Documents are legal, valid and binding upon the Trustee and enforceable against such party in accordance with its terms;

(C) the Trustee has duly authenticated the Bonds under the Indenture and delivered the Bonds to or upon the order of the Underwriter;

(D) no consent, approval, authorization or other action by any governmental or regulatory authority having jurisdiction over the banking or trust powers of the Trustee that has not been obtained is required for the execution and delivery of the Bonds or the consummation by the Trustee of its obligations under the Trustee Documents; and

(E) there is no action, suit, proceeding, inquiry or investigation at law or in equity before or by any court or public body pending or, to the best of such counsel's knowledge, threatened against or affecting the Trustee, which would materially adversely impact the Trustee's ability to complete the transactions contemplated by the Trustee Documents.

(xv) the preliminary and final forms required to be delivered to the California Debt and Investment Advisory Commission pursuant to Section 53583 of the Government Code of the State of California and Section 8855(i) and (j) of the Government Code;

(xvi) a copy of the executed Blanket Issuer Letter of Representations by and between the Authority and DTC relating to the book-entry system;

(xvii) the tax and nonarbitrage certificate by the Authority and the City in form and substance to the reasonable satisfaction of Bond Counsel, the Underwriter and Nixon Peabody LLP ("Underwriter's Counsel");

(xviii) a title policy in form and substance acceptable to Bond Counsel, the Underwriter and Underwriter's Counsel;

(xix) an opinion of Underwriter's Counsel in form and substance acceptable to the Underwriter;

(xx) a Rule 15c2-12 certificate, dated the date of the Preliminary Official Statement, of the City;

(xxi) a Rule 15c2-12 certificate, dated the date of the Preliminary Official Statement, of the Authority;

(xxii) a copy of the municipal bond insurance policy and debt service reserve surety of Assured Guaranty Municipal Corp., together with such certificates and opinions as required by Bond Counsel and the Underwriter, and insured rating letter;

(xxiii) a certified copies of the Joint Exercise of Powers Agreement establishing the Authority, and all amendments thereto, and related certificates issued by the Secretary of State of the State; and

(xxiv) such additional legal opinions, Bonds, proceedings, instruments or other documents as the Underwriter or Underwriter's Counsel may reasonably request.

Section 9. Changes in Official Statement. Within 90 days after the Closing or within 25 days following the "end of the underwriting period" (as defined in Rule 15c2-12), whichever occurs first, if any event relating to or affecting the Bonds, the Trustee, the City or the Authority shall occur as a result of which it is necessary, in the reasonable opinion of the Underwriter, to amend or supplement the Official Statement in order to make the Official Statement not misleading in any material respect in the light of the circumstances existing at the time it is delivered to a purchaser, the Authority will forthwith prepare and furnish to the Underwriter an amendment or supplement that will amend or supplement the Official Statement so that it will not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing at the time the Official Statement is delivered to purchaser, not misleading. The City and the Authority shall cooperate with the Underwriter in the filing by the Underwriter of such amendment or supplement to the Official Statement with the MSRB. The Underwriter acknowledges that the "end of the underwriting period" will be the date of Closing unless the Underwriter otherwise notifies the City in writing that it still owns some or all of the Bonds.

Section 10. Expenses. (a) Whether or not the Underwriter accepts delivery of and pays for the Bonds as set forth herein, it shall be under no obligation to pay, and the Authority shall pay, or cause the City to pay, out of the proceeds of the Bonds or any other legally available funds of the City or the Authority, all expenses incidental to the performance of the Authority's obligations hereunder, including but not limited to the cost of printing and delivering the Legal Documents to the Underwriter; the costs of printing and shipping and electronic distribution of the Preliminary Official Statement and the Official Statement in reasonable quantities; the fees and disbursements of the Authority, the Trustee and its counsel, Bond Counsel, Authority Counsel, the City Attorney, accountants, engineers, appraisers, economic consultants and any other experts or consultants retained by the City or the Authority in connection with the issuance and sale of the Bonds; rating agency fees; advertising expenses; and any other expenses not specifically enumerated in paragraph (b) of this Section incurred in connection with the issuance and sale of the Bonds. The Authority shall pay, or cause the City to pay out of the proceeds of the Bonds, for any expenses incurred by the Underwriter on behalf of the City's or the Authority's employees and representatives which are incidental to implementing this Purchase Agreement, including, but not limited to, meals, transportation, and lodging of those employees and representatives.

(b) Whether or not the Bonds are delivered to the Underwriter as set for herein, the Authority shall be under no obligation to pay, and the Underwriter shall be responsible for and pay (which may be included as an expense component of the Underwriter's discount), MSRB, CUSIP Bureau and CDIAC fees and expenses to qualify the Bonds for sale under any "blue sky" laws; and all other expenses incurred by the Underwriter in connection with its public offering and distribution of the Bonds not specifically enumerated in paragraph (a) of this Section, including the cost of preparing this Purchase Contract and other Underwriter documents, travel expenses and the fees and disbursements of Underwriter's Counsel.

Section 11. Notices. Any notice or other communication to be given to the Underwriter under this Purchase Agreement may be given by delivering the same in writing to Cabrera Capital Markets, LLC 10 S. LaSalle St., #1050, Chicago, IL 60603, Attention: Brian Corley. Any notice or communication to be given the Authority under this Purchase Agreement may be given by delivering the same in writing 44933 Fern Avenue, Montebello, CA 9640, Attention: Executive Director. Any

notice or communication to be given the City under this Purchase Agreement may be given by delivering the same in writing to the City of Montebello, 1600 W. Beverly Boulevard, Montebello, CA 90640, Attention: City Manager. All notices or communications hereunder by any party shall be given and served upon each other party.

Section 12. Parties in Interest. This Purchase Agreement is made solely for the benefit of the Authority, the City and the Underwriter (including the successors or assigns thereof) and no other person shall acquire or have any right hereunder or by virtue hereof. All representations, warranties and agreements of the Authority and the City in this Purchase Agreement shall remain operative and in full force and effect regardless of any investigation made by or on behalf of the Underwriter and shall survive the delivery of and payment for the Bonds.

Section 13. Counterparts. This Purchase Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

[Remainder of page intentionally left blank.]

Section 14. Governing Law. This Purchase Agreement shall be governed by and construed in accordance with the laws of the State.

CABRERA CAPITAL MARKETS, LLC

By: _____
Authorized Signatory

Accepted:

MONTEBELLO PUBLIC FINANCING AUTHORITY

By: _____
Authorized Signatory

Time of Execution: ____:____

Accepted:

CITY OF MONTEBELLO

By: _____
Authorized Signatory

Time of Execution: ____:____

EXHIBIT A

MATURITY SCHEDULE

Maturity Date (November 1)	Principal Amount	Interest Rate	Yield	Price	10% Test Used	Hold-the-Offering Price Rule Used

_____

* Yield to optional redemption date of _____ at par.

EXHIBIT B

$_____
MONTEBELLO PUBLIC FINANCING AUTHORITY
LEASE REVENUE BONDS, SERIES 2022A

ISSUE PRICE CERTIFICATE

The undersigned, on behalf of Cabrera Capital Markets, LLC (the "**Underwriter**"), hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the "**Bonds**").

1. ***Sale of the Bonds***. As of the date of this Certificate, for each Maturity of the Bonds, the first price at which a Substantial Amount of such Maturity of the Bonds was sold to the Public is the respective price listed in Schedule A.

2. ***Reserve Fund***. With respect to the debt service reserve fund for the Bonds, the funding of the debt service reserve fund at the level it was funded was reasonably required to market the Bonds at the interest rates at which they were marketed, and funding a reserve fund for a lesser amount would have resulted in a sale of the Bonds at materially higher interest rates or for a materially lower purchase price.

3. ***Defined Terms***.

(a) *Issuer* means Montebello Public Financing Authority.

(b) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

(c) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than a Regulatory Underwriter or a related party to a Regulatory Underwriter. The term "related party" for purposes of this Certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(f) *Regulatory Underwriter* means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

(g) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is _____, 2022.

(h) *Substantial Amount* means ten percent.

The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax and Nonarbitrage Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Stradling Yocca Carlson & Rauth, a Professional Corporation in connection with rendering its opinion that the interest on the Bonds

is excluded from gross income for federal income tax purposes, the preparation of Internal Revenue Service Form 8038-G, and other federal income tax advice it may give to the Issuer from time to time relating to the Bonds.

CABRERA CAPITAL MARKETS, LLC, as Underwriter

By: _____
Name: _____

Dated: [ISSUE DATE]

EXHIBIT C

FORM OF DISCLOSURE COUNSEL OPINION

_____, 2022

Montebello Financing Authority
Montebello, CA

City of Montebello
Montebello, CA

Cabrera Capital Markets, LLC
Chicago, IL

Re: $_____ Montebello Public Financing Authority Lease Revenue Bonds, Series 2022A

Ladies and Gentlemen:

We have acted as disclosure counsel to the Montebello Public Financing Authority (the "Authority") and the City of Montebello (the "City") in connection with the issuance by the Authority of $_____ aggregate principal amount of the bonds of the Authority designated the "Montebello Public Financing Authority Lease Revenue Bonds, Series 2022A" (the "Bonds"), pursuant to the provisions of Article 4 (commencing with section 6584) of Chapter 5 of Division 7 of Title 1 of the California Government Code (the "Law"), an Indenture, dated as of September 1, 2014, as supplemented, including as supplemented by the Third Supplemental Indenture, dated as of October 1, 2022 (collectively, the "Indenture"), by and among the Authority, the City of Montebello and The Bank of New York Mellon Trust Company, N.A., as trustee, and a resolution of the governing body of the Authority adopted on _____, 2022. The Bonds are secured by Revenues being (i) all payments to the Trustee (as assignee of the Authority) pursuant to a Lease Agreement, dated as of September 1, 2014, as amended, including as amended by the Third Amendment to Lease Agreement, dated as of October 1, 2022, by and between the Authority and the City (collectively, the "Lease"), the components of which are described in the Indenture, to be paid by the City; and (ii) all amounts held in certain funds and accounts created under the Indenture, together with earnings thereon.

This letter is being delivered by us in our capacity as disclosure counsel to the Authority and the City and not as counsel to any other addressee hereof. Capitalized terms used in this letter and not otherwise defined herein have the meanings given to them in the Indenture.

In connection with this letter, we have reviewed the Indenture, the Preliminary Official Statement, dated _____, 2022 (the "Preliminary Official Statement") and the Official Statement, dated _____, 2022 (the "Official Statement"), which describe the Bonds, the Indenture, the Lease, and such other records, opinions and documents, and we have made such investigations of law, as we have deemed appropriate as a basis for the conclusions hereinafter expressed. In arriving at the conclusions expressed below, we are not expressing any opinion or view on, and with your permission are assuming, the validity, accuracy and sufficiency of the records, documents, certificates and opinions referred to above (including the accuracy of all factual matters represented and legal conclusions contained therein, including (without limitation) representations and legal conclusions regarding the due authorization, issuance, delivery, validity and enforceability of the Bonds and the exclusion of interest with respect thereto from gross income

for federal income tax purposes). We have assumed that all records, documents, certificates and opinions that we have reviewed, and the signatures thereto, are genuine.

Based on and subject to the foregoing, and in reliance thereon, we advise that the Bonds are exempt from registration pursuant to the Securities Act of 1933, as amended, and that the Indenture is exempt from qualification under the Trust Indenture Act of 1939, as amended.

We are not passing upon and do not assume any responsibility for the accuracy, completeness or fairness of the statements contained in the Preliminary Official Statement and the Official Statement and make no representation that we have independently verified the accuracy, completeness or fairness of any such statements. However, in our capacity as disclosure counsel to the Authority and the City, we have reviewed certain documents as described above and have participated in conferences during which the contents of the Preliminary Official Statement and the Official Statement and related matters were discussed. Based on our review of documents and our participation in the above-mentioned conferences, and with the assumptions described in the second preceding paragraph, we advise you that, during the course of our assistance in the preparation of the Preliminary Official Statement and the Official Statement, no facts have come to the attention of the attorneys in our firm rendering legal services in connection with such representation that caused us to believe that the Preliminary Official Statement and the Official Statement, as of their respective dates and as of the date of this letter contained or contains any untrue statement of a material fact or omitted or omits to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading (except that we express no opinion or belief with respect to: (i) the expressions of opinion, the assumptions, the projections, the financial statements or other financial, numerical, economic, demographic or statistical data contained in the Preliminary Official Statement and the Official Statement, (ii) any CUSP numbers or information relating thereto contained in the Preliminary Official Statement and the Official Statement, (iii) any information contained in the appendices to the Preliminary Official Statement and the Official Statement, (iv) any information with respect to the Depository Trust Company and its book entry system for the Bonds contained or incorporated in the Preliminary Official Statement and the Official Statement, (v) any information incorporated by reference into the Preliminary Official Statement and the Official Statement, (vi) information with respect to the rating on the Bonds and the rating agency referenced in the Preliminary Official Statement and the Official Statement, and (vii) compliance by the City with its obligations to provide notices of the events described in Part (b)(5)(i)(C) of Rule 15c2-12 of the United States Securities and Exchange Commission, as amended (the "Rule") or to file annual reports described in Part (b)(5)(i)(A) of the Rule, which compliance we have not reviewed pursuant to your direction).

During the period from the dates of the Preliminary Official Statement and the Official Statement to the date of this letter, except for our review of the certificates and opinions regarding the Preliminary Official Statement and the Official Statement delivered on the date hereof, we have not undertaken any procedures or taken any actions which were intended or likely to elicit information concerning the accuracy, completeness or fairness of any of the statements contained in the Preliminary Official Statement and the Official Statement. We also advise you that the preceding paragraph is not an opinion but, rather, in the nature of negative observations based on certain limited activities performed by specific lawyers in our firm in our role as disclosure counsel to the Authority and the City. The scope of those activities performed by us for purposes of delivering this letter were inherently limited and do not purport to encompass all activities necessary for compliance with applicable securities laws. In addition, the performance of those activities by us required our reliance upon third-party representations, warranties, certifications and opinions, including and primarily, representations, warranties and certifications made by the Authority and the City, and are otherwise subject to the conditions set forth herein.

This letter is furnished by us solely for your benefit and may not be relied upon by any other person or entity. We disclaim any obligation to supplement this letter to reflect any facts or circumstances that may hereafter come to our attention or any changes in the law that may hereafter occur, and our engagement with respect to this matter has terminated as of the date hereof.

Very truly yours,

PRELIMINARY OFFICIAL STATEMENT DATED SEPTEMBER 15, 2022

NEW ISSUE—BOOK-ENTRY

RATINGS:
S&P: "AA" (AGM -Insured)
S&P: "A" (Underlying)
See "RATINGS" herein.

In the opinion of Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California, Bond Counsel, under existing statutes, regulations, rulings and judicial decisions, and assuming certain representations and compliance with certain covenants and requirements described in this Official Statement, interest (and original issue discount) on the Series 2022A Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals; however, for tax years beginning after December 31, 2022, with respect to applicable corporations as defined in Section 59(k) of the Internal Revenue Code of 1986, as amended, interest (and original issue discount) with respect to the Series 2022A Bonds might be taken into account in determining adjusted financial statement income for the purposes of computing the alternative minimum tax imposed on such corporations. In the further opinion of Bond Counsel, interest (and original issue discount) on the Series 2022A Bonds is exempt from State of California personal income taxes. See "TAX MATTERS" herein.

**$_____*
MONTEBELLO PUBLIC
FINANCING AUTHORITY
Lease Revenue Bonds, Series 2022A**

Dated: Delivery Date **Due: November 1, as shown on the inside cover**

The Montebello Public Financing Authority Lease Revenue Bonds, Series 2022A (the "Series 2022A Bonds") are payable from base rental payments (the "Base Rental Payments") to be made by the City of Montebello (the "City") for the right to use certain City-owned property as described herein (the "Property") pursuant to a Lease Agreement, dated as of September 1, 2014, as amended, as further amended by a Third Amendment to Lease Agreement, dated as of October 1, 2022 (collectively, the "Lease Agreement"), by and between Montebello Public Financing Authority (the "Authority"), as lessor, and the City, as lessee. See "THE SERIES 2022A BONDS" herein.

The Series 2022A Bonds are being issued to provide funds to (i) finance the costs of the acquisition, construction and installation of certain golf course improvements, as described herein, (ii) purchase a municipal bond insurance policy to guarantee payment of the principal of and interest on the Series 2022A Bonds when due, (iii) purchase a debt service reserve municipal bond insurance policy for deposit in the Reserve Fund for the Series 2022A Bonds, and (iv) pay the costs incurred in connection with the issuance of the Series 2022A Bonds. See "SOURCES AND USES OF FUNDS" and "THE PROJECT" herein.

The City has covenanted under the Lease Agreement to make all Base Rental Payments provided for therein, to include all such payments in its annual budgets, and to make all the necessary annual appropriations for such Base Rental Payments. The City's obligation to make Base Rental Payments is subject to abatement during any period in which, by reason of material damage to, or destruction or condemnation of, the Property, or any defects in title to the Property, there is substantial interference with the City's right to use and occupy any portion of the Property. See "RISK FACTORS—Abatement" herein.

The Series 2022A Bonds are being issued in fully registered book-entry only form, initially registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). Interest on the Series 2022A Bonds is payable semiannually on each May 1 and November 1, commencing May 1, 2023. Purchasers will not receive certificates representing their interest in the Series 2022A Bonds. Individual purchases of the Series 2022A Bonds may be made in principal amounts of $5,000 or integral multiples thereof. Principal of and interest on the Series 2022A Bonds will be paid by The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee") to DTC for subsequent disbursement to DTC Participants who are obligated to remit such payments to the Beneficial Owners of the Series 2022A Bonds. See "THE SERIES 2022A BONDS—Book-Entry Only System" herein.

The Series 2022A Bonds will be issued pursuant to an Indenture, dated as of September 1, 2014, as supplemented, as further supplemented by a Third Supplemental Indenture, dated as of October 1, 2022, (collectively, the "Indenture"), by and among the City, the Authority and the Trustee. The Series 2022A Bonds and any additional bonds issued pursuant to the Indenture ("Additional Bonds") are collectively referred to herein as the "Bonds." See "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2022A BONDS" herein.

The Bonds are payable from Revenues pledged under the Indenture. Such Revenues primarily consist of Base Rental Payments to be made by the City to the Authority under the Lease Agreement.

The Series 2022A Bonds are subject to optional, extraordinary and mandatory sinking fund redemption prior to maturity. See "THE SERIES 2022A BONDS—Redemption" herein.

The scheduled payment of principal of and interest on the Series 2022A Bonds when due will be guaranteed under a municipal bond insurance policy to be issued concurrently with the delivery of the Series 2022A Bonds by ASSURED GUARANTY MUNICIPAL CORP. (the "Municipal Bond Insurer").

MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, YIELDS AND PRICES

SEE THE INSIDE COVER

The obligation of the City to make the Base Rental Payments does not constitute a debt of the City or the State of California or of any political subdivision thereof within the meaning of any constitutional or statutory debt limit or restriction and does not constitute an obligation for which the City or the State of California is obligated to levy or pledge any form of taxation or for which the City or the State of California has levied or pledged any form of taxation. The Authority has no power to tax.

THIS COVER PAGE CONTAINS CERTAIN INFORMATION FOR QUICK REFERENCE ONLY. IT IS NOT A SUMMARY OF THIS ISSUE. INVESTORS MUST READ THE ENTIRE OFFICIAL STATEMENT TO OBTAIN INFORMATION ESSENTIAL TO THE MAKING OF AN INFORMED INVESTMENT DECISION.

The Series 2022A Bonds will be offered when, as and if issued and received by the Underwriter, subject to the approval as to their validity by Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California, Bond Counsel. Quint & Thimmig LLP, Larkspur, California, is acting as Disclosure Counsel to the City. Certain legal matters will be passed upon for the City and the Authority by the City Attorney of the City, for the Underwriter by Nixon Peabody LLP, Los Angeles, California, for the Trustee by its counsel and for the Municipal Bond Insurer by its counsel. It is anticipated that the Series 2022A Bonds will be available in book-entry form through the facilities of DTC in New York, New York on or about October __, 2022.

CABRERA CAPITAL

Dated: September __, 2022

*Preliminary, subject to change.

This Preliminary Official Statement and the information contained herein are subject to completion or amendment. These securities may not be sold nor may offers to buy be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction.

$_____*

MONTEBELLO PUBLIC FINANCING AUTHORITY

Lease Revenue Bonds, Series 2022A

$_____Serial Bonds

CUSIP† Prefix: _____

Maturity (November 1)	Principal Amount*	Interest Rate	Yield	Price	CUSIP† Suffix

$_____ ____% Term Bonds Maturing November 1, ____; Price: _____ to Yield ___%—CUSIP†: _____ ____

$_____ ____% Term Bonds Maturing November 1, ____; Price: _____ to Yield ___%—CUSIP†: _____ ____

$_____ ____% Term Bonds Maturing November 1, ____; Price: _____ to Yield ___%—CUSIP†: _____ ____

*Preliminary, subject to change.

† Copyright 2022, American Bankers Association. CUSIP® is a registered trademark of the American Bankers Association. CUSIP data herein is provided by CUSIP Global Services, operated by S&P Capital IQ. This data is not intended to create a database and does not serve in any way as a substitute for CUSIP Global Services. CUSIP numbers have been assigned by an independent company not affiliated with the Authority or the City and are included solely for the convenience of the registered owners of the Series 2022A Bonds. None of the Authority, the City or the Underwriter is responsible for the selection or uses of these CUSIP numbers and no representation is made as to their correctness on the Series 2022A Bonds or as included herein. The CUSIP number for a specific maturity is subject to being changed after the delivery of the Series 2022A Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Series 2022A Bonds.

For purposes of compliance with Rule 15c2-12 of the United States Securities and Exchange Commission, as amended ("Rule 15c2-12"), this Preliminary Official Statement constitutes an "official statement" of the City with respect to the Bonds that has been deemed "final" by the City as of its date except for the omission of no more than the information permitted by Rule 15c2-12.

No dealer, broker, salesperson or other person has been authorized by the City or the Authority to give any information or to make any representations in connection with the offer or sale of the Series 2022A Bonds other than those contained herein and, if given or made, such other information or representations must not be relied upon as having been authorized by the City or the Authority. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Series 2022A Bonds by a person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale.

This Official Statement is not to be construed as a contract with the purchasers or Owners of the Series 2022A Bonds. Statements contained in this Official Statement which involve estimates, forecasts or matters of opinion, whether or not expressly so described herein, are intended solely as such and are not to be construed as representations of fact.

The Underwriter has provided the following sentence for inclusion in this Official Statement. The Underwriter has reviewed the information in this Official Statement in accordance with, and as a part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

This Official Statement and the information contained herein are subject to completion or amendment without notice and neither delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the City or the Authority or any other parties described herein since the date hereof. The Series 2022A Bonds may not be sold nor may an offer to buy be accepted prior to the time this Official Statement is delivered in final form. This Official Statement is being submitted in connection with the sale of the Series 2022A Bonds referred to herein and may not be reproduced or used, in whole or in part, for any other purpose, unless authorized in writing by the City. All summaries of documents and laws are made subject to the provisions thereof and do not purport to be complete statements of any or all such provisions.

Certain statements included or incorporated by reference in this Official Statement constitute "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Securities Exchange Act of 1934, as amended, and Section 27A of the United States Securities Act of 1933, as amended. Such statements are generally identifiable by the terminology used such as "plan," "expect," "estimate," "project," "budget," "intend" or similar words. Such forward-looking statements include, but are not limited to, certain statements contained in the information under the caption "RISK FACTORS" and in "THE CITY OF MONTEBELLO" herein.

THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. THE CITY DOES NOT PLAN TO ISSUE ANY UPDATES OR REVISIONS TO THE FORWARD-LOOKING STATEMENTS SET FORTH IN THIS OFFICIAL STATEMENT. IN EVALUATING SUCH STATEMENTS, POTENTIAL INVESTORS SHOULD SPECIFICALLY CONSIDER THE VARIOUS FACTORS WHICH COULD CAUSE ACTUAL EVENTS OR RESULTS TO DIFFER MATERIALLY FROM THOSE INDICATED BY SUCH FORWARD-LOOKING STATEMENTS.

IN CONNECTION WITH THE OFFERING OF THE SERIES 2022A BONDS, THE UNDERWRITER MAY OVERALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SERIES 2022A BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME. THE UNDERWRITER MAY OFFER AND SELL THE SERIES 2022A BONDS TO CERTAIN DEALERS AND DEALER BANKS AND BANKS ACTING AS AGENT AND OTHERS AT PRICES LOWER THAN THE PUBLIC OFFERING PRICES STATED ON THE INSIDE COVER PAGE HEREOF AND SAID PUBLIC OFFERING PRICES MAY BE CHANGED FROM TIME TO TIME BY THE UNDERWRITER.

THE SERIES 2022A BONDS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, IN RELIANCE UPON AN EXEMPTION CONTAINED IN SUCH ACT AND HAVE NOT BEEN REGISTERED OR QUALIFIED UNDER THE SECURITIES LAWS OF ANY STATE.

Assured Guaranty Municipal Corp. (the "Municipal Bond Insurer") makes no representation regarding the Insured Series 2022A Bonds or the advisability of investing in the Insured Series 2022A Bonds. In addition, the Municipal Bond Insurer has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding the Municipal Bond Insurer, supplied by the Municipal Bond Insurer and presented under the heading "MUNICIPAL BOND INSURANCE" and "APPENDIX G—SPECIMEN MUNICIPAL BOND INSURANCE POLICY."

A wide variety of other information, including financial information, concerning the City is available from publications and website of City. Any such information that is inconsistent with the information set forth in this Official Statement should be disregarded. No such information is a part of or incorporated into this Official Statement, except as expressly noted.

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CITY OF MONTEBELLO
MONTEBELLO PUBLIC FINANCING AUTHORITY
1600 West Beverly Boulevard
Montebello, CA 90640
(323) 887-1200

CITY COUNCIL/AUTHORITY BOARD

Kimberly Ann Cobos-Cawthorne, *Mayor/ Chair of the Board*
Angie M. Jimenez, *Mayor Pro Tem/Vice Chair of the Board*
Salvador Melendez, *Councilmember/Director*
Scarlet Peralta, *Councilmember/Director*
David N. Torres, *Councilmember/Director*

CITY STAFF/AUTHORITY STAFF

Rene Bobadilla, City Manager/Executive Director
Rafael Gutierrez, City Treasurer/Treasurer
Michael Solorza, City Finance Director/ Chief Financial Officer
Christopher Jimenez, City Clerk/Secretary
Arnold M. Alvarez-Glasman, City Attorney/Authority Counsel

PROFESSIONAL SERVICES

Municipal Advisor
Urban Futures, Inc.
Tustin, California

Bond Counsel
Stradling Yocca Carlson & Rauth,
a Professional Corporation
Newport Beach, California

Disclosure Counsel
Quint & Thimmig LLP
Larkspur, California

Trustee
The Bank of New York Mellon Trust Company, N.A.
Los Angeles, California

OFFICIAL STATEMENT

$_____*
MONTEBELLO PUBLIC FINANCING AUTHORITY
LEASE REVENUE BONDS, SERIES 2022A

INTRODUCTION

This introduction does not purport to be complete, and reference is made to the body of this Official Statement, appendices and the documents referred to herein for more complete information with respect to matters concerning the captioned bonds. Potential investors are encouraged to read this entire Official Statement. Capitalized terms used and not defined in this Introduction shall have the meanings assigned to them elsewhere in this Official Statement and in APPENDIX B—SUMMARY OF THE PRINCIPAL LEGAL DOCUMENTS—DEFINITIONS.

General

This Official Statement (which includes the cover page, inside cover page and the appendices hereto) (the "Official Statement"), provides certain information concerning the sale and delivery of $_____* aggregate principal amount of Montebello Public Financing Authority Lease Revenue Bonds, Series 2022A (the "Series 2022A Bonds").

The net proceeds of the sale of the Series 2022A Bonds will be used to (i) finance the costs of the acquisition, construction and installation of certain golf course improvements for the City of Montebello (the "City"), as described herein, (ii) purchase a municipal bond insurance policy to guarantee payment of the principal of and interest on the Series 2022A Bonds when due, as described under the caption "MUNICIPAL BOND INSURANCE," (iii) purchase a debt service reserve municipal bond insurance policy for deposit in the Reserve Fund for the Series 2022A Bonds, and (iv) pay the costs incurred in connection with the issuance of the Series 2022A Bonds. See "THE PROJECT" and "SOURCES AND USES OF FUNDS."

Pursuant to a Site and Facility Lease, dated as of September 1, 2014, as amended by a First Amendment to Site and Facility Lease, dated as of October 1, 2022 (collectively, the "Site and Facility Lease"), by and between the City, as lessor, and the Montebello Public Financing Authority (the "Authority"), as lessee, the City has leased certain real property (the "Leased Property") to the Authority. See "LEASED PROPERTY."

Pursuant to a Lease Agreement, dated as of September 1, 2014, as amended, as further amended by a Third Amendment to Lease Agreement, dated as of October 1, 2022 (collectively, the "Lease Agreement"), by and between the Authority, as lessor, and the City, as lessee, the Authority has subleased the Leased Property to the City. Under the Lease Agreement, the City will pay to the Authority certain base rental payments (the "Base Rental Payments") in amounts equal to the scheduled debt service on the Bonds (hereinafter defined).

* Preliminary, subject to change.

The Series 2022A Bonds will be issued pursuant to an Indenture, dated as of September 1, 2014, as supplemented, as further supplemented by a Third Supplemental Indenture, dated as of October 1, 2022 (collectively, the "Indenture"), by and among the Authority, the City and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"), on a parity with the Authority's outstanding Montebello Public Financing Authority Lease Revenue Refunding Bonds, Series 2014A, Montebello Public Financing Authority Lease Revenue Refunding Bonds, Series 2014B, and Montebello Public Financing Authority Lease Revenue Refunding Bonds, Series 2014C (Taxable) (collectively, the "Series 2014 Bonds"). Pursuant to the Indenture, the Authority may issue additional bonds (the "Additional Bonds") payable from the Base Rental Payments on a parity with the Series 2014 Bonds and the Series 2022A Bonds (the Series 2014 Bonds, Series 2022A Bonds and any such Additional Bonds being collectively referred to as the "Bonds").

The Bonds are special obligations of the Authority secured by and payable from certain revenues specifically pledged to the Bonds under the Indenture (the "Revenues"). The Revenues consist of (i) all Base Rental Payments to be made by the City to the Authority under the Lease Agreement; (ii) any proceeds of Bonds originally deposited with the Trustee and all moneys on deposit in the funds and accounts (other than the Rebate Fund) established under the Indenture; (iii) investment income with respect to such moneys held by the Trustee and (iv) any insurance proceeds or condemnation awards received by or payable to the Trustee relating to the Base Rental Payments, including interest or profits.

The Trustee and the Authority have entered into an Assignment Agreement, dated as of September 1, 2014, as amended by a First Amendment to Assignment Agreement, dated as of October 1, 2022 (collectively, the "Assignment Agreement"), pursuant to which the Authority has assigned to the Trustee for the benefit of the Bond Owners substantially all of the Authority's right, title and interest in and to the Site and Facility Lease and the Lease Agreement, including its rights to receive the Base Rental Payments due under the Lease Agreement and to enforce any remedies in the event of a default under the Lease Agreement by the City.

Security

The obligation of the City to make Base Rental Payments under the Lease Agreement is an unsecured obligation of the City, payable from legally available funds and are not subject to a priority lien on any City revenues. Under the Lease Agreement, the City has covenanted to budget and appropriate sufficient funds to make all payments required to be made under the Lease Agreement, which are comprised of Base Rental Payments and Additional Rental Payments (which include taxes and assessments affecting the Leased Property, administrative costs of the Authority relating to the Leased Property, fees and expenses of the Trustee, amounts payable to the Municipal Bond Insurer pursuant to the Indenture that are not payable from Base Rental Payments, and other amounts payable under the Lease Agreement), due under the Lease Agreement as a separate line item in its annual budgets and to make the necessary annual appropriations therefor, subject to abatement as described herein. The City has the capacity to enter into other obligations payable from the City's General Fund without the consent of or prior notice to the Owners of the Bonds and has expressly reserved the right to issue or incur other obligations for any of its corporate purposes. See "RISK FACTORS—Base Rental Payments Are Not Debt; Bonds are Limited Obligations" and "—Abatement." See "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS."

The City is currently in negotiations with the Topgolf Entertainment Group ("Topgolf"), a subsidiary of Callaway Golf Company, to develop a City-owned driving range entertainment venue to be built and operated by Topgolf (the "Topgolf Project"), to be funded from the proceeds of bonds to be issued by the Authority and secured, nominally, by the City's General Fund under a lease agreement but payable

from sublease payments made by Topgolf. See "CITY FINANCIAL INFORMATION— Impact of Enterprise Operations on the City's General Fund" and "RISK FACTORS—Impact of Enterprise Operations on the City's General Fund."

Base Rental Payments are subject to complete or partial abatement in the event and to the extent that there is substantial interference with the City's right to use and occupy the Leased Property or any portion thereof. See "RISK FACTORS—Abatement." Abatement of Base Rental Payments under the Lease Agreement, to the extent that payment is not made from alternative sources as set forth below, would result in all Bond Owners receiving less than the full amount of principal of and interest on the Series 2022A Bonds. To the extent that proceeds of insurance are available, Base Rental Payments (or a portion thereof) may be made from such proceeds of insurance during periods of abatement.

The Series 2022A Bonds are special obligations of the Authority, payable solely from Base Rental Payments and the other assets pledged therefor under the Indenture. Neither the faith and credit nor the taxing power of the Authority, the City or the State of California (the "State"), or any political subdivision thereof, is pledged to the payment of the Series 2022A Bonds. The Authority has no power to tax.

The obligation of the City to make the Base Rental Payments does not constitute a debt of the City, the State or of any political subdivision thereof within the meaning of any constitutional or statutory debt limit or restriction and does not constitute an obligation for which the City or the State is obligated to levy or pledge any form of taxation or for which the City or the State has levied or pledged any form of taxation.

Certain events could affect the ability of the City to make the Base Rental Payments when due. See "RISK FACTORS" for a discussion of certain factors that should be considered, in addition to other matters set forth herein, in evaluating an investment in the Series 2022A Bonds.

Municipal Bond Insurance; Reserve Policy

Payment of the principal of and interest on the Series 2022A Bonds will be insured by a municipal bond insurance policy (the "Policy") to be issued by Assured Guaranty Municipal Corp. (the "Municipal Bond Insurer") concurrently with the issuance of the Series 2022A Bonds. See the caption "BOND INSURANCE." A specimen of the Policy is set forth in APPENDIX G—SPECIMEN MUNICIPAL BOND INSUARANCE POLICY.

In addition, the Municipal Bond Insurer has made a commitment to issue a municipal bond insurance policy for the Reserve Fund established for the Series 2022A Bonds (the "Reserve Policy") in an amount equal to the Reserve Requirement. See "SECURITY AND SOURCES OF PAYMENT FOR THE SERIES 2022A BONDS —Reserve Fund."

The Authority

The Authority is a joint exercise of powers entity organized and existing under and by virtue of the Joint Exercise of Powers Act, constituting Articles 1 through 4 (commencing with Section 6500) of Chapter 5, Division 7, Title 1 of the California Government Code (the "Joint Powers Act"). See "THE AUTHORITY".

The City

The City is situated in eastern Los Angeles County (the "County"), in the state of California (the "State"). The City encompasses 8.2 square miles and is located 9 miles east of downtown Los Angeles. The City

has access to three freeways: the San Gabriel River Freeway (Interstate Highway 605) to the east, the Santa Ana Freeway (Interstate 5) to the south and the Pomona Freeway (State Highway 60) to the north. The City is a balanced community with light industry, residential areas and commercial centers. The City is bordered to the north by the cities of Monterey Park and Rosemead, to the east by the City of Pico Rivera and to the west by the City of Commerce. Other surrounding cities include the cities of Bell Gardens, Whittier, South El Monte and Los Angeles.

The City was incorporated as a general law city in 1920. The City operates under the Council-Manager form of government. The five City Council members are elected on alternate slates every two years to four-year terms. The Mayor and the Mayor Pro Tem are selected by the City Council to serve one-year terms. The City Clerk and City Treasurer are also elected to four-year terms. The City Manager and City Attorney are appointed by the City Council. The population of the City was estimated to be 61,622 as of January 1, 2022.

City's Transition to District-Based Elections. The City is in the process of transitioning from at-large elections to district-based elections for its council seats. On November 8, 2022, the voters of the City will elect five new councilmembers by district. The five new councilmembers will join the two existing at-large councilmembers to create a seven-member council. The City will temporarily retain the two at-large council seats until the expiration of their terms in 2024, at which point those seats will be eliminated and the City will have a five-member council elected entirely by district.

For additional information about the City, see "THE CITY," "CITY FINANCIAL INFORMATION," APPENDIX A—GENERAL, ECONOMIC AND DEMOGRAPHIC INFORMATION RELATING TO THE CITY AND THE COUNTY and APPENDIX C—ANNUAL COMPREHENSIVE FINANCIAL REPORT OF THE CITY FOR THE YEAR ENDED JUNE 30, 2021.

Continuing Disclosure

The City has agreed to provide, or cause to be provided, to the Municipal Securities Rulemaking Board for purposes of Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission ("SEC Rule 15c2-12(b)(5)") certain annual financial information and operating data and, in a timely manner, notice of certain listed events. These covenants have been made in order to assist the Underwriter in complying with SEC Rule 15c2-12(b)(5). See "CONTINUING DISCLOSURE" for a description of the City's compliance over the past five years with its various continuing disclosure obligations. See APPENDIX E—FORM OF CONTINUING DISCLOSURE CERTIFICATES for the form of the City's continuing disclosure obligations with respect to the Series 2022A Bonds.

Professionals

The Bank of New York Mellon Trust Company, N.A., Los Angeles, California, will act as Trustee with respect to the Series 2022A Bonds. The Series 2022A Bonds will be issued subject to the approval as to their legality by Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California, Bond Counsel. Certain legal matters will be passed upon for the City and the Authority by the City Attorney of the City and by Quint & Thimmig LLP, Larkspur, California, Disclosure Counsel. Certain legal matters will be passed upon for the Underwriter by Nixon Peabody LLP, Los Angeles, California, California. The City's financial statements for the fiscal year ended June 30, 2021, have been audited by Vasquez & Company LLP, Glendale, California (the "Auditor"). See APPENDIX C—ANNUAL COMPREHENSIVE FINANCIAL REPORT OF THE CITY FOR THE FISCAL YEAR ENDED JUNE 30, 2021. The Auditor has not undertaken to update the audited financial statements of the City or its report

or to take any action intended or likely to elicit information concerning the accuracy, completeness or fairness of the statements made in this Official Statement.

Bondholders' Risks

Certain events could affect the ability of the City to make the Base Rental Payments when due. See "RISK FACTORS" for a discussion of certain factors that should be considered, in addition to other matters set forth herein, in evaluating an investment in the Series 2022A Bonds.

The presentation of information, including tables of receipt of revenues, is intended to show recent historical information and, except for a budget discussion for Fiscal Year 2022-23, is not intended to indicate future or continuing trends in the financial position or other affairs of the City. No representation is made that past experience, as it might be shown by such financial and other information, will necessarily continue or be repeated in the future. See "FINANCIAL INFOR MATION" for financial and operating information related to the City.

Other Information in this Official Statement

The summaries or references to the Indenture, the Lease Agreement, the Site and Facility Lease, the Assignment Agreement and other documents, agreements and statutes referred to herein, and the description of the Series 2022A Bonds included in this Official Statement, do not purport to be comprehensive or definitive, and such summaries, references and descriptions are qualified in their entireties by reference to each such document or statute.

THE SERIES 2022A BONDS

General

The Series 2022A Bonds will be issued in fully registered form without coupons in denominations of $5,000 or any integral multiple thereof. The Series 2022A Bonds will be dated as of and bear interest (calculated on the basis of a 360-day year comprised of twelve 30-day months) from the dated date thereof at the rates set forth on the inside cover page hereof. Interest on the Series 2022A Bonds will be paid semiannually on May 1 and November 1 (each, an "Interest Payment Date") of each year, commencing May 1, 2023.

Interest on the Series 2022A Bonds will be payable from the Interest Payment Date next preceding the date of authentication thereof unless (i) a Series 2022A Bond is authenticated on or before an Interest Payment Date and after the close of business on the fifteenth day of the month next preceding such Interest Payment Date, whether or not such day is a Business Day (the "Record Date"), in which event it will bear interest from such Interest Payment Date, (ii) a Series 2022A Bond is authenticated on or before the first Record Date, in which event interest thereon will be payable from the dated date thereof, or (iii) interest on any Series 2022A Bond is in default as of the date of authentication thereof, in which event interest thereon will be payable from the date to which interest has been paid in full, payable on each Interest Payment Date. Interest will be paid in lawful money of the United States on each Interest Payment Date to the Persons in whose names the ownership of the Series 2022A Bonds is registered on the Registration Books at the close of business on the immediately preceding Record Date, except as provided below. Interest will be paid by check of the Trustee mailed by first class mail, postage prepaid, on each Interest Payment Date to the Owners at their respective addresses shown on the Registration Books as of the close of business on the

preceding Record Date or by wire transfer to Owners of more than $1,000,000 in principal amount of Series 2022A Bonds who have provided account information and wiring instructions satisfactory to the Trustee.

The principal of the Series 2022A Bonds will be payable in lawful money of the United States of America upon presentation and surrender thereof upon maturity or earlier redemption at the Office of the Trustee. The Series 2022A Bonds will be subject to redemption as set forth herein.

Registration, Transfers and Exchanges

The Series 2022A Bonds will be issued as fully registered bonds, registered in the name of Cede & Co. as nominee of DTC, and will be available to actual purchasers of the Series 2022A Bonds (the "Beneficial Owners") in the denominations set forth above, under the book-entry system maintained by DTC, only through brokers and dealers who are or act through DTC Participants (as defined in APPENDIX F—BOOK-ENTRY ONLY SYSTEM) as described herein. Beneficial Owners will not be entitled to receive physical delivery of the Series 2022A Bonds. See "THE SERIES 2022A BONDS—Book-Entry Only System."

Redemption

Extraordinary Redemption from Condemnation Award or Insurance Proceeds. The Series 2022A Bonds shall be subject to redemption, in whole or in part, on any date, in denominations of $5,000 or any integral multiple thereof, from and to the extent of: (i) Net Insurance Proceeds received with respect to all or a portion of the Leased Property, deposited by the Trustee in the Redemption Fund pursuant to the Indenture, and (ii) eminent domain proceeds received pursuant to the Lease Agreement, at a Redemption Price equal to the principal amount of the Series 2022A Bonds to be redeemed, plus accrued interest thereon to the date of redemption, without premium.

Optional Redemption. The Series 2022A Bonds maturing on or after November 1, ____, are subject to optional redemption, in whole or in part, on any date on or after November 1, ____, in denominations of $5,000 or any integral multiple thereof, from and to the extent of prepaid Base Rental Payments paid pursuant to the Lease Agreement, at a Redemption Price equal to the principal amount of the Series 2022A Bonds to be redeemed, plus accrued interest thereon to the date of redemption, without premium.

Mandatory Sinking Fund Redemption. The Series 2022A Bonds with a stated maturity on November 1, ____, are subject to mandatory sinking fund redemption in part (by lot) on each November 1 on and after November 1, ____, in integral multiples of $5,000 at a Redemption Price equal to the principal amount thereof plus accrued interest to the date fixed for redemption, without premium, in accordance with the following schedule:

Redemption Date (November 1)	Principal Amount

[†]Maturity.

The Series 2022A Bonds with a stated maturity on November 1, ____, are subject to mandatory sinking fund redemption in part (by lot) on each November 1 on and after November 1, ____, in integral multiples of $5,000 at a Redemption Price equal to the principal amount thereof plus accrued interest to the date fixed for redemption, without premium, in accordance with the following schedule:

Redemption Date (November 1)	Principal Amount

[†]Maturity.

The Series 2022A Bonds with a stated maturity on November 1, ____, are subject to mandatory sinking fund redemption in part (by lot) on each November 1 on and after November 1, ____, in integral multiples of $5,000 at a Redemption Price equal to the principal amount thereof plus accrued interest to the date fixed for redemption, without premium, in accordance with the following schedule:

Redemption Date (November 1)	Principal Amount

[†]Maturity.

In the event of a partial optional redemption or extraordinary mandatory redemption of any of the Term Bonds, each of the remaining mandatory sinking fund payments for such Term Bonds will be reduced, as nearly as practicable, on a pro rata basis in the amount of $5,000 or any integral multiple thereof as directed by an Authorized City Representative.

Selection of Bonds for Redemption. Whenever provision is made in the Indenture for the redemption of less than all of the Bonds, the Trustee shall select the Bonds to be redeemed from all Bonds not previously called for redemption (a) with respect to any optional redemption of Bonds of a Series, among maturities of Bonds of such Series as directed in a Written Request of the Authority provided to the Trustee at least 30 but no more than 60 days prior to the date of such redemption, (b) with respect to any redemption from and to the extent of any insurance proceeds or condemnation award received with respect to all or a portion of the Leased Property and the corresponding provision of any Supplemental Indenture pursuant to which Additional Bonds are issued, among maturities of all Series of Bonds on a pro rata basis as nearly as practicable, as directed in a Written Request of the Authority provided to the Trustee at least 30 but no more than 60 days prior to the date of such redemption, and (c) with respect to any other redemption of Additional Bonds, among maturities as provided in the Supplemental Indenture pursuant to which such Additional Bonds are issued, and by lot among Bonds of the same Series with the same maturity in any manner which the Trustee in its sole discretion deems appropriate and fair. For purposes of such selection, all Bonds will be deemed to be comprised of separate $5,000 denominations and such separate denominations will be treated as separate Bonds which may be separately redeemed.

Notice of Redemption. Notice of redemption shall be given by the Trustee, not less than 20 nor more than 60 days prior to the redemption date (i) as to Series 2022A Bonds not registered in the name of a Securities Depository or its nominee, to the respective Owners of the Series 2022A Bonds designated for redemption at their addresses appearing on the Registration Books, (ii) as to Series 2022A Bonds registered in the name of a Securities Depository or its nominee, to such Securities Depository for such Series 2022A Bonds, and (iii) the Information Services. Notice of redemption to the Owners pursuant to (i) above shall be given by mail at their addresses appearing on the Registration Books, or any other method agreed upon by such Owner and the Trustee. Notice of redemption to the Securities Depositories pursuant to (ii) above and the Information Services pursuant to (iii) above shall be given by electronically secure means, or any other method agreed upon by such entities and the Trustee.

Such notice will state the date of the notice, the redemption date, the redemption place and the Redemption Price and shall designate the CUSIP numbers, the Series 2022A Bond numbers and the maturity or maturities (except in the event of redemption of all of the Series 2022A Bonds of such maturity or maturities in whole) of the Series 2022A Bonds to be redeemed, and will require that such Series 2022A Bonds be then surrendered at the principal corporate trust office of the Trustee for redemption at the Redemption Price, giving notice also that further interest on such Series 2022A Bonds will not accrue from and after the date fixed for redemption. Neither the failure to receive any notice so given, nor any defect in such notice, will affect the validity of the proceedings for the redemption of the Series 2022A Bonds or the cessation of accrual of interest thereon from and after the date fixed for redemption.

With respect to any notice of optional redemption of the Series 2022A Bonds, such notice may state that such redemption is conditional upon the receipt by the Trustee, on or prior to the date fixed for such redemption, of moneys sufficient to pay the principal of, premium if any, and interest on the Series 2022A Bonds to be redeemed and upon other conditions set forth therein and that, if such money has not been so received or such other conditions have not been satisfied, said notice is of no force and effect and the Trustee is not required to redeem such Series 2022A Bonds. If any condition stated in the redemption notice for an optional redemption have not been satisfied on or prior to the redemption date: (i) the redemption notice will be of no force and effect, (ii) the Authority will not be required to redeem such Series 2022A Bonds, (iii) the redemption will not be made, and (iv) the Trustee will within a reasonable time thereafter give notice to the persons in the manner in which the conditional redemption notice was given that such condition or conditions were not met and that the redemption was canceled.

Partial Redemption of Bonds. Upon surrender of any Bonds redeemed in part only, the Authority will execute and the Trustee will authenticate and deliver to the Owner thereof, at the expense of the Authority, a new Bond or Bonds of the same Series in authorized denominations equal in aggregate principal amount representing the unredeemed portion of the Bonds surrendered.

Effect of Notice of Redemption. Notice having been given as aforesaid, and moneys for the Redemption Price, and the interest to the applicable date fixed for redemption, having been set aside in the Redemption Fund, the Bonds will become due and payable on said date, and, upon presentation and surrender thereof at the principal corporate trust office of the Trustee, said Bonds will be paid at the Redemption Price thereof, together with interest accrued and unpaid to said date.

If, on said date fixed for redemption, moneys for the Redemption Price of all the Bonds to be redeemed, together with interest to said date, will be held by the Trustee so as to be available therefor on such date, and, if notice of redemption thereof has been given as aforesaid and not canceled, then, from and after said date, interest on said Bonds will cease to accrue and become payable. All moneys held by or on

behalf of the Trustee for the redemption of Bonds will be held in trust for the account of the Owners of the Bonds so to be redeemed without liability to such Owners for interest thereon. All Bonds paid at maturity or redeemed prior to maturity pursuant to the provisions of the Indenture will be canceled upon surrender thereof and destroyed.

Book-Entry Only System

DTC will act as securities depository for the Series 2022A Bonds. The Series 2022A Bonds will be issued as fully registered bonds registered in the name of Cede & Co. (DTC's partnership nominee). One fully registered Series 2022A Bond will be issued for each maturity of the Series 2022A Bonds, each in the initial aggregate principal amount of such maturity and will be deposited with DTC. See APPENDIX F—BOOK-ENTRY ONLY SYSTEM.

SOURCES AND USES OF FUNDS

The sources and uses of funds with respect to proceeds of the Series 2022A Bonds and other available amounts are shown below.

Sources	
Principal Amount of Series 2022A Bonds	
Plus: Net Original Issue Premium	
Total Sources	
Uses	
Project Fund	
Underwriter's Discount	
Costs of Issuance[(1)]	
Total Uses	

(1) Includes legal, municipal advisory, rating agency, printing fees, the premiums for the Municipal Bond Insurance Policy and the Reserve Policy and other miscellaneous costs of issuance.

DEBT SERVICE SCHEDULE

Following is the fiscal year schedule of debt service due with respect to the Series 2022A Bonds:

Fiscal Year Ending June 30	Principal	Interest	Total
2023			
2024			
2025			
2026			
2027			
2028			
2029			
2030			
2031			
2032			
2033			
2034			
2035			
2036			
2037			
2038			
2039			
2040			
2041			
2042			
2043			
2044			
2045			
2046			
2047			
2048			
2049			
2050			
2051			
2052			
2053			
Total			

Source: The Underwriter.

THE PROJECT

The Project consists of the replacement of the City's existing 18-hole, 72.5-acre golf course. The Project will include a new 9-hole championship golf course with a putting green complex and a new 6-hole, par 3 golf course with lights. The City also plans to construct a new clubhouse that will be financed from sources other than the proceeds of the Series 2022A Bonds.

The City has, in recent years, made transfers from its General Fund to cover golf course operating losses accounted for in the City's golf course fund (the "Golf Course Fund.") See "CITY FINANCIAL INFORMATION—Impact of Enterprise Operations on the City's General Fund." The City anticipates that the Project will increase golf course operating revenues so that, together with revenues to be received by the City in connection with the Topgolf Project, General Fund transfers will be substantially reduced or eliminated in future years.

THE LEASED PROPERTY

The Leased Property initially leased under the Site and Facility Lease and the Lease Agreement are (1) the City Hall, located at 1600 West Beverly Boulevard in the City, (2) the Police Headquarters, located at 1600 West Beverly Boulevard in the City, and (3) Fire Station No. 56, located at 1166 South Greenwood Avenue in the City.

City Hall is a 37,700 square foot, two level facility completed in the 1960s with additions and improvements completed in the 1990s, including some seismic retrofitting. The facility is the main administrative and customer service building for the City and its residents and customers. The Departments of Administration, Finance, Human Resources, Information Technology, Public Works, Community Development and Fire are located in City Hall. The facility provides service to the community related to plan checks, building permits and other services. In addition, City Council meetings are held in the Council Chambers located in City Hall. Each City Council member also has office space in the facility. In the past two years, significant tenant improvements have been made, increasing and improving office space for Administration, Fire and Finance. City Hall also has a new roof (installation completed in Spring, 2020) and HVAC system (installation completed in 2021). Total value of the roof, HVAC and interior improvements exceeds $3.0 million. The current insured value of City Hall, including land value, is approximately $22,975,000.

Police Headquarters, originally a 20,000 square foot, one-story structure, was built in the 1960s. Additions and improvements, including seismic retrofitting, completed in the 1990s, expanded the building into a three-story structure. The 64,400 square foot facility houses all Police Department personnel and includes administrative offices, a jail/holding facility, shooting range, locker rooms, training room, dispatch center, records room, report writing room, gym, and all other necessary facilities for a modern police force. As part of its capital improvement plan, the City recently (within the last 1.5 years) replaced the roof and HVAC equipment at a cost of approximately $2.7 million and began to replace and update flooring in portions of the facility at a cost of approximately $500,000. As part of the flooring project, the City discovered underground water intrusion and mold under the locker room and the gym floors in March 2022. The City has closed the locker room and gym and relocated the locker room to temporary facilities. The City is still investigating the cause of the water intrusion and has not yet begun remediation. The locker room and gym are less than 20% of the square footage of the building. The water intrusion and mold has not impacted operations or use of the remaining portions of the building and such space is more than sufficient

to continue operations of the police department indefinitely. Depending on the estimated remediation cost, the City has access to several sources of funding. The current insured value of Police Headquarters, including land value, is approximately $22,325,000.

Fire Station No. 56. The City has three (3) fire stations that are utilized to provide full-service fire and life safety response to the residents and surrounding community, 24 hours a day, 7 days a week, 365 days per year. Fire Station 56 is the newest of the City's three stations, built in 1991. The two story structure houses an engine company and provides living space for the necessary full complement of fire fighters required to provide around the clock response.The current insured value of Fire Station No. 56, including land value, is approximately $2,925,000.

It is the City's expectation that, upon the completion of the necessary remediation of the water intrusion and mold in the Policy Headquarters, Fire Station No. 56 will be removed from the Leased Property. It is the City's expectation that, when the Series 2014 Bonds are fully paid, the City Hall will be removed from the Leased Property, leaving the Police Headquarters as the sole property comprising the Leased Property.

SECURITY AND SOURCES OF PAYMENT FOR THE BONDS

Pledge of Revenues

The Bonds will be secured solely by a pledge of Revenues and such other moneys, funds and accounts pledged primarily to the payment of the Bonds under the Indenture (other than the Rebate Fund). The Base Rental Payments will be paid by the City in an amount sufficient to pay the principal of and interest on the Bonds on each Interest Payment Date.

Under the Lease Agreement, in addition to Base Rental Payments, the City has agreed to pay Additional Rental payments in such amounts in each year as shall be required for the payment of all costs and expenses with respect to the Bonds (not otherwise paid for or provided for out of the proceeds of sale of the Bonds) incurred by the Authority or the Trustee in connection with the execution, performance or enforcement of the Lease Agreement or the assignment thereof, the Indenture or the Authority's or the Trustee's interest in the Leased Property, including, but not limited to, all fees, costs and expenses, all administrative costs of the Authority relating to the Leased Property (including, without limiting the generality of the foregoing, salaries and wages of employees, overhead, insurance premiums, taxes and assessments (if any), expenses, compensation and indemnification of the Trustee payable by the Authority under the Indenture), fees of auditors, accountants, attorneys or engineers, and all other reasonable and necessary administrative costs of the Authority or charges required to be paid by it to comply with the terms of the Bonds or of the Indenture.

The City has agreed, in the Lease Agreement, to take such action as may be necessary to include all Base Rental Payments and Additional Rental due under the Lease Agreement in its annual budget and to make the necessary annual appropriations for all such Base Rental Payments and Additional Rental, subject only to abatement as provided in the Lease Agreement. The covenants on the part of the City contained in the Lease Agreement are duties imposed by law and it will be the duty of each and every public official of the City to take such action and do such things as are required by law in the performance of the official duty of such officials to enable the City to carry out and perform the covenants and agreements in the Lease Agreement agreed to be carried out and performed by the City.

Pursuant to the Assignment Agreement, the Authority will assign, as further security for its obligations to make timely payment of principal of and interest on the Bonds to the Trustee for the benefit of the Owners certain of the Authority's rights under the Lease Agreement , including the right to receive Base Rental Payments. On or before the fifth Business Day preceding each May 1 and November 1, the City is required to pay to the Trustee the Base Rental Payments coming due on the next succeeding May 1 and November 1, respectively, from any available sources.

Reserve Accounts

Under the Indenture a separate Reserve Account is established for each Series of Bonds. The "Reserve Requirement" for each Series of Bonds is defined as an amount not to exceed the least of: (i) 100% of the Maximum Annual Debt Service on such Bonds; (ii) one hundred twenty-five percent (125%) of average Annual Debt Service as of the date of issuance of such Bonds; and (iii) ten percent (10%) of the issue price of such Bonds (as defined pursuant to section 148 of the Code); subject to the conditions established in the Indenture, all or any portion of the respective Reserve Requirement for each Series may be satisfied by the provision of a policy of insurance, a surety bond, a letter of credit or other comparable credit facility, or a combination thereof, which, together with money on deposit in the respective Reserve Account, provide an aggregate amount equal to such Reserve Requirement. See APPENDIX B—SUMMARY OF THE PRINCIPAL LEGAL DOCUMENTS—DEFINITIONS."

On or before each Interest Payment Date, the Trustee will deposit in the applicable Reserve Account such amount as may be necessary to maintain a balance therein equal to the Reserve Requirement. No deposit shall be made in the applicable Reserve Account so long as there is on deposit an amount equal to the applicable Reserve Requirement. All moneys in a Reserve Account are to be used and withdrawn by the Trustee solely for the purpose of replenishing the Interest Account or the Principal Account, in such order, in the event of any deficiency at any time in either of such accounts, or for the purpose of paying the interest on or principal of or redemption premiums, if any, on the applicable Bonds of a Series if no other money of the Authority is lawfully available therefor. All moneys in a Reserve Account in excess of the applicable Reserve Requirement may be applied to the retirement of all Bonds of such Series then Outstanding or as a credit against the next following applicable Base Rental Payments, as directed by the City.

On the date of delivery of the Series 2022A Bonds, in lieu of a cash deposit to the Reserve Account applicable to the Series 2022A Bonds, the Municipal Bond Insurer will issue the Reserve Policy, in an amount equal to the Reserve Requirement applicable to the Series 2022A Bonds. There is no obligation for the City to replace the Reserve Policy or to cash fund the Reserve Account for the 2022A Bonds if the rating of the Municipal Bond Insurer is downgraded or withdrawn.

Abatement of Base Rental Payments

The obligation of the City to pay Base Rental Payments and Additional Rental Payments will be abated during any period in which by reason of any damage, destruction or condemnation there is substantial interference with the use by the City of the Leased Property or any portion thereof. Such abatement will be in an amount such that the resulting Base Rental Payments in any year during which such interference continues does not exceed the fair rental value of the portions of the Leased Property as to which such damage, destruction or taking do not substantially interfere with the City's use and right of possession, as evidenced by a Certificate of the City. Such abatement shall continue for the period commencing with the date of such interference and ending with the restoration of the Leased Property to tenantable condition. See "RISK FACTORS – Abatement."

Additional Obligations

The Authority has agreed pursuant to the Indenture that no additional bonds, notes or indebtedness shall be issued or incurred that are payable out of the Revenues in whole or in part, other than Additional Bonds as provided in the Indenture and subject to the specific conditions precedent to the issuance of the Additional Bonds listed in the Indenture, including that the Authority and the City shall not be in default under the Indenture or the Lease Agreement, a deposit shall be made in the applicable Reserve Account or a separate reserve account so that the amounts on deposit therein shall equal the Reserve Requirement, and the Lease Agreement shall be amended so as to increase the Base Rental Payments payable by the City by an aggregate amount equal to the principal and interest due and payable on such Additional Bonds. See "APPENDIX C—SUMMARY OF CERTAIN PROVISIONS OF THE PRINCIPAL LEGAL DOCUMENTS—THE INDENTURE—Additional Bonds." However, the City may issue or incur other obligations payable from the City's General Fund. See "RISK FACTORS—No Limitation on Incurring Additional Obligations."

Maintenance, Utilities, Taxes and Assessments

During such time as the City, or any assignee or sublessee thereof, is in possession of the Leased Property, all maintenance and repair, ordinary or extraordinary, of the Leased Property shall be the responsibility of the City, and the City shall pay for or otherwise arrange for the payment of (a) all utility services supplied to the Leased Property, (b) the cost of operation of the Leased Property, and (c) the costs of maintenance of and repair to the Leased Property resulting from ordinary wear and tear or want of care on the part of the City. The City shall, at the City's sole cost and expense, keep and maintain the Leased Property clean and in a safe and good condition and repair. The Authority has no obligation to alter, remodel, improve, repair, decorate, or paint the Leased Property or any part thereof.

The City shall comply with all statutes, ordinances, regulations, and other requirements of all governmental entities that pertain to the occupancy or use of the Leased Property. The Authority has no responsibility or obligation whatsoever to construct any improvements, modifications or alterations to the Leased Property.

The Authority and the City contemplate that the Leased Property will be used for public purposes by the City and, therefore, that the Leased Property will continue to be exempt from all taxes presently assessed and levied with respect to real and personal property. In the event that the use, possession or acquisition by the Authority or the City of the Leased Property is found to be subject to taxation in any form, the City will pay during the term of the Lease Agreement , as the same respectively become due, all taxes and governmental charges of any kind whatsoever that may at any time be lawfully assessed or levied against or with respect to the Leased Property and any other property acquired by the City in substitution for, as a renewal or replacement of, or a modification, improvement or addition to the Leased Property; provided, that with respect to any governmental charges or taxes that may lawfully be paid in installments over a period of years, the City shall be obligated to pay only such installments as are accrued during such time as the Lease Agreement is in effect.

Insurance Coverages

The Lease Agreement provides that each policy of insurance required thereby shall name the Trustee as loss payee, and the proceeds of such insurance shall be deposited with the Trustee for application pursuant to the Indenture.

Pursuant to the Lease Agreement, the City will obtain one or more California Land Title Association ("CLTA") title policies insuring the City's and Authority's interest in the Leased Property. The

Lease Agreement requires the City to maintain rental interruption insurance to insure against loss, total or partial, of rental income from any portion of the Leased Property in an amount equal to 24 months of Lease Payments. The City maintains standard comprehensive general public liability and property damage insurance, theft insurance, insurance against fire, lightning or flood damage, including extended coverage and vandalism and malicious mischief insurance and workers' compensation insurance. Under the Lease Agreement, the City is permitted to maintain such insurance (except rental interruption and title insurance) through a program of self-insurance under certain conditions. See "APPENDIX C – SUMMARY OF CERTAIN PROVISIONS OF THE PRINCIPAL LEGAL DOCUMENTS—THE LEASE AGREEMENT AGREEMENT—Insurance."

The proceeds of any rental interruption insurance will be deposited in the Revenue Fund to be credited towards the payment of the Base Rental Payments. The Lease Agreement requires the City promptly to remit to the Trustee the Net Proceeds of any insurance award either to replace or repair the Leased Property or to prepay the Bonds. The amount of Lease Payments and Additional Payments due under the Lease Agreement may be reduced during any period in which material damage or destruction to all or part of the Leased Property substantially interferes with the City's use and possession thereof. See "RISK FACTORS—Abatement" herein.

Substitution and Release of Property

Pursuant to the Lease Agreement , the City shall have, so long as the Lease Agreement is in effect, the option at any time and from time to time, to substitute other real property and/or improvements, for any portion of the Leased Property or release any identifiable real property and/or improvements constituting the Leased Property, provided that the City shall satisfy all of the requirements set forth in the Lease Agreement , including advance notice to each rating agency then rating the Bonds. See "APPENDIX C—SUMMARY OF CERTAIN PROVISIONS OF THE PRINCIPAL LEGAL DOCUMENTS–THE Lease Agreement– Substitution and Release of Property."

Action on Default

Should the City default under the Lease Agreement, the Trustee, as assignee of the Authority under the Lease Agreement, may terminate the Lease Agreement and recover certain damages from the City, or may retain the Lease Agreement and hold the City liable for all Base Rental Payments thereunder on an annual basis, and will have the right to re-enter and re-let the Leased Property. In the event such re-letting occurs, the City would be liable for any resulting deficiency in Base Rental Payments. See "RISK FACTORS—Limited Recourse on Default; No Acceleration of Base Rental."

For purposes of certain actions of Bond Owners under the Indenture and the Lease Agreement, such as certain consents and amendments and the direction of remedies following default, Bond Owners do not act alone and may not control such matters to the extent such matters are not supported by the requisite number of the Owners of all Bonds.

In the event of a default under the Lease Agreement there is no right under any circumstances to accelerate the Base Rental Payments or otherwise declare any Base Rental Payments not then in default to be immediately due and payable. There is no right under the Indenture to accelerate debt service payments on the Bonds in the event of a default under the Indenture or the Lease Agreement.

For a description of the events of default and permitted remedies of the Trustee (as assignee of the Authority) contained in the Lease Agreement and the Indenture, see APPENDIX B—SUMMARY OF THE PRINCIPAL LEGAL DOCUMENTS—THE LEASE AGREEMENT—DEFAULTS AND

REMEDIES and APPENDIX B—SUMMARY OF THE PRINCIPAL LEGAL DOCUMENTS—THE INDENTURE—DEFAULT AND LIMITATIONS OF LIABILITY.

MUNICIPAL BOND INSURANCE

Municipal Bond Insurance Policy

Concurrently with the issuance of the Bonds, the Municipal Bond Insurer will issue the Municipal Bond Insurance Policy. The Municipal Bond Insurance Policy guarantees the scheduled payment of principal of and interest on the Series 2022A Bonds when due as set forth in the form of the Municipal Bond Insurance Policy included as APPENDIX G—SPECIMENT MUNICIPAL BOND INSURANCE POLICY.

The Municipal Bond Insurance Policy is not covered by any insurance security or guaranty fund established under New York, California, Connecticut or Florida insurance law.

Municipal Bond Insurer

The Municipal Bond Insurer is a New York domiciled financial guaranty insurance company and an indirect subsidiary of Assured Guaranty Ltd. ("AGL"), a Bermuda-based holding company whose shares are publicly traded and are listed on the New York Stock Exchange under the symbol "AGO". AGL, through its operating subsidiaries, provides credit enhancement products to the U.S. and international public finance (including infrastructure) and structured finance markets and asset management services. Neither AGL nor any of its shareholders or affiliates, other than the Municipal Bond Insurer, is obligated to pay any debts of the Municipal Bond Insurer or any claims under any insurance policy issued by the Municipal Bond Insurer.

The Municipal Bond Insurer's financial strength is rated "AA" (stable outlook) by S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC ("S&P"), "AA+" (stable outlook) by Kroll Bond Rating Agency, Inc. ("KBRA") and "A1" (stable outlook) by Moody's Investors Service, Inc. ("Moody's"). Each rating of the Municipal Bond Insurer should be evaluated independently. An explanation of the significance of the above ratings may be obtained from the applicable rating agency. The above ratings are not recommendations to buy, sell or hold any security, and such ratings are subject to revision or withdrawal at any time by the rating agencies, including withdrawal initiated at the request of the Municipal Bond Insurer in its sole discretion. In addition, the rating agencies may at any time change the Municipal Bond Insurer's long-term rating outlooks or place such ratings on a watch list for possible downgrade in the near term. Any downward revision or withdrawal of any of the above ratings, the assignment of a negative outlook to such ratings or the placement of such ratings on a negative watch list may have an adverse effect on the market price of any security guaranteed by the Municipal Bond Insurer. The Municipal Bond Insurer only guarantees scheduled principal and scheduled interest payments payable by the issuer of bonds insured by the Municipal Bond Insurer on the date(s) when such amounts were initially scheduled to become due and payable (subject to and in accordance with the terms of the relevant insurance policy), and does not guarantee the market price or liquidity of the securities it insures, nor does it guarantee that the ratings on such securities will not be revised or withdrawn.

Current Financial Strength Ratings

On July 8, 2022, S&P announced it had affirmed the Municipal Bond Insurer's financial strength rating of "AA" (stable outlook). The Municipal Bond Insurer can give no assurance as to any further ratings action that S&P may take.

On March 18, 2022, Moody's announced it had upgraded the Municipal Bond Insurer's insurance financial strength rating to "A1" (stable outlook) from "A2" (stable outlook). The Municipal Bond Insurer can give no assurance as to any further ratings action that Moody's may take.

On October 20, 2021, KBRA announced it had affirmed the Municipal Bond Insurer's insurance financial strength rating of "AA+" (stable outlook). The Municipal Bond Insurer can give no assurance as to any further ratings action that KBRA may take.

For more information regarding the Municipal Bond Insurer's financial strength ratings and the risks relating thereto, see AGL's Annual Report on Form 10-K for the fiscal year ended December 31, 2021.

Capitalization of the Municipal Bond Insurer

At June 30, 2022:

- The policyholders' surplus of the Municipal Bond Insurer was approximately $2,779 million.
- The contingency reserve of the Municipal Bond Insurer was approximately $905 million.
- The net unearned premium reserves and net deferred ceding commission income of the Municipal Bond Insurer and its subsidiaries (as described below) were approximately $2,114 million. Such amount includes (i) 100% of the net unearned premium reserve and deferred ceding commission income of the Municipal Bond Insurer, and (ii) the net unearned premium reserves and net deferred ceding commissions of the Municipal Bond Insurer's wholly owned subsidiaries Assured Guaranty UK Limited ("AGUK") and Assured Guaranty (Europe) SA ("AGE").

The policyholders' surplus of the Municipal Bond Insurer and the contingency reserves, net unearned premium reserves and deferred ceding commission income of the Municipal Bond Insurer were determined in accordance with statutory accounting principles. The net unearned premium reserves and net deferred ceding commissions of AGUK and AGE were determined in accordance with accounting principles generally accepted in the United States of America.

Incorporation of Certain Documents by Reference

Portions of the following documents filed by AGL with the Securities and Exchange Commission (the "SEC") that relate to the Municipal Bond Insurer are incorporated by reference into this Official Statement and shall be deemed to be a part hereof:

(i) the Annual Report on Form 10-K for the fiscal year ended December 31, 2021 (filed by AGL with the SEC on February 25, 2022);

(ii) the Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2022 (filed by AGL with the SEC on May 6, 2022); and

(iii) the Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2022 (filed by AGL with the SEC on August 4, 2022).

All information relating to the Municipal Bond Insurer included in, or as exhibits to, documents filed by AGL with the SEC pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, excluding Current Reports or portions thereof "furnished" under Item 2.02 or Item 7.01 of Form 8-K, after the filing of the last document referred to above and before the termination of the offering of the Series 2022A Bonds shall be deemed incorporated by reference into this Official Statement and to be a part hereof from the respective dates of filing such documents. Copies of materials incorporated by reference are available over the internet at the SEC's website at http://www.sec.gov, at AGL's website at http://www.assuredguaranty.com, or will be provided upon request to Assured Guaranty Municipal Corp.: 1633 Broadway, New York, New York 10019, Attention: Communications Department (telephone (212) 974-0100). Except for the information referred to above, no information available on or through AGL's website shall be deemed to be part of or incorporated in this Official Statement.

Any information regarding the Municipal Bond Insurer included herein under the caption "MUNICIPAL BOND INSURANCE—Municipal Bond Insurer" or included in a document incorporated by reference herein (collectively, the "Municipal Bond Insurer Information") shall be modified or superseded to the extent that any subsequently included Municipal Bond Insurer Information (either directly or through incorporation by reference) modifies or supersedes such previously included Municipal Bond Insurer Information. Any Municipal Bond Insurer Information so modified or superseded shall not constitute a part of this Official Statement, except as so modified or superseded.

Miscellaneous Matters

The Municipal Bond Insurer makes no representation regarding the Series 2022A Bonds or the advisability of investing in the Series 2022A Bonds. In addition, the Municipal Bond Insurer has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding the Municipal Bond Insurer supplied by the Municipal Bond Insurer and presented under the heading "MUNICIPAL BOND INSURANCE".

THE AUTHORITY

The Authority is a joint exercise of powers entity organized and existing under and by virtue of the Joint Powers Act. The City and the Community Redevelopment Agency of the City of Montebello formed the Authority by the execution of a joint exercise of powers agreement on September 2, 1997. In July 2014, the Parking Authority of the City of Montebello replaced the Successor Agency to the Former Redevelopment Agency (as successor to the Community Redevelopment Agency of the City of Montebello) as a member of the Authority. Pursuant to the Joint Powers Act, the Authority is authorized to issue lease revenue bonds to provide funds to acquire or construct public capital improvements, such revenue bonds to be repaid from the lease payments for such improvements, such as the lease payments described herein. The members of the City Council of the City comprise the Authority's Board of Directors.

THE CITY

The City is situated in the eastern portion of the County. The City encompasses 8.2 square miles and is located 9 miles east of downtown Los Angeles. The City has access to three freeways: the San Gabriel River Freeway (Interstate Highway 605) to the east, the Santa Ana Freeway (Interstate 5) to the south and the Pomona Freeway (State Highway 60) to the north. The City is a balanced community with light industry, residential areas and commercial centers. The City is bordered to the north by the cities of Monterey Park and Rosemead, to the east by the City of Pico Rivera and to the west by the City of Commerce. Other surrounding cities include the cities of Bell Gardens, Whittier, South El Monte and Los Angeles.

The City was incorporated as a general law city in 1920. The City operates under the Council-Manager form of government. The five City Council members are elected on alternate slates every two years to four-year terms. The Mayor and the Mayor Pro Tem are selected by the City Council to serve one-year terms. The City Clerk and City Treasurer are also elected to four-year terms. The City Manager and City Attorney are appointed by the City Council. The population of the City was estimated to be 61,622 as of January 1, 2022.

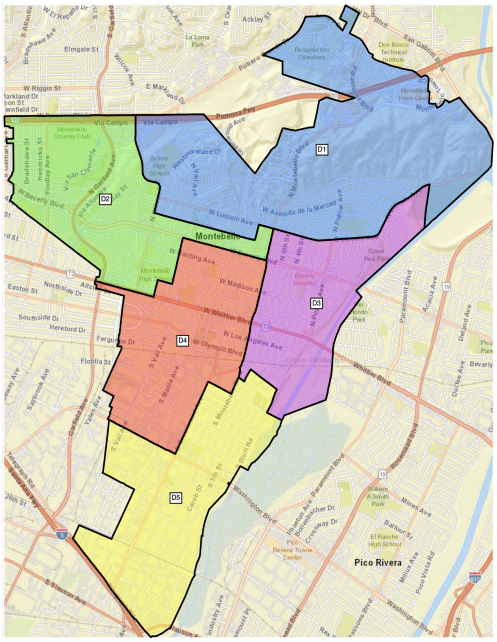
The current members of the City Council are as follows:

Name and Office	Current Term Expires
Kimberly Ann Cobos-Cawthorne, *Mayor*	December, 2022
Angie M. Jimenez, *Mayor Pro Tem*	December, 2022
Salvador Melendez, *Councilmember*	December, 2022
Scarlet Peralta, *Councilmember*	December, 2024
David N. Torres, *Councilmember*	December, 2024

City's Transition to District-Based Elections. The City is in the process of transitioning from at-large elections to district-based elections for its council seats. In a "by-district" election system, each Councilmember would represent a specific section of the City and be elected only by those who live in that defined district. On November 8, 2022, the voters of the City will elect five new councilmembers by district. The five new councilmembers will join the two existing at-large councilmembers to create a seven-member council. The City will temporarily retain the two at-large council seats until the expiration of their terms in 2024, at which point the City will have a five-member council elected entirely by district.

The following map shows the locations of the five council member districts within the City.

CITY OF MONTEBELLO
COUNCIL MEMBER DISTRICT MAP
(Effective beginning November 8, 2022)



Source: City of Montebello

Current members of the Council and key administrative personnel of the City are listed at the front of this Official Statement.

See APPENDIX A—GENERAL, ECONOMIC AND DEMOGRAPHIC INFORMATION RELATING TO THE CITY AND THE COUNTY for an additional description of the City as well as certain demographic and statistical information.

CITY FINANCIAL INFORMATION

Financial Statements and Budgetary Process

The City's accounting policies conform to generally accepted accounting principles. The audited financial statements also conform to the principles and standards for public financial reporting established by the Governmental Accounting Standards Board.

Basis of Accounting and Financial Statement Presentation. The government-wide financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

Audited Financial Statements. The City retained Vasquez & Company LLP, Glendale, California, California (the "City's Auditor"), to examine the general-purpose financial statements of the City as of and for the year ended June 30, 2021. The audited financial statements for fiscal year ended June 30, 2021, are included in APPENDIX C—ANNUAL COMPREHENSIVE FINANCIAL REPORT OF THE CITY FOR THE FISCAL YEAR ENDED JUNE 30, 2021. The City has not requested, and the City's Auditor has not provided, any review or update of such financial statements in connection with their inclusion in this Official Statement.

Budget Process. The City Council adopts an annual budget with appropriations for all City funds prior to the beginning of the fiscal year, which begins on July 1 of each year. The City Council has the legal authority to amend the budget at any time during the fiscal year. The City maintains budgetary controls to ensure compliance with legal provisions embodied in the appropriated budget approved by the City Council. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) for the City's operating budget is at the fund level. For the operating budget, the City Manager has the authority to move appropriations between accounts (without dollar limitation) within a budget program and within the same fund. All other appropriation changes require the approval of the City Council.

Certain of the City's revenues are collected and dispersed by the State (such as sales tax and motor-vehicle license fees) or allocated in accordance with State law (most importantly, property taxes). Therefore, State budget decisions can have an impact on City finances. See "STATE BUDGET INFORMATION."

General Fund Balance Sheet

The following table shows the City's audited General Fund balance sheets for the five most recent fiscal years.

Table 1
CITY OF MONTEBELLO
GENERAL FUND BALANCE SHEET
Fiscal Years 2016-17 through 2020-21

	Fiscal Year ending June 30,				
	2017 Audited	2018 Audited	2019 Audited	2020 Audited	2021 Audited
ASSETS					
Cash and investments	$ 6,799,980	$ 12,191,403	$ 17,213,492	$ 5,413,580	$ 9,349,552
Restricted cash and investments	4,666,731	4,666,731	4,837,801	4,666,731	1,921,304
Interest receivable	56,420	132,932	212,495	141,462	41,022
Accounts receivable	1,142,552	1,389,708	2,551,939	2,071,906	2,349,066
Taxes receivable	2,644,616	2,501,514	2,617,772	2,300,549	5,174,071
Due from other funds	2,503,001	2,794,623	2,000,017	2,853,153	8,622,169[(1)]
Advances to other funds	—	—	—	2,300,000	—
Due from Successor Agency	3,517	34,241	29,243	23,981	—
Prepaid Expenses	171,468	174,398	141,044	129,447	106,416
Due from Agency Fund	—	—	—	23	9,467
Investment in land held for resale	1,208,814	1,208,814	682,538	682,538	682,538
Total Assets	19,197,099	25,093,824	30,286,341	20,583,370	28,255,605
LIABILITIES					
Accounts payable and accrued liabilities	3,126,571	2,649,448	3,931,905	3,684,083	3,490,270
Deposits payable	5,000	5,000	—	—	—
Due to Agency Fund	—	—	—	865	865
Due to other funds	11,880	—	331,803	4,100	1,475,000
Unearned revenue	2,010,763	5,101,575	5,818,454	7,446,768	15,704,325[(2)]
Total Liabilities	5,154,214	7,756,023	10,082,162	11,135,816	20,670,460
FUND BALANCES					
Non-spendable	1,380,282	1,383,212	823,582	811,985	788,954
Restricted	4,666,731	4,666,731	4,837,801	4,666,731	1,921,304
Unassigned	7,995,872	11,287,858	14,542,796	3,968,838	4,874,887
Total Fund Balances	14,042,885	17,337,801	20,204,179	9,447,554	7,585,145
Total Liabilities and Fund Balances	19,197,099	25,093,824	30,286,341	20,583,370	28,255,605

Sources: City of Montebello Annual Comprehensive Financial Reports for Fiscal Years 2016-17 through 2020-21.

(1) Fiscal year 2020-21 amounts due from other funds include reimbursements to the General Fund from other funds related to construction projects at the City's two hotel properties not otherwise present in prior years.

(2) Fiscal year 2020-21 unearned revenues total includes Coronavirus State and Local Fiscal Recovery Funds received by the City under the American Rescue Plan Act not otherwise included in prior years.

General Fund Revenues, Expenditures, and Changes in Fund Balances

5-Year Audited Historical Results. The following table shows five years of the City's historical audited results for its General Fund revenues, expenditures, and changes in fund balances for fiscal years 2016-17 through 2020-21.

Table 2A
CITY OF MONTEBELLO
HISTORICAL GENERAL FUND REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
Fiscal Years 2016-17 through 2020-21

	Fiscal Year Ended June 30,				
	2017 Audited	2018 Audited	2019 Audited	2020 Audited	2021 Audited
REVENUES					
Sales taxes [1]	$13,267,373	$13,118,981	$14,031,972	$12,817,884	$22,270,247
Property taxes [4]	5,094,185	5,208,975	5,676,411	5,801,965	13,714,565
Other taxes	553,462	585,960	614,485	533,005	476,959
Franchise taxes	1,493,956	2,141,450	2,224,087	2,199,915	2,316,250
Licenses and permits	4,374,761	4,452,210	6,220,483	4,790,211	5,769,474
Fines and forfeitures	2,251,384	2,185,022	2,165,922	2,186,401	2,312,454
Investment Income	29,419	74,742	162,487	136,766	77,455
Intergovernmental [4]	5,950,400	6,157,030	6,526,569	6,909,563	1,096,273
Charges for services	6,382,058	6,438,100	6,657,594	6,053,109	6,317,440
Other revenues	959,391	1,153,423	728,696	489,655	1,762,641
Total Revenues	40,356,389	41,515,893	45,008,706	41,918,474	56,113,758
EXPENDITURES					
Current:					
General government	4,869,177	4,976,497	5,873,687	6,337,460	8,335,363
Public safety	31,438,293	31,487,454	29,433,153	32,503,951	32,641,866
Public works	6,812,050	6,778,314	6,639,299	7,395,769	10,635,745
Parks and recreation	3,658,338	3,813,599	3,827,559	4,388,956	4,360,265
Housing and community development	2,058,623	2,006,274	2,209,566	2,370,573	1,752,077
Capital outlay	183,834	265,903	2,052,865	3,559,591	9,014,007
Interfund charges	130,090	(231,650)	(366,046)	(361,160)	(536,079)
Debt service – Principal	-	-	-	954,331	656,625
Debt service – Interest	-	-	-	-	-
Total Expenditures	49,150,405	49,096,391	46,670,083	57,149,471	66,859,869
REVENUES OVER EXPENDITURES	(8,794,016)	(7,580,498)	(4,661,377)	(15,230,997)	(10,746,111)
OTHER FINANCING SOURCES/(USES)					
Other Revenues	4,666,731	-	1,547,962	815,153	-
Transfers in [2]	9,978,439	12,257,329	6,758,437	4,416,662	3,570,002
Transfers out [3]	(1,255,867)	(1,381,915)	(778,644)	(757,443)	(471,300)
Issuance of Debt [5]	-	-	-	-	5,785,000
Total Other Financing Sources	13,389,303	10,875,414	7,527,755	4,474,372	8,883,702
NET CHANGE IN FUND BALANCES [6]	4,595,287	3,294,916	2,866,378	(10,756,625)	(1,862,409)
FUND BALANCES – BEGINNING OF YEAR	9,447,598	14,042,885	17,337,801	20,204,179	9,447,554
FUND BALANCES – END OF YEAR	14,042,885	17,337,801	20,204,179	9,447,554	7,585,145

Source: City of Montebello Annual Comprehensive Financial Report for Fiscal Years 2016-17 through 2020-21.

(1) General fund sales tax collections for FY2020-21 and future years include amounts from Measure H, a voter-approved 0.75% sales tax that began collections on July 1, 2020. For additional discussion, see "Sales Taxes."

(2) Transfers in are mainly reimbursements for retirement-related pension costs from the Retirement Fund. The Retirement Fund receives monies from a Property Tax Override approved by the voters of the City to pay for retirement-related pension costs. The amount of transfer-in to the General Fund from Retirement Fund for the fiscal years beginning in 2019-20 are lower than prior years due to an accounting change of the unfunded liability payment which was previously charged to each department budget but is now charged directly to the Retirement Fund. For additional discussion, see "OTHER FINANCIAL INFORMATION – Employee Retirement Plans."

(3) Transfers out are mainly to the Golf Enterprise Fund. For additional discussion, see "OTHER FINANCIAL INFORMATION – Impact of Enterprise Operations on the City's General Fund."

(4) Beginning in FY2020-21 property tax revenues include amounts in-lieu of VLF accounted for as intergovernmental revenues in prior years.

(5) Represents the proceeds of a capital lease with ABM Building Solutions to finance a citywide energy efficiency upgrade project. For additional discussion, see APPENDIX C—ANNUAL COMPREHENSIVE FINANCIAL REPORT OF THE CITY FOR THE FISCAL YEAR ENDED JUNE 30, 2021 – Note 8E.

(6) Negative changes in fund balances in FY2019-20 and FY2021-22 are a result of impacts to revenue sources caused primarily by the COVID-19 Pandemic, increases in expenses related to the COVID-19 Pandemic, and one-time spending on deferred maintenance and improvements to City facilities.

Fiscal Year 2021-22 and 2022-23 Projections. Table 2B below shows the City's fiscal year 2021-22 projected actuals and 2022-23 budgeted projections for the City's General Fund revenues, expenditures, and changes in fund balances. Fiscal year 2021-22 data are full-year projections provided by the City's finance department based on actual results through the end of the 3rd quarter of that fiscal year. The City expects its audited fiscal year 2021-22 financial statements to be completed on or about January of 2023. Fiscal year 2022-23 data are from City's General Fund Budget for fiscal year 2022-23, adopted on June 8, 2022.

Categories of expenditures and transfers in Table 2B below are those used by the City for its internal accounting and may not in all cases match those related categories of expenditures and transfers sourced from the City's Annual Comprehensive Financial Reports and presented in Tables 2A and 3.

Table 2B
CITY OF MONTEBELLO
CURRENT AND PROJECTED GENERAL FUND
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
Fiscal Years 2021-22 and 2022-23

	Fiscal Year Ended June 30,	
	2022 Projected [1]	2023 Budgeted [2]
REVENUES		
Sales taxes	$24,726,000	$25,126,900
Property taxes	14,314,900	14,875,000
Other taxes	700,000	625,000
Franchise taxes	2,396,985	2,445,000
Licenses and permits	7,704,500	6,468,000
Fines and forfeitures	2,660,000	2,920,000
Investment Income	345,500	274,000
Intergovernmental	22,800	12,000
Charges for services	8,019,150	7,945,800
Other revenues	780,425	982,000
Total Revenues	61,670,260	61,673,700
EXPENDITURES		
Administration	2,624,811	2,736,200
Community Development	2,595,248	2,602,450
Finance	2,616,072	2,648,900
Fire	15,547,246	16,887,400
Human Resources/Information Technology	1,994,670	2,298,300
Non-Departmental	4,578,582	3,158,500
Parks & Recreation	5,757,953	3,140,600
Police	19,299,555	19,611,000
Public Works	11,648,811	14,906,750
Total Expenditures	66,662,949	67,990,100
REVENUES OVER/(UNDER) EXPENDITURES	(4,992,689)	(6,316,400)
OTHER FINANCING SOURCES/(USES)		
Administrative Overhead	2,839,200	2,912,100
Transfers in [4]	3,900,000	4,100,000
Transfers out	(471,300)[5]	-
Total Other Financing Sources	6,739,200	7,012,100
NET CHANGE IN FUND BALANCES	1,275,211	695,700
FUND BALANCES – BEGINNING OF YEAR [3]	7,585,145	8,860,356
FUND BALANCES – END OF YEAR [3]	8,860,356	9,556,056

Source: City of Montebello Finance Department for Fiscal Year 2021-22 data and City of Montebello Fiscal Year 2022-23 Budget, adopted June 8, 2022.

(1) FY2021-22 data are full-year projections provided by the City's finance department based on actual results through the 3rd quarter.

(2) FY2022-23 data is from the City's FY2022-23 Budget, adopted June 8, 2022.

(3) Fund balances in Table 3B do not include $6.3 million in Coronavirus State and Local Fiscal Recovery Funds received by the City under the American Rescue Plan Act and applied to the General Fund in FY2021-22 to reimburse the City for revenue losses during the COVID-19 Pandemic.

(4) Transfers in are mainly reimbursements to the General Fund for retirement-related expenses from the Retirement Fund. For additional discussion, see "OTHER FINANCIAL INFORMATION – Employee Retirement Plans."

(5) Projected based on prior year transfer from the General Fund to the Golf Course Fund.

General Fund Budget to Actuals Comparison

The following table shows the City's General Fund budget figures for fiscal year 2019-20 and 2020-21, including a comparison of the City's initial budget, final budget, audited actuals for each year.

Table 3
CITY OF MONTEBELLO
GENERAL FUND BUDGET TO ACTUALS COMPARISON
Fiscal Years 2019-20 and 2020-21

	Fiscal Year Ended June 30, 2020			Fiscal Year Ended June 30, 2021		
	Adopted Budget	Final Budget	Audited Actuals	Adopted Budget	Final Budget	Audited Actuals
REVENUES						
Sales taxes	$ 13,146,732	$ 13,146,732	$ 12,817,884	$ 18,241,000	$ 18,241,000	$ 22,270,247
Property taxes	5,967,797	5,967,797	5,801,965	13,026,000	13,026,000	13,714,565
Other taxes	658,201	658,201	533,005	599,000	599,000	476,959
Franchise taxes	2,315,184	2,315,184	2,199,915	2,272,000	2,272,000	2,316,250
Licenses and permits	5,137,999	5,137,999	4,790,211	4,872,800	4,872,800	5,769,474
Fines and forfeitures	2,023,693	2,023,693	2,186,401	2,600,000	2,600,000	2,312,454
Investment Income	179,506	179,506	136,766	150,000	150,000	77,455
Intergovernmental	6,784,372	6,784,372	6,909,563	5,500	790,100	1,096,273
Charges for services	6,914,613	6,914,613	6,053,109	7,200,300	7,200,300	6,317,440
Other revenues	223,200	223,200	489,655	384,000	384,000	1,762,641
Total Revenues	43,351,297	43,351,297	41,918,474	49,370,600	50,155,200	56,113,758
EXPENDITURES						
Current:						
General government	5,903,732	6,177,604	6,337,460	6,474,700	7,667,950	8,335,363
Public safety	29,971,059	29,981,264	32,503,951	31,921,200	32,074,821	32,641,866
Public works	7,374,648	8,081,909	7,395,769	8,877,600	9,320,387	10,635,745
Parks and recreation	4,856,969	4,655,852	4,388,956	3,870,800	4,152,215	4,360,265
Housing and community development	2,548,964	3,008,451	2,370,573	2,140,800	2,196,847	1,752,077
Capital outlay	115,536	4,709,189	3,559,591	262,900	4,081,050	9,014,007
Interfund charges	(3,620,099)	(3,620,099)	(361,160)	(521,500)	(521,500)	(536,079)
Debt service – Principal	945,640	994,128	954,331	624,100	624,100	656,625
Debt service – Interest	-	-	-	-	-	-
Total Expenditures	48,096,449	53,988,298	57,149,471	53,650,600	59,595,870	66,859,869
REVENUES OVER EXPENDITURES	(4,745,152)	(10,637,001)	(15,230,997)	(4,280,000)	(9,440,670)	(10,746,111)
OTHER FINANCING SOURCES/(USES)						
Other Revenues	-	-	815,153	-	-	-
Transfers in	5,888,806	5,888,806	4,416,662	4,300,000	4,300,000	3,570,002
Transfers out	(956,170)	(956,170)	(757,443)	-	-	(471,300)
Issuance of Debt	-	-	-	-	-	5,785,000
Total Other Financing Sources	4,932,636	4,932,636	4,474,372	4,300,000	4,300,000	8,883,702
NET CHANGE IN FUND BALANCES	187,484	(5,704,365)	(10,756,625)	20,000	(5,140,670)	(1,862,409)
FUND BALANCES – BEGINNING OF YEAR			20,204,179			9,447,554
FUND BALANCES – END OF YEAR			9,447,554			7,585,145

Source: City of Montebello Annual Comprehensive Financial Reports for Fiscal Year 2019-20 and Fiscal Year 2020-21.

City Financial Management

The City Council has adopted a comprehensive set of financial management policies to provide for the prudent investment of City funds and management of debt. The City's practice is to incur debt only after deliberation over the effect of such debt on the City's General Fund and other resources of the City, and in those circumstances where the use of debt would be appropriate to the scale and economic life of the asset being financed and the accumulation or availability of reserves to fund the capital requirement.

Reserve Policies. The City adopted General Fund reserve policies to provide guidance on maintaining reasonable levels of reserves in the City's General Fund in accordance with Governmental Accounting Standards Board (GASB) Statement No. 54. The City's current General Fund reserve policy was first adopted in June, 2020, and has been updated annually as part of the City's budget process. The City's General Fund reserve policy provides a comprehensive protocol on what is legally deemed the unrestricted (or spendable) portion of the General Fund balance, and the order in which the classifications are spent. The unrestricted portion of the fund balance is comprised of the General Fund's resources classified as "Committed," "Assigned," or "Unassigned."

The City's current General Fund reserve policies establish:

- a Commitment for Economic Uncertainties equal to an amount calculated as twenty-five percent (25%) of the General Fund's annual operating revenues,

- a Commitment for Unfunded Liabilities equal to an amount calculated as five percent (5%) of the General Fund's annual operating revenues,

- an assignment for equipment and/or technology replacement and upgrade needs will be made that is equal to five (5%) of the General Fund's annual operating revenues,

- an assignment will be made that is equal to five percent (5%) of the General Fund's annual operating revenues for the purposes of providing funding for any unfunded, unprogrammed or otherwise un-planned capital improvement projects that required a General Fund funding component,

- an assignment will be made that is equal to $1,000,000 for the purpose of providing funding for deferred maintenance on the City's building assets (i.e., City Hall, community centers), sports fields and other related infrastructure items,

- an assignment will be made that is equal to $500,000 and is intended to meet the City's "self-insured retention" for various insurance needs, and

- an assignment will be made equal to $1,000,000 to fund economic development sustainability efforts within the City of Montebello.

When either Committed or Assigned funds are utilized for their specific, intended purposes, or the levels fall below the policy levels as described and set forth herein, the City Council will develop a reserve replenishment plan to return the various reserves to their policy levels.

Investment Policy. The investment of funds of the City (except pension and retirement funds) is made in accordance with the City's Investment Policy, most recently approved on June 8, 2022 (the "Investment Policy"), and Section 53601 *et seq*. of the California Government Code. The Investment Policy is subject to revision at any time and is reviewed at least annually to ensure compliance with the stated objectives of safety, liquidity, yield, and current laws and financial trends. All amounts held under the Indenture are invested at the direction of the City in Investment Securities, as defined in the Indenture, and are subject to certain limitations contained therein.

Debt Management Policy. In accordance with Section 8855(i) of the California Government Code the City adopted a debt management policy on September 25, 2019, to establish conditions for the use of debt; to ensure that debt capacity and affordability are adequately considered; to minimize the City's

interest and issuance costs; to maintain the highest possible credit rating; to provide complete financial disclosure and reporting; and to maintain financial flexibility for the City.

Capital Improvement Program. The City's capital improvement program (the "CIP") is approved by City Council annually and throughout the year as needed. Capital assets (including infrastructure) are recorded at cost where historical records are available and at an estimated original cost where no historical records exist. Contributed capital assets are valued at their estimated fair market value at the date of contribution. Generally, capital asset purchases more than $5,000 are capitalized if they have an expected useful life of one year or more. The current CIP for fiscal year 2022-23 is $18.68 million, to be funded from available funding sources, including restricted sales tax funds, gas tax funds, and other State and County sources.

Pension Funding Policy. On May 13, 2020, the City Council adopted a pension funding policy. The pension funding policy documents the method the City will use to determine its actuarially determined contributions to fund the long-term cost of benefits to the plan participants and annuitants.

State Audit

In October of 2017, the City received a letter from the California State Auditor (the "State Auditor") under the "High-Risk Local Government Agency Audit Program," authorized under Section 8546.10 of the Government Code of the State. The Local High-Risk Agency Audit Program authorizes the State Auditor to use publicly available financial information to identify and audit local government agencies that are at high risk for potential waste, fraud, abuse, or mismanagement, or that have major challenges associated with their economy, efficiency, or effectiveness. Local agencies identified by the State Auditor as "high-risk" because of their audit must submit a corrective action plan and must then provide written updates every six months thereafter regarding its progress in implementing the corrective action plan. Once satisfactory corrective action has been taken the State Auditor will remove the "high-risk" designation. The State Auditor currently identifies the City as a "moderate risk."

The State Auditor released its audit report 2018-802 regarding the City (the "2018 State Audit Report") on December 11, 2018. In releasing the 2018 State Audit Report, the State Auditor concluded that the City was a high-risk city because of its significant financial and organizational risks. The State Auditor found, for much of the prior decade, the City struggled to generate sufficient revenues to meet its expenses and as a result, suffered from a structural deficit. Further, the City relied on one-time revenues to balance its budget and its plans to increase revenues and decrease expenditures were not adequate to eliminate its structural deficit. Additionally, the State Auditor identified the City's enterprise activities, including the operation of a municipal golf course, water utility, and two hotels, as posing a significant financial risk to the City's General Fund.

To address the identified risk factors, the State Auditor developed recommendations for the city to implement, such as exploring alternate uses for its golf course and recommended that the City amend its municipal code to require competitive bidding for most procurements to ensure that Montebello obtains the best value from the services it received.

On November 15, 2018, the City responded to the draft 2018 State Audit Report. The City's concerns and disagreements with the 2018 State Audit Report are discussed therein and should be read together with the State Audit Report. In summary, the City largely agreed with the conclusions reached in

the State Audit report and acknowledged that while it has already taken steps towards improving its fiscal and operational efficiencies, there are remaining areas the City still needs to address.

Since the publication of the 2018 State Audit Report the City has put into place numerous new procedures and policies directly aimed at responding to the audit reports' various recommendations. The City's municipal code chapters dealing with purchasing and procurement were first updated in March 2019, and citywide purchasing training has been conducted on numerous occasions since 2019. Several new administrative policies were developed that addressed the areas of weakness identified by the State Auditor (i.e., petty cash, credit cards, hotel financial reporting, etc.), while other existing policies were updated to incorporate recommendations from the audit reports.

As required, City staff has provided status reports to the City Council at regular meetings, which are then forwarded to the State Auditor to show the City's progress towards meeting the audit report recommendations. City Staff has been in regular contact with State Auditor staff and provides updates on the City's progress in addressing the recommendations and findings.

2021 Follow-Up Report. On October 14, 2021 the State Auditor published follow up report No. 2021-807 (the "2021 State Audit Report Update") addressing the City's efforts to respond to the issues raised in the original 2018 State Audit Report. The State Auditor noted that the City has attempted to improve its operations in multiple areas such as by updating competitive bidding requirements in its municipal code, resolving concerns about the City's retirement system costs, and improving its golf course operations. The State Auditor did continue to raise concerns about the City's procurement processes, adherence to competitive bidding and public notice requirements, petty cash and credit card policies, and other related issues.

The City responded to the 2021 State Audit Report Update with its own letter to the State Auditor, dated September 27, 2021. In the City's response letter, the City disagreed with the State Auditor on certain facts, assumptions, and conclusions in the 2021 State Audit Report Update. City staff drew particular attention to the City's improving General Fund health, its issuance of pension obligation bonds to pay down its unfunded accrued pension liability, its oversight of the City-owned hotels, and publication of new and updated financial policies.

Auditor's Report on Internal Control Over Compliance. As part of the City's fiscal year 2020-21 audit process, the City's Auditor reviewed the City's internal control over financial reporting for the purposes of expressing an opinion on the City's financial statements. During the fiscal year 2020-21 audit process the City's Auditor identified a certain deficiency in internal control regarding the City's hotel enterprise funds that the City's Auditor considered to be a significant deficiency. A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis.

The City's Auditor reported delays in obtaining supporting documents and agreements and that certain balances in the City's enterprise funds for the City's hotel enterprises were unreconcilable with the general ledger for those accounts. The City's Auditor recommended that the City establish checklists and procedures, and that the City strictly implement proper reconciliation and closing procedures over the hotels' accounting operations and assign responsibility for completing the procedures to specific personnel. The City indicated to the Auditor that it intends to fully adopt the Auditor's recommendations.

The City remains committed to implementing recommendations from the 2018 State Audit Report, the 2021 State Audit Report Update, and the City Auditor's Report on Internal Control Over Compliance to satisfy the State Auditor, the City's Auditor, and formally remove the City from the State Auditor's high-risk category. City staff will continue to study and implement improvements to its organizational management and internal controls to that effect.

Both the 2018 State Audit Report and the 2021 State Audit Report Update, together with the City's letters in response thereto, can be found on the State Auditor's website. The City's progress report updates to the City Council can be viewed on the City's website. Additional discussion of the 2018 State Audit Report and 2021 State Audit Report Update can be found in the City's Annual Comprehensive Financial Report, included as APPENDIX C—ANNUAL COMPREHENSIVE FINANCIAL REPORT OF THE CITY FOR THE FISCAL YEAR ENDED JUNE 30, 2021. The progress reports and other information presented on the City's website are not incorporated by reference as part of this Official Statement.

Any failure of the City to meet its financial obligations could have a material adverse impact on the value of the Series 2022A Bonds. See also "RISK FACTORS—Limitations on Remedies Available; Bankruptcy."

Primary Sources of General Fund Revenues

The City relies on several sources to balance its General Fund budget. The City's largest General Fund revenue source is sales and use taxes, which typically account for 40% of the City's General Fund revenues. The City's sales tax revenues have increased significantly beginning in fiscal year 2020-21 following the passage of Measure H, a 75-cent transaction and use tax discussed in additional detail below. The second largest General Fund revenue source is property taxes, which typically account for approximately 22% of the City's General Fund revenues. Charges for services and licenses and permits are the General Fund's third and fourth largest revenue sources, typically combining for approximately 20% of the City's General Fund Revenues. Together these four primary sources of General Fund revenues have constituted approximately 80% of the City's General Fund revenues in recent years.

The table below shows the City's primary General Fund audited revenue sources for the three most recent fiscal years, projected actuals for Fiscal Year 2021-22, and budgeted projections for Fiscal Year 2022-23. Fiscal year 2021-22 data are full-year projections provided by the City's finance department based on actual results through the end of the 3rd quarter of that fiscal year. The City's audited financial statements for fiscal year 2021-22 are expected to be available on or about January of 2023. Fiscal year 2022-23 data are from City's General Fund Budget for fiscal year 2022-23, adopted on June 8, 2022.

Following the table is a brief discussion of each of the City's primary sources of General Fund revenues.

Table 4
CITY OF MONTEBELLO
PRIMARY SOURCES OF GENERAL FUND REVENUES

	Fiscal Year Ending June 30,				
	2019 Audited	2020 Audited	2021 Audited	2022 Actuals [1]	2023 Budgeted [2]
Sales taxes [3]	$14,031,972	$12,817,884	$22,270,247	$24,726,000	$25,126,900
Property taxes [4]	5,676,411	5,801,965	13,714,565	14,314,900	14,875,000
Licenses and permits	6,220,483	4,790,211	5,769,474	7,704,500	6,468,000
Charges for services	6,657,594	6,053,109	6,317,440	8,019,150	7,945,800
Total Primary Sources	32,586,460	29,463,169	48,071,726	54,764,550	54,415,700
All Other General Fund Revenues	12,422,246	12,455,305	8,042,032	6,905,710	7,258,000
Total General Fund Revenues	$45,008,706	$41,918,474	$56,113,758	$61,670,260	$61,673,700

Source: City of Montebello FY2018-19 through 2020-21 Annual Comprehensive Financial Reports, City of Montebello Finance Department for FY2021-22 data, and the City of Montebello's FY 2022-23 Budget, adopted June 8, 2022.

Note: The amounts of total General Fund revenues in this Table 6 are limited to the General Fund's operating revenues only and do not include non-operating revenues otherwise available to the General Fund to meet expenses, including transfers in from the Retirement Fund and administrative overhead.

(1) FY2021-22 data are full-year projections provided by the City's finance department based on actual results through the 3rd quarter.

(2) FY2022-23 data is from the City's FY2022-23 Budget, adopted June 8, 2022.

(3) Sales tax revenues for FY2020-21 and future years include amounts from Measure H, a voter-approved 0.75% transaction and use tax that began collections on July 1, 2020. For additional discussion, see "Sales Taxes."

(4) Property tax revenues for FY2020-21 and future years include in-lieu of VLF amounts accounted for as intergovernmental revenues in prior years.

Sales and Use Taxes. Sales and use taxes are the General Fund's largest revenue source. The City receives a 1% share of all taxable sales generated within its borders from the State. The City also receives transaction and use taxes from a voter-approved 0.75% sales tax ("Measure H") on all eligible taxable sales. As Measure H is a general tax, Measure H collections are available to the City's General Fund for any lawful purpose. Measure H taxes have no expiration date and will be collected indefinitely if not otherwise repealed by the voters of the City. In Fiscal Year 2019-20, sales and use taxes (not including Measure H taxes which began on July 1, 2020) generated approximately $12.8 million and in Fiscal Year 2020-21, sales and use taxes (the first full year of Measure H tax collection) generated approximately $22.3 million. The City has estimated that sales and use tax revenues will generate $24.7 million and has budgeted for $25.1 million in Fiscal Years 2021-22 and 2022-23, respectively. Sales and Use Tax revenues for Fiscal Years 2019-20 through 2022-23 have been impacted by the COVID-19 Pandemic. For additional discussion of the City's General Fund sales tax revenues and of Measure H, see "Sales and Use Taxes."

Property Taxes. Property taxes are the General Fund's second largest revenue source. The County levies a tax of 1% on the assessed valuation of property within the County. The City receives a share of this 1% levy on the assessed value of property located within the City limits. In Fiscal Year 2019-20, property taxes generated approximately $12.7 million (including property taxes in-lieu of vehicle license fees). In Fiscal Year 2020-21 property taxes (including property taxes in-lieu of vehicle license fees) generated approximately $13.7 million. The City has estimated that property tax revenues will generate $14.3 million and has budgeted for $14.9 million in Fiscal Years 2021-22 and 2022-23, respectively (including property taxes in-lieu of vehicle license fees). The City's General Fund property tax revenues have been largely

unaffected by the COVID-19 Pandemic. See "Property Taxes" below for additional information relating to the property taxes and the assessed valuation of property located in the City.

Charges for Services. The City's charges for services consist of planning services fees and miscellaneous fees for the City's recreation and community services-related programs. Charges for services are the City's third largest source of General Fund revenues. In Fiscal Year 2019-20, charges for services generated approximately $6.1 million. In Fiscal Year 2020-21 charges for services generated approximately $6.3 million. The City has estimated that charges for services will generate $8.0 million and has budgeted for $7.9 million in Fiscal Years 2021-22 and 2022-23, respectively. The City's ability to set fees for services is limited under California law. Generally, a fee may not exceed the estimated reasonable cost of providing the service or product for which the fee is charged, plus overhead.

Licenses and Permits. The City's licenses and permits revenues consist of a business license tax, cannabis operator permits, and various building permits and animal licenses. Licenses and permits are the City's fourth largest source of General Fund revenues. In Fiscal Year 2019-20, licenses and permits generated approximately $4.8 million. In Fiscal Year 2020-21 licenses and permits generated approximately $5.7 million. The City has estimated that licenses and permits will generate $7.7 million and has budgeted for $6.5 million in Fiscal Years 2021-22 and 2022-23, respectively. While the City's licenses and permits revenues were affected by reduced business and commercial activities taking place in the City during the COVID-19 Pandemic, the City expects licenses and permits revenues to increase to historical norms as the effects of the COVID-19 Pandemic subside.

Property Taxes

Under Proposition 13, an amendment to the California Constitution adopted in 1978 that added Article XIIIA of the California Constitution, the county assessor's valuation of real property is established as shown on the Fiscal Year 1975-76 tax bill, or, thereafter, as the appraised value of real property when purchased, newly constructed, or a change in ownership has occurred. Assessed value of property may be increased annually to reflect inflation at a rate not to exceed 2% per year or reduced to reflect a reduction in the consumer price index or comparable data for the area under taxing jurisdiction or in the event of declining property value caused by substantial damage, destruction, market forces or other factors. As a result of these rules, real property that has been owned by the same taxpayer for many years can have an assessed value that is much lower than that of similar properties more recently sold and may be lower than its own market value. Likewise, changes in ownership of property and reassessment of such property to market value commonly will lead to increases in aggregate assessed value even when the rate of inflation or consumer price index would not permit the full 2% increase on any property that has not changed ownership.

Taxes are levied by the County Assessor for each fiscal year on taxable real and personal property which is situated in the County as of the preceding January 1. Real property which changes ownership or is newly constructed is revalued at the time the change in ownership occurs or the new construction is completed. The current year property tax rate will be applied to the reassessment, and the taxes will then be adjusted by a proration factor to reflect the portion of the remaining tax year for which taxes are due.

The City receives a share of property tax revenues for real property located within the City but may receive a lower portion of revenues within former redevelopment project areas. State law exempts $7,000 of the assessed valuation of an owner-occupied principal residence. This exemption does not result in any loss of revenue to local agencies since an amount equivalent to the taxes that would have been payable on such exempt values is supplemented by the State.

For assessment and tax collection purposes, property is classified either as "secured" or "unsecured," and is listed accordingly on separate parts of the assessment roll. The "secured roll" is that part of the assessment roll containing State-assessed property and property (real or personal) for which there is a lien on real property sufficient, in the opinion of the county assessor, to secure payment of the taxes. All other property is "unsecured," and is assessed on the "unsecured roll." Secured property assessed by the SBE is commonly identified for taxation purposes as "utility" property.

Property taxes on the secured roll are due in two installments, on November 1 and February 1 of each fiscal year, and if unpaid become delinquent on December 10 and April 10, respectively. A penalty of 10% attaches immediately to any delinquent payment. Property on the secured roll, with respect to which taxes are delinquent, becomes tax defaulted on or about June 30 of the fiscal year. Such property may thereafter be redeemed by payment of delinquent taxes and the delinquency penalty, plus costs and prepayment penalty of one and one-half percent per month to the time of prepayment. If taxes are unpaid for a period of five years or more, the property is subject to sale by the county treasurer.

Property taxes on the unsecured roll are due as of the January 1 lien date and become delinquent, if unpaid, on August 31. A 10% penalty attaches to delinquent unsecured taxes. If unsecured taxes are unpaid at 5 p.m. on October 31, an additional penalty of one and one-half percent per month attaches to such taxes beginning the second month after the delinquent date, and on the first day of each month until paid. A county has four ways of collecting delinquent unsecured personal property taxes: (1) bringing a civil action against the taxpayer; (2) filing a certificate in the office of the County Clerk specifying certain facts in order to obtain a lien on certain property of the taxpayer; (3) filing a certificate of delinquency for record in the County Clerk and County Recorder's office in order to obtain a lien on certain property of the taxpayer; and (4) seizing and selling personal property, improvements, or possessory interests belonging or assessed to the delinquent taxpayer.

Assessed Valuation. The assessed valuation of property in the City is established by the County Assessor, except for public utility property which is assessed by the SBE. Assessed valuations are reported at 100% of the "full value" of the property, as defined in Article XIIIA of the California Constitution.

Certain classes of property, such as churches, colleges, not-for-profit hospitals and charitable institutions, are exempt from property taxation and do not appear on the tax rolls. No reimbursement is made by the State for such exemptions. Property taxes allocated to the City are collected by the County at the same time and on the same tax rolls as are county and special district taxes. The valuation of secured property by the County Assessor is established as of January 1 and is subsequently equalized in September of each year.

The table below shows the assessed valuation of taxable property in the City for the ten most recent fiscal years.

Table 5
CITY OF MONTEBELLO
ASSESSED VALUATIONS
Fiscal Years 2012-13 to 2021-22

Fiscal Year Ending June 30,	Local Secured	Utility	Unsecured	Total Assessed Valuation	% Change
2006	$3,507,904,312	$30,385,099	$170,932,071	$3,709,221,482	n/a
2007	3,848,074,530	21,604,627	178,851,068	4,048,530,225	9.15%
2008	4,167,160,741	26,377,570	213,754,733	4,407,293,044	8.86
2009	4,453,657,847	39,836,244	221,899,005	4,715,393,096	6.99
2010	4,443,483,482	32,218,637	226,508,264	4,702,210,383	(0.28)
2011	4,378,348,647	56,545,427	232,706,940	4,667,601,014	(0.74)
2012	4,463,057,637	56,293,334	235,427,071	4,754,778,042	1.87
2013	4,556,675,666	54,142,738	222,865,075	4,833,683,479	1.66
2014	4,758,858,156	33,444,025	220,730,634	5,013,032,815	3.71
2015	4,928,160,376	41,703,454	228,888,587	5,198,752,417	3.70
2016	5,063,402,936	31,557,094	210,915,229	5,305,875,259	2.06
2017	5,282,681,403	20,057,286	223,110,011	5,525,848,700	4.15
2018	5,468,119,437	20,953,141	221,018,561	5,710,091,139	3.33
2019	5,794,732,247	20,402,706	238,293,460	6,053,428,413	6.01
2020	6,114,345,136	21,715,493	257,035,933	6,393,096,562	5.61
2021	6,420,376,449	21,262,293	271,902,181	6,713,540,923	5.01
2022	6,765,736,018	21,262,292	267,532,770	7,054,531,080	5.08

Source: California Municipal Statistics, Inc.

Assessments may be adjusted during the year when real property changes ownership or new construction is completed. Assessments may also be appealed by taxpayers seeking a reduction as a result of economic and other factors beyond the City's control, such as a general market decline in property values, reclassification of property to a class exempt from taxation, whether by ownership or use (such as exemptions for property owned by State and local agencies and property used for qualified educational, hospital, charitable or religious purposes), or the complete or partial destruction of taxable property caused by natural or manmade disaster, such as earthquake, flood, fire, toxic dumping, etc. When necessitated by changes in assessed value in the course of a year, taxes are pro-rated for each portion of the tax year.

Appeals of Assessed Valuation; Blanket Reductions of Assessed Values. There are two basic types of property tax assessment appeals provided for under State law. The first type of appeal, commonly referred to as a base year assessment appeal, involves a dispute on the valuation assigned by the assessor immediately after an instance of a change in ownership or completion of new construction. If the base year value assigned by the assessor is reduced, the valuation of the property cannot increase in subsequent years more than 2% annually unless and until another change in ownership and/or additional new construction activity occurs.

The second type of appeal, commonly referred to as a Proposition 8 appeal (which Proposition 8 was approved by the voters in 1978), can result if factors occur causing a decline in the market value of the property to a level below the then current taxable value of the property (escalated base year value). Pursuant to State law, a property owner may apply for a Proposition 8 reduction of the property tax assessment for

such owner's property by filing a written application, in the form prescribed by the SBE, with the appropriate county board of equalization or assessment appeals board. A property owner desiring a Proposition 8 reduction of the assessed value of such owner's property in any one year must apply to the county assessment appeals board (the "Appeals Board"). Following a review of the application by the county assessor's office, the county assessor may offer to the property owner the opportunity to stipulate to a reduced assessment or may confirm the assessment. If no stipulation is agreed to, and the applicant elects to pursue the appeal, the matter is brought before the Appeals Board (or, in some cases, a hearing examiner) for a hearing and decision. The Appeals Board generally is required to determine the outcome of appeals within two years of each appeal's filing date. Any reduction in the assessment ultimately granted applies only to the year for which application is made and during which the written application is filed. The assessed value increases to its pre-reduction level (escalated to the inflation rate of no more than 2%) following the year for which the reduction application is filed. However, the county assessor has the power to grant a reduction not only for the year for which application was originally made, but also for the then current year and any intervening years as well. In practice, such a reduced assessment may and often does remain in effect beyond the year in which it is granted.

In addition to the above-described taxpayer appeals, county assessors may independently reduce assessed valuations based on changes in the market value of property, or for other factors such as the complete or partial destruction of taxable property caused by natural or man-made disasters such as earthquakes, floods, fire, drought or toxic contamination pursuant to relevant provisions of the State Constitution.

In addition, Article XIIIA of the State Constitution provides that the full cash value base of real property used in determining taxable value may be adjusted from year to year to reflect the inflationary rate, not to exceed a 2% increase for any given year or may be reduced to reflect a reduction in the consumer price index or comparable local data. This measure is computed on a calendar year basis.

Risk of Decline in Property Values; Fire; Earthquake Risk. Property values could be reduced by factors beyond the City's control, including fire, earthquake or a depressed real estate market due to general economic conditions in the City, the region and the State.

Other possible causes for a reduction in assessed values include the complete or partial destruction of taxable property caused by other natural or manmade disasters, such as flood, fire, drought, toxic dumping, acts of terrorism, etc., or reclassification of property to a class exempt from taxation, whether by ownership or use (such as exemptions for property owned by State and local agencies and property used for qualified educational, hospital, charitable or religious purposes).

No assurance can be given that property tax appeals and/or blanket reductions of assessed property values will not significantly reduce the assessed valuation of property within the City in the future.

Assembly Bill 102. On June 27, 2017, the Governor of the State (the "Governor") signed into law Assembly Bill 102 ("AB 102"). AB 102 restructured the functions of the SBE and created two new separate agencies: (i) the California Department of Tax and Fee Administration, and (ii) the Office of Tax Appeals. Under AB 102, the California Department of Tax and Fee Administration took over programs previously in the SBE Property Tax Department, such as the Tax Area Services Section, which is responsible for maintaining all property tax-rate area maps and for maintaining special revenue district boundaries. Under AB 102, the SBE continues to perform the duties assigned by the State Constitution related to property taxes, however, effective January 1, 2018, the SBE will only hear appeals related to the programs that it

constitutionally administers and the Office of Tax Appeals will hear appeals on all other taxes and fee matters, such as sales and use tax and other special taxes and fees. AB 102 obligates the Office of Tax Appeals to adopt regulations as necessary to carry out its duties, powers, and responsibilities. No assurances can be given as to the effect of such regulations on the appeals process or on the assessed valuation of property within the City.

State-Assessed Property. Under the Constitution, the SBE assesses property of State-regulated transportation and communications utilities, including railways, telephone and telegraph companies, and companies transmitting or selling gas or electricity. The Board of Equalization also is required to assess pipelines, flumes, canals and aqueducts lying within two or more counties. The value of property assessed by the Board of Equalization is allocated by a formula to local jurisdictions in the county, including school districts, and taxed by the local county tax officials in the same manner as for locally assessed property. Taxes on privately owned railway cars, however, are levied and collected directly by the Board of Equalization. Property used in the generation of electricity by a company that does not also transmit or sell that electricity is taxed locally instead of by the Board of Equalization. Thus, the reorganization of regulated utilities and the transfer of electricity-generating property to non-utility companies, as often occurred under electric power deregulation in California, affects how those assets are assessed, and which local agencies benefit from the property taxes derived. In general, the transfer of State-assessed property located in the City to non-utility companies will increase the assessed value of property in the City, since the property's value will no longer be divided among all taxing jurisdictions in the County. The transfer of property located and taxed in the City to a State-assessed utility will have the opposite effect, generally reducing the assessed value in the City as the value is shared among the other jurisdictions in the County. The City is unable to predict future transfers of State-assessed property in the City and the County, the impact of such transfers on its utility property tax revenues, or whether future legislation or litigation may affect ownership of utility assets, the State's methods of assessing utility property, or the method by which tax revenues of utility property is allocated to local taxing agencies, including the City.

Assessed Valuation by Land Use. The following table gives a distribution of taxable real property located in the City by principal purpose for which the land is used, and the assessed valuation and number of parcels for each use.

Table 6
CITY OF MONTEBELLO
ASSESSED VALUATION AND PARCELS BY LAND USE

	FY2021-22 Assessed Valuation [1]	% of Total	No. of Parcels	% of Total
Non-Residential:				
Commercial/Office	$1,019,098,992	15.06%	717	5.39%
Vacant Commercial	14,952,678	0.22	61	0.46
Industrial	1,111,871,480	16.43	347	2.61
Vacant Industrial	18,600,104	0.27	39	0.29
Recreational	18,382,469	0.27	17	0.13
Government/Social/Institutional	14,864,604	0.22	197	1.48
Miscellaneous	14,628,076	0.22	99	0.74
Subtotal Non-Residential	$2,212,398,403	32.70%	1,477	11.10%
Residential:				
Single Family Residence	$2,989,898,486	44.19%	88,934	67.13%
Condominium	280,403,998	4.14	1,051	7.90
Mobile Home	587,124	0.01	34	0.26
Mobile Home Park	9,373,035	0.14	4	0.03
2-4 Residential Units	506,389,486	7.48	1,249	9.39
5+ Residential Units/Apartments	610,201,917	9.02	387	2.91
Vacant Residential	156,483,209	2.31	172	1.29
Subtotal Residential	$4,553,337,615	67.30%	11,831	88.90%
Total	$6,765,736,018	100.00%	13,308	100.00%

Source: California Municipal Statistics, Inc.
(1) Total secured assessed valuation, excluding tax-exempt property.

Principal Taxpayers. Based on fiscal year 2021-22 locally assessed taxable valuations, the top twenty taxable property owners in the City represent approximately 16.66% of the total fiscal year 2021-22 taxable value. The following table shows the 20 largest owners of taxable property in the City as determined by secured assessed valuation in fiscal year 2021-22. The City is not aware of any plans by the top twenty largest local secured taxpayers to leave the City or terminate operations.

Table 7
CITY OF MONTEBELLO
LARGEST LOCAL SECURED PROPERTY TAXPAYERS

	Property Owner	Primary Land Use	FY2021-22 Assessed Valuation	% of Total[(1)]
1.	Metro Heights Montebello LLC	Residential Development	$ 205,546,677	3.04%
2.	Montebello Town Center	Shopping Center	196,418,473	2.90
3.	Bimbo Bakeries USA Inc.	Industrial	84,071,655	1.24
4.	Brixmor Montebello Plaza LP	Shopping Center	79,404,443	1.17
5.	KK 3A Corporation	Apartments	51,122,306	0.76
6.	Somerset Apartments LLC	Apartments	48,622,876	0.72
7.	Comref So CA Industrial	Industrial	46,718,982	0.69
8.	M and M at Montebello LLC	Commercial	41,650,000	0.62
9.	RreefAmerica REIT 11 corp. KKKK	Industrial	41,240,079	0.61
10.	Minson Investments Group LLC	Industrial	39,465,569	0.58
11.	KIR Montebello LP	Shopping Center	36,905,455	0.55
12.	Stanley A. Sirott	Apartments	35,448,258	0.52
13.	Combined Properties LP, Lessor	Shopping Center	34,427,500	0.51
14.	Prologs California 1 LLC	Industrial	34,358,478	0.51
15.	Phillip J. and Phyllis M. Pace, Trustees	Industrial	28,994,727	0.43
16.	Royal Paper Box Company of California	Industrial	26,563,256	0.39
17.	AMB Institutional Alliance Fund 111 LP	Industrial	25,609,267	0.38
18.	Sentinel Peak Resources CA LLC	Oil & Gas	23,899,607	0.35
19.	Guardian Life Insurance Company of America	Industrial	23,838,193	0.35
20.	Park Victoria Apartments LLC	Apartments	22,912,107	0.34
	Total Top 20		$1,127,217,908	16.66%

Source: California Municipal Statistics, Inc.
(1) FY2021-22 Local Secured Assessed Valuation: $6,765,736,018.

Tax Levies and Delinquencies. Beginning in 1978-79, Article XIIIA and its implementing legislation shifted the function of property taxation primarily to the counties, except for levies to support prior-voted debt, and prescribed how levies on county-wide property values are to be shared with local taxing entities within each county.

The following tables reflects the historical secured tax levy and year-end delinquencies for property tax levies for property in the City for the most recent fiscal years.

TABLE 8
CITY OF MONTEBELLO
SECURED TAX CHARGE AND DELINQUENCY

Fiscal Year Ending June 30,	Secured Tax Charge [1]	Amount Delinquent June 30	% Delinquent June 30
2010	$4,690,733.42	$158,300.95	3.37%
2011	4,687,921.67	110,694.12	2.36
2012	4,801,663.63	98,459.20	2.05
2013	4,904,228.68	86,679.85	1.77
2014	5,115,059.55	74,214.32	1.45
2015	5,314,426.53	75,473.56	1.42
2016	5,437,457.99	75,925.48	1.40
2017	5,655,763.80	66,173.32	1.17
2018	5,872,622.32	71,885.24	1.22
2019	6,197,146.22	83,463.94	1.35
2020	6,555,828.53	145,799.96	2.22
2021	6,871,077.75	115,521.53	1.68

Source: California Municipal Statistics, Inc.
(1) 1% General Fund apportionment. Excludes redevelopment agency impounds. Reflects countywide delinquency rate.

No Teeter Plan. The Los Angeles County Board of Supervisors elected to discontinue the Alternative Method of Distribution of Tax Levies and Collections and of Tax Sales Proceeds (commonly referred to as the "Teeter Plan") on July 1, 2009. Under the terms of the Teeter Plan, the County had remitted to local agencies the amount of uncollected taxes in exchange for retaining any subsequent delinquent payments, penalties and interest that would have been due to the local agency. As the Teeter Plan has been discontinued, the City's property tax revenues reflect both reduced property tax revenue from uncollected taxes and increased revenue from the subsequent receipt of delinquent taxes, interest and penalty payments.

Sales and Use Taxes

A sales tax is imposed on the privilege of consuming personal property in the State. The State does not tax services. The tax rate is established by the State Legislature, and is presently 7.25%, statewide (of which 1% is paid to the City) (the "State Sales Tax"). In addition, many of the State's cities, counties, districts and communities have special taxing jurisdiction to impose a transaction (sales) or use tax. These so-called district taxes increase the tax rate in a particular area by adding the local option tax to the statewide tax. While more than one district tax may be in effect for a particular location, counties, municipalities, and districts are allowed to increase the sales tax in specific jurisdictions up to a total of 10.25%.

Measure H. On March 3, 2020, approximately 61% of the voters of the city approved Measure H, a 0.75% sales tax on retail transactions. The proceeds of Measure H will be available to the General Fund once collection begins on July 1, 2020. Prior to the COVID-19 Pandemic, the City had estimated that Measure H would provide an additional $6 million per year to the City's General Fund revenues, however actual

Measure H sales tax collections for Fiscal Year 2020-21 were approximately $7.7 million. Measure H taxes will be collected in perpetuity unless otherwise repealed by the City's voters.

Five separate district taxes are levied on sales in the City by the Los Angeles County Metropolitan Transportation Authority, each having approved by the voters in Los Angeles County. The applicable sales taxes include Measure H taxes, Measure M taxes, Measure R taxes, Proposition C taxes and Proposition A taxes.

The following table shows a breakdown of the composition of the current sales and use tax rate applicable to transactions in the City:

Table 9
CITY OF MONTEBELLO
CURRENT SALES AND USE TAX RATES

Component	Tax Rate
State General Fund	7.25%
Los Angeles County	0.25
Measure H[(1)]	0.75
Measure M	0.50
Measure R	0.50
Proposition C	0.50
Proposition A	0.50
Total	10.25%

Source: City of Montebello
(1) Measure H sales tax collections began on July 1, 2020.

The State's Department of Tax and Fee Administration actual administrative costs with respect to the portion of sales taxes allocable to the City are deducted before distribution and are determined on a quarterly basis.

Many categories of transactions are exempt for the State Sales Tax. The most important of these exemptions are the sales of food products for home consumption, prescription medicine, edible livestock and their feed, seed and fertilizer used in raising food for human consumption, and gas and electricity and water when delivered to consumers through mains, lines and pipes. In addition, occasional sales (i.e., sales of property not held or used by a seller during activities for which he or she is required to hold a seller's permit) are generally exempt from both the State Sales Tax; however, the occasional sales exemption does not apply to the sale of an entire business and other sales of machinery and equipment used in a business.

Action by the State Legislature or by voter initiative could change the transactions and items upon which the State Sales Tax are imposed. Such changes or amendments could have either an adverse or beneficial effect on revenues produced by sales taxes. The City is not currently aware of any proposed legislative change that would have a material adverse effect on the State Sales Tax.

The City anticipates that the Topgolf project, if completed, will generate additional sales tax revenues for the City.

Other Sources of General Fund Revenues

In addition, the City receives approximately 15-20% of its annual General Fund revenues from franchise taxes, fines and forfeitures, and other taxes and revenues.

No Material Reliance on State Revenues

The City does not rely on the State for a material amount of revenues. There can be no assurance that future State budget difficulties will not adversely affect the City's revenues or its ability to make the Lease Payments when due. See "STATE BUDGET INFORMATION."

OTHER FINANCIAL INFORMATION

Labor Relations

Currently 541 full-time City employees are covered by negotiated agreements as detailed in the table below. The City also employs part-time employees unrepresented by a collective bargaining unit. Depending on the season, the City employs up to 100 part-time employees.

Table 10
CITY OF MONTEBELLO
NEGOTIATED EMPLOYEE AGREEMENTS

Bargaining Unit	Contract Expiration Date
MFFA	6/30/25
MCEA	6/30/25
MSA	6/30/25
MPMA	6/30/23
MFMA	6/30/25
MPOA	6/30/23
MMMA	6/30/25
MEMA	6/30/23
MMPA	6/30/25
SMART-TD [1]	12/31/21

Source: City of Montebello
(1) Currently under renegotiation.

Risk Management

The City is partially self-insured for general liability and workers' compensation claims. The City pays up to $1 million per occurrence for general liability claims and has excess insurance up to $10 million per occurrence. For workers' compensation, the City provides self-insurance up to a $1,000,000 retention level and has acquired excess insurance coverage of $5 million for each claim. The City also purchases commercial insurance for other risks of loss, including property loss and vehicle physical damage.

For additional information about the City's Risk Management, see APPENDIX C—ANNUAL COMPREHENSIVE FINANCIAL REPORT OF THE CITY FOR THE FISCAL YEAR ENDED JUNE 30, 2021, Note 11.

Employee Retirement Plans

The information set forth below regarding the California Public Employees' Retirement System ("CalPERS") program, other than the information provided by the City regarding its annual contributions thereto, has been obtained from publicly available sources which are believed to be reliable but are not guaranteed as to accuracy or completeness, and should not be construed as a representation by either the City or the Underwriter.

Plan Description. All qualified permanent and probationary employees are eligible to participate in the Public Agency Cost- Sharing Multiple-Employer Defined Benefit Pension Plan (Plan) administered by the California Public Employees' Retirement System (CalPERS). The Plan consists of individual rate plans (benefit tiers) within a safety risk pool (police and fire) and a miscellaneous risk pool (all other.) Plan assets may be used to pay benefits for any employer rate plan of the safety and miscellaneous risk pools. Accordingly, rate plans within the safety or miscellaneous pools are not separate plans under GASB Statement No. 68. Individual employers may sponsor more than one rate plan in the miscellaneous or safety risk pools. The City sponsors three miscellaneous rate plans. Benefit provisions under the Plan are established by State statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Benefits Provided. CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 (age 52 for Miscellaneous Plan members if membership date is on or after January 1, 2013) with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 5 years of service. The death benefit is one of the following: the Special Death Benefit (Safety only), the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost-of-living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

Employees Covered. On June 30, 2021, the following employees were covered by the benefit terms for each Plan.

TABLE 11
CITY OF MONTEBELLO
DEFINED BENEFIT PENSION PLAN
COVERED EMPLOYEES

	Safety Plan	Misc. Plan
Inactive employee or beneficiaries currently receiving benefits	283	440
Inactive employees entitled to but not yet receiving benefits	111	452
Active employees	110	310
Total	504	1,202

Source: City of Montebello 2020-21 ACFR.

Contributions. Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary

and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for both Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

The City's combined contributions to its Miscellaneous and Safety Plans for the most recent is summarized in the following table.

Table 12
CITY OF MONTEBELLO
HISTORICAL PENSION CONTRIBUTIONS

Fiscal Year Ending June 30,	Miscellaneous Plan	Safety Plan	Total Combined Contributions
2017	$ 3,474,912	$ 5,153,218	$ 8,628,130
2018	3,893,457	5,358,752	9,252,209
2019	4,404,730	6,104,047	10,508,777
2020	5,051,169	6,932,392	11,983,561
2021 [(1)]	61,879,526	103,113,849	164,993,375

Source: City of Montebello fiscal year 2020-21 Annual Comprehensive Financial Report.

(1) FY2020-21 amounts reflect the issuance of Pension Obligation Bonds by the City in May of 2020 and the application of the proceeds thereof to the City's unfunded actuarial liability. For additional discussion, see "2020 Pension Obligation Bonds" below.

2020 Pension Obligation Bonds. In May 2020 the City issued over $153.4 million in Pension Obligation Bonds (POBs). The City used the proceeds from the POBs to pay down the unfunded liability from the City's Miscellaneous and Safety defined benefit retirement programs. The debt service for the POBs will be paid using revenue from the City's 1946 voter approved property tax override assessment (the "Retirement Tax" as more fully described below.)

Retirement Tax. In 1946, the voters of the City approved an initiative to pay for the obligation of the City to participate in the State's retirement system, now CalPERS. The City first approved a contract with such system on July 20, 1946, pursuant to City Council Ordinance 398. Since that year, the City Council has annually set an ad valorem property tax rate for the purpose of providing revenue to pay all or a portion of the City's pension obligations under the CalPERS Contract. Once the property tax rate is established for each fiscal year, the City reports the rate to the Los Angeles County Auditor-Controller to place the tax (the "Retirement Tax") on the property tax roll of the County. Since the adoption of Ordinance No. 2148 in 1996, (the "1996 Ordinance") the Retirement Tax has been set at a rate of $0.197875 per one hundred dollars ($100) assessed valuation (as further set forth in Montebello Municipal Code Section 3.28.020). The $0.197875 rate established in the 1996 Ordinance was consistent with the rate imposed for more than a decade prior to adoption of the 1996 Ordinance and is the rate of the Retirement Tax currently imposed by the City.

The City accounts for the Retirement Tax in its Retirement Fund. Amounts in the Retirement Fund are used to pay the debt service on the 2020 Pension Obligation Bonds and for making transfers to the General Fund and other funds to reimburse current year pension-related expenses and accruals. While the amount of the Retirement Tax collected in each year has always exceeded the amounts needed to pay any

amortized amounts due on the City's unfunded accrued actuarial liabilities, debt service on the City's pension obligations bonds, and current year normal costs, any retirement related expenses above and beyond available Retirement Tax would be borne directly by the General Fund. For additional discussion of the Retirement Fund, see APPENDIX C—ANNUAL COMPREHENSIVE FINANCIAL REPORT OF THE CITY FOR THE FISCAL YEAR ENDED JUNE 30, 2021.

Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions. For the fiscal year ended June 30, 2021, the City recognized pension expense of $8,523,612 and $4,902,822 for the safety and miscellaneous plans, respectively. On June 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Table 13
CITY OF MONTEBELLO
DEFERRED OUTFLOWS/INFLOWS OF RESOURCES
Fiscal Year 2020-21

	Miscellaneous		Safety	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions after measurement date	$1,819,035	-	$2,711,170	-
Diff. btw. actual and expected experience	544,728	$(1,181,589)	667,700	$(198,753)
Changes in assumptions	-	-	-	-
Net diff. btw. projected and actual earnings on investment	2,796,645	-	4,047,677	-
Differences in proportions	-	-	-	-
Changes in employer's portion	-	-	-	-
Total	$5,160,408	$(1,181,589)	$7,426,547	$(198,753)

Source: City of Montebello fiscal year 2020-21 Annual Comprehensive Financial Report.

For information concerning the City's pension obligations, including descriptions of the actuarial methods and assumptions, and an explanation of the discount rate used, please see APPENDIX C—ANNUAL COMPREHENSIVE FINANCIAL REPORT OF THE CITY FOR THE FISCAL YEAR ENDED JUNE 30, 2021, Note 9.

Funded Status. The following table sets forth a summary of the funding progress for the City's combined Plans for the most recent actuarial valuation dates.

Table 14
CITY OF MONTEBELLO
HISTORICAL PENSION FUNDING PROGRESS

Fiscal Year Ended June 30,	Accrued Liability (AL)	Market Value of Assets (MVA)	Unfunded Accrued Liability (UAL)	Funded Ratio	Covered Payroll
		Miscellaneous Plans			
2018	$186,848,452	$135,675,895	$51,172,557	72.61%	$16,116,462
2019	193,507,152	143,183,030	50,324,122	43.99	15,903,678
2020	203,041,317	149,160,103	53,881,214	73.46	16,045,340
2021[(1)]	207,674,011	209,346,248	(1,672,237)	100.81	15,953,606
		Safety Plans			
2018	$244,445,678	$159,783,828	$84,661,850	65.37%	$11,568,474
2019	251,230,560	167,027,974	84,202,586	66.48	11,280,908
2020	263,162,591	172,476,801	90,685,790	65.54	10,934,684
2021[(1)]	270,879,258	271,648,136	(768,878)	100.28	11,486,487

Source: City of Montebello FY2020-21 ACFR.
(1) FY2020-21 amounts reflect the issuance of Pension Obligation Bonds by the City in May of 2020 and the application of the proceeds thereof to the City's unfunded actuarial liability. For additional discussion, see "2020 Pension Obligation Bonds" above.

CalPERS Amortization Period Reform. On February 13, 2018, the CalPERS Board voted to shorten the period over which actuarial gains and losses are amortized from 30 years to 20 years for new pension liabilities. The new 20-year amortization period began with new gains or losses accrued starting with the June 30, 2019, actuarial valuations. The first payments on the new 20-year amortization schedule took place in 2021.

A shorter amortization period will increase annual Unfunded Accrued Liability ("UAL") contributions for cities that participate in CalPERS so long as CalPERS remains underfunded. The shortened amortization period will also lead to reductions of periods of negative amortization of the UAL, interest cost savings, and faster recoveries of funded status after market downturns.

Cities that participate in CalPERS will also see additional volatility in their future UAL contributions due to market performance as gains or losses will be amortized faster under the new amortization period.

The announcement on July 12, 2021 that CalPERS achieved an investment return of 21.3% for the period from July 1, 2020 through June 30, 2021 caused the CalPERS Board of Administration to lower CalPERS' discount rate from 7.00% to 6.80% on November 15, 2021 in accordance with a risk mitigation policy that was adopted in 2015, which calls for the discount rate to be lowered if returns exceed the then-current discount rate by two or more percentage points.

The City cannot currently estimate the impact the shorter amortization period or lower discount rate will have on its required contributions for its Miscellaneous and Safety Plans. For information concerning the Plans, including descriptions of the actuarial methods and assumptions, please see APPENDIX C—ANNUAL COMPREHENSIVE FINANCIAL REPORT OF THE CITY FOR THE FISCAL YEAR ENDED JUNE 30, 2021, Note 9.

Other Post-Employment Benefits

Plan Description. The City provides postemployment healthcare benefits to eligible employees at retirement through a single employer defined benefit other postemployment benefits plan administered by the City (the "OPEB Plan"). Benefit provisions are established through agreements and memorandums of agreement between the City, its management employees, and unions representing the City's employees.

Employees Covered. Membership of the OPEB Plan consisted of 343 active employees, 0 inactive members entitled to but not yet receiving benefits, and 181 retirees and beneficiaries receiving benefits on June 30, 2021.

Funding Policy. The City's OPEB Plan is not funded. The City finances OPEB benefits on a pay-as-you-go basis.

Changes In Net OPEB Liability. The following table shows the changes in the City's net obligation to the OPEB Plan in fiscal year 2020-21:

Table 15
CITY OF MONTEBELLO
CHANGE IN NET OPEB LIABILITY
Fiscal Year 2020-21

Service cost	$ 1,000,546
Interest on OPEB liability	1,060,584
Dif. btw. actual and expected experience	(2,969,308)
Changes in assumptions	2,769,257
Employer contributions	(1,422,435)
Net changes	438,644
Net OPEB obligation, beginning of the year	29,920,612
Net OPEB obligation, end of the year	$30,359,256

Source: City of Montebello fiscal year 2020-21 Annual Comprehensive Financial Report.

The following table shows a four-year history of the City's outstanding OPEB Plan obligation.

Table 16
CITY OF MONTEBELLO
HISTORIC OPEB LIABILITY

Fiscal Year Ending June 30,	Net OPEB Obligation (UAAL)
2018	$ 28,012,070
2019	29,957,149
2020	29,920,612
2021	30,359,256

Source: City of Montebello fiscal year 2020-21 Annual Comprehensive Financial Report.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, investment returns, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the Plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

For information concerning the City's OPEB obligations, including descriptions of the actuarial methods and assumptions, please see APPENDIX C—ANNUAL COMPREHENSIVE FINANCIAL REPORT OF THE CITY FOR THE FISCAL YEAR ENDED JUNE 30, 2021, Note 10.

Impact of Enterprise Operations on the City's General Fund

The City's General Fund faces risks of unbudgeted expenditures from a number of its related enterprise operations as described below.

Montebello Golf Course and Quiet Cannon Event Center. The City owns the Montebello Golf Course (the "Golf Course") and the adjacent Quiet Cannon Event Center (the "Event Center"). The City records revenues from the Golf Course and the Event Center in the Golf Course Fund. Revenues in the Golf Course Fund include Golf Course green fees, special event revenue, and rent and concession revenue from the Event Center. Expenses in the Golf Course Fund include administrative costs, maintenance and labor costs, and debt service.

The City has, in recent years, made transfers from its General Fund to cover operating losses from the Golf Course and the Event Center accounted for in the Golf Course Fund. The following table shows a 5-year history of transfers from the City's General Fund to the Golf Course Fund.

Table 17
CITY OF MONTEBELLO
GENERAL FUND TRANFERS OUT TO GOLF COURSE FUND

Fiscal Year Ending June 30,	Transfer Out From General Fund to Golf Course Fund
2018	$963,320
2019	641,850
2020	751,000
2021	471,300
2022 (1)	471,300

Source: City of Montebello fiscal year 2016-17 though 2020-21 Annual Comprehensive Financial Reports.
(1) Projected based on actual fiscal year 2020-21 results.

While the City believes that the completion of the Project and the Top Golf Project will have a positive, material impact on the operating results of the Golf Course Fund, if and to the extent such Golf Course Fund revenues do not exceed Golf Course Fund expenditures, additional transfers out from the City's General Fund may be required. The City cannot project with certainty whether the revenues in the Golf Course Fund will exceed expenditures for current and future years.

Hilton Garden Inn. Lease payments made from the City's General Fund are the primary source of security for the Montebello Public Finance Authority's Lease Revenue Bonds, 2019 Series A (Hilton Garden Inn Project) (the "HGI Bonds"), if net revenues from the Montebello Hilton Garden Inn (the "Hilton Garden Inn") are insufficient to make debt service payments on the HGI Bonds. The City has not previously and does not anticipate needing to make transfers from its General Fund to pay debt service on the HGI Bonds, however changing economic circumstances could make such transfers necessary in the future if the net revenues from the Hilton Garden Inn are insufficient to pay debt service on the HGI Bonds. The HGI Bonds are secured by and payable from a cash funded debt service reserve fund. The maximum annual debt service on the HGI Bonds is $1,067,000.

Home2Suites. Lease payments from the City's General Fund are also the primary source of security for the Montebello Public Finance Authority's Lease Revenue Bonds, 2016 Series A (Montebello Home2Suites By Hilton Hotel Project) (the "H2S Bonds"), if net revenues from the Montebello Home2Suites By Hilton Hotel (the "Home2Suites") are insufficient to make debt service payments on the H2S Bonds. The City has not previously and does not anticipate needing to make transfers from its General Fund to pay debt service on the H2S Bonds, however changing economic circumstances could make such transfers necessary in the future if the net revenues from the Home2Suites are insufficient to pay debt service on the H2S Bonds. The H2S Bonds are secured by and payable from a cash funded debt service reserve fund. The maximum annual debt service on the H2S Bonds is $3,652,000.

Topgolf. The City is currently in negotiations with Topgolf to develop the Topgolf Project. The Topgolf Project is expected to be financed from bonds to be issued by the Authority in the approximate amount of $65,000,000 (and projected maximum annual debt service of approximately $5,500,000) and secured by City lease payments under a lease-leaseback arrangement for the Topgolf Project property and

facility. While lease payments from the City's General Fund are expected to be the primary source of security for the bonds, the venue will be subleased to Topgolf and the revenues from the operation of the venue will be used to make the sublease payments from Topgolf to the City which the City expects to use to pay the debt service requirements of the bonds. The City forecasts that the revenues from the operation of the Topgolf Project will also generate an approximately $1,200,000 annual ground lease payment from Topgolf (with built in escalators) to the City.

Topgolf's obligations under the lease is expected to be supported by a guaranty of Top Golf USA, Inc., a subsidiary of Calloway. So long as Topgolf pays all lease payments to the City in full when due under the Topgolf sublease, no transfers from the City's General Fund will be required to cover debt service payments with regard to the bonds. However, the City cannot guaranty Topgolf's performance of its obligations under the Topgolf sublease including the timely payment of lease payments to the City thereunder. If Topgolf fails to pay lease payments to the City under the Topgolf sublease, and payments are not made under the guaranty, the City may not be able to make all payments required to pay the debt service requirements of such bonds, of the Series 2022A Bonds or other obligations of the City payable from the City's General Fund. It is anticipated that the bonds to finance the Topgolf Project will be issued in the Fall of 2022.

For additional detail and discussion of the impacts of certain of the City's enterprise operations on its General Fund, see "RISK FACTORS – Impact of Enterprise Operations on the City's General Fund."

Debt Obligations

The City has the follow outstanding bonds payable in whole or in part from its General Fund:

Issue	Outstanding Par Amount	Final Maturity
Montebello Public Financing Authority Lease Revenue Refunding Bonds, 2014 Series A	$1,455,000	11/1/2028
Montebello Public Financing Authority Lease Revenue Refunding Bonds, 2014 Series B	$4,525,000	11/1/2028
Montebello Public Financing Authority Taxable Lease Revenue Refunding Bonds, 2014 Series C	$1,386,660	11/1/2024
Montebello Public Financing Authority Lease Revenue Bonds, 2016 Series A (Montebello Home2 Suites by Hilton Hotel Project)(1)	$51,685,000	6/1/2046
Montebello Public Financing Authority Lease Revenue Refunding Bonds, 2019 Series A (Hilton Garden Inn Project)(2)	$9,550,000	12/1/2034
City of Montebello Taxable Pension Obligation Bonds, Series 2020(3)	$143,015,000	6/1/2045

(1) The payments made by the Hilton Garden Inn are the primary source of the debt service payments on the HGI Bonds. The City will make such payments from its General Fund if such payments are not made by the Hilton Garden Inn.
(2) The payments made by Home2Suites are the primary source of the debt service payments on the H2S Bonds. The City will make such payments from its General Fund if such payments are not made by Home2Suites.
(3) The City's Pension Tax Override Revenues are the primary source of the debt service payments on the H2S Bonds City of Montebello Taxable Pension Obligation Bonds, Series 2020. The City will make such payments from its General Fund if such payments are not available from Pension Tax Override Revenues.

See APPENDIX C—ANNUAL COMPREHENSIVE FINANCIAL REPORT OF THE CITY FOR THE FISCAL YEAR ENDED JUNE 30, 2021, Note 10, for other obligations of the City not payable from its General Fund.

Overlapping Debt

Set forth below is a direct and overlapping debt report (the "Debt Report") prepared by California Municipal Statistics, Inc. and effective August 1, 2022. The Debt Report is included for general information purposes only. Neither the City nor the Underwriter has reviewed the Debt Report for completeness or accuracy and neither the City nor the Underwriter makes any representation in connection therewith.

The Debt Report generally includes long-term obligations sold in the public credit markets by public agencies whose boundaries overlap the boundaries of the City in whole or in part. Such long-term obligations generally are not payable from revenues of the City (except as indicated) nor are they necessarily obligations

secured by land within the City. In many cases, long-term obligations issued by a public agency are payable only from the General Fund or other revenues of such public agency.

The contents of the Debt Report are as follows: (1) the first column indicates the public agencies which have outstanding debt as of the date of the Debt Report and whose territory overlaps the City; (2) the second column shows the respective percentage of the assessed valuation of the overlapping public agencies identified in column 1 which is represented by property located in the City; and (3) the third column is an apportionment of the dollar amount of each public agency's outstanding debt (which amount is not shown in the table) to property in the City, as determined by multiplying the total outstanding debt of each agency by the percentage of the City's assessed valuation represented in column 2.

Table 18
CITY OF MONTEBELLO
DIRECT AND OVERLAPPING BONDED DEBT
as of August 1, 2022

CITY OF MONTEBELLO

2021-22 Assessed Valuation: $7,054,531,080

OVERLAPPING TAX AND ASSESSMENT DEBT:	% Applicable	Debt 8/1/22
Metropolitan Water District	0.208%	$ 41,964
Los Angeles Community College District	0.705	28,205,147
El Rancho Unified School District	0.004	3,731
Los Angeles Unified School District	0.001	102,373
Montebello Unified School District	36.143	53,953,036
TOTAL GROSS OVERLAPPING TAX AND ASSESSMENT DEBT		$82,306,251
Less: Los Angeles Unified School District General Obligation Bonds, Election of 2005 Series H and J Qualified School Construction Bonds: Amount accumulated in Interest and Sinking Fund and Set Aside for Repayment		1,549
TOTAL NET OVERLAPPING TAX AND ASSESSMENT DEBT		$82,304,702
DIRECT AND OVERLAPPING GENERAL FUND DEBT:		
Los Angeles County General Fund Obligations	0.398%	$ 10,653,334
Los Angeles County Superintendent of Schools Certificates of Participation	0.398	13,546
Los Angeles County Sanitation District No. 2 Authority	9.085	137,902
Los Angeles County Sanitation District No. 15 Authority	0.702	10,907
Los Angeles Unified School District Certificates of Participation	0.001	1,207
Montebello Unified School District Certificates of Participation	36.143	1,913,772
City of Montebello General Fund Obligations	**100.000**	**69,786,441**(1)
City of Montebello Pension Obligation Bonds	**100.**	**143,015,000**
TOTAL GROSS DIRECT AND OVERLAPPING GENERAL FUND DEBT		$225,532,109
***Less*: City of Montebello Obligations supported from golf and hotel revenues**		**10,628,340**
City of Montebello Obligations Pension Obligation Bonds supported by Transit Fund		**38,142,101**
TOTAL NET DIRECT AND OVERLAPPING GENERAL FUND DEBT		$176,761,668
OVERLAPPING TAX INCREMENT DEBT (Successor Agency):	100.000 %	$13,668,389
GROSS COMBINED TOTAL DEBT		$321,506,749(2)
NET COMBINED TOTAL DEBT		$272,734,759

Ratios to 2021-22 Assessed Valuation:

Total Gross Overlapping Tax and Assessment Debt	1.17%
Total Net Overlapping Tax and Assessment Debt	1.17%
Total Gross Direct Debt ($212,801,441)	**3.02%**
Total Net Direct Debt ($164,031,000)	**2.33%**
Gross Combined Total Debt	4.56%
Net Combined Total Debt	3.87%

Ratios to Redevelopment Successor Agency Incremental Valuation ($2,259,537,762):

Total Overlapping Tax Increment Debt	0.60%

Source: California Municipal Statistics, Inc.

(1) Excludes issue to be sold.

(2) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.

STATE BUDGET INFORMATION

Information regarding the State Budget is regularly available at various State-maintained websites. The fiscal year 2022-23 State Budget further described below can be found at the website of the Department of Finance, www.dof.ca.gov, under the heading "California Budget." Additionally, an impartial analysis of the State's Budgets is posted by the Office of the Legislative Analyst at www.lao.ca.gov. The information referred to is prepared by the respective State agency maintaining each website and not by the City, and neither the City nor the Underwriter takes responsibility for the continued accuracy of the internet addresses or for the accuracy, completeness or timeliness of information posted there, and such information is not incorporated herein by these references.

State Budget Process. Through the State budget process, the State enacts legislation that significantly impacts the source, amount and timing of the receipt of revenues by local agencies, including the City. As in recent years, State budget deficits can result in legislation that adversely impacts local agency budgets.

The State's fiscal year begins on July 1 and ends on June 30. The annual budget is proposed by the Governor by January 10 of each year for the next fiscal year (the "Governor's Budget"). Under State law, the annual proposed Governor's Budget cannot provide for projected expenditures more than projected revenues and balances available from prior fiscal years. Following the submission of the Governor's Budget, the Legislature takes up the proposal.

Under the State Constitution, money may be drawn from the Treasury only through an appropriation made by law. The primary source of the annual expenditure authorizations is the Budget Act as approved by the Legislature and signed by the Governor. The Budget Act must be approved by a two-thirds majority vote of each House of the Legislature. The Governor may reduce or eliminate specific line items in the Budget Act or any other appropriations bill without vetoing the entire bill. Such individual line-item vetoes are subject to override by a two-thirds majority vote of each House of the Legislature.

Appropriations also may be included in legislation other than the Budget Act. Bills containing appropriations (except for K-14 education) must be approved by a two-thirds majority vote in each House of the Legislature and be signed by the Governor. Bills containing K-14 education appropriations only require a simple majority vote. Continuing appropriations, available without regard to fiscal year, may also be provided by statute or the State Constitution.

Funds necessary to meet an appropriation need not be in the State Treasury at the time such appropriation is enacted; revenues may be appropriated in anticipation of their receipt.

Recent State Budgets. Certain information about the State budgeting process and the State Budget is available through several State sources. A convenient source of information is the State's website, where recent official statements for State bonds are posted. The references to internet websites shown below are shown for reference and convenience only; the information contained within the websites has not been reviewed by the City and is not incorporated herein by reference.

The State Treasurer's Internet home page at www.treasurer.ca.gov, under the heading "Financial Information," posts the State's audited financial statements. In addition, the "Financial Information" section includes the State's Rule 15c2-12 filings for State bond issues. The "Financial Information" section also includes the "Overview of the State Economy and Government, State Finances, State Indebtedness, Litigation" from the State's most current Official Statement, which discusses the State budget and the State budget process in greater detail.

The State Legislative Analyst's Office ("LAO") prepares analyses of the proposed and adopted State budgets. The analyses are accessible on the Legislative Analyst's Internet home page at www.lao.ca.gov under the heading "Products."

2022-23 State Budget

The Governor signed the fiscal year 2022-23 State budget on June 27, 2022, which was amended through a series of legislative bills, many of which were signed by the Governor on June 30, 2022 (as amended, the "2022-23 State Budget"). The 2022-23 State Budget projects a budget surplus of $7.8 billion, down from a surplus of $22.4 billion in the state's 2021-22 fiscal year. The 2022-23 State Budget projects a decline in general fund revenue levels of $10 billion from fiscal year 2021-22 levels (from $232.7 billion to $222.6 billion) caused primarily from reduced corporation tax collections. The 2022-23 State Budget offsets the reduction in revenues with a $8.6 billion reduction to general fund expenditures as compared to fiscal year 2021-22 levels (from $242.9 billion to $234.3 billion) with the largest reductions in expenditures occurring in expenditures for government operations. The 2022-23 State Budget projects a draw-down of the State's operating reserve from $18.2 billion in fiscal year 2021-22 to $3.5 billion, but projects increases in the state's public school system stabilization account (from $7.3 billion to $9.5 billion) and rainy day fund (from $20.3 billion to $23.3 billion).

The State Appropriations Limit, or Gann Limit, caps the amount of revenues from proceeds of taxes that can be appropriated by the State, which serves to constrain State spending. Any excess revenues appropriated above the State's limit over a two-year period must ultimately be reallocated evenly between schools and taxpayer refunds. The 2022-23 State Budget projects the State to be $11 billion below the limit based on statutory changes enacted as part of the 2022-23 State Budget, which includes expanding the definition of State subventions that must first be accounted for in local limits and revising levels of excluded spending in 2021-22.

Legislative Analyst's Office Analysis. An analysis by the non-partisan, Legislative Analyst's Office (the "LAO"), published on the LAO website on August 12, 2022 (the "LAO Analysis"), has identified approximately $70.2 billion of discretionary general spending in the 2022-23 State Budget. The $70.2 billion amount includes: (1) the $36.4 billion in spending using the overall general fund surplus and (2) the $33.8 billion surplus within the school and community college budget. Schools and community colleges will receive the largest spending allocations reflecting the significant growth in Proposition 98. For non-educational discretionary spending choices, the LAO Analysis determined that roughly 95% of the surplus was devoted to one-time or temporary purposes, with most spending amounts were dedicated to resources and the environment, transportation, health, and housing and homelessness.

The following is a summary of certain significant areas of general fund discretionary spending identified by the LAO Analysis in the 2022-23 State Budget. Reference should be made to the complete LAO Analysis and the 2022-23 State Budget for additional detail.

One-Time Refund Payments to California Taxpayers. The 2022-23 State Budget includes $9.5 billion in general fund spending for a one-time tax refund payment, the Better for Families tax refund. Payments will be made to taxpayers with adjusted gross incomes ("AGI") below $500,000 (for joint filers) and $250,000 (for single filers). The payment amount is based on AGI, with larger payments going to taxpayers with lower income levels. For example, a married couple with two children whose AGI was $100,000 will receive $1,050. A similar family with AGI of $300,000 will receive $600. The Stated intent of the refund is to help offset higher costs resulting from recent inflation.

Energy Package. The 2022-23 State Budget includes a total of $8.1 billion across five years from the general fund for energy-related activities. This includes $4.3 billion, $2.3 billion in 2021-22 and $2 billion in 2022-23, appropriated for specific activities, such as actions to ensure there is adequate Statewide electricity supply over the next few years, financial support to cover unpaid household energy bills that accrued during the pandemic and incentives for long-duration storage projects.

Drought Response and Resilience. The 2022-23 State Budget includes $2 billion from the general fund to respond to current drought conditions, as well as for activities to prepare for future droughts. This includes $1.2 billion, $1.14 billion in 2021-22 and $55 million in 2022-23, appropriated for specific activities such as actions to improve water conservation, drinking water supplies and projects, grants for repairs to community water systems and steps to protect fish and wildlife from drought impacts.

Wildfire Resilience and Response. The 2022-23 State Budget provides a total of $800 million over three years from the general fund for improving landscape health and wildfire resilience. The 2022-23 State Budget also provides roughly $850 million in 2022-23, of which about $500 million is ongoing, almost entirely from the general fund, for various augmentations aimed at enhancing the State's wildfire response. These augmentations mainly support additional personnel and equipment at the California Department of Forestry and Fire Protection, but also provide wildfire response resources for the Governor's Office of Emergency Services, California Military Department and California Conservation Corps.

Zero-Emissions Vehicles (ZEV). The 2022-23 State Budget provides a total of $6.1 billion over five years for Zero-Emissions Vehicles ("ZEV"). programs. This includes $2.6 billion from various funds for specific programs, such as $1.5 billion from Proposition 98 general fund for zero-emission school buses, $600 million from the Greenhouse Gas Reduction Fund for heavy-duty vehicle incentives and $383 million in federal funds for ZEV fueling infrastructure.

Retention Payments for Workers in Certain Health Care Facilities. The 2022-23 State Budget includes roughly $1.1 billion from the general fund in 2021-22 to provide one-time retention payments to eligible workers in certain health care facilities, including hospitals and skilled nursing facilities. Eligible workers could receive up to $1,500 from the State. A similar payment is being included in labor bargaining agreements for State employees, paid using a mix of general fund and other funds.

Behavioral Health. The 2022-23 State Budget includes roughly $2 billion in general fund expenditures in 2022-23, approved in the prior year, as part of the multiyear Children and Youth Behavioral Health Initiative. This initiative funds a variety of programs administered by multiple State departments intended to transform behavioral health service delivery for children and youth under age 25. In addition, the 2022-23 State Budget includes $1 billion from the general fund in 2022-23 ($1.5 billion general fund over two years) to establish a State-level Behavioral Health Bridge Housing program, which will support the creation of immediate, clinically enhanced housing settings for people experiencing homelessness with serious behavioral health conditions.

Medi-Cal Coverage Expansion to Remaining Undocumented Populations. In recent years, the State has taken steps to expand eligibility for comprehensive Medi-Cal coverage to undocumented residents under the age of 26 as well as those over the age of 49. The 2022-23 State Budget expands eligibility for comprehensive Medi-Cal coverage to otherwise-eligible undocumented residents between the ages of 26 and 49 beginning no later than January 1, 2024.

Housing and Homelessness. The 2022-23 State Budget authorizes an additional $4.8 billion from the general fund over three years to nearly 20 major housing and homelessness programs within the

Business, Consumer Services, and Housing Agency and the Housing and Community Development Department. The vast majority of funding is one time or temporary. However, the 2022-23 State Budget does provide $34 million in ongoing funding beginning in 2023-24 for housing assistance for foster youth and former foster youth. Most of the funding, $2.9 billion from the general fund, is primarily for housing-related proposals, while $1.9 billion from the general fund is allocated primarily towards homelessness-related programs. Some of the major uses of housing and homelessness funding in the 2022-23 State Budget would support encampment resolutions; provide flexible aid to local governments to help address homelessness in their communities; fund affordable housing development; and establish a new homeownership program. The 2022-23 State Budget also provides funding that could be used to help address homelessness and/or housing affordability in other program areas, including the health, courts, and higher education areas.

For additional information regarding the 2022-23 State Budget, please see the Department of Finance website at ebudget.ca.gov. For additional information regarding the LAO Analysis, please see the Legislative Analyst's Office website at lao.ca.gov. The City can take no responsibility for the continued accuracy of the above-referenced internet address as for the or for the accuracy, completeness, or timeliness of information posted therein, and such information is not incorporated herein by reference.

Though the City does not expect that the 2022-23 State Budget will have a materially negative effect on its finances, the City cannot predict such impacts with certainty. Additionally, the City cannot predict the accuracy of any projections made in the 2022-23 State Budget.

Future State Budgets. The City receives a portion of its funding from the State. Changes in the revenues received by the State can affect the amount of funding, if any, to be received from the State by the City and other cities in the State.

In addition, the City cannot predict the outcome of current and future State budget negotiations, the impact that such budgets will have on its finances and operations or what actions will be taken in the future by the State Legislature and Governor to deal with changing State revenues and expenditures. Current and future State budgets will be affected by national and State economic conditions and other factors over which the City has no control. See also "RISK FACTORS—Dependence on State for Certain Revenues."

CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES, REVENUES AND APPROPRIATIONS

The constitutional and statutory provisions discussed in this section have the potential to affect the ability of the City to levy taxes and spend tax proceeds for operating and other purposes.

Article XIIIA of the California Constitution

On June 6, 1978, California voters approved an amendment (commonly known as both Proposition 13 and the Jarvis-Gann Initiative) to the California Constitution. This amendment, which added Article XIIIA to the California Constitution, among other things affects the valuation of real property for the purpose of taxation in that it defines the full cash property value to mean "the county assessor's valuation of real property as shown on the 1975-76 tax bill under "full cash value," or thereafter, the appraised value of real property newly constructed, or when a change in ownership has occurred after the 1975 assessment." The full cash value may be adjusted annually to reflect inflation at a rate not to exceed 2% per year, or a

reduction in the consumer price index or comparable local data at a rate not to exceed 2% per year or reduced in the event of declining property value caused by damage, destruction or other factors including a general economic downturn. The amendment further limits the amount of any ad valorem tax on real property to one percent of the full cash value except that additional taxes may be levied to pay debt service on indebtedness approved by the voters prior to July 1, 1978, and bonded indebtedness for the acquisition or improvement of real property approved on or after July 1, 1978, by two-thirds of the votes cast by the voters voting on the proposition.

Legislation enacted by the California Legislature to implement Article XIIIA provides that all taxable property is shown at full assessed value as described above. In conformity with this procedure, all taxable property value included in this Official Statement (except as noted) is shown at 100% of assessed value and all general tax rates reflect the $1 per $100 of taxable value. Tax rates for voter approved bonded indebtedness and pension liability are also applied to 100% of assessed value.

The voters of the State subsequently approved various measures which further amended Article XIIIA. One such amendment generally provides that the purchase or transfer of (i) real property between spouses or (ii) the principal residence and the first $1,000,000 of the Full Cash Value of other real property between parents and children, do not constitute a "purchase" or "change of ownership" triggering reappraisal under Article XIIIA. Other amendments permitted the State Legislature to allow persons over the age of 55 who meet certain criteria or "severely disabled homeowners" who sell their residence and buy or build another of equal or lesser value within two years in the same county, to transfer the old residence's assessed value to the new residence. Other amendments permit the State Legislature to allow persons who are either 55 years of age or older, or who are "severely disabled," to transfer the old residence's assessed value to their new residence located in either the same or a different county and acquired or newly constructed within two years of the sale of their old residence.

In the November 1990 election, the voters approved an amendment of Article XIIIA to permit the State Legislature to exclude from the definition of "new construction" certain additions and improvements, including seismic retrofitting improvements and improvements utilizing earthquake hazard mitigation technologies constructed or installed in existing buildings after November 6, 1990.

Article XIIIA has also been amended to provide that there would be no increase in the Full Cash Value base in the event of reconstruction of the property damaged or destroyed in a disaster.

Section 51 of the Revenue and Taxation Code permits county assessors who have reduced the assessed valuation of a property because of natural disasters, economic downturns or other factors, to subsequently "recapture" such value (up to the pre-decline value of the property) at an annual rate higher than 2%, depending on the assessor's measure of the restoration of value of the damaged property.

Section 4 of Article XIIIA also provides that cities, counties and special districts cannot, without a two-thirds vote of the qualified electors, impose special taxes, which has been interpreted to include special fees more than the cost of providing the services or facility for which the fee is charged, or fees levied for general revenue purposes.

Both the California State Supreme Court and the United States Supreme Court have upheld the validity of Article XIIIA.

Article XIIIB of the California Constitution

On November 6, 1979, California voters approved Proposition 4, the Gann Initiative, which added Article XIIIB to the California Constitution. In June 1990, Article XIIIB was amended by the voters through their approval of Proposition 111. Article XIIIB of the California Constitution limits the annual appropriations of the State and any city, county, school district, authority or other political subdivision of the State to the level of appropriations for the prior fiscal year, as adjusted annually for changes in the cost of living, population and services rendered by the governmental entity. The "base year" for establishing such appropriation limit is Fiscal Year 1978-79. Increases in appropriations by a governmental entity are also permitted (1) if financial responsibility for providing services is transferred to the governmental entity, or (2) for emergencies so long as the appropriations limits for the three years following the emergency are reduced to prevent any aggregate increase above the Constitutional limit. Decreases are required where responsibility for providing services is transferred from the government entity.

Appropriations subject to Article XIIIB include generally any authorization to expend during the fiscal year the proceeds of taxes levied by the State or other entity of local government, exclusive of certain State subventions, refunds of taxes, benefit payments from retirement, unemployment insurance and disability insurance funds. Appropriations subject to limitation pursuant to Article XIIIB do not include debt service on indebtedness existing or legally authorized as of January 1, 1979, on bonded indebtedness thereafter approved according to law by a vote of the electors of the issuing entity voting in an election for such purpose, appropriations required to comply with mandates of courts or the Federal government, appropriations for qualified outlay projects, and appropriations by the State of revenues derived from any increase in gasoline taxes and motor vehicle weight fees above January 1, 1990 levels. "Proceeds of taxes" include, but are not limited to, all tax revenues and the proceeds to any entity of government from (1) regulatory licenses, user charges, and user fees to the extent such proceeds exceed the cost of providing the service or regulation, (2) the investment of tax revenues and (3) certain State subventions received by local governments. As amended by Proposition 111, the appropriations limit is tested over consecutive two-year periods. Any excess of the aggregate "proceeds of taxes" received by the City over such two-year period above the combined appropriations limits for those two years is to be returned to taxpayers by reductions in tax rates or fee schedules over the subsequent two years.

As amended in June 1990, the appropriations limit for the City in each year is based on the limit for the prior year, adjusted annually for changes in the costs of living and changes in population, and adjusted, where applicable, for transfer of financial responsibility of providing services to or from another unit of government. The change in the cost of living is, at the City's option, either (1) the percentage change in California per capita personal income, or (2) the percentage change in the local assessment roll for the jurisdiction due to the addition of nonresidential new construction. The measurement of change in population is a blended average of statewide overall population growth and change in attendance at local school and community college ("K-14") districts.

Article XIIIB permits any government entity to change the appropriations limit by vote of the electorate in conformity with statutory and Constitutional voting requirements, but any such voter-approved change can only be effective for a maximum of four years.

Articles XIIIC and XIIID (Proposition 218) of the California Constitution

On November 5, 1996, the voters of the State approved Proposition 218, a constitutional initiative, entitled the "Right to Vote on Taxes Act" ("Proposition 218"). Proposition 218 added Articles XIIIC and XIIID to the California Constitution and contained several interrelated provisions affecting the ability of

local governments, including the City, to levy and collect both existing and future taxes and assessments, fees and charges.

Section 2 of Article XIIIC requires majority voter approval for the imposition, extension or increase of general taxes and requires two thirds voter approval for the imposition, extension or increase of special taxes. These voter approval requirements of Article XIIIC reduce the flexibility of the City to raise revenues by the levy of general or special taxes and, given such voter approval requirements, no assurance can be given that the City will be able to enact, impose, extend or increase any such taxes in the future to meet increased expenditure requirements.

Although a portion of the City's General Fund revenues are derived from general taxes purported to be governed by Proposition 218, all of such taxes were either imposed, extended or increased prior to the effective date of Proposition 218 or in accordance with the requirements of Proposition 218. No assurance can be given that the voters of the City will not, in the future, approve an initiative or initiatives which reduce or repeal local taxes, assessments, fees or charges, such as the TOT, Proposition 172 revenues, or storm water fees which support the City's General Fund. TOT and other local taxes, assessments, fees and charges, could be subject to reduction or repeal by initiative under Proposition 218.

Section 3 of Article XIIIC expressly extends the initiative power to give voters the power to reduce or repeal local taxes, assessments, fees and charges, regardless of the date such taxes, assessments, fees or charges were imposed. Section 3 expands the initiative power to include reducing or repealing assessments, fees and charges that had previously been considered administrative rather than legislative matters and therefore beyond the initiative power. This extension of the initiative power is not limited by the terms of Article XIIIC to fees imposed after November 6, 1996, the effective date of Proposition 218, and absent other legal authority could result in the reduction in any existing taxes, assessments or fees and charges imposed prior to November 6, 1996.

"Fees" and "charges" are not expressly defined in Article XIIIC or in SB 919, the Proposition 218 Omnibus Implementation Act enacted in 1997 to prescribe specific procedures and parameters for local jurisdictions in complying with Article XIIIC and Article XIIID ("SB 919"). However, on July 24, 2006, the California Supreme Court ruled in *Bighorn-Desert View Water Agency v. Virjil (Kelley)* (the "Bighorn Decision") that charges for ongoing water delivery are fees and charges within the meaning Section 3 of Article XIIIC. The California Supreme Court held that such water service charges may, therefore, be reduced or repealed through a local voter initiative pursuant to Section 3 of Article XIIIC. The Bighorn Decision has been interpreted to mean that ongoing water delivery charges are also property-related fees and charges within the meaning of Article XIIID.

In the Bighorn Decision, the Supreme Court stated that nothing in Section 3 of Article XIIIC authorizes initiative measures that impose voter-approval requirements for future increases in fees or charges for water delivery. The Supreme Court stated that water providers may determine rates and charges upon proper action of the governing body and that the governing body may increase a charge which was not affected by a prior initiative or impose an entirely new charge.

The Supreme Court further stated in the Bighorn Decision that it was not holding that the initiative power is free of all limitations and was not determining whether the initiative power is subject to the statutory provision requiring that water and wastewater service charges be set at a level that will pay debt service on bonded debt and operating expenses. Such initiative power could be subject to the limitations imposed on the impairment of contracts under the contract clause of the United States Constitution.

Additionally, SB 919 provides that the initiative power provided for in Proposition 218 "shall not be construed to mean that any owner or beneficial owner of a municipal security, purchased before or after (the effective date of Proposition 218) assumes the risk of, or in any way consents to, any action by initiative measure that constitutes an impairment of contractual rights" protected by the United States Constitution.

Article XIIIC also removes many of the limitations on the initiative power in matters of reducing or repealing any local tax, assessment, fee or charge. No assurance can be given that the voters of the City will not, in the future, approve an initiative or initiatives which reduce or repeal local taxes, assessments, fees or charges currently comprising a substantial part of the City's General Fund. "Assessments," "fees" and "charges" are not defined in Article XIIIC, and it is unclear whether these terms are intended to have the same meanings for purposes of Article XIIIC as for Article XIIID described below. If not, the scope of the initiative power under Article XIIIC potentially could include any General Fund local tax, assessment, or fee not received from or imposed by the federal or State government or derived from investment income.

If the City is unable to continue to collect assessment revenues for a particular program, the program might have to be curtailed and/or funded by the City's General Fund. Given the approval requirements imposed by Article XIIID, the City is unable to predict whether it will be able to continue to collect assessment revenues for these programs. If the City chose to fund any such programs from the General Fund instead, the General Fund budget would be affected.

Article XIIID defines a "fee" or "charge" as any levy other than an ad valorem tax, special tax, or assessment imposed by an agency upon a parcel or upon a person as an incident of property ownership, including a user fee or charge for a property-related service. A "property-related service" is defined as "a public service having a direct relationship to a property ownership" herein. Article XIIID further provides that reliance by an agency on any parcel map (including an assessor's parcel map) may be considered a significant factor in determining whether a fee or charge is imposed as an incident of property ownership. In the Bighorn Decision, the Supreme Court stated that ongoing water delivery charges are also property-related fees and charges within the meaning of Article XIIID.

Article XIIID requires that any agency imposing or increasing any property-related fee or charge must provide written notice thereof to the record owner of each identified parcel upon which such fee or charge is to be imposed and must conduct a public hearing with respect thereto. The proposed fee or charge may not be imposed or increased if a majority of owners of the identified parcels file written protests against it. As a result, if and to the extent that a fee or charge imposed by a local government for water service is ultimately determined to be a "fee" or "charge" as defined in Article XIIID, the local government's ability to increase such fee or charge may be limited by a majority protest.

In addition, Article XIIID also includes a number of limitations applicable to existing fees and charges including provisions to the effect that (i) revenues derived from the fee or charge shall not exceed the funds required to provide the property-related service; (ii) such revenues shall not be used for any purpose other than that for which the fee or charge was imposed; (iii) the amount of a fee or charge imposed upon any parcel or person as an incident of property ownership shall not exceed the proportional cost of the service attributable to the parcel; and (iv) no such fee or charge may be imposed for a service unless that service is actually used by, or immediately available to, the owner of the property in question. Property-related fees or charges based on potential or future use of a service are not permitted.

Depending on the interpretation of what constitutes a "property-related fee" under Article XIIID, there could be future restrictions on the ability of the City's General Fund to charge its enterprise funds for

various services provided. If fees and charges of enterprise funds cannot be appropriately increased or are reduced pursuant to exercise of the initiative power, the City may have to decide whether to supplement any deficiencies in these enterprise funds with moneys from the General Fund or to curtail service, or both.

The interpretation and application of Proposition 218 will ultimately be determined by the courts or through implementing legislation with respect to several the matters described above, and it is not possible at this time to predict with certainty the outcome of such determination or the nature or scope of any such legislation.

Both Articles XIIIA and XIIIB, as well as Articles XIIIC and XIIID described above, were adopted as measures that qualified for the ballot pursuant to California's constitutional initiative process. From time-to-time other initiative measures could be adopted, affecting the ability of the City to increase revenues and to increase appropriations.

Proposition 1A of 2004

The California Constitution and existing statutes give the legislature authority over property taxes, sales taxes and the VLF. The legislature has authority to change tax rates, the items subject to taxation and the distribution of tax revenues among local governments, schools, and community college districts. The State has used this authority for many purposes, including increasing funding for local services, reducing State costs, reducing taxation, addressing concerns regarding funding for particular local governments, and restructuring local finance.

The California Constitution generally requires the State to reimburse the local governments when the State "mandates" a new local program or higher level of service. Due to the ongoing financial difficulties of the State, it has not provided in recent years reimbursements for many mandated costs. In other cases, the State has "suspended" mandates, eliminating both responsibility of the local governments for complying with the mandate and the need for State reimbursements.

The 2004 Budget Act, related legislation and the enactment of Proposition 1A of 2004 (described below) dramatically changed the State-local fiscal relationship. These constitutional and statutory changes implemented an agreement negotiated between the Governor and local government officials (the "State-local agreement") in connection with the 2004 Budget Act.

One change related to the reduction of the VLF rate from 2% to 0.65% of the market value of the vehicle. To protect local governments, which had previously received all VLF revenues, the 1.35 percent reduction in VLF revenue to cities and counties from this rate change was backfilled by an increase in the amount of property tax revenues they receive. This worked to the benefit of local governments, because the backfill amount annually increases in proportion to the growth in secured roll property tax revenues, which has historically grown at a higher rate than VLF revenues. Proposition 1A of 2004 requires the State to provide local governments with equal replacement revenues.

On November 3, 2004, the voters of the State approved Proposition 1A ("Proposition 1A of 2004"). Proposition 1A of 2004 amended the State Constitution to, among other things, reduce the Legislature's authority over local government revenue sources by placing restrictions on the State's access to local governments' property tax, sales tax, and VLF revenues as of November 3, 2004. Pursuant to Proposition 1A of 2004, the State can borrow up to 8% of local property tax revenues but only if the Governor proclaims such action is necessary due to a severe State fiscal hardship and two-thirds of both houses of the

State Legislature approve the borrowing. Any amounts borrowed are required to be repaid within three years. Proposition 1A of 2004 also permits the State to borrow from local property tax revenues for no more than two fiscal years within a period of 10 fiscal years, and only if previous borrowings have been repaid. In addition, the State cannot reduce the local sales tax rate or restrict the authority of the local governments to impose or change the distribution of the statewide local sales tax. Proposition 1A of 2004 generally prohibits the State from mandating activities on cities, counties, or special districts without providing the funding needed to comply with the mandates, and if the State does not provide funding for the activity that has been determined to be mandated, the requirement on cities, counties, or special districts to abide by the mandate is suspended. Proposition 1A of 2004 also expanded the definition of what constitutes a mandate to encompass State action that transfers to cities, counties, and special districts financial responsibility for a required program for which the State previously had partial or complete responsibility. The State mandate provisions of Proposition 1A of 2004 do not apply to schools or community colleges or to mandates relating to employee rights.

Pursuant to statutory changes made in conjunction with amendments to the fiscal year 2008-09 State Budget Act, the Fiscal Year 2009-10 State Budget Act and related budget legislation adopted by the State Legislature and signed by the Governor in February 2012 (collectively, the "February 2012 Budget Package"), the VLF rate increased from 0.65% to 1.15% effective May 19, 2012. Of this 0.50% increase, 0.35% will flow to the State general fund, and 0.15% will support various law enforcement programs previously funded by the State general fund.

Proposition 22

Proposition 22 ("Proposition 22"), which was approved by California voters in November 2010, prohibits the State, even during a period of severe fiscal hardship, from delaying the distribution of tax revenues for transportation, redevelopment, or local government projects and services and prohibits fuel tax revenues from being loaned for cash-flow or budget balancing purposes to the State general fund or any other State fund. Due to the prohibition with respect to State's ability to take, reallocate, and borrow money raised by local governments for local purposes, Proposition 22 supersedes certain provisions of Proposition 1A of 2004. See " – Proposition 1 A of 2004" herein. In addition, Proposition 22 generally eliminates the State's authority to temporarily shift property taxes from cities, counties, and special districts to schools, temporarily increase schools' and community college districts' share of property tax revenues, prohibits the State from borrowing or redirecting redevelopment property tax revenues or requiring increased pass-through payments thereof, and prohibits the State from reallocating vehicle license fee revenues to pay for State imposed mandates. In addition, Proposition 22 requires a two-thirds vote of each house of the State Legislature and a public hearing process to be conducted to change the amount of fuel excise tax revenues shared with cities and counties. The LAO states that Proposition 22 will prohibit the State from enacting new laws that require redevelopment agencies to shift funds to schools or other agencies.

Proposition 22 prohibits the State from borrowing sales taxes or excise taxes on motor vehicle fuels or changing the allocations of those taxes among local government except pursuant to specified procedures involving public notices and hearings. In addition, Proposition 22 requires that the State apply the formula setting forth the allocation of State fuel tax revenues to local agencies revert to the formula in effect on June 30, 2009. The LAO anticipated that Proposition 22 would require the State to adopt alternative actions to address its fiscal and policy objectives, particularly with respect to short-term cash flow need. The City does not believe that Proposition 22 will have a significant impact on its revenues and expenditures.

Proposition 26

Proposition 26 ("Proposition 26"), which was approved by California voters on November 2, 2010, revises the California Constitution to expand the definition of "taxes." Proposition 26 re-categorizes many State and local fees as taxes and specifies a requirement of two-thirds voter approval for taxes levied by local governments.

Proposition 26 requires the State obtain the approval of two-thirds of both houses of the State Legislature for any proposed change in State statutes, which would result in any taxpayer paying a higher tax. Proposition 26 eliminates the previous practice whereby a tax increase coupled with a tax reduction that resulted in an overall neutral fiscal effect was subject only to a majority vote in the State Legislature. Furthermore, pursuant to Proposition 26, any increase in a fee above the amount needed to provide the specific service or benefit is deemed to be a tax and the approval thereof will require such two-thirds vote of approval to be effective. In addition, for State imposed fees and charges, any fee or charge adopted after January 1, 2010, with a majority vote of approval of the State Legislature which would have required a two-thirds vote of approval of the State Legislature if Proposition 26 were effective at the time of such adoption is repealed as of November 2011 absent the re-adoption by the requisite two-thirds vote.

Proposition 26 amends Article XIII C of the State Constitution to state that a "tax" means a levy, charge or exaction of any kind imposed by a local government, except (1) a charge imposed for a specific benefit conferred or privilege granted directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of conferring the benefit or granting the privilege; (2) a charge imposed for a specific government service or product provided directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of providing the service or product; (3) a charge imposed for the reasonable regulatory costs to a local government for issuing licenses and permits, performing investigations, inspections and audits, enforcing agricultural marketing orders, and the administrative enforcement and adjudication thereof; (4) a charge imposed for entrance to or use of local government property or the purchase rental or lease of local government property; (5) a fine, penalty, or other monetary charge imposed by the judicial branch of government or a local government as a result of a violation of law; (6) a charge imposed as a condition of property development; or (7) assessments and property related fees imposed in accordance with the provisions of Proposition 218.

Proposition 26 applies to any levy, charge or exaction imposed, increased, or extended by local government on or after November 3, 2010, unless exempted, as stated above. Accordingly, fees adopted prior to that date are not subject to the measure until they are increased or extended or if it is determined that an exemption applies. As of the date hereof, none of the City's fees or charges has been challenged in a court of law in connection with the requirements of Proposition 26.

If the local government specifies how the funds from a proposed local tax are to be used, the approval will be subject to a two-thirds voter requirement. If the local government does not specify how the funds from a proposed local tax are to be used, the approval will be subject to a fifty percent voter requirement. Proposed local government fees that are not subject to Proposition 26 generally are subject to the approval of a majority of the governing body. In general, proposed property charges will be subject to a majority vote of approval by the governing body although certain proposed property charges will also require approval by a majority of the affected property owners.

Proposition 19

On November 3, 2020, State voters approved a constitutional amendment entitled Property Tax Transfers, Exemptions and Revenue for Wildfire Agencies and Counties Amendment ("Proposition 19"), which will: (i) expand special rules that give property tax savings to homeowners that are over the age of 55, severely disabled, or whose property has been impacted by a natural disaster or contamination, when they buy a different home; (ii) narrow existing special rules for inherited properties; and (iii) broaden the scope of legal entity ownership changes that trigger reassessment of properties. The City cannot make any assurance as to what effect the implementation of Proposition 19 will have on assessed valuation of real property in the City.

Future Initiatives

Articles XIIIA, XIIIB, XIIIC and XIIID, Propositions 1A, 22, 26 and 19 were each adopted as measures that qualified for the ballot pursuant to the State's initiative process. From time to time, other initiative measures could be adopted, which may place further limitations on the ability of the State, the City or local districts to increase revenues or to increase appropriations which may affect the City's revenues or its ability to expend its revenues.

RISK FACTORS

This section provides a general overview of certain risk factors which should be considered, in addition to the other matters set forth in this Official Statement, in evaluating an investment in the Series 2022A Bonds. This section is not meant to be a comprehensive or definitive discussion of the risks associated with an investment in the Series 2022A Bonds, and the order in which this information is presented does not necessarily reflect the relative importance of various risks. Potential investors in the Series 2022A Bonds are advised to consider the following factors, among others, and to review this entire Official Statement to obtain information essential to the making of an informed investment decision. Any one or more of the risk factors discussed below, among others, could lead to a decrease in the market value and/or in the marketability of the Series 2022A Bonds. There can be no assurance that other risk factors not discussed herein will not become material in the future.

Bonds are Unsecured General Fund Obligations of the City

The obligation of the City to make Base Rental Payments does not constitute an obligation of the City for which the City is obligated to levy or pledge any form of taxation or for which the City has levied or pledged any form of taxation.

The Indenture does not create a pledge, lien or encumbrance upon the funds of the City. Pursuant to law, the Series 2022A Bonds are payable from any available funds of the City. The City covenants in the Lease Agreement to punctually pay the interest on and principal of every Bond in strict conformity with the terms thereof and of the Indenture. The City is liable and may become liable on other obligations payable from general revenues, some of which may have a priority over payments of the principal of, and interest on, the Series 2022A Bonds, or which the City, in its discretion, may determine to pay prior to the principal of, and interest on, the Series 2022A Bonds.

A variety of national, state or regional factors, which are beyond the control of the City could reduce the City's General Fund revenues or increase the City's General Fund expenditures. If the amounts which the City is obligated to pay in a Fiscal Year exceed the City's revenues for such year, the City may choose

to make some payments rather than making other payments, including payments on the Series 2022A Bonds, based on the perceived needs of the City. The same result could occur if, because of California Constitutional limits on expenditures, the City is not permitted to appropriate and spend all of its available revenues or is required to expend available revenues to preserve the public health, safety and welfare. See "STATE CONSTITUTIONAL LIMITATIONS ON CITY REVENUES AND APPROPRIATIONS."

No Limitation on Incurring Additional Obligations

The City has the capacity to enter into other obligations payable from the City's General Fund without the consent of or prior notice to the Owners of the Series 2022A Bonds and has expressly reserved the right to issue or incur other obligations for any of its corporate purposes. To the extent that additional obligations are incurred by the City, the funds available to make payments of the principal of, and interest on, the Series 2022A Bonds may be decreased. In the event the City's revenue sources are less than its total obligations, the City could choose to fund other activities before making payment of the principal of, and interest on, the Series 2022A Bonds. The same result could occur if State constitutional expenditure limitations were to prohibit the City from appropriating and spending all of its otherwise available revenues.

Limitation on Remedies; Bankruptcy

The enforceability of the rights and remedies of the Holders of the Series 2022A Bonds are subject to several limitations, including bankruptcy, moratorium, insolvency or other laws affecting creditor's rights or remedies and is subject to general principles of equity (regardless of whether such enforceability is considered in equity or at law), to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against governmental entities in the State.

In addition, the rights and remedies of the Owners may be limited by and are subject to the provisions of federal bankruptcy laws and to other laws or equitable principles that may affect the enforcement of creditors' rights. The City is a governmental unit and therefore cannot be the subject of an involuntary case under the United States Bankruptcy Code (the "Bankruptcy Code"). However, the City is a municipality and therefore may seek voluntary protection from its creditors pursuant to Chapter 9 of the Bankruptcy Code for purposes of adjusting its debts.

If the City is in bankruptcy, the parties (including the Trustee and the Owners) may be prohibited from taking any action to collect any amount from the City or to enforce any obligation of the City, unless the permission of the bankruptcy court is obtained. These restrictions may also prevent the Trustee from making payments to the holders of the Series 2022A Bonds from funds in the Trustee's possession.

The City may be able, without the consent and over the objection of the Trustee or the Owners, to alter the priority, interest rate, payment terms, maturity dates, payment sources, covenants, and other terms or provisions of the Indenture and the Series 2022A Bonds, if the bankruptcy court determines that the alterations are fair and equitable.

There may be delays in payments on the Series 2022A Bonds while the court considers any of these issues. There may be other possible effects of a bankruptcy of the City that could result in delays or reductions in payments on the Series 2022A Bonds or result in losses to the Owners. Regardless of any specific adverse determinations in a City bankruptcy proceeding, the fact of a City bankruptcy proceeding could have an adverse effect on the liquidity and value of the Series 2022A Bonds.

The opinion to be delivered by Bond Counsel concurrently with the execution and delivery of the Series 2022A Bonds will be subject to various limitations on remedies including those related to bankruptcy and the various other legal opinions to be delivered concurrently with the issuance of the Series 2022A Bonds will be similarly qualified. See APPENDIX D—FORM OF OPINION OF BOND COUNSEL. If the City fails to comply with its covenants under the Lease Agreement or fails to pay Base Rental Payments, there can be no assurance of the availability of remedies adequate to protect the interest of the Beneficial Owners of the Series 2022A Bonds.

Cash Management

The City has numerous internal or external means to manage its cash flow, including but not limited to interfund borrowing, intrafund borrowing and tax and revenue anticipation notes which may be employed to the extent the City Council is required to make budget adjustments to maintain a balanced budget. If the City does not take required actions and the budget remains out of balance, the cash requirements of the City may exceed available cash flow. The ability of the City to borrow on an interim basis to meet any cash shortfalls also may be limited if the budget remains out of balance for a sustained period. The City has the legal authority to issue "warrants" in place of cash to meet various types of expenditures or appropriations as an additional means to manage its cash flow. See "CITY FINANCIAL INFORMATION."

COVID-19 Pandemic

The COVID-19 Pandemic has affected travel, commerce, investment values, and financial markets globally, and is widely expected to continue to affect economic output worldwide and within the City, the County, and the State. While federal and state governments (including California) have enacted legislation and taken executive actions seeking to mitigate the negative public health and economic impacts of the Pandemic, no assurances can be given that these interventions will have the intended effects, or that these interventions will continue in the future.

The economic impacts on the City resulting from the COVID-19 Pandemic are discussed under "CITY FINANCIAL INFORMATION." The ultimate impact of the COVID-19 Pandemic on the City's operations and finances is unknown. The City has developed what it believes to be reasonable budgeted projections of the magnitude of these impacts on its revenues and on its expenditures, but the COVID-19 Pandemic is ongoing, and the City cannot predict how and when it will be resolved.

Additional information about the State's and the County's current status can be found at the State's website, www.covid19.ca.gov and at the County's website www.publichealth.lacounty.gov for up-to-date information regarding COVID-19 restrictions in place in the State and in the County. Reference to the State's and the County's website is included in this Official Statement for general information only and information on such website is not included in this Official Statement by reference to such website.

Concentration of Revenue Sources

The City relies on, among other things, a 0.75% voter-approved sales tax known as Measure H. Together with the City's portion of the State Sales Tax, the City's combined General Fund sales tax revenues have represented approximately 37% of the City's total General Fund revenues in recent years. An economic downturn or other reduction in commercial activity within the City resulting in lower sales tax collections could materially and adversely impact the City's revenues and its ability to make principal payments on the Series 2022A Bonds when due. For additional discussion of sales and use taxes and of

Measure H, see "CITY FINANCIAL INFORMATION –Primary Sources of General Fund Revenues and –Sales and Use Taxes."

Impact of Enterprise Operations on the City's General Fund

In prior years, City has made transfers from its General Fund to cover operating losses in the Golf Course Fund. The City cannot project whether the revenues in the Golf Course Fund will exceed expenditures for current and future years. If and to the extent such Golf Course Fund revenues do not exceed Golf Course Fund expenditures, additional transfers out from the City's General Fund may be required.

The City's General Fund faces risks of unbudgeted expenditures if it becomes obligated to make debt service payments with respect to the HGI Bonds or the H2S Bonds or with respect to the Topgolf bonds if they are issued. The City does not anticipate needing to make transfers from its General Fund to pay debt service on the HGI Bonds or the H2S Bonds but changing economic circumstances could make such transfers necessary in the future if the net revenues from the Hilton Garden Inn are insufficient to pay debt service on the HGI Bonds or the net revenues from the Home2Suites are insufficient to pay debt service on the H2S Bonds.

See "CITY FINANCIAL INFORMATION— Impact of Enterprise Operations on the City's General Fund."

Natural Disasters

General. From time to time, the City has been and could be subject to natural calamities, including, but not limited to, earthquake, flood or wildfire, that may adversely affect economic activity in the City, and which could have a negative impact on City finances. There can be no assurance that the occurrence of any natural calamity would not cause substantial damage to persons, property and structures in the City and could have a substantial negative effect on the City's General Fund.

Whitter Narrows Dam. The Army Corps of Engineers is beginning a $500-million repair project for the 62-year-old Whittier Narrows Dam (the "Dam"). The Dam, a 56-foot-tall earth dam, is located along the Rio Hondo and the San Gabriel Rivers and collects runoff from the uncontrolled drainage areas upstream along with releases into the San Gabriel River from the Santa Fe Dam. The reservoir portion of the Dam, with a capacity of 67,060 acre-feet, is surrounded by the cities of South El Monte (to the north), Industry (to the east), Pico Rivera (to the south), and Montebello (to the south).

The Army Corps of Engineers has determined that the Dam no longer meets federal tolerable-risk guidelines and could fail in the event of a very large, very rare storm, like storms which occurred in California between December 1861 and January 1862. If such a storm were to occur, water could flow over the crest of the Dam or seepage could erode the sandy soil underneath it. These types of failures could have catastrophic effects on several Southern California communities including the City. In response to these potential dangers, the Army Corps of Engineers has classified the Dam's repairs as the highest priority of any of the 13 "high risk" dams in the country. The construction of the repairs to the Dam started in 2021 and the repairs are expected to be completed in 2025.

An extreme storm that results in a flood could significantly damage property within the City. The City cannot predict when flood or extreme storm events will occur, when or whether the repairs described above will be completed, whether other mitigation measures will be implemented, or whether FEMA or

other funds will be available to the City in the event of a failure of the Dam. Significant flooding in the City because of the failure of the Dam could have materially adverse consequences for the City's finances and operations, including the ability to make the payments due on the Series 2022A Bonds.

Drought. The State is currently experiencing drought conditions. The Governor of the State has issued targeted emergency drought proclamations to nearly all counties across the State, including the County. The emergency drought proclamations allow for the set-aside of certain state regulatory requirements until the subsistence of drought conditions. The City and the County are presently experiencing drought conditions and are likely to continue to be affected by drought conditions in the future.

Earthquake Risk. Any natural disaster or other physical calamity, including earthquake, may have the effect of damaging property in the City. The seismic safety element of the City's General Plan lists ground shaking as the primary seismic risk to the City from a major earthquake along three faults located between 6 and 14 miles away from the City. A great earthquake along the San Andreas Fault, 33 miles from the City, would result in strong ground shaking. Risks of ground failure (such as liquefaction, landslides and rockfalls) are considered limited in the City. Ground displacement is not considered a significant risk because no active or potentially active faults are known to be present within the limits of the City.

Climate Change/Adaptation/Mitigation Generally. Projections of the impacts of global climate change on the City are complex and depend on many factors that are outside the City's control. The various scientific studies that forecast the amount and timing of adverse impacts of climate change are based on assumptions contained in such studies, but actual events may vary materially. Also, the understanding of climate change and its effects continues to evolve. Accordingly, the City is unable to forecast with certainty when and where the adverse impacts of climate change will occur or the extent of such impacts. While the impacts of climate change may be mitigated by the City's future investment in adaptation strategies, the City can give no assurance about the net effects of those strategies and whether the City will be required to take additional adaptive mitigation measures.

Endangered Species

During recent years, there has been an increase in activity at both the State and federal level related to the potential classification of certain plant and animal species found in California as endangered species. An increase in the number of endangered species is expected to curtail development in certain areas of the State. At present, the City is not known to be inhabited by any plant or animal species currently classified as threatened or endangered under either the State or federal endangered species acts or which either the California Fish and Game Commission or the United States Fish and Wildlife Service has proposed for addition to these respective threatened or endangered species lists. Notwithstanding this fact, new species are periodically proposed to be added to the State and federal protected lists on a regular basis.

Hazardous Substances

One of the most serious risks in terms of the potential reduction in the value or use of a parcel of property is a claim about a hazardous substance. In general, the owners, lessors and/or lessees of a parcel of real property may be required by law to remedy conditions of the parcel relating to releases or threatened releases of hazardous substances. The federal Comprehensive Environmental Response, Compensation and Liability Act of 1980, sometimes referred to as "CERCLA" or the "Superfund Act," is the most well-known and widely applicable of these laws, but California laws about hazardous substances are also stringent and similar in application. Under many of these laws, the owner (or operator) is obligated to remedy a hazardous substance condition of property whether the owner (or operator) has contributed to or caused

contamination with the hazardous substances. The effect, therefore, should property in the City be affected by a hazardous substance, is to reduce both marketability and the value of property by the costs of remedying the condition. While the City is not currently aware of any such condition, it is possible that such hazardous substance conditions do currently exist, and that the City has not been made aware of their existence.

Potential Impact of State Financial Condition on the City

During the 2008-09 recession, the State faced a structural deficit that resulted in substantial annual deficits and reductions in expenditures. Although the State has had a budget surplus in the more recent fiscal years, according to the State there remain several major risks and pressures that threaten the State's financial condition, including the threat of recession, potential changes to federal fiscal policies and unfunded long-term liabilities of more than $200 billion related to pensions and other post-retirement benefits. These risks and financial pressures could result in future reductions or deferrals in amounts payable to the City. The State's financial condition and budget policies affect local public agencies throughout California. To the extent that the State budget process results in reduced revenues to the City, the City will be required to adjust its budget. State budget policies can also impact conditions in the local economy and could have an adverse effect on the local economy and the City's major revenue sources.

No prediction can be made by the City as to whether the State will encounter budgetary problems in future fiscal years, and if it were to do so, it is not clear what measures would be taken by the State to balance its budget, as required by law. In addition, the City cannot predict the outcome of future State budget negotiations, the impact that such budgets will have on City finances and operations or what actions will be taken in the future by the Legislature and the Governor to deal with changing State revenues and expenditures. There can be no assurance that actions taken by the State to address its financial condition will not materially adversely affect the financial condition of the City. Current and future State budgets will be affected by national and State economic conditions and other factors over which the City has no control (see "STATE BUDGET INFORMATION"). The ability of the State to divert funds from the City has been limited by Proposition 1A and Proposition 22, which are discussed herein. See "CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES, REVENUES AND APPROPRIATIONS."

Pension Benefit Liability

Many factors influence the amount of the City's pension benefit liabilities, including, without limitation, inflationary factors, changes in statutory provisions of CalPERS retirement system laws, changes in the level of benefits provided or in the contribution rates of the City, increases or decreases in the number of covered employees, changes in actuarial assumptions or methods (including but not limited to the assumed rate of return), mortality rates, and differences between actual and anticipated investment experience of CalPERS. Any of these factors could give rise to additional liability of the City to its pension plans because of which the City would be obligated to make additional payments to its pension plans to fully fund the City's obligations to its pension plans.

The City has issued Pension Obligations Bonds in May 2020 secured by revenue from the City's Retirement Tax, a 1946 voter approved property tax override assessment. The City's General Fund is responsible for any amounts due on the City's Pension Obligation Bonds and any future liability to CalPERS not otherwise satisfied by the Retirement Tax. Additionally, any current and future retirement related expenses above and beyond the amount of available Retirement Tax will be borne directly by the City's General Fund. For additional discussion, see "OTHER FINANCIAL INFORMATION – Employee Retirement Plans."

Risks Related to Cyber Security

The City relies on computers and technology to conduct its operations. The City and its departments face cyber threats from time to time including, but not limited to, hacking, viruses, malware and other forms of technology attacks. The City owns and operates its own enterprise class data network serving the municipal city government and its operations. The City has retained information technology professionals to support, maintain and protect these operations locally in a purpose-built and physically secure environment. This network and its operations are governed by and in compliance with all applicable governmental regulations as well as the City's own administrative regulations. Within the City's operations and guidance is an active cyber-security program designed to protect from, and to quickly identify and mitigate, a multitude of complex security threats. While no network is completely immune from all possible compromise, the City exercises its due diligence in protecting the data it possesses and the systems it operates. To date, there have been no significant cyber-attacks on the City's computers and technologies.

While the City is routinely maintaining its technology systems and continuously implementing new information security controls, no assurances can be given that the City's security and operational control measures will be successful in guarding against all cyber threats and attacks. The results of any attack on the City's computer and technology could negatively impact the City's operations, and the costs related to such attacks could be substantial.

Secondary Market Risk

There can be no assurance that there will be a secondary market for purchase or sale of the Series 2022A Bonds, and from time to time there may be no market for them, depending upon prevailing market conditions, the financial condition or market position of firms who may make the secondary market and the financial condition of the City.

Changes in Law

There can be no assurance that the electorate of the State will not at some future time adopt additional initiatives or that the Legislature will not enact legislation that will amend the laws or the Constitution of the State resulting in a reduction of the General Fund revenues of the City and consequently, having an adverse effect on the security for the Series 2022A Bonds.

Risks Relating to the Municipal Bond Insurance Policy

In the event of default of the payment of principal and interest with respect to the Series 2022A Bonds when all or some becomes due, any owner of the Series 2022A Bonds shall have a claim under the Municipal Bond Insurance Policy for such payments. The Municipal Bond Insurance Policy does not insure against redemption premium, if any. The payment of principal and interest in connection with mandatory sinking fund or optional redemption of the Series 2022A Bonds by the City which is recovered by the City from the Owner as a voidable preference under applicable bankruptcy law is covered by the Municipal Bond Insurance Policy, however, such payments will be made by the Municipal Bond Insurer at such time and in such amounts as would have been due absence such prepayment by the City unless the Municipal Bond Insurer chooses to pay such amounts at an earlier date.

The Municipal Bond Insurer may direct and must consent to any remedies and the Municipal Bond Insurer's consent may be required in connection with amendments to any applicable legal documents.

In the event the Municipal Bond Insurer is unable to make payment of principal and interest as such payments become due under the Municipal Bond Insurance Policy, the Series 2022A Bonds are payable solely from the moneys received pursuant to the applicable legal documents. In the event the Municipal Bond Insurer becomes obligated to make payments with respect to the Series 2022A Bonds, no assurance is given that such event will not adversely affect the market price of the Series 2022A Bonds or the marketability (liquidity) for the Series 2022A Bonds.

The long-term ratings on the Series 2022A Bonds are dependent in part on the financial strength of the Municipal Bond Insurer and its claim paying ability. The financial strength and claims paying ability of the Municipal Bond Insurer are predicated upon several factors which could change over time. No assurance is given that the long-term ratings of the Municipal Bond Insurer and of the ratings on the Series 2022A Bonds will not be subject to downgrade and such event could adversely affect the market price of the Series 2022A Bonds or the marketability (liquidity) for the Series 2022A Bonds. See "RATINGS."

The obligations of the Municipal Bond Insurer are general obligations of the Municipal Bond Insurer and in an event of default by the Municipal Bond Insurer, the remedies available may be limited by applicable bankruptcy law or other similar laws related to insolvency.

Neither the City nor the Underwriter has made independent investigation into the claims paying ability of the Municipal Bond Insurer and no assurance or representation regarding the financial strength or projected financial strength of the Municipal Bond Insurer is given. Thus, when making an investment decision, potential investors should carefully consider the ability of the City to make the Lease Payments and the claims paying ability of the Municipal Bond Insurer, particularly over the life of the investment.

TAX MATTERS

In the opinion of Stradling Yocca Carlson & Rauth, a Professional Corporation, Newport Beach, California, Bond Counsel, under existing statutes, regulations, rulings and judicial decisions, and assuming the accuracy of certain representations and compliance with certain covenants and requirements described herein, interest (and original issue discount) on the Series 2022A Bonds is excluded from gross income for federal income tax purposes, and is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals; however, for tax years beginning after December 31, 2022, with respect to applicable corporations as defined in Section 59(k) of the Internal Revenue Code of 1986, as amended (the "Code"), interest (and original issue discount) with respect to the Series 2022A Bonds might be taken into account in determining adjusted financial statement income for the purposes of computing the alternative minimum tax imposed on such corporations. In the further opinion of Bond Counsel, interest (and original issue discount) on the Series 2022A Bonds is exempt from State of California personal income tax.

The difference between the issue price of a Series 2022A Bond (the first price at which a substantial amount of the Series 2022A Bonds of a maturity is to be sold to the public) and the stated redemption price at maturity with respect to the Series 2022A Bond constitutes original issue discount. Original issue discount accrues under a constant yield method, and original issue discount will accrue to the Beneficial Owner of the Series 2022A Bond before receipt of cash attributable to such excludable income. The amount of original issue discount deemed received by the Beneficial Owner of a Series 2022A Bond will increase the Beneficial Owner's basis in the applicable Series 2022A Bond. In the opinion of Bond Counsel, the

amount of original issue discount that accrues to the Beneficial Owner of a Series 2022A Bond is excluded from the gross income of such Beneficial Owner for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals. In the opinion of Bond Counsel, the amount of original issue discount that accrues to the Beneficial Owner of a Series 2022A Bond is exempt from State of California personal income tax.

Bond Counsel's opinion as to the exclusion from gross income for federal income tax purposes of interest (and original issue discount) on the Series 2022A Bonds is based upon certain representations of fact and certifications made by the Authority, the City and others and is subject to the condition that the Authority and the City comply with all requirements of the Code, that must be satisfied subsequent to the issuance of the Series 2022A Bonds to assure that interest (and original issue discount) on the Series 2022A Bonds will not become includable in gross income for federal income tax purposes. Failure to comply with such requirements of the Code might cause the interest (and original issue discount) on the Series 2022A Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Series 2022A Bonds. The Authority and the City will covenant to comply with all such requirements.

The amount by which a Beneficial Owner's original basis for determining loss on sale or exchange in the applicable Series 2022A Bond (generally, the purchase price) exceeds the amount payable on maturity (or on an earlier call date) constitutes amortizable bond premium, which must be amortized under Section 171 of the Code; such amortizable bond premium reduces the Beneficial Owner's basis in the applicable Series 2022A Bond (and the amount of tax-exempt interest received), and is not deductible for federal income tax purposes. The basis reduction as a result of the amortization of bond premium may result in a Beneficial Owner realizing a taxable gain when a Series 2022A Bond is sold by the Beneficial Owner for an amount equal to or less (under certain circumstances) than the original cost of the Series 2022A Bond to the Beneficial Owner. Purchasers of the Series 2022A Bonds should consult their own tax advisors as to the treatment, computation and collateral consequences of amortizable bond premium.

Bond Counsel's opinions may be affected by actions taken (or not taken) or events occurring (or not occurring) after the date hereof. Bond Counsel has not undertaken to determine, or to inform any person, whether any such actions or events are taken or do occur. The Indenture, the Lease Agreement and the Tax Certificate relating to the Series 2022A Bonds permit certain actions to be taken or to be omitted if a favorable opinion of a bond counsel is provided with respect thereto. Bond Counsel expresses no opinion as to the effect on the exclusion from gross income for federal income tax purposes of interest (or original issue discount) on any Series 2022A Bond if any such action is taken or omitted based upon the advice of counsel other than Bond Counsel.

Although Bond Counsel will render an opinion that interest (and original issue discount) on the Series 2022A Bonds is excluded from gross income for federal income tax purposes provided that the Authority and the City continue to comply with certain requirements of the Code, the ownership of the Series 2022A Bonds and the accrual or receipt of interest (and original issue discount) with respect to the Series 2022A Bonds may otherwise affect the tax liability of certain persons. Bond Counsel expresses no opinion regarding any such tax consequences. Accordingly, before purchasing any of the Series 2022A Bonds, all potential purchasers should consult their tax advisors with respect to collateral tax consequences relating to the Series 2022A Bonds.

The Internal Revenue Service (the "IRS") has initiated an expanded program for the auditing of tax-exempt bond issues, including both random and targeted audits. It is possible that the Series 2022A Bonds will be selected for audit by the IRS. It is also possible that the market value of the Series 2022A

Bonds might be affected as a result of such an audit of the Series 2022A Bonds (or by an audit of similar bonds). No assurance can be given that in the course of an audit, as a result of an audit, or otherwise, Congress or the IRS might not change the Code (or interpretation thereof) subsequent to the issuance of the Series 2022A Bonds to the extent that it adversely affects the exclusion from gross income of interest (and original issue discount) on the Series 2022A Bonds or their market value.

SUBSEQUENT TO THE ISSUANCE OF THE SERIES 2022A BONDS THERE MIGHT BE FEDERAL, STATE, OR LOCAL STATUTORY CHANGES (OR JUDICIAL OR REGULATORY CHANGES TO OR INTERPRETATIONS OF FEDERAL, STATE, OR LOCAL LAW) THAT AFFECT THE FEDERAL, STATE, OR LOCAL TAX TREATMENT OF THE SERIES 2022A BONDS INCLUDING THE IMPOSITION OF ADDITIONAL FEDERAL INCOME OR STATE TAXES BEING IMPOSED ON OWNERS OF TAX-EXEMPT STATE OR LOCAL OBLIGATIONS, SUCH AS THE SERIES 2022A BONDS. THESE CHANGES COULD ADVERSELY AFFECT THE MARKET VALUE OR LIQUIDITY OF THE SERIES 2022A BONDS. NO ASSURANCE CAN BE GIVEN THAT SUBSEQUENT TO THE ISSUANCE OF THE SERIES 2022A BONDS STATUTORY CHANGES WILL NOT BE INTRODUCED OR ENACTED OR JUDICIAL OR REGULATORY INTERPRETATIONS WILL NOT OCCUR HAVING THE EFFECTS DESCRIBED ABOVE. BEFORE PURCHASING ANY OF THE SERIES 2022A BONDS, ALL POTENTIAL PURCHASERS SHOULD CONSULT THEIR TAX ADVISORS REGARDING POSSIBLE STATUTORY CHANGES OR JUDICIAL OR REGULATORY CHANGES OR INTERPRETATIONS, AND THEIR COLLATERAL TAX CONSEQUENCES RELATING TO THE SERIES 2022A BONDS.

The form of Bond Counsel's proposed opinion with respect to the Series 2022A Bonds is attached hereto in APPENDIX D—PROPOSED FORM OF BOND COUNSEL OPINION.

CERTAIN LEGAL MATTERS

The validity of the Series 2022A Bonds and certain other legal matters are subject to the approving opinion of Stradling Yocca Carlson & Rauth, a Professional Corporation, Bond Counsel. A complete copy of the proposed form of Bond Counsel opinion is contained in APPENDIX D—PROPOSED FORM OF BOND COUNSEL OPINION. Bond Counsel undertakes no responsibility for the accuracy, completeness or fairness of this Official Statement. Bond Counsel and Disclosure Counsel will receive compensation from the City contingent upon the sale and delivery of the Series 2022A Bonds. From time to time, Bond Counsel represents the Underwriter on matters unrelated to the Series 2022A Bonds. Quint & Thimmig LLP is acting as Disclosure Counsel for the City. Certain legal matters will be passed upon for the Underwriter by Nixon Peabody LLP, Los Angeles, California, for the Trustee by its counsel and for the Municipal Bond Insurer by its counsel. Counsel to the Underwriter will receive compensation contingent upon the issuance of the Series 2022A Bonds.

ABSENCE OF LITIGATION

To the best knowledge of the City and the Authority, there is no action, suit or proceeding pending or threatened either restraining or enjoining the execution or delivery of the Series 2022A Bonds, the Lease Agreement, the Site and Facility Lease or the Indenture, or in any way contesting or affecting the validity of the foregoing or any proceedings of the Authority or the City taken with respect to any of the foregoing.

UNDERWRITING

The Series 2022A Bonds are being purchased by Cabrera Capital Markets, LLC (the "Underwriter"). The Underwriter will purchase the Series 2022A Bonds from the Authority at an aggregate purchase price of $_____ (representing the principal amount of the Series 2022A Bonds, plus an original issue premium of $_____ and less an Underwriter's discount of $_____). The purchase agreement relating to the Series 2022A Bonds provides that the Underwriter will purchase all of the Series 2022A Bonds if any are purchased. The obligation to make such purchase is subject to certain terms and conditions set forth in such purchase agreement, the approval of certain legal matters by counsel and certain other conditions.

The initial offering prices that are stated on the inside front cover page of this Official Statement may be changed from time to time by the Underwriter. The Underwriter may offer and sell the Series 2022A Bonds to certain dealers (including dealers depositing Series 2022A Bonds into investment trusts), dealer banks, banks acting as agent and others at prices lower than said public offering prices.

RATINGS

S&P is expected to assign a rating of "AA" to the Series 2022A Bonds based upon the delivery of the Municipal Bond Insurance Policy by the Municipal Bond Insurer at the time of issuance of the Series 2022A Bonds. S&P has assigned the Series 2022A Bonds the rating of "A" without regard to the delivery of the Municipal Bond Insurance Policy. Such ratings reflect only the views of S&P and any desired explanation of the significance of such ratings should be obtained from S&P. Generally, a rating agency bases its ratings on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance such ratings will continue for any given period of time or that such rating will not be revised downward or withdrawn entirely by the rating agency, if in the judgment of such rating agency, circumstances so warrant. Any such downward revision or withdrawal of the rating may have an adverse effect on the market price of the Series 2022A Bonds. None of the Authority, the City or the Underwriter has undertaken any responsibility to bring to the attention of the owners of the Series 2022A Bonds a proposed change in or withdrawal of the ratings or to oppose any such proposed revision or withdrawal.

MUNICIPAL ADVISOR

Urban Futures, Inc., Tustin, California (the "Municipal Advisor"), served as municipal advisor to the Authority and the City with respect to the sale of the Series 2022A Bonds. The Municipal Advisor will receive compensation contingent upon the sale and delivery of the Series 2022A Bonds. The Municipal Advisor is not obligated to undertake, and has not undertaken to make, an independent verification or to assume any responsibility for the accuracy, completeness or fairness of the information contained in this Official Statement.

The Municipal Advisor is an independent advisory firm and is not engaged in the business of underwriting, trading or distributing municipal or other public securities.

CONTINUING DISCLOSURE

The City has covenanted for the benefit of the Owners of the Series 2022A Bonds to provide annually certain financial information and operating data relating to the Series 2022A Bonds and the City (the "Annual Report"), and to provide notices of the occurrence of certain enumerated events. For a complete listing of items of information which will be provided in each Annual Report and further description of the City's undertaking with respect to the Annual Report and certain enumerated events, see APPENDIX E—FORM OF CONTINUING DISCLOSURE CERTIFICATE. The Annual Report is to be provided by the City not later than nine months following the end of the City's fiscal year (which presently ends on June 30), commencing with the report for the fiscal year ending June 30, 2022 and due March 31, 2023. The Annual Report will be filed by the City with the Municipal Securities Rulemaking Board. These covenants have been made in order to assist the Underwriter in complying with SEC Rule 15c2-12(b)(5).

Within the last five years, there have been certain failures regarding filings relating to the City's Successor Agency:

With respect to the Successor Agency to the Community Redevelopment Agency of the City of Montebello Subordinate Tax Allocation Refunding Bonds, Series 2015A, (1) a table showing total tax revenues was omitted for 2016 to 2021 fiscal years, (2) a table showing subordinate pledged tax revenues was filed late as follows: (a) 2018 fiscal year, filed 1,031 days late and four CUSIP numbers were not tagged to the filing, (b) 2017 fiscal year, filed 666 days late and four CUSIP numbers were not tagged to the filing, and (c) 2016 fiscal year, filed 301 days late and four CUSIP numbers were not tagged to the filing.

With respect to the Successor Agency to the Community Redevelopment Agency of the City of Montebello Subordinate Tax Allocation Refunding Bonds, Series 2015B, tables showing total tax revenues and subordinate pledged tax revenues were omitted for 2016 to 2018 fiscal years.

With respect to the Community Redevelopment Agency of the City of Montebello 2002 Housing Tax Allocation Parity Bonds, for fiscal years 2016 to 2021, all-in debt service coverage provided in the annual reports was sufficient, but the all-in debt service coverage calculations used in annual reports were incorrect.

With respect to the Community Redevelopment Agency of the City of Montebello Taxable Housing Tax Allocation Bonds, 1997 Series B, for fiscal years 2016 to 2018, all-in debt service coverage provided in the annual reports was sufficient, but the all-in debt service coverage calculations used in annual reports were incorrect.

All required corrective filings have been made.

Otherwise, within the last five years, the City has not failed to comply with continuing disclosure obligations related to any of the Authority's , the City's or the Successor Agency's outstanding obligations pursuant to SEC Rule 15c2-12(b)(5).

FINANCIAL STATEMENTS OF THE CITY

Included as APPENDIX C—ANNUAL COMPREHENSIVE FINANCIAL REPORT OF THE CITY FOR THE FISCAL YEAR ENDED JUNE 30, 2021, are the City's audited financial statements for the Fiscal Year ended June 30, 2021, together with the report thereon dated January 26, 2022, of the

Auditor. The Auditor has not undertaken to update the audited financial statements of the City or its report or to take any action intended or likely to elicit information concerning the accuracy, completeness or fairness of the statements made in this Official Statement, and no opinion is expressed by the Auditor with respect to any event after its report dated January 26, 2022.

MISCELLANEOUS

References are made herein to certain documents and reports which are brief summaries thereof which do not purport to be complete or definitive and reference is made to such documents and reports for full and complete statements of the contents thereof. Copies of the Indenture, the Lease Agreement, the Site and Facility Lease and other documents are available, upon request, and upon payment to the City of a charge for copying, mailing and handling, from the City Clerk at the City of Montebello, 1600 West Beverly Boulevard, Montebello, California 90640.

Any statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement between the Authority or the City and the purchasers or Owners of any of the Series 2022A Bonds.

The execution and delivery of this Official Statement have been duly authorized by the Authority and the City.

MONTEBELLO PUBLIC FINANCING AUTHORITY

By _____
Executive Director

CITY OF MONTEBELLO

By _____
City Manager

APPENDIX A

GENERAL, ECONOMIC AND DEMOGRAPHIC INFORMATION RELATING TO THE CITY AND THE COUNTY

The following information concerning the City of Montebello and Los Angeles County is included only for the purpose of supplying general information regarding the City and the County. The Series 2022A Bonds are not a debt of the County, the State or any of its political subdivisions, and none of the County, the State nor any of their political subdivisions, except for the City, are liable therefor.

Although reasonable efforts have been made to include up-to-date information in this Appendix A, some of the information is not current due to delays in reporting of information by various sources. It should not be assumed that the trends indicated by the following data would continue beyond the specific periods reflected herein.

Introduction

The City of Montebello (the "City") is situated in eastern Los Angeles County, California (the "County"). The City encompasses 8.2 square miles and is located 9 miles east of downtown Los Angeles. The City has access to three freeways: the San Gabriel River Freeway (State Highway 605) to the east, the Santa Ana Freeway (Interstate 5) to the south and the Pomona Freeway (State Highway 60) to the north. The City is a balanced community with light industry, residential areas, and commercial centers. It is bordered to the north by the cities of Los Angeles Park and Rosemead, to the east by the City of Pico Rivera, and to the west by the City of Commerce. Other surrounding cities include the cities of Bell Gardens, Whittier, South El Monte and Los Angeles.

The City was incorporated as a general law city in 1920. The City operates under the Council-Manager member form of government. The five City Council members, including the Mayor, are elected to four-year terms on alternate slates every two years. The Mayor and the Mayor Pro Tem are selected by the City Council to serve two-year terms. The City Council appoints a City Manager. The population of the City was estimated to be 64,247 as of January 1, 2019.

The County is in the Southern region of the State of California (the "State"). The County boarders 70 miles of coast on the Pacific Ocean and encompasses mountain ranges, valleys, forests, islands, lakes, rivers and desert. It is one of California's original 27 counties and was established on February 18, 1850. It is one of the nation's largest counties with 4,084 square miles and has the largest population of any county in the nation - nearly 10 million residents who account more than one quarter of California's population. As a subdivision of the state, the County is charged with providing numerous services that affect the lives of all residents, including law enforcement, tax collection, public health protection, public social services, elections and flood control.

The County is home to 88 incorporated cities and many unincorporated areas. In between the large desert portions of the County — which make up around 40% of its land area — and the heavily urbanized central and southern portions, sit the San Gabriel Mountains, containing the Angeles National Forest. The County is a charter county governed by a five-member elected Board of Supervisors. Each member serves alternating four-year terms and is elected by residents from their respective supervisorial districts to serve four-year terms. The other elected officials of the County are the Assessor, District Attorney and Sheriff.

The County is the third-largest metropolitan economy in the world, with a Nominal GDP of over $700 billion—larger than the GDPs of Belgium, Norway, and Taiwan. The County serves as the central trade district for the western United States and the gateway to the Asian economies. The County is one of the most ethnically diverse counties in the U.S. The county seat, the City of Los Angeles, is also California's most populous city and the nation's second largest city with about 4 million people.

Population

The table below summarizes population of the City, the County, and the State for the last five years.

CITY OF MONTEBELLO, LOS ANGELES COUNTY, and CALIFORNIA
Population

Year	City of Montebello	Los Angeles County	State of California
2018	63,837	10,192,593	39,519,535
2019	63,558	10,163,139	39,605,361
2020	63,264	10,135,614	39,648,938
2021	62,180	9,931,338	39,303,157
2022	61,622	9,861,224	39,185,605

Source: California Department of Finance, E-4 Population Estimate for Cities, Counties, and the State, 2010-22, with 2010 Census Benchmark.

Employment

The following table summarizes historical employment and unemployment for the County, the State, and the United States:

LOS ANGELES COUNTY, CALIFORNIA, and UNITED STATES
Civilian Labor Force, Employment, and Unemployment
(Annual Averages)

Year	Area	Labor Force	Employment	Unemployment	Unemployment Rate [1]
2017	Los Angeles County	5,123,900	4,883,600	240,300	4.7%
	California	19,312,000	18,393,100	918,900	4.8
	United States	160,320,000	153,337,000	6,982,000	4.4
2018	Los Angeles County	5,136,300	4,896,500	239,800	4.7
	California	19,398,200	18,582,800	815,400	4.2
	United States	162,075,000	155,761,000	6,314,000	3.9
2019	Los Angeles County	5,121,600	4,894,300	227,300	4.4
	California	19,411,600	18,627,400	784,200	4.0
	United States	163,539,000	157,538,000	6,001,000	3.7
2020	Los Angeles County	4,921,500	9,291,700	629,800	12.8
	California	18,821,200	16,913,100	1,908,100	10.1
	United States	160,742,000	147,795,000	12,947,000	8.1
2021[2]	Los Angeles County	4,994,100	4,548,900	445,200	8.9
	California	18,923,200	17,541,900	1,381,200	7.3
	United States	161,204,000	152,581,000	8,623,000	5.3

Source: California Employment Development Department, Monthly Labor Force Data for Counties, Annual Average 2010-21, and US Department of Labor.

(1) The unemployment rate is computed from unrounded data; therefore, it may differ from rates computed from rounded figures available in this table.

(2) Latest available full-year data.

Major Employers in the City and Industries in the County

The following table lists the top 10 employers within the City for the 2021 calendar year.

CITY OF MONTEBELLO
Top 10 Employers
For the 2021 Calendar Year[1]

Employer	Employees	% of Total
Montebello Unified School District	1,264	4.51%
Beverly Hospital	945	3.38
City of Montebello	431	1.54
JCPenny	215	.77
Bimbo Bakery	315	1.13
Macy's	308	1.10
Rio Hondo Convalescent Hospital	202	.72
Monarch Litho Inc.	170	.61
Wilbur Curtis CO	160	.57
Kaiser Permanente Montebello	124	.44
Total Top 10	4,134	14.76

Source: City of Montebello 2020-21 Annual Comprehensive Financial Report.
(1) Latest available full-year data.

The table below sets forth the principal industries in the County in 2021.

LOS ANGELES COUNTY
2021 PRINCIPAL INDUSTRIES

Industry	# of Employees	% of Total
Educational & Health Services	839,300	19.91%
Trade, Transportation and Utilities	804,600	19.09
Professional & Business Services	598,800	14.21
Government	g558,700	13.26
Leisure & Hospitality	438,300	10.40
Manufacturing	306,900	7.28
Financial Activities	209,300	4.97
Information	177,000	4.20
Construction	148,100	3.51
Other Services	127,100	3.02
Ten Largest Industries	4,208,100	99.85
All Other Industries	6,400	.15
Total	4,214,500	100.00

Source: Los Angeles County 2020-21 ACFR.

Construction Activity

The following table reflects the five-year history of building permit valuation for the City and the County:

CITY OF MONTEBELLO
Building Permits and Valuation
(Dollars in Thousands)

	2017	2018	2019	2020	2021[2]
Permit Valuation:					
New Single-family	$ 35	$ 251	$ 5,023	$ 1,020	$ 1,977
New Multi-family	5,044	5,956	3,400	420	340
Res. Alterations/Additions	3,738	4,952	5,758	1,810	1,046
Total Residential	9,682	11,159	14,182	3,250	3,364
Total Nonresidential	9,350	9,558	50,750	3,0899	3,185
Total All Building	19,033	20,718	64,932	6,340	6,550
New Dwelling Units:					
Single Family	1	3	33	6	28
Multiple Family	35	72	15	2	6
Total	36	75	48	8	34

LOS ANGELES COUNTY
Building Permits and Valuation
(Dollars in Thousands)

	2017	2018	2019	2020	2021[2]
Permit Valuation:					
New Single-family	$ 2,352,614	$ 2,277,101	$ 1,967,219	$ 1,874,304	$ 2,085,629
New Multi-family	3,257,833	3,222,530	2,961,257	2,789,673	3,026,725
Res. Alterations/Additions	1,757,904	1,941,369	1,625,839	1,014,422	908,148
Total Residential	7,368,352	7,441,001	6,554,315	5,678,400	6,020,503
Total Nonresidential	6,037,502	6,694,097	6,589,601	3,513,049	1,863,348
Total All Building	13,405,855	14,135,098	13,143,917	9,191,449	7,883,851
New Dwelling Units:					
Single Family	5,456	6,070	5,738	6,198	7,327
Multiple Family	17,023	17,152	15,884	14,056	16,718
Total	22,479	23,222	21,626	20,254	23,045

Source: Construction Industry Research Board: "Building Permit Summary."
Note: Columns may not sum to totals due to independent rounding.
(1) Latest available full year data.

Household Effective Buying Income

"Effective Buying Income" is defined as personal income less personal tax and nontax payments, a number often referred to as "disposable" or "after-tax" income. Personal income is the aggregate of wages and salaries, other labor-related income (such as employer contributions to private pension funds), proprietor's income, rental income (which includes imputed rental income of owner-occupants of non-farm dwellings), dividends paid by corporations, interest income from all sources, and transfer payments (such as pensions and welfare assistance). Deducted from this total are personal taxes (federal, State and local), nontax payments (fines, fees, penalties, etc.) and personal

contributions to social insurance. According to U.S. government definitions, the resultant figure is commonly known as "disposable personal income."

The following table summarizes the median household effective buying income for the City, the County, the State and the nation for the past five years.

CITY OF MONTEBELLO, LOS ANGELES COUNTY,
STATE OF CALIFORNIA AND UNITED STATES
Median Household Effective Buying Income

	2017	2018	2019	2020	2021
City of Montebello	$ 44,962	$ 46,113	$ 48,508	$ 52,012	$ 61,201
Los Angeles County	54,720	56,831	60,174	62,353	71,404
California	59,646	62,637	65,870	67,956	77,058
United States	50,735	52,841	55,303	56,790	64,448

Source: Nielsen, Inc.

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APPENDIX B

SUMMARY OF THE PRINCIPAL LEGAL DOCUMENTS

The following is a brief summary of the provisions of the Indenture, the Site and Facility Lease, the Lease Agreement and the Assignment Agreement. This summary is not intended to be definitive, and Owners of the Series 2022A Bonds should refer to the documents for the complete text thereof. Copies of the documents summarized herein are available from the City.

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APPENDIX C

ANNUAL COMPREHENSIVE FINANCIAL REPORT OF THE CITY FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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APPENDIX D

PROPOSED FORM OF BOND COUNSEL OPINION

[Closing Date]

Montebello Public Financing Authority
Montebello, California

Re: $_____* Montebello Public Financing Authority Lease Revenue Bonds, Series 2022A

Ladies and Gentlemen:

We have acted as bond counsel to the Montebello Public Financing Authority (the "Authority") in connection with the issuance by the Authority of $_____* Montebello Public Financing Authority Lease Revenue Bonds, Series 2022A (the "Bonds"), pursuant to the provisions of Article 4 (commencing with Section 6584) of Chapter 5 of Division 7 of Title 1 of the California Government Code (the "Bond Law"), and pursuant to an Indenture, dated as of September 1, 2014, as supplemented, as further supplemented by a Third Supplemental Indenture, dated as of October 1, 2022 (collectively, the "Indenture"), by and among the Authority, the City of Montebello (the "City") and The Bank of New York Mellon Trust Company, N.A., as Trustee. The Bonds will be principally secured by lease payments to be made by the City pursuant to a Lease Agreement, dated as of September 1, 2014, as amended, as further amended by a Third Amendment to Lease Agreement, dated as of October 1, 2022 (collectively, the "Lease"), by and between the Authority and the City. We have examined the law and such certified proceedings and other documents, agreements, opinions and matters as we deem necessary to render this opinion. This opinion is based on current statutory and constitutional law and published court decisions as of the date hereof. Capitalized terms used herein and not otherwise defined shall have the meaning ascribed thereto in the Indenture.

As to questions of fact material to our opinion, we have relied upon representations of the Authority contained in the Indenture and in the certified proceedings and certifications of public officials and others furnished to us, without undertaking to verify the same by independent investigation.

We have assumed the genuineness of all documents and signatures presented to us, the authenticity of documents submitted as originals and the conformity to originals of documents submitted as copies. We have not undertaken to verify independently, and have assumed, the accuracy of the factual matters represented, warranted or certified in the documents, and of the legal conclusions contained in the opinions referred to in the preceding paragraphs of this opinion. Furthermore, we have assumed compliance with all covenants and agreements contained in the Indenture, the Lease and the Site and Facility Lease. We call attention to the fact that the rights and obligations under the Bonds, the Indenture, the Lease, the Site and Facility Lease, the Assignment Agreement and the Tax Certificate may be limited by bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium and other laws relating to or affecting creditors' rights, by the application of equitable principles and the exercise of judicial discretion in appropriate cases and by the limitations on legal remedies against cities and public agencies in the State of California.

Based upon the foregoing we are of the opinion, under existing law, as follows:

1. The Authority is a joint exercise of powers authority duly organized and validly existing under the laws of the State of California with the full power to enter into the Indenture and the Lease, to perform the agreements on its part contained therein and to issue the Bonds.

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* Preliminary, subject to change.

2. The Indenture and the Lease have each been duly authorized, executed and delivered by the Authority and the Indenture and the Lease constitute the valid and binding obligations of the Authority enforceable against the Authority in accordance with their respective terms. The Indenture creates a valid pledge of the Base Rental Payments and other moneys pledged under the Indenture, subject to the provisions of the Indenture.

3. The Indenture and the Lease have each been duly authorized, executed and delivered by the City and the Indenture and the Lease constitute the valid and binding obligations of the City enforceable against the City in accordance with their respective terms.

4. The Bonds have been duly and validly authorized by the Authority and are legal, valid and binding limited obligations of the Authority, enforceable in accordance with their terms and the terms of the Indenture. The Bonds are limited obligations of the Authority payable solely from the Base Rental Payments and other moneys pledged under the Indenture as provided in the Indenture, but are not a debt of the City, the State of California or any other political subdivision thereof within the meaning of any constitutional or statutory limitation, and, neither the faith and credit nor the taxing power of the City, the State of California, or any of its political subdivisions is pledged for the payment thereof. The Authority has no taxing power.

5. Under existing statutes, regulations, rulings and judicial decisions, interest (and original issue discount) on the Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals; however, for tax years beginning after December 31, 2022, with respect to applicable corporations as defined in Section 59(k) of the Internal Revenue Code of 1986, as amended (the "Code"), interest (and original issue discount) with respect to the Bonds might be taken into account in determining adjusted financial statement income for the purposes of computing the alternative minimum tax imposed on such corporations.

6. Interest (and original issue discount) on the Bonds is exempt from personal income taxes imposed in the State of California.

7. The difference between the issue price of a Bond (the first price at which a substantial amount of the Bonds of a maturity is to be sold to the public) and the stated redemption price at maturity with respect to such Bond constitutes original issue discount. Original issue discount accrues under a constant yield method, and original issue discount will accrue to a Bond Owner before receipt of cash attributable to such excludable income. The amount of original issue discount deemed received by a Bond Owner will increase the Bond Owner's basis in the applicable Bond. Original issue discount that accrues to the Bond Owner is excluded from the gross income of such owner for federal income tax purposes, is not an item of tax preference for purposes of calculating the federal alternative minimum tax imposed on individuals (as described in paragraph 5 above) and is exempt from State of California personal income tax.

8. The amount by which a Bond Owner's original basis for determining loss on sale or exchange in the applicable Bond (generally the purchase price) exceeds the amount payable on maturity (or on an earlier call date) constitutes amortizable Bond premium which must be amortized under Section 171 of the Code; such amortizable Bond premium reduces the Bond Owner's basis in the applicable Bond (and the amount of tax-exempt interest received), and is not deductible for federal income tax purposes. The basis reduction as a result of the amortization of Bond premium may result in a Bond Owner realizing a taxable gain when a Bond is sold by the Owner for an amount equal to or less (under certain circumstances) than the original cost of the Bond to the Owner.

The opinions expressed in paragraphs (5) and (7) above as to the exclusion from gross income for federal income tax purposes of interest (and original issue discount) on the Bonds are subject to the condition that the Authority and the City comply with all requirements of the Code, that must be satisfied subsequent to the issuance of the Bonds to assure that such interest (and original issue discount) will not become includable in gross income for federal income tax purposes. Failure to comply with such requirements of the Code might cause interest (and original issue discount) on the Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds. The Authority and the City have covenanted to comply with all such requirements. Except as

set forth in paragraphs (5), (6), (7) and (8) above, we express no opinion as to any tax consequences related to the Bonds.

Certain requirements and procedures contained or referred to in the Indenture, the Lease and Tax Certificate may be changed, and certain actions may be taken, under the circumstances and subject to the terms and conditions set forth in the Indenture, the Lease and Tax Certificate, upon the advice or with the approving opinion of counsel nationally recognized in the area of tax-exempt obligations. We express no opinion as to the effect on the exclusion of interest on the Bonds from gross income for federal income tax purposes on and after the date on which any such change occurs or action is taken upon the advice or approval of counsel other than Stradling Yocca Carlson & Rauth, a Professional Corporation.

Our opinion is limited to matters governed by the laws of the State of California and federal law. We assume no responsibility with respect to the applicability or the effect of the laws of any other jurisdiction.

The opinions expressed herein are based upon an analysis of existing statutes, regulations, rulings and judicial decisions and cover certain matters not directly addressed by such authorities. We call attention to the fact that the foregoing opinions may be affected by actions taken (or not taken) or events occurring (or not occurring) after the date hereof. We have not undertaken to determine, or to inform any person, whether such actions or events are taken (or not taken) or do occur (or do not occur). Our engagement with respect to the Bonds terminates upon their issuance, and we disclaim any obligation to update the matters set forth herein.

We express no opinion herein with respect to any indemnification, contribution, choice of law, choice of forum, penalty or waiver provisions contained in the Bonds, the Indenture, the Lease, the Site and Facility Lease or the Assignment Agreement; nor do we express any opinion with respect to the state or quality of title to any of the real or personal property described in the Indenture, the Lease or the Site and Facility Lease, or the accuracy or sufficiency of the description of any such property contained therein, or the remedies available to enforce liens on, any such property contained therein.

We express no opinion herein as to the accuracy, completeness or sufficiency of the Official Statement or other offering material relating to the Bonds, nor do we express any opinion with respect to the state or quality of title to any of the real or personal property. We expressly disclaim any duty to advise the Owners of the Bonds with respect to the matters contained in the Official Statement and any other offering material relating to the Bonds.

Respectfully submitted,

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APPENDIX E

FORM OF CONTINUING DISCLOSURE CERTIFICATE

This CONTINUING DISCLOSURE CERTIFICATE (the "Disclosure Certificate") is executed and delivered by the CITY OF MONTEBELLO, CALIFORNIA (the "City") in connection with the execution and delivery by the Montebello Public Financing Authority (the "Authority") of its $_____* Montebello Public Financing Authority Lease Revenue Bonds, Series 2022A (the "Series 2022A Bonds"). The Series 2022A Bonds are being executed and delivered pursuant to an Indenture, dated as of September 1, 2014, as supplemented, as further supplemented by a Third Supplemental Indenture, dated as of October 1, 2022, by and among the Authority, the City of Montebello (the "City") and The Bank of New York Mellon Trust Company, N.A., as trustee (collectively, the "Indenture"). The Series 2022A Bonds are payable from the base rental payments to be made by the City under the Lease Agreement, dated as of September 1, 2014, as amended, as further amended by a Third Amendment to Lease Agreement, dated as of October 1, 2022 (collectively, the "Lease Agreement"), between the Authority, as lessor, and the City, as lessee. This Disclosure Certificate is being entered into by the City for the benefit of the Owners and Beneficial Owners of the Series 2022A Bonds and in order to assist the Underwriter in complying with the Rule (defined below).

Section 1. Definitions. In addition to the definitions set forth above and in the Indenture which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section 1, the following capitalized terms shall have the following meanings:

"*Annual Report*" means any Annual Report provided by the City pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"*Annual Report Date*" means the date that is nine months after the end of the City's fiscal year (currently March 31 based on the City's fiscal year end of June 30).

"*Dissemination Agent*" shall mean, initially, Urban Futures, Inc., or any successor Dissemination Agent designed in writing by the City and which has been filed with the then current Dissemination Agent a written acceptance of such designation.

"*Fiscal Year*" means any twelve-month period beginning on July 1 in any year and extending to the next succeeding June 30, both dates inclusive, or any other twelve-month period selected and designated by the City as its official fiscal year period under a certificate of the City filed with the Trustee.

"*MSRB*" means the Municipal Securities Rulemaking Board, which has been designated by the Securities and Exchange Commission as the sole repository of disclosure information for purposes of the Rule, or any other repository of disclosure information that may be designated by the Securities and Exchange Commission as such for purposes of the Rule in the future.

"*Official Statement*" means the final official statement executed by the City in connection with the issuance of the Series 2022A Bonds.

"*Participating Underwriter*" means Cabrera Capital, Inc., the original underwriter of the Series 2022A Bonds.

"*Rule*" means Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as it may be amended from time to time.

"*Significant Events*" means any of the events listed in Section 5(a) of this Disclosure Certificate.

* Preliminary, subject to change.

Section 2. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the City for the benefit of the holders and beneficial owners of the Series 2022A Bonds and in order to assist the Participating Underwriter in complying with S.E.C. Rule 15c2– 12(b)(5).

Section 3. Provision of Annual Reports.

(a) The City shall, or shall cause the Dissemination Agent to, not later than the Annual Report Date, commencing March 31, 2023, with the report for fiscal year 2021-22 provide to the MSRB, in an electronic format as prescribed by the MSRB, an Annual Report that is consistent with the requirements of Section 4 of this Disclosure Certificate. Not later than 15 Business Days prior to the Annual Report Date, the City shall provide the Annual Report to the Dissemination Agent (if other than the City). If by 15 Business Days prior to the Annual Report Date the Dissemination Agent (if other than the City) has not received a copy of the Annual Report, the Dissemination Agent shall contact the City to determine if the City is in compliance with the previous sentence. The Annual Report may be submitted as a single document or as separate documents comprising a package and may include by reference other information as provided in Section 4 of this Disclosure Certificate; provided that the audited financial statements of the City may be submitted separately from the balance of the Annual Report, and later than the Annual Report Date, if not available by that date. If the City's fiscal year changes, it shall give notice of such change in the same manner as for a Significant Event under Section 5(b). The City shall provide a written certification with each Annual Report furnished to the Dissemination Agent to the effect that such Annual Report constitutes the Annual Report required to be furnished by the City hereunder.

(b) If the City does not provide (or cause the Dissemination Agent to provide) an Annual Report by the Annual Report Date, the City in a timely manner shall provide (or cause the Dissemination Agent to provide) to the MSRB, in an electronic format as prescribed by the MSRB, a notice in substantially the form attached as Exhibit A.

(c) With respect to each Annual Report, the Dissemination Agent shall:

(i) determine each year prior to the Annual Report Date the then–applicable rules and electronic format prescribed by the MSRB for the filing of annual continuing disclosure reports; and

(ii) if the Dissemination Agent is other than the City, file a report with the City certifying that the Annual Report has been provided pursuant to this Disclosure Certificate, and stating the date it was provided.

Section 4. Content of Annual Reports. The City's Annual Report shall contain or incorporate by reference the following:

(a) The City's audited financial statements prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If the City's audited financial statements are not available by the Annual Report Date, the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

(b) Unless otherwise provided in the audited financial statements filed on or prior to the annual filing deadline for Annual Reports provided for in Section 3 above, financial information and operating data with respect to the City for preceding fiscal year, as follows:

(i) Table 1—General Fund Balance Sheet;
(ii)Table 2A—Historical General Fund Revenues, Expenditures and Changes in Fund Balances;
(iii) Table 4— Primary Sources of General Fund Revenues;
(iv) Table 5—Assessed Valuations;
(v) Table 6— Assessed Valuation and Parcels By Land Use;
(vi) Table 7— Largest Local Secured Property Taxpayers;
(vii) Table 8— Secured Tax Charge and Delinquency; and
(viii) Amounts, if any, paid by the City from its General Fund with respect to the HGI Bonds, the H2S Bonds and, if and when issued, the Topgolf bonds.

(c) In addition to any of the information expressly required to be provided under this Disclosure Certificate, the City shall provide such further material information, if any, as may be necessary to make the specifically required statements, in the light of the circumstances under which they are made, not misleading.

(d) Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the City or related public entities, which are available to the public on the MSRB's Internet web site or filed with the Securities and Exchange Commission. The City shall clearly identify each such other document so included by reference.

Section 5. Reporting of Significant Events.

(a) The City shall give, or cause to be given, notice of the occurrence of any of the following Significant Events with respect to the Series 2022A Bonds:

(i) Principal and interest payment delinquencies;

(ii) Non–payment related defaults, if material;

(iii) Unscheduled draws on debt service reserves reflecting financial difficulties;

(iv) Unscheduled draws on credit enhancements reflecting financial difficulties;

(v) Substitution of credit or liquidity providers, or their failure to perform;

(vi) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701–TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security;

(vii) Modifications to rights of security holders, if material;

(viii) Bond calls, if material, and tender offers;

(ix) Defeasances;

(x) Release, substitution, or sale of property securing repayment of the securities, if material;

(xi) Rating changes;

(xii) Bankruptcy, insolvency, receivership or similar event of the City or other obligated person;

(xiii) The consummation of a merger, consolidation, or acquisition involving the City or an obligated person, or the sale of all or substantially all of the assets of the City or an obligated person (other than in the ordinary course of business), the entry into a definitive agreement to undertake such an action, or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

(xiv) Appointment of a successor or additional trustee or the change of name of a trustee, if material;

(xv) The incurrence of a financial obligation of the City or other obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the City or other obligated person, any of which affect security holders, if material; and

(xvi) A default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the City or other obligated person, any of which reflect financial difficulties.

(b) The City shall or shall cause the Dissemination Agent (if not the City) to, file a notice of such occurrence with the MSRB, in an electronic format as prescribed by the MSRB, in a timely manner not in excess of 10 business days after the occurrence of the Significant Event. Notwithstanding the foregoing, notice of Significant Events described in subsection (a)(viii) above need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to holders of affected Series 2022A Bonds under the Indenture.

(c) The City acknowledges that the events described in subparagraphs (a)(ii), (a)(vii), (a)(viii) (if the event is a bond call), (a)(x), (a)(xiii), (a)(xiv) and (a) (xv) of this Section 5 contain the qualifier "if material." The City shall cause a notice to be filed as set forth in paragraph (b) above with respect to any such event only to the extent that the City determines the event's occurrence is material for purposes of U.S. federal securities law. The City intends that the words used in paragraphs (xv) and (xvi) and the definition of "financial obligation" to have the meanings ascribed thereto in the Rule.

(d) For purposes of this Disclosure Certificate, any event described in paragraph (a)(xii) above is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the City or an obligated person in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City or an obligated person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City.

Section 6. Identifying Information for Filings with the MSRB. All documents provided to the MSRB under this Disclosure Certificate shall be accompanied by identifying information as prescribed by the MSRB.

Section 7. Termination of Reporting Obligation. The City's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Series 2022A Bonds. If such termination occurs prior to the final maturity of the Series 2022A Bonds, the City shall give notice of such termination in the same manner as for a Significant Event under Section 5(b).

Section 8. Dissemination Agent. The City may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any Dissemination Agent, with or without appointing a successor Dissemination Agent. Any Dissemination Agent may resign by providing 30 days' written notice to the City.

Section 9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the City may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

(a) if the amendment or waiver relates to the provisions of Sections 3(a), 4, 5(a), 5(b) or 5(c), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of an obligated person with respect to the Series 2022A Bonds, or type of business conducted;

(b) the undertakings herein, as proposed to be amended or waived, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the primary offering of the Series 2022A Bonds, after considering any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) the proposed amendment or waiver either (i) is approved by holders of the Series 2022A Bonds in the manner provided in the Indenture for amendments to the Indenture with the consent of holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the holders or beneficial owners of the Series 2022A Bonds.

If the annual financial information or operating data to be provided in the Annual Report is amended pursuant to the provisions hereof, the first annual financial information filed pursuant hereto containing the amended operating data or financial information shall explain, in narrative form, the reasons for the amendment and the impact of the change in the type of operating data or financial information being provided.

If an amendment is made to the undertaking specifying the accounting principles to be followed in preparing financial statements, the annual financial information for the year in which the change is made shall present a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. The comparison shall include a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information, in order to provide information to investors to enable them to evaluate the ability of the City to meet its obligations. To the extent reasonably feasible, the comparison shall be quantitative.

The Dissemination Agent shall not be obligated to enter into any amendment increasing or affecting its duties or obligations hereunder.

A notice of any amendment made pursuant to this Section 9 shall be filed in the same manner as for a Significant Event under Section 5(b).

Section 10. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Significant Event, in addition to that which is required by this Disclosure Certificate. If the City chooses to include any information in any Annual Report or notice of occurrence of a Significant Event in addition to that which is specifically required by this Disclosure Certificate, the City shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Significant Event.

Section 11. Default. If the City fails to comply with any provision of this Disclosure Certificate, the Participating Underwriter or any holder or beneficial owner of the Series 2022A Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Indenture, and the sole remedy under this Disclosure Certificate in the event of any failure of the City to comply with this Disclosure Certificate shall be an action to compel performance.

Section 12. Duties, Immunities and Liabilities of Dissemination Agent.

(a) Article VIII of the Indenture is hereby made applicable to this Disclosure Certificate as if this Disclosure Certificate were (solely for this purpose) contained in the Indenture. The Dissemination Agent shall be entitled to the protections and limitations from liability afforded to the Trustee thereunder. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the City agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which they may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The Dissemination Agent shall have no duty or obligation to review any information provided to it by the City hereunder and shall not be deemed to be acting in any fiduciary capacity for the City, the Series 2022A Bond holders or any other party. The obligations of the City under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Series 2022A Bonds.

(b) The Dissemination Agent shall be paid compensation by the City for its services provided hereunder in accordance with its schedule of fees as amended from time to time, and shall be reimbursed for all expenses, legal fees and advances made or incurred by the Dissemination Agent in the performance of its duties hereunder.

Section 13. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the City, the Dissemination Agent, the Participating Underwriter and the holders and beneficial owners from time to time of the Series 2022A Bonds and shall create no rights in any other person or entity.

Section 14. Counterparts. This Disclosure Certificate may be executed in several counterparts, each of which shall be regarded as an original, and all of which shall constitute one and the same instrument.

Date: [Closing Date]

CITY OF MONTEBELLO

By _____
Name _____
Title _____

ACKNOWLEDGED:

URBAN FUTURES, INC., as Dissemination Agent

By _____
Authorized Officer

EXHIBIT A

NOTICE TO MSRB OF FAILURE TO FILE ANNUAL REPORT

Name of Obligor: City of Montebello

Name of Issue: Montebello Public Financing Authority Lease Revenue Bonds, Series 2022A

Date of Issuance: [Closing Date]

NOTICE IS HEREBY GIVEN that the Obligor has not provided an Annual Report with respect to the above-named Issue as required by the Continuing Disclosure Certificate, dated [Closing Date], furnished by the Obligor in connection with the Issue. The Obligor anticipates that the Annual Report will be filed by _____.

Date: _____

URBAN FUTURES, INC., as Dissemination Agent

By _____
Authorized Officer

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APPENDIX F

BOOK-ENTRY ONLY SYSTEM

The information in this section concerning DTC and DTC's book-entry only system has been obtained from sources that the Authority believes to be reliable, but the Authority takes no responsibility for the completeness or accuracy thereof. The following description of the procedures and record keeping with respect to beneficial ownership interests in the Series 2022A Bonds, payment of principal, premium, if any, accreted value and interest on the Series 2022A Bonds to DTC Participants or Beneficial Owners, confirmation and transfers of beneficial ownership interests in the Series 2022A Bonds and other related transactions by and between DTC, the DTC Participants and the Beneficial Owners is based solely on information provided by DTC.

1. The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the Series 2022A Bonds (the "Securities"). The Securities will be issued as fully registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered Security certificate will be issued for each maturity of the Securities in the aggregate principal amount of such maturity and will be deposited with DTC. If, however, the aggregate principal amount of any issue exceeds $500 million, one certificate will be issued with respect to each $500 million of principal amount, and an additional certificate will be issued with respect to any remaining principal amount of such issue.

2. DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has an S&P Global Ratings highest rating: "AA+." The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com. The information set forth on such website is not incorporated herein by reference.

3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

4. To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an

authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

6. Redemption notices shall be sent to DTC. If less than all of the Securities within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Authority as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Principal, redemption price and interest payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Authority or the Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent, or the Authority, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal, redemption price and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Authority or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. If applicable, a Beneficial Owner shall give notice to elect to have its Securities purchased or tendered, through its Participant, to tender/remarketing agent, and shall effect delivery of such Securities by causing the Direct Participant to transfer the Participant's interest in the Securities, on DTC's records, to tender/remarketing agent. The requirement for physical delivery of Securities in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Securities are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Securities to tender/remarketing agent's DTC account.

10. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to the Authority or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.

11. The Authority may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.

APPENDIX G

SPECIMEN MUNICIPAL BOND INSURANCE POLICY

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MUNICIPAL BOND INSURANCE POLICY

ISSUER:

Policy No: -N

BONDS: $ in aggregate principal amount of

Effective Date:

Premium: $

ASSURED GUARANTY MUNICIPAL CORP. ("AGM"), for consideration received, hereby UNCONDITIONALLY AND IRREVOCABLY agrees to pay to the trustee (the "Trustee") or paying agent (the "Paying Agent") (as set forth in the documentation providing for the issuance of and securing the Bonds) for the Bonds, for the benefit of the Owners or, at the election of AGM, directly to each Owner, subject only to the terms of this Policy (which includes each endorsement hereto), that portion of the principal of and interest on the Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer.

On the later of the day on which such principal and interest becomes Due for Payment or the Business Day next following the Business Day on which AGM shall have received Notice of Nonpayment, AGM will disburse to or for the benefit of each Owner of a Bond the face amount of principal of and interest on the Bond that is then Due for Payment but is then unpaid by reason of Nonpayment by the Issuer, but only upon receipt by AGM, in a form reasonably satisfactory to it, of (a) evidence of the Owner's right to receive payment of the principal or interest then Due for Payment and (b) evidence, including any appropriate instruments of assignment, that all of the Owner's rights with respect to payment of such principal or interest that is Due for Payment shall thereupon vest in AGM. A Notice of Nonpayment will be deemed received on a given Business Day if it is received prior to 1:00 p.m. (New York time) on such Business Day; otherwise, it will be deemed received on the next Business Day. If any Notice of Nonpayment received by AGM is incomplete, it shall be deemed not to have been received by AGM for purposes of the preceding sentence and AGM shall promptly so advise the Trustee, Paying Agent or Owner, as appropriate, who may submit an amended Notice of Nonpayment. Upon disbursement in respect of a Bond, AGM shall become the owner of the Bond, any appurtenant coupon to the Bond or right to receipt of payment of principal of or interest on the Bond and shall be fully subrogated to the rights of the Owner, including the Owner's right to receive payments under the Bond, to the extent of any payment by AGM hereunder. Payment by AGM to the Trustee or Paying Agent for the benefit of the Owners shall, to the extent thereof, discharge the obligation of AGM under this Policy.

Except to the extent expressly modified by an endorsement hereto, the following terms shall have the meanings specified for all purposes of this Policy. "Business Day" means any day other than (a) a Saturday or Sunday or (b) a day on which banking institutions in the State of New York or the Insurer's Fiscal Agent are authorized or required by law or executive order to remain closed. "Due for Payment" means (a) when referring to the principal of a Bond, payable on the stated maturity date thereof or the date on which the same shall have been duly called for mandatory sinking fund redemption and does not refer to any earlier date on which payment is due by reason of call for redemption (other than by mandatory sinking fund redemption), acceleration or other advancement of maturity unless AGM shall elect, in its sole discretion, to pay such principal due upon such acceleration together with any accrued interest to the date of acceleration and (b) when referring to interest on a Bond, payable on the stated date for payment of interest. "Nonpayment" means, in respect of a Bond, the failure of the Issuer to have provided sufficient funds to the Trustee or, if there is no Trustee, to the Paying Agent for payment in full of all principal and interest that is Due for Payment on such Bond. "Nonpayment" shall also include, in respect of a Bond, any payment of principal or interest that is Due for Payment made to an Owner by or on behalf of the Issuer which has been recovered from such Owner pursuant to the

SPECIMEN

United States Bankruptcy Code by a trustee in bankruptcy in accordance with a final, nonappealable order of a court having competent jurisdiction. "Notice" means telephonic or telecopied notice, subsequently confirmed in a signed writing, or written notice by registered or certified mail, from an Owner, the Trustee or the Paying Agent to AGM which notice shall specify (a) the person or entity making the claim, (b) the Policy Number, (c) the claimed amount and (d) the date such claimed amount became Due for Payment. "Owner" means, in respect of a Bond, the person or entity who, at the time of Nonpayment, is entitled under the terms of such Bond to payment thereof, except that "Owner" shall not include the Issuer or any person or entity whose direct or indirect obligation constitutes the underlying security for the Bonds.

AGM may appoint a fiscal agent (the "Insurer's Fiscal Agent") for purposes of this Policy by giving written notice to the Trustee and the Paying Agent specifying the name and notice address of the Insurer's Fiscal Agent. From and after the date of receipt of such notice by the Trustee and the Paying Agent, (a) copies of all notices required to be delivered to AGM pursuant to this Policy shall be simultaneously delivered to the Insurer's Fiscal Agent and to AGM and shall not be deemed received until received by both and (b) all payments required to be made by AGM under this Policy may be made directly by AGM or by the Insurer's Fiscal Agent on behalf of AGM. The Insurer's Fiscal Agent is the agent of AGM only and the Insurer's Fiscal Agent shall in no event be liable to any Owner for any act of the Insurer's Fiscal Agent or any failure of AGM to deposit or cause to be deposited sufficient funds to make payments due under this Policy.

To the fullest extent permitted by applicable law, AGM agrees not to assert, and hereby waives, only for the benefit of each Owner, all rights (whether by counterclaim, setoff or otherwise) and defenses (including, without limitation, the defense of fraud), whether acquired by subrogation, assignment or otherwise, to the extent that such rights and defenses may be available to AGM to avoid payment of its obligations under this Policy in accordance with the express provisions of this Policy.

This Policy sets forth in full the undertaking of AGM, and shall not be modified, altered or affected by any other agreement or instrument, including any modification or amendment thereto. Except to the extent expressly modified by an endorsement hereto, (a) any premium paid in respect of this Policy is nonrefundable for any reason whatsoever, including payment, or provision being made for payment, of the Bonds prior to maturity and (b) this Policy may not be canceled or revoked. THIS POLICY IS NOT COVERED BY THE PROPERTY/CASUALTY INSURANCE SECURITY FUND SPECIFIED IN ARTICLE 76 OF THE NEW YORK INSURANCE LAW.

In witness whereof, ASSURED GUARANTY MUNICIPAL CORP. has caused this Policy to be executed on its behalf by its Authorized Officer.

ASSURED GUARANTY MUNICIPAL CORP.

By _____
Authorized Officer

SPECIMEN

A subsidiary of Assured Guaranty Municipal Holdings Inc.
1633 Broadway, New York, N.Y. 10019
(212) 974-0100

Form 500NY (5/90)

APPENDIX E

FORM OF CONTINUING DISCLOSURE CERTIFICATE

This CONTINUING DISCLOSURE CERTIFICATE (the "Disclosure Certificate") is executed and delivered by the CITY OF MONTEBELLO, CALIFORNIA (the "City") in connection with the execution and delivery by the Montebello Public Financing Authority (the "Authority") of its $_____* Montebello Public Financing Authority Lease Revenue Bonds, Series 2022A (the "Series 2022A Bonds"). The Series 2022A Bonds are being executed and delivered pursuant to an Indenture, dated as of September 1, 2014, as supplemented, as further supplemented by a Third Supplemental Indenture, dated as of October 1, 2022, by and among the Authority, the City of Montebello (the "City") and The Bank of New York Mellon Trust Company, N.A., as trustee (collectively, the "Indenture"). The Series 2022A Bonds are payable from the base rental payments to be made by the City under the Lease Agreement, dated as of September 1, 2014, as amended, as further amended by a Third Amendment to Lease Agreement, dated as of October 1, 2022 (collectively, the "Lease Agreement"), between the Authority, as lessor, and the City, as lessee. This Disclosure Certificate is being entered into by the City for the benefit of the Owners and Beneficial Owners of the Series 2022A Bonds and in order to assist the Underwriter in complying with the Rule (defined below).

Section 1. Definitions. In addition to the definitions set forth above and in the Indenture which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section 1, the following capitalized terms shall have the following meanings:

"*Annual Report*" means any Annual Report provided by the City pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"*Annual Report Date*" means the date that is nine months after the end of the City's fiscal year (currently March 31 based on the City's fiscal year end of June 30).

"*Dissemination Agent*" shall mean, initially, Urban Futures, Inc., or any successor Dissemination Agent designed in writing by the City and which has been filed with the then current Dissemination Agent a written acceptance of such designation.

"*Fiscal Year*" means any twelve-month period beginning on July 1 in any year and extending to the next succeeding June 30, both dates inclusive, or any other twelve-month period selected and designated by the City as its official fiscal year period under a certificate of the City filed with the Trustee.

"*MSRB*" means the Municipal Securities Rulemaking Board, which has been designated by the Securities and Exchange Commission as the sole repository of disclosure information for purposes of the Rule, or any other repository of disclosure information that may be designated by the Securities and Exchange Commission as such for purposes of the Rule in the future.

"*Official Statement*" means the final official statement executed by the City in connection with the issuance of the Series 2022A Bonds.

"*Participating Underwriter*" means Cabrera Capital, Inc., the original underwriter of the Series 2022A Bonds.

"*Rule*" means Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as it may be amended from time to time.

"*Significant Events*" means any of the events listed in Section 5(a) of this Disclosure Certificate.

* Preliminary, subject to change.

Section 2. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the City for the benefit of the holders and beneficial owners of the Series 2022A Bonds and in order to assist the Participating Underwriter in complying with S.E.C. Rule 15c2– 12(b)(5).

Section 3. Provision of Annual Reports.

(a) The City shall, or shall cause the Dissemination Agent to, not later than the Annual Report Date, commencing March 31, 2023, with the report for fiscal year 2021-22 provide to the MSRB, in an electronic format as prescribed by the MSRB, an Annual Report that is consistent with the requirements of Section 4 of this Disclosure Certificate. Not later than 15 Business Days prior to the Annual Report Date, the City shall provide the Annual Report to the Dissemination Agent (if other than the City). If by 15 Business Days prior to the Annual Report Date the Dissemination Agent (if other than the City) has not received a copy of the Annual Report, the Dissemination Agent shall contact the City to determine if the City is in compliance with the previous sentence. The Annual Report may be submitted as a single document or as separate documents comprising a package and may include by reference other information as provided in Section 4 of this Disclosure Certificate; provided that the audited financial statements of the City may be submitted separately from the balance of the Annual Report, and later than the Annual Report Date, if not available by that date. If the City's fiscal year changes, it shall give notice of such change in the same manner as for a Significant Event under Section 5(b). The City shall provide a written certification with each Annual Report furnished to the Dissemination Agent to the effect that such Annual Report constitutes the Annual Report required to be furnished by the City hereunder.

(b) If the City does not provide (or cause the Dissemination Agent to provide) an Annual Report by the Annual Report Date, the City in a timely manner shall provide (or cause the Dissemination Agent to provide) to the MSRB, in an electronic format as prescribed by the MSRB, a notice in substantially the form attached as Exhibit A.

(c) With respect to each Annual Report, the Dissemination Agent shall:

(i) determine each year prior to the Annual Report Date the then–applicable rules and electronic format prescribed by the MSRB for the filing of annual continuing disclosure reports; and

(ii) if the Dissemination Agent is other than the City, file a report with the City certifying that the Annual Report has been provided pursuant to this Disclosure Certificate, and stating the date it was provided.

Section 4. Content of Annual Reports. The City's Annual Report shall contain or incorporate by reference the following:

(a) The City's audited financial statements prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If the City's audited financial statements are not available by the Annual Report Date, the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

(b) Unless otherwise provided in the audited financial statements filed on or prior to the annual filing deadline for Annual Reports provided for in Section 3 above, financial information and operating data with respect to the City for preceding fiscal year, as follows:

(i) Table 1—General Fund Balance Sheet;
(ii)Table 2A—Historical General Fund Revenues, Expenditures and Changes in Fund Balances;
(iii) Table 4— Primary Sources of General Fund Revenues;
(iv) Table 5—Assessed Valuations;
(v) Table 6— Assessed Valuation and Parcels By Land Use;
(vi) Table 7— Largest Local Secured Property Taxpayers;
(vii) Table 8— Secured Tax Charge and Delinquency; and
(viii) Amounts, if any, paid by the City from its General Fund with respect to the HGI Bonds, the H2S Bonds and, if and when issued, the Topgolf bonds.

(c) In addition to any of the information expressly required to be provided under this Disclosure Certificate, the City shall provide such further material information, if any, as may be necessary to make the specifically required statements, in the light of the circumstances under which they are made, not misleading.

(d) Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the City or related public entities, which are available to the public on the MSRB's Internet web site or filed with the Securities and Exchange Commission. The City shall clearly identify each such other document so included by reference.

Section 5. Reporting of Significant Events.

(a) The City shall give, or cause to be given, notice of the occurrence of any of the following Significant Events with respect to the Series 2022A Bonds:

(i) Principal and interest payment delinquencies;

(ii) Non–payment related defaults, if material;

(iii) Unscheduled draws on debt service reserves reflecting financial difficulties;

(iv) Unscheduled draws on credit enhancements reflecting financial difficulties;

(v) Substitution of credit or liquidity providers, or their failure to perform;

(vi) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701–TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security;

(vii) Modifications to rights of security holders, if material;

(viii) Bond calls, if material, and tender offers;

(ix) Defeasances;

(x) Release, substitution, or sale of property securing repayment of the securities, if material;

(xi) Rating changes;

(xii) Bankruptcy, insolvency, receivership or similar event of the City or other obligated person;

(xiii) The consummation of a merger, consolidation, or acquisition involving the City or an obligated person, or the sale of all or substantially all of the assets of the City or an obligated person (other than in the ordinary course of business), the entry into a definitive agreement to undertake such an action, or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

(xiv) Appointment of a successor or additional trustee or the change of name of a trustee, if material;

(xv) The incurrence of a financial obligation of the City or other obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the City or other obligated person, any of which affect security holders, if material; and

(xvi) A default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the City or other obligated person, any of which reflect financial difficulties.

(b) The City shall or shall cause the Dissemination Agent (if not the City) to, file a notice of such occurrence with the MSRB, in an electronic format as prescribed by the MSRB, in a timely manner not in excess of 10 business days after the occurrence of the Significant Event. Notwithstanding the foregoing, notice of Significant Events described in subsection (a)(viii) above need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to holders of affected Series 2022A Bonds under the Indenture.

(c) The City acknowledges that the events described in subparagraphs (a)(ii), (a)(vii), (a)(viii) (if the event is a bond call), (a)(x), (a)(xiii), (a)(xiv) and (a) (xv) of this Section 5 contain the qualifier "if material." The City shall cause a notice to be filed as set forth in paragraph (b) above with respect to any such event only to the extent that the City determines the event's occurrence is material for purposes of U.S. federal securities law. The City intends that the words used in paragraphs (xv) and (xvi) and the definition of "financial obligation" to have the meanings ascribed thereto in the Rule.

(d) For purposes of this Disclosure Certificate, any event described in paragraph (a)(xii) above is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the City or an obligated person in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City or an obligated person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City.

Section 6. Identifying Information for Filings with the MSRB. All documents provided to the MSRB under this Disclosure Certificate shall be accompanied by identifying information as prescribed by the MSRB.

Section 7. Termination of Reporting Obligation. The City's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Series 2022A Bonds. If such termination occurs prior to the final maturity of the Series 2022A Bonds, the City shall give notice of such termination in the same manner as for a Significant Event under Section 5(b).

Section 8. Dissemination Agent. The City may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any Dissemination Agent, with or without appointing a successor Dissemination Agent. Any Dissemination Agent may resign by providing 30 days' written notice to the City.

Section 9. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the City may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

(a) if the amendment or waiver relates to the provisions of Sections 3(a), 4, 5(a), 5(b) or 5(c), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of an obligated person with respect to the Series 2022A Bonds, or type of business conducted;

(b) the undertakings herein, as proposed to be amended or waived, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the primary offering of the Series 2022A Bonds, after considering any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) the proposed amendment or waiver either (i) is approved by holders of the Series 2022A Bonds in the manner provided in the Indenture for amendments to the Indenture with the consent of holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the holders or beneficial owners of the Series 2022A Bonds.

If the annual financial information or operating data to be provided in the Annual Report is amended pursuant to the provisions hereof, the first annual financial information filed pursuant hereto containing the amended operating data or financial information shall explain, in narrative form, the reasons for the amendment and the impact of the change in the type of operating data or financial information being provided.

If an amendment is made to the undertaking specifying the accounting principles to be followed in preparing financial statements, the annual financial information for the year in which the change is made shall present a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. The comparison shall include a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information, in order to provide information to investors to enable them to evaluate the ability of the City to meet its obligations. To the extent reasonably feasible, the comparison shall be quantitative.

The Dissemination Agent shall not be obligated to enter into any amendment increasing or affecting its duties or obligations hereunder.

A notice of any amendment made pursuant to this Section 9 shall be filed in the same manner as for a Significant Event under Section 5(b).

Section 10. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Significant Event, in addition to that which is required by this Disclosure Certificate. If the City chooses to include any information in any Annual Report or notice of occurrence of a Significant Event in addition to that which is specifically required by this Disclosure Certificate, the City shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Significant Event.

Section 11. Default. If the City fails to comply with any provision of this Disclosure Certificate, the Participating Underwriter or any holder or beneficial owner of the Series 2022A Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an Event of Default under the Indenture, and the sole remedy under this Disclosure Certificate in the event of any failure of the City to comply with this Disclosure Certificate shall be an action to compel performance.

Section 12. Duties, Immunities and Liabilities of Dissemination Agent.

(a) Article VIII of the Indenture is hereby made applicable to this Disclosure Certificate as if this Disclosure Certificate were (solely for this purpose) contained in the Indenture. The Dissemination Agent shall be entitled to the protections and limitations from liability afforded to the Trustee thereunder. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the City agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which they may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The Dissemination Agent shall have no duty or obligation to review any information provided to it by the City hereunder and shall not be deemed to be acting in any fiduciary capacity for the City, the Series 2022A Bond holders or any other party. The obligations of the City under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Series 2022A Bonds.

(b) The Dissemination Agent shall be paid compensation by the City for its services provided hereunder in accordance with its schedule of fees as amended from time to time, and shall be reimbursed for all expenses, legal fees and advances made or incurred by the Dissemination Agent in the performance of its duties hereunder.

Section 13. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the City, the Dissemination Agent, the Participating Underwriter and the holders and beneficial owners from time to time of the Series 2022A Bonds and shall create no rights in any other person or entity.

Section 14. Counterparts. This Disclosure Certificate may be executed in several counterparts, each of which shall be regarded as an original, and all of which shall constitute one and the same instrument.

Date: [Closing Date]

CITY OF MONTEBELLO

By _____
Name _____
Title _____

ACKNOWLEDGED:

URBAN FUTURES, INC., as Dissemination Agent

By _____
Authorized Officer

EXHIBIT A

NOTICE TO MSRB OF FAILURE TO FILE ANNUAL REPORT

Name of Obligor: City of Montebello

Name of Issue: Montebello Public Financing Authority Lease Revenue Bonds, Series 2022A

Date of Issuance: [Closing Date]

NOTICE IS HEREBY GIVEN that the Obligor has not provided an Annual Report with respect to the above-named Issue as required by the Continuing Disclosure Certificate, dated [Closing Date], furnished by the Obligor in connection with the Issue. The Obligor anticipates that the Annual Report will be filed by _____.

Date: _____

URBAN FUTURES, INC., as Dissemination Agent

By _____
Authorized Officer



SHORT COURSE

SIX-HOLE Short Course

Hole	Par	Yards
1	3	90
2	3	80
3	3	70
4	3	80
5	3	50
6	3	70
Total	18	440

TEN-HOLE Short Course

Hole	Par	Yards
1	3	90
2	3	80
3	3	70
4	3	80
5	3	50
6	3	70
7	3	60
8	3	90
9	3	80
10	3	90
Total	30	760

SIX-HOLE & TEN-HOLE SHORT COURSE

The new six-hole golf course is designed for fun and players of all abilities. In addition to a relaxed, casual atmosphere, the new six-hole course will help avid, more skilled golfers practice and improve their short game. There are six-holes that range from 50 yards to 90 yards in length.

In the late afternoon when the regulation length Nine-Hole Course closes, the six-hole short course will convert to a ten-hole short course. Four additional short holes also ranging from 50-90 yards will be available for play. A ten-hole short course will allow for a more substantial golf experience and create an energy and vibrant atmosphere adjacent to the new Golf Clubhouse. The ten-hole short course will be lighted for play to continue well into the night.

This unique golf experience is inclusive for all, golfers of all abilities and non-golfers. Being located near Topgolf, people on a wait-list for Topgolf might be interested in playing this short course. We estimate the six-hole course can be played in under 60 minutes, and the ten-hole course in under 90 minutes. No cart paths on this course, a great walkable experience to enjoy. For maximum playability and revenue the ten-hole course will be overhead lighted and have on-course music.

The location of the six-hole course works well with the Golf Clubhouse. We recommend considering a small "Starter" type patio / gathering area adjacent to Hole 1 tee, providing golf operations control and a great atmosphere for post round enjoyment.

Small synthetic turf tees are designed into the golf course. Because of the amount of play, and short wedge shots on each hole. Real turf tees will not grow and be a maintenance issue. Also, the synthetic tees "guide" people where to play from and will increase efficiency in time of play. In addition, the synthetic tees will be more consistent playing surface and be more casual and less intimidating for the beginner or non-golfer.

The new six-hole golf course consists of approximate 6.3 acres of irrigated turf area. The existing lake is proposed to expand to 1.2 acres. The lake expansion will add to the golf experience, provide a challenge, be memorable and be an added value to the new Entry Drive experience.

All areas of the course will be reshaped and include synthetic tees, new bunkers and new greens. New golf course drainage will be installed and connected to the existing and new in ground storm drainage system. All new efficient irrigation system will be installed. All existing trees will be carefully reviewed and determined if appropriate to remain or be removed for playability and better turf conditions. Additional trees will be installed as needed. All new turf will be planted consisting of Bermuda grass for tees, fairways and rough, and Bentgrass for all green surfaces.

NINE-HOLE GOLF COURSE

The new nine-hole golf course is designed for players of all abilities, with multiple tees at various yardages. Bunker placement is dictated for challenge of the avid, better golfer and not a beginner. Green sizes will be larger for multiple pin options and best quality greens turf conditions possible.

The new routing of the golf course and sequence of golf holes was designed for playability, enjoyment and safety. The golf course will be enjoyable and easy to walk. During the round, golfers will have the option to return to the Golf Clubhouse after Hole #4. During the round, golfers will have access to the existing on-course restroom after Hole #4 and again after Hole #7.

Options of playing a four-hole loop (Holes 1, 2, 3, 4) is provided. Beginners to the game of golf or people on a wait-list for Topgolf might be interested in playing a four hole loop.

The new nine-hole golf course consists of approximate 54.6 acres of irrigated turf area. Three existing lakes are to remain and incorporated into the new golf course. One of the existing lakes will be expanded as an entry feature adjacent to the new Entry Drive, as well as an integral part of the Short Course. One of the existing lakes will be used as a feature and in view from the new Golf Clubhouse, as well as an integral part of the Short Course.

All areas of the course will be reshaped and include all new tees and bunkers. New golf course drainage will be installed and connected to the existing and new in ground storm drainage system. All new efficient irrigation system will be installed. Golf cart paths will be continuous cart paths. All existing trees will be carefully reviewed and determined if appropriate to remain or be removed for playability and better turf conditions. Additional trees will be installed as needed. All new turf will be planted consisting of Bermuda grass for tees, fairways and rough, and Bentgrass for all green surfaces.

NINE-HOLE GOLF COURSE

Hole	Par	Yards			
		Black	Blue	White	Red
1	5	505	495	485	450
2	4	430	420	410	390
3	4	355	345	335	310
4	4	390	380	370	350
5	3	225	215	205	180
6	4	430	420	410	390
7	4	365	355	345	320
8	4	350	340	330	315
9	3	135	125	115	100
Total	35	3,185	3,095	3,005	2,805

SPORTFIVE
SPORTFIVE
7077 E. Marilyn Road, Suite 140
Scottsdale, Arizona 85254
(480) 483-9500

RICK SMITH GOLF COURSE DESIGN
RICK SMITH
4400 NW 87th Ave
Doral, Florida 33178
(305) 591-6487

All ideas, designs, and arrangements indicated on these drawings are intended to be used in connection with this specific project only and shall not otherwise be used for any purpose whatsoever without the written consent of SportFive. There shall be no changes or deviations from these drawings or the accompanying specifications without the written consent of SportFive.

GOLF COURSE DESIGN PLANS

MONTEBELLO MUNICIPAL GOLF COURSE RENOVATION PROJECT

MONTEBELLO, CALIFORNIA

Project Number	:	22 - 01
Date	:	July 22, 2022
Drawn By	:	MJA
Revisions	:	

GOLF COURSE SITE PLAN

NORTH

0 50 100 200 300

ITEM # 14

CITY OF MONTEBELLO
CITY COUNCIL AND PUBLIC FINANCING AUTHORITY AGENDA STAFF REPORT

TO: Honorable Mayor and City Council Members

FROM: René Bobadilla, P.E., City Manager

BY: Michael Chee, Director of Public Affairs & Information Technology

SUBJECT: **APPROVAL OF MEMORANDUM OF UNDERSTANDING NO. 22-22 BETWEEN THE CITY OF MONTEBELLO AND THE MONTEBELLO UNIFIED SCHOOL DISTRICT, APPROVING AN AGREEMENT TO SHARE COMMUNICATION PLATFORMS**

DATE: September 14, 2022

RECOMMENDATION(S):

RECOMMENDATION: It is recommended that the City Council:

1) Approve a Memorandum of Understanding to share communication platforms with Montebello Unified School District (MUSD), and

2) Authorize the City Manager to execute the agreement.

FISCAL IMPACT:

There is no fiscal impact associated with recommended actions.

BACKGROUND:

The City of Montebello and the Montebello Unified School District (MUSD) have long desired to share communications of significance and importance among residents, students, parents and employees of both organizations in order to more effectively and completely share information that impacts or affects both organizations. Approval of a Memorandum of Understanding (MOU) between the City and MUSD will allow for the sharing of information across both City and school district platforms, creating a platform

to more efficiently share important communication items.

City staff consulted and collaborated with MUSD leadership to develop the language contained in the attached MOU. The MOU has a term that will be effective upon ratification and run for two years through September 30, 2024, at which time efficacy can be reviewed for any necessary adjustments or improvements to shared communications.

ENVIRONMENTAL IMPACT:

N/A

ANALYSIS:

N/A

DISCUSSION:

N/A

SUMMARY:

Staff recommends that the City Council adopt the MOU in order to expand and enhance communication activities and efforts between the City and the MUSD.

ATTACHMENT(S):

1. Attachment A - MOU No. 22-22

NEXT STEPS:

N/A

CITY OF MONTEBELLO

MEMORANDUM OF UNDERSTANDING NO. 22-22
WITH MONTEBELLO UNIFIED SCHOOL DISTRICT

This Memorandum of Understanding (MOU) is made and entered into as of the 14th day of September, 2022, by and between the City of Montebello, a California municipal corporation (City), and the Montebello Unified School District, a public school district in California that serves the City of Montebello (District), and is made with reference to the following:

RECITALS

WHEREAS, the City produces and issues various types and forms of public communications and notices to the general public and residents of Montebello; and

WHEREAS, the District has a need or desires to partner with the city's various communications vehicles for informing students and parents living in Montebello, and the residents of the City; and

WHEREAS, the City and the District desire to partner, share and leverage communication vehicles to improve information dissemination within the City, among residents and the constituents of the District; and

WHEREAS, this MOU will allow for the sharing of content and its distribution through the communication platforms and vehicles owned and leveraged by both the City and District agencies. The content to be shared between the agencies will be related to City and District activities and business; and

WHEREAS, communications of mutual interest will be accomplished by distribution of information through specific communication methods. For example (but limited to), the following platforms:

- Social Media
- Digital Media (Website, Digital Ads)
- Email
- Broadcast
- Print
- Traditional Media (Press Release, Media Alert)

Each party is responsible for the creation of original content and the copy within. Each party is responsible for providing content and graphic designs compliant with each vehicle and shall inform the other of desired communication with appropriate lead time to accommodate such information.

NOW, THEREFORE, IT IS AGREED by and between the City and the Organization as follows:

1. Term. The term of this MOU shall commence on September 14, 2022, ("Effective Date"), and expire on December 31, 2023, or upon the earlier termination by mutual agreement of the City and District, whichever comes first ("Termination Date").

2. Duties and Rights of the City.

(a) The City shall permit the use of the City's communications vehicles in accordance with the terms of this MOU and any other applicable federal, state, County, or City policies, regulations, ordinances, resolutions or policies in effect at the time of full execution of this MOU.

(b) The City shall coordinate, manage and schedule messages as requested by the District.

(c) The City shall make reasonable efforts to accommodate message requests by the District; provided City message vehicles are available, operational and accessible during the dates and times requested.

(d) The City reserves the right at its sole discretion to revoke, suspend, or limit the use of the Facility previously granted after providing reasonable notice to the Organization for any reason, including but not limited to breach of any covenant contained in this MOU by the Organization. The City is not liable for any costs or expense incurred by the Organization related to or arising from the City's revocation, suspension or limitation of the use of the Facility.

3. Duties of the District. In consideration of the City's grant of the use of its communications vehicles set forth in Section 2 above, the District agrees to the following:

(a) The District hereby acknowledges that the use of City's communication vehicles is conditioned upon compliance with all applicable laws and regulations regarding their use, which include but are not limited to: (i) any COVID Protocols required by the County; and (ii) any COVID-19 related regulations or restrictions imposed by the federal government, the State of California, the County, or the City; and (iii) any provisions of this MOU.

(b) The District acknowledges and agrees that it will be solely responsible for providing content and notifying or scheduling with the City Public Affairs staff with adequate lead time to accommodate timeliness of the message. Nevertheless, lack of knowledge shall not excuse or waive any of the District's obligations outlined in this MOU.

4. Indemnification. The District acknowledges and agrees that the City, its officers, agents, elected and appointed officials, employees, affiliated public agencies and volunteers ("City Parties") should, to the fullest extent permitted by law, be fully protected from any loss, injury, damage, claim, lawsuit, cost, expense, attorneys' fees, litigation costs, or any other cost ("Claims") arising out of or in any way related to its obligations under this MOU.

The obligations under this Section shall survive the expiration or early termination of this MOU.

5. Termination. The City and the District shall have the right to terminate this MOU with ten (10) days prior written notice to the other party.

6. Relationship. Nothing in this MOU shall be construed as creating a partnership, employment, joint venture, principal agent, or any other relationship between the City and the District.

7. Duration. This MOU is at-will and may be modified by mutual consent of authorized officials from. This MOU shall become effective upon signature by the authorized officials from the Montebello Unified School District and the City of Montebello and will remain in effect until modified or terminated by any one of the partners by mutual consent. In the absence of mutual agreement by the authorized officials from Montebello Unified School District and the City of Montebello this MOU shall end on 12/31/2023.

CITY:

Attn: Michael Chee
Director of Public Affairs
City of Montebello
1600 W. Beverly Blvd.
Montebello, California 90640

ORGANIZATION:

Attn: Kaivan Yuen, Asst. Superintendent
Montebello Unified School District
123 South Montebello Blvd.
Montebello, CA 90640

8. Warranty. The City and District affirm and acknowledge that each has received independent legal advice from its attorneys with respect to this MOU or been provided with an opportunity to receive independent legal advice. The Organization also affirms and acknowledges that it has carefully read through the provisions of the MOU and understands its contents, including the waivers and releases provided herein, and freely and voluntarily agrees to abide by and be bound by the terms of this MOU.

9. Governing Law and Venue. This MOU and all matters relating to it shall be governed by the laws of the State of California and any disputes or actions regarding this MOU shall be brought in a court of competent jurisdiction in the County of Los Angeles in the State of California.

10. Entire Agreement. All information contained in items 1 through 11 of this MOU constitute the entirety of this agreement. No other actions are considered part of this MOU.

11. Amendments. Amendments to this MOU shall be effective and binding only if made in writing and executed by the City and the District.

[**Signatures on the following page**]

TO EFFECTUATE THIS AGREEMENT, the parties have caused their duly authorized representatives to execute this Memorandum of Understanding on the Effective Date set forth above.

("CITY")
CITY OF MONTEBELLO

René Bobadilla, City Manager

("DISTRICT")
MONTEBELLO UNIFIED SCHOOL DISTRICT

Kaivan Yuen, Asst. Superintendent
Educational Services

ATTEST:

Christopher Jimenez, City Clerk

APPROVED AS TO FORM:

Arnold M. Alvarez-Glasman, City Attorney

ITEM # 15

CITY OF MONTEBELLO
CITY COUNCIL AND PUBLIC FINANCING AUTHORITY AGENDA STAFF REPORT

TO: Honorable Mayor and City Council Members

FROM: René Bobadilla, P.E., City Manager

BY: Joseph Palombi, Director of Planning & Community Development

SUBJECT: **ADOPT RESOLUTION NO. 22-76 - DECLARATION OF EXEMPT SURPLUS LAND OF CITY-OWNED PROPERTY LOCATED AT 5055 PASSONS BOULEVARD (LOS ANGELES COUNTY ASSESSOR'S PARCEL NO. 6377-007-270)**

DATE: September 14, 2022

RECOMMENDATION(S):

RECOMMENDATION: It is recommended that the City Council:

1) Adopt Resolution No. 22-76 (Attachment A) to formally declare the property located at 5055 Passons Boulevard as exempt surplus land; and

2) Take such additional, related, action that may be desirable.

FISCAL IMPACT:

This particular action does not have a fiscal impact. However, the land does have value and subsequent discussions with the City of Pico Rivera will be held regarding the potential disposition of this surplus, city-owned property.

BACKGROUND:

The subject site is comprised of a total lot area of approximately 19,611 square feet and was developed in 1963 with an existing 1,186 square foot building. The site is utilized as a layover/terminal point or stop for certain bus routes operated by the Montebello Bus Lines. Additionally, Los Angeles Metro route 265 utilizes the location as a layover.

ENVIRONMENTAL IMPACT:

Pursuant to the California Environmental Quality Act ("CEQA"), this project is exempt from CEQA under the common sense rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. (14 CCR § 15061). Because it can be seen with certainty that there is no possibility that the declaration of exempt surplus land (the "Project") will have a significant effect on the environment, the Project is not subject to CEQA pursuant to State CEQA Guidelines Section 15061(b)(3).

ANALYSIS:

The California Surplus Land Act (Government Code section 54220, et seq.), or "the SLA", governs the sale, lease or other transfer of government-owned surplus lands and requires local agencies to prioritize opportunities for certain uses, including affordable housing development, for any land the entity may sell or lease. Effective January 1, 2020, Assembly Bill ("AB") No. 1486 and AB No. 1255 amended the SLA to require local agencies to formally declare publicly owned property which is not necessary for the local agency's use as surplus land prior to disposition. The property may be declared either "surplus" or "exempt surplus" by the legislative body of the local agency, in a regular public meeting, as supported by written findings.

Under the SLA, surplus land must follow a statutory noticing and negotiation period with certain designated entities, including eligible low-income housing sponsors defined by the California Department of Housing and Community Development ("HCD"). However, certain exempt surplus land does not have to follow these procedural requirements of the SLA.

Exempt surplus land is defined to include surplus land that a local agency is transferring to another local, state or federal agency for the agency's use (Gov. Code § 54221 (f)(1)(D). The City has no current plans to develop or make improvements on this property; the declaration as exempt surplus land and the adoption of the attached resolution will be the first step in allowing the disposition process to move forward in accordance with the SLA.

DISCUSSION:

The City of Pico Rivera has continued to express interest in purchasing the subject site as it meets its requirements for a proposed open space amenity. The City of Pico Rivera intends to develop the property as an open space for public use based on community-driven design concepts that improve equitable access to outdoor recreation opportunities for healthy living. The proposed Passons Active Depot (the "PAD") will include areas to walk and observe nature, outdoor exercise equipment or water fountains and restrooms. The PAD will also act as a rest area or bicycle repair station for cyclists using the PAD from nearby trails, transit, and local businesses to encourage a sustainable regional transportation system environment and support healthy and equitable communities. The

City expects a growth in cyclists, park patrons, and local walkers in the vicinity of the PAD. Promoting alternative modes of transportation, the City also anticipates a less congested Passons Boulevard.

SUMMARY:

Staff recommends that the City Council consider adopting the proposed Resolution to formally declare the subject property as exempt surplus land pursuant to Gov. Code § 54221(f)(1)(D) and authorize the City Manager or designee to take the necessary actions to comply with the Surplus Land Act (Gov. Code §§ 54220, et seq.).

ATTACHMENT(S):

1. Attachment A - Resolution No. 22-76 (5055 Passons Blvd - Surplus Land Act Exemption)

NEXT STEPS:

N/A

RESOLUTION NO. 22-76

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MONTEBELLO, CALIFORNIA, DECLARING A CITY-OWNED PROPERTY LOCATED AT 5055 PASSONS BOULEVARD (ASSESSOR'S PARCEL NO. 6377-007-270) AS "EXEMPT SURPLUS LAND" PURSUANT TO GOVERNMENT CODE SECTION 54221(F)(1)(D)

WHEREAS, the City of Montebello, California ("City") is the owner in fee simple of one parcel of real property located at 5055 Passons Boulevard, Pico Rivera, California (Assessor's Parcel Number ["APN"] 6377-007-270) (the "Property"); and

WHEREAS, the parcel is zoned R-M (Multi-Family Residential); and

WHEREAS, effective January 1, 2020, significant amendments to the Surplus Land Act ("SLA") Government Code Section 54220 et seq., went into effect providing the framework and state law requirements for disposal of surplus real property owned in fee by a public agency; and

WHEREAS, under the SLA, land owned by the City must be declared either "Surplus Land" or "Exempt Surplus Land;" and

WHEREAS, for land declared Surplus Land, the City must give notice to various public agencies and affordable housing developers of the land's availability before the City may dispose of the land;

WHEREAS, the SLA provides exemptions from the application of the SLA and its procedural requirements surplus land that is declared "Exempt Surplus Land," which includes local agency land that is transferred to another local, state, or federal agency for the transferee agency's use; and

WHEREAS, the City desires to sell the Property to another local agency, the City of Pico Rivera, which intends to use the Property for a public purpose; and

WHEREAS, all other legal prerequisites to the adoption of this Resolution have occurred.

NOW, THEREFORE, the City Council of the City of Montebello hereby finds, declares, and resolves as follows:

SECTION 1. The foregoing recitals are true and correct and are hereby incorporated as substantive findings of this Resolution.

SECTION 2. Based on the above Recitals, the staff report accompanying this Resolution, and such other written and testimonial evidence, the City Council of the City of Montebello hereby finds and declares the Property Exempt Surplus Land pursuant to California Government Code Section 54221(f)(1)(D). The Property is land owned by a local agency that upon approval by the City, is to be transferred to another local agency – the City of Pico Rivera to be used for a public purpose.

SECTION 3. This Resolution has been reviewed with respect to the applicability of the California Environmental Quality Act (Public Resources Code Section 21000 et seq.) ("CEQA"). The City Council finds that this Resolution is exempt under CEQA Guidelines Section 15312 – Class 12 (Surplus Government Property Sales) and pursuant to CEQA Guidelines Section

15060(c)(3) because the Resolution does not have the potential for resulting in either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment.

SECTION 4. The City Manager or his or her designee is authorized to submit the report of declared surplus land and exempt surplus land, in conformance with state law, and the City Clerk shall file a Notice of Exemption pursuant to CEQA Guidelines Section 15062.

SECTION 5. The City Manager or his or her designee is hereby authorized to take such actions that are reasonably necessary to comply with the SLA and effectuate the intent of this Resolution.

SECTION 6. The City Clerk shall certify to the adoption of this Resolution, and thenceforth and thereafter the same shall be in full force and effect.

SECTION 7. The Mayor and City Clerk are authorized to subscribe this Resolution where indicated below to evidence its approval by the City Council.

PASSED AND ADOPTED this 14th day of September, 2022 by the City Council.

_____
Kimberly A. Cobos-Cawthorne, Mayor

ATTEST:

_____
Christopher Jimenez, City Clerk

APPROVED AS TO FORM:

_____
Arnold M. Alvarez-Glasman, City Attorney

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS:
CITY OF MONTEBELLO)

I, Christopher Jimenez, City Clerk of the City of Montebello, County of Los Angeles, State of California, hereby certify that the foregoing Resolution No. 22-76 was passed and adopted by the City Council of the City of Montebello, signed by the Mayor and attested by the City Clerk at a regular meeting of said Council held on the 14th day of September 2022 and that said Resolution was adopted by the following vote, to-wit:

AYES:
NOES:
ABSTAIN:
ABSENT:

The undersigned, City Clerk of the City of Montebello, does hereby attest and certify that the foregoing Resolution is a true, full and correct copy of a resolution duly adopted at a meeting of said City which was duly convened and held on the date stated thereon, and that said document has not been amended, modified, repealed or rescinded since its date of adoption and is in full force and effect as of the date hereof.

DATE: _____

_____
Christopher Jimenez, City Clerk

ITEM # 16

CITY OF MONTEBELLO
CITY COUNCIL AND PUBLIC FINANCING AUTHORITY AGENDA STAFF REPORT

TO: Honorable Mayor and City Council Members

FROM: René Bobadilla, P.E., City Manager

BY: Joseph Palombi, Director of Planning & Community Development

SUBJECT: **ADOPT RESOLUTION NO. 22-77 APPROVING SIGN LEASE AGREEMENT NO. 4026 FOR THE PROPOSED DIGITAL SIGN FOR THE PROPERTY LOCATED AT 315 N. GARFIELD AVENUE AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE SIGN LEASE AGREEMENT**

DATE: September 14, 2022

RECOMMENDATION(S):

RECOMMENDATION: It is recommended that the City Council:

1) Approve Sign Lease Agreement No. 4026 between The Archdiocese of Los Angeles Education and Welfare Corporation and Cantwell-Sacred Heart of Mary High School, and the City of Montebello for the property located at 315 N. Garfield Avenue; and

2) Authorize the City Manager to execute the Sign Lease Agreement for usage of a proposed digital sign at 315 N. Garfield Avenue; and

3) Take such additional, related, action that may be desirable.

FISCAL IMPACT:

Pursuant to the Sign Lease Agreement ("Lease"), the City of Montebello (as the "Lessee") will pay The Archdiocese of Los Angeles Education and Welfare Corporation and Cantwell-Sacred Heart of Mary High School (collectively the "Lessor") rent in the amount of one dollar ($1.00) per year for the right to use a digital sign for City announcements. This annual payment will commence on the date the sign becomes

operational and capable of displaying messages. All permitting and construction costs associated with the digital sign will be paid by the Lessor. Funding for the annual rent payment for usage of the digital sign totaling one dollar ($1.00) will be included in subsequent budgets.

BACKGROUND:

The City of Montebello has an opportunity to enter into the Lease with the Archdiocese of Los Angeles Education and Welfare Corporation and Cantwell-Sacred Heart of Mary High School for the right to use a proposed digital sign (Attachment B) at the property located at 315 N. Garfield Avenue, Montebello, CA 90640, identified as Los Angeles County Assessor's Parcel No. 6343-028-008 (the "Property"). The Property is owned by the Archdiocese of Los Angeles Education and Welfare Corporation and located along a well-traveled corridor within the City. The City will periodically utilize the digital sign for City announcements, including emergency messaging, sponsored events, and advertising for events/programs ("City Ads") that serve the needs of the City and its residents and businesses. Pursuant to the Lease, the City would be permitted to advertise up to 12 City events during the calendar year (January through December) with the ability to use up to five percent (5%) of the total advertising time for City Ads.

If the Lease is approved, the City's ability to use the digital sign for future messaging would require the submittal of a proposed message copy including any graphics to Lessor not less than ten (10) business days prior to the date the message is proposed to be displayed. The City Ads must be in a format ready for posting on the sign in accordance with the Lease.

The Lease will enhance the City's ability to provide information to the public as needed as well as provide a unique opportunity to utilize a key corridor for advertising City events, job recruitment efforts, etc. For example, the Lease will allow the City to use the digital sign to, among other things, advertise community meetings and events for citywide initiatives such as the General Plan Update. In addition, the sign could be used to advertise food distribution and public activities. The terms in this Lease are similar to terms included in other agreements between the City and other operators, with relatively no cost to the City.

ENVIRONMENTAL IMPACT:

The adoption of the proposed Resolution is not subject to the California Environmental Quality Act ("CEQA") because CEQA Guidelines Section 15060(c)(2) states that a project is not subject to CEQA review where the activity will not result in a direct or reasonably foreseeable indirect physical change to the environment and is exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) which states that a project is exempt from CEQA "where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment." The City's participation in the Lease for public messaging opportunities at the Property will not result in a direct or reasonably foreseeable indirect physical change to the environment and there is no possibility that the Lease will have a significant effect on the environment

because the Property will continue to be used as a deemed approved educational institution with related amenities pursuant to Conditional Use Permit No. 13-62 (approved August 1962) and any future changes to the Property shall comply with CEQA at that time.

ANALYSIS:

N/A

DISCUSSION:

N/A

SUMMARY:

Staff recommends that the City Council adopt the proposed Resolution approving the Lease of the digital sign at the Property and authorizing the City Manager to execute the Lease, and any reasonably related documents, on behalf of the City to move forward with securing the City's ability to use the property for public messaging and City Ads.

ATTACHMENT(S):

1. Attachment A - Resolution 22-77_CSHM_Signage Agreement
2. Attachment B - Sign Lease Agreement

NEXT STEPS:

N/A

ATTACHMENT A

RESOLUTION NO. 22-77

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MONTEBELLO APPROVING THE SIGN LEASE AGREEMENT FOR THE PROPERTY LOCATED AT 315 N. GARFIELD AVENUE

RECITALS

WHEREAS, the City of Montebello (the "City" or "Lessee") intends to utilize a digital sign owned by the Archdiocese of Los Angeles Education and Welfare Corporation and Cantwell-Sacred Heart of Mary High School (collectively "Lessor") for the periodic display of public messaging at 315 N. Garfield Avenue (Los Angeles County Assessor's Parcel Number 6343-028-008) (the "Property"); and

WHEREAS, the Lessor is the owner of said proposed digital sign located at the Property; and

WHEREAS, the City desires to enter into the Sign Lease Agreement (the "Lease") between Lessor and Lessee for a 10-year term to allow the City to display City related advertising and public messaging opportunities pursuant to the Lease; and

WHEREAS, the City shall pay to Lessor annual rent in the amount of one dollar ($1.00) per year commencing on the date the digital sign becomes operational; and

WHEREAS, the City desires to enter into the Lease for City advertising and public messaging opportunities pursuant to the Lease; and

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF MONTEBELLO HEREBY RESOLVES, FINDS, AND DECLARES AS FOLLOWS:

SECTION 1: The City Council hereby finds that the above recitals are true and correct and incorporate them herein as part of the findings.

SECTION 2: Based upon all information presented to the City Council during its consideration of this matter, the City Council hereby approves the Lease as long as there is no change to price or description of annual payment and messaging opportunities, which final agreement shall be approved as to form by the City Attorney's office.

SECTION 3: The City Council further authorizes the City Manager to execute the Lease, and any ancillary documents reasonably necessary to finalize the Lease and effectuate the intent of this Resolution.

SECTION 4: The adoption of the proposed Resolution is not subject to the California Environmental Quality Act (CEQA) because CEQA Guidelines section 15060(c)(2) states that a project is not subject to CEQA review where the activity will not result in a direct or reasonably foreseeable indirect physical change to the environment and is exempt from CEQA pursuant to CEQA Guidelines Section 15061(b)(3) which

states that a project is exempt from CEQA "where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment." The City's participation in the Lease for public messaging opportunities at the Property will not result in a direct or reasonably foreseeable indirect physical change to the environment and there is no possibility that the Lease will have a significant effect on the environment because the Property will continue to be used as an approved educational institution with related amenities pursuant to Conditional Use Permit No. 13-62 (approved in August 1962) and any future changes to the Property shall comply with CEQA at that time.

SECTION 5: That the City Clerk shall certify to the passage and adoption of this Resolution and that the same shall be in full force and effect.

APPROVED AND ADOPTED this 14th day of September 2022.

_____
Kimberly A. Cobos-Cawthorne, Mayor

ATTEST: **APPROVED AS TO FORM:**

_____ _____
Christopher Jimenez, City Clerk Arnold M. Alvarez-Glasman, City Attorney

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS:
CITY OF MONTEBELLO)

I, Christopher Jimenez, City Clerk of the City of Montebello, County of Los Angeles, State of California, hereby certify that the foregoing Resolution No. 22-77 was passed and adopted by the City Council of the City of Montebello, signed by the Mayor and attested by the City Clerk at a regular meeting of said Council held on the 14th day of September 2022 and that said Resolution was adopted by the following vote, to-wit:

AYES:
NOES:
ABSTAIN:
ABSENT:

The undersigned, City Clerk of the City of Montebello, does hereby attest and certify that the foregoing Resolution is a true, full and correct copy of a resolution duly adopted at a meeting of said City which was duly convened and held on the date stated thereon, and that said document has not been amended, modified, repealed or rescinded since its date of adoption and is in full force and effect as of the date hereof.

DATE: _____

_____
Christopher Jimenez, City Clerk

ATTACHMENT B

CITY OF MONTEBELLO

SIGN LEASE AGREEMENT NO. 4026
WITH THE ARCHDIOCESE OF LOS ANGELES EDUCATION AND WELFARE CORPORATION AND CANTWELL-SACRED HEART OF MARY HIGH SCHOOL

This Sign Lease Agreement ("Lease") is made and effective on _____ ("Effective Date"), by and between the Archdiocese of Los Angeles Education and Welfare Corporation and Cantwell-Sacred Heart of Mary High School (collectively "Lessor") and the City of Montebello, a municipal corporation (referred to as either "Lessee" or "City"). The Lessor and Lessee are at times collectively referred to hereinafter as the "Parties" or individually as the "Party."

THEREFORE, in consideration of the mutual promises herein, contained and other good and valuable consideration, it is agreed by the Parties as follows:

1. **SIGN**. Lessor does hereby lease and demise to Lessee, for outdoor advertising purposes, a digital sign fronting the Lessor's property located at 315 N. Garfield Ave., Montebello, California 90640 or Los Angeles County Assessor's Parcel No. 6343-028-008 (the "Sign") as legally described and depicted in **Exhibit "A-1 and A-2"** attached hereto and incorporated by this reference. The Sign shall remain the exclusive property of Lessor and Lessor shall have the right to remove the Sign at the expiration or earlier termination of this Lease. Lessor desires to lease the Sign to Lessee, and Lessee desires to lease the Sign from Lessor subject to the terms and upon the covenants, conditions, and provisions herein set forth.

2. **TERM OF LEASE**. The term of this Lease shall be ten (10) years commencing on the date the Sign becomes operational (the "Initial Term"). This Lease will renew automatically at the end of the Initial Term on a year-to-year basis, unless this lease is terminated pursuant to Paragraph 3.

3. **TERMINATION OF LEASE**. During the Initial Term, either Party may terminate this Lease if the other Party breaches the terms set forth herein. The non-breaching Party shall send written notice to the breaching Party specifying the breach. The breaching Party shall then have thirty (30) days to cure the specified breach. If the breaching Party fails to cure the specified breach within such period of time, the non-breaching Party may terminate this Lease. After the Initial Term, either Party terminate this Lease at any time upon giving thirty (30) days written notice of termination.

4. **RENTAL**. Lessee shall pay to Lessor annual rent in the amount of one dollar ($1.00) per year commencing on the Sign's Operational Date. For purposes of this Section, the Operational Date shall mean the date that the Sign is legal and functionally capable of displaying advertising or messages.

5. **LESSEE'S RIGHT TO USE SIGN**. Lessor hereby grants Lessee a non-exclusive right to use the Sign for the advertisement of City announcements, sponsored events, and programs that serve the needs of the City and its residents and businesses ("City Ad"). Lessee is permitted to advertise up to (12) City events per calendar year and the right to use up to five percent (5%) of the total advertising time for City Ads. The City Ad shall be displayed during the Sign's operating hours spread out equally through the Sign's operating hours for a period of two (2) weeks prior to the advertised City event in the same manner as other advertisements displayed on the Sign, but in no case shall the City Ad be displayed for less than eight (8) seconds at a time. The City shall submit a proposed copy to Lessor not less than ten (10) business days prior to the date the copy is proposed to be displayed. All proposed City Ads shall be prepared by and submitted at the City's sole cost and, shall be in a format ready for posting on the Sign. Lessor, in its sole discretion, shall have the right to reject, in writing to the Lessee no less than five (5) business days prior to the date the copy is proposed to be displayed, any proposed content that

would conflict with the teachings and values of the Catholic Church. Lessee represents and warrants that all copy, content, and materials supplied by City for display under this Lease: (i) are owned or duly licensed by Lessee and do not infringe or misappropriate the rights of any other person or entity; (ii) comply with all applicable federal, state, and local laws, rules and regulations and any industry codes or rules by which Lessee and/or Lessor may be bound and do not contain any obscene, libelous, slanderous or otherwise defamatory materials or refer in an offensive manner to the gender, race or ethnicity of any individual or group; (iii) are accurate and that all claims contained therein have been substantiated; and (iv) do not infringe upon any copyright, trademark or other intellectual property or privacy right of any third party.

6. **ASSIGNMENTS AND SUBLEASES**. Lessee may not assign or otherwise transfer this Lease or any interest herein, and this Lease is not assignable by operation of law without Lessor's prior written consent. Lessor shall respond in writing within thirty (30) days of receipt of any request by Lessee for an assignment or sublease of this Lease.

7. **UTILITIES**. Lessor shall be responsible for electricity and other services and utilities in connection with the use and operation of the Sign during the Term of the Lease. Lessee shall have no responsibility for any utilities costs, fees, or assessments associated with the operation of the Sign whatsoever.

8. **PROPERTY TAXES**. Lessor shall pay, prior to delinquency, all general real estate taxes and installments of special assessments coming due during the lease term.

9. **MAINTENANCE AND REPAIR**. Lessor shall be responsible for all the repair and maintenance of the Sign and related improvements on the premises at the sole cost of the Lessor. Lessor does not guarantee that the Sign will be operational at all times. Lessor shall run City Ads so long as the Sign is operational.

10. **MUTUAL INDEMNIFICATION**. Each Party hereby agrees to indemnify, defend and hold the other Party, its officials, officers, employees, consultants, contractors, and agents (collectively, "Representatives") harmless from and against any and all damages or other amounts payable to a third party claimant, as well as any reasonable attorneys' fees and costs of litigation (collectively, "Damages") arising out of or resulting from any claim, suit, proceeding or cause of action (each, a "Claim") brought by a third party against a Party or its Representatives based on any act or omission by the indemnifying Party or its Representatives. .

11. **ATTORNEYS FEES**. In the event that any action is brought by either Party as against the other Party for the enforcement or declaration of any right or remedy in or under this Lease or for the breach of any covenant or condition of this Lease, the prevailing party will be entitled to recover, and the other party agrees to pay, all fees and costs to be fixed by the court including, but not limited to, attorneys' fees.

12. **NOTICE**. Lessor and Lessee shall each have the right from time to time to change the place notice is to be given under this paragraph by written notice thereof to the other Party. Any notice required or permitted under this Lease shall be deemed sufficiently given or served if sent by United States certified mail, return receipt requested, addressed as follows:

If to Lessor: The Archdiocese of Los Angeles Education and Welfare Corporation
3424 Wilshire Boulevard
Los Angeles, CA 90010
Attn: Real Estate Department

With a copy to: Cantwell-Sacred Heart of Mary High School

315 N. Garfield Avenue
Montebello, CA 90640
Attn: School Principal

If to Lessee: City of Montebello
1600 W. Beverly Blvd.
Montebello, CA 90640
Attn: Director of Planning and Community Development

13. **FINAL AGREEMENT**. This Lease constitutes the entire agreement among the Parties and there are no conditions, representations, or agreements regarding the subject matter of this Lease, which are not expressed herein. This Lease supersedes any prior or contemporaneous agreements, representations, and negotiations.

14. **MODIFICATIONS**. Neither modification of this Lease nor any waiver of a provision hereof shall be of any force or effect unless the same is in writing and signed by the Parties hereto. Lessor and Lessee agree to mutually consider reasonable requests for amendments to this Lease that may be made by either of them, provided such requests are consistent with this Lease and would not materially alter the basic terms included in this Lease.

15. **TITLES AND HEADINGS**. Titles and headings used in this Lease are for convenience of reference only and shall not be considered in interpreting the meaning of any provision of this lease.

16. **SEVERABILITY**. If any term, provision, condition or covenant of this Lease or its application to any Party or circumstance is held, to any extent, invalid or unenforceable, the remainder of this Lease, or the application of the term, provision, condition or covenant to persons or circumstances other than those as to whom or which it is held invalid or unenforceable, will not be affected and will be valid and enforceable to the fullest extent permitted by law.

17. **GOVERNING LAW**. This Lease shall be governed, construed and interpreted by, through and under the laws of the State of California.

[*Signatures on the following page*]

IN WITNESS WHEREOF, the Parties have executed this Lease as of the day and year first above written.

THE ARCHDIOCESE OF LOS ANGELES EDUCATION AND WELFARE CORPORATION, A CORPORATION SOLE, ON BEHALF OF CANTWELL-SACRED HEART OF MARY HIGH SCHOOL ("Lessor")

By:_____
Sr. Mary Anncarla Costello SND

Its:_____

Date:_____

CITY OF MONTEBELLO, a municipal corporation ("Lessee")

By:_____
René Bobadilla, City Manager

Date:_____

ATTEST:

By:_____
Christopher Jimenez, City Clerk

APPROVED AS TO FORM:

By:_____
Arnold M. Alvarez-Glasman
City Attorney

EXHIBITS:

- A-1
- A-2

Exhibit "A-1"

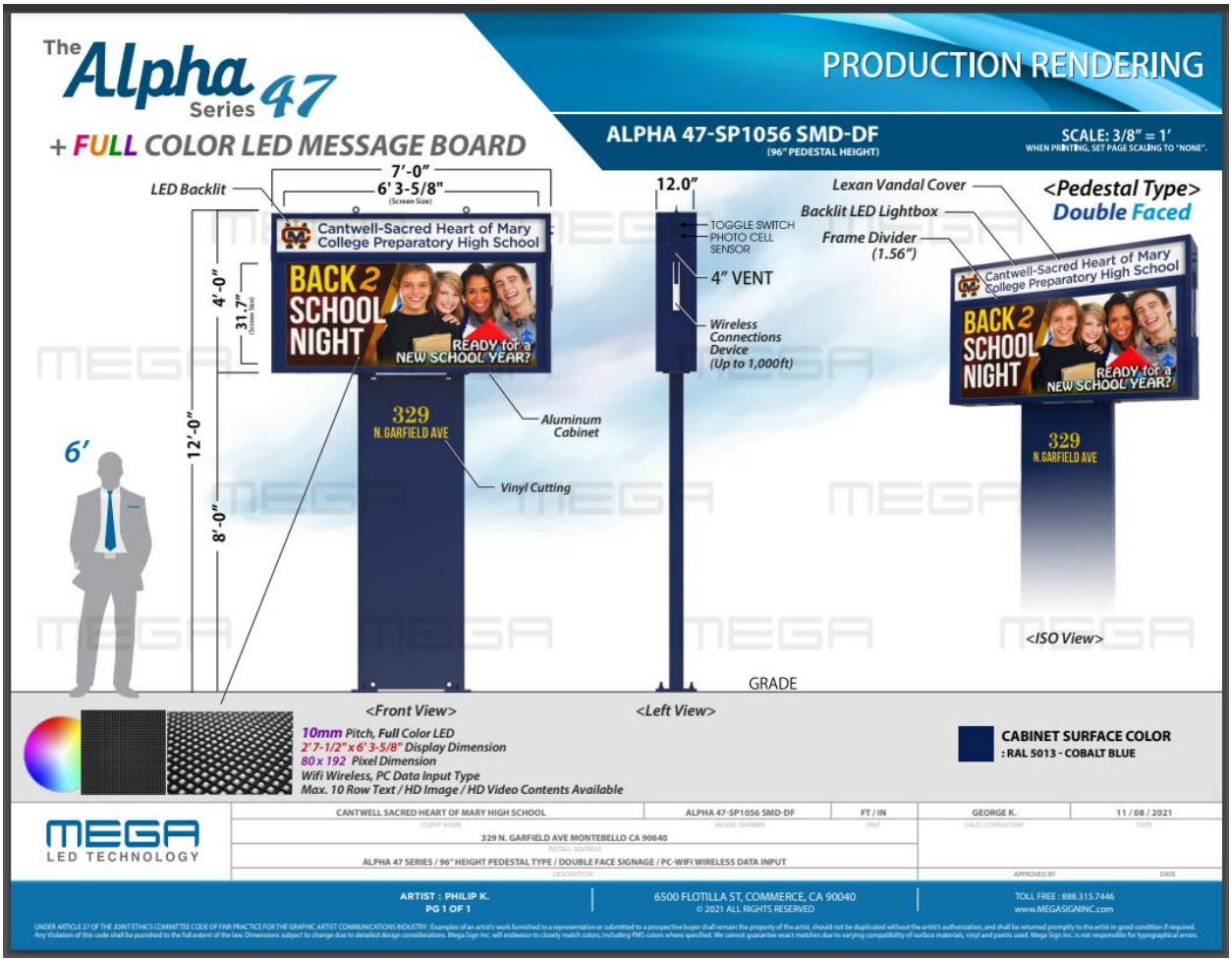
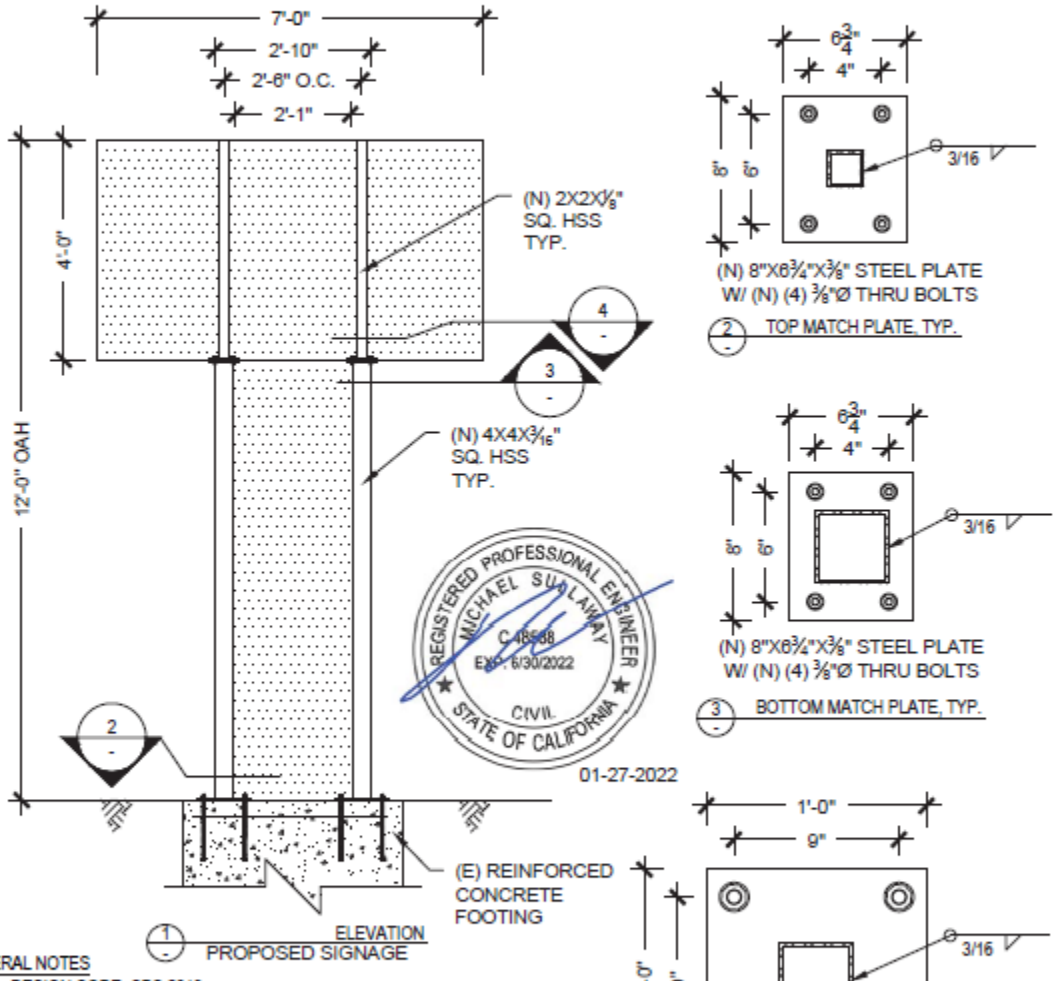
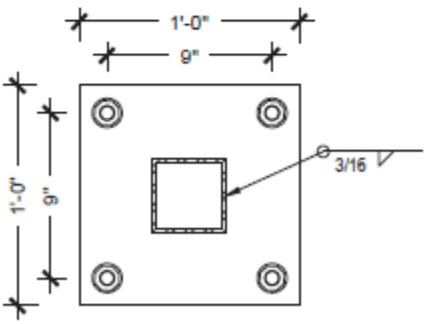

The Alpha 47 Series
+ FULL COLOR LED MESSAGE BOARD
PRODUCTION RENDERING
ALPHA 47-SP1056 SMD-DF
(96" PEDESTAL HEIGHT)
SCALE: 3/8" = 1'
WHEN PRINTING, SET PAGE SCALING TO "NONE".
LED Backlit
7'-0"
6' 3-5/8"
(Screen Size)
Cantwell-Sacred Heart of Mary College Preparatory High School
BACK 2 SCHOOL NIGHT
READY for a NEW SCHOOL YEAR?
4'-0"
31.7"
(Screen Size)
12'-0"
8'-0"
6'
329
N. GARFIELD AVE
Aluminum Cabinet
Vinyl Cutting
12.0"
TOGGLE SWITCH
PHOTO CELL SENSOR
4" VENT
Wireless Connections Device (Up to 1,000ft)
GRADE
Lexan Vandal Cover
Backlit LED Lightbox
Frame Divider (1.56")
<Pedestal Type>
Double Faced
<ISO View>
<Front View>
<Left View>
10mm Pitch, Full Color LED
2'7-1/2" x 6'3-5/8" Display Dimension
80 x 192 Pixel Dimension
Wifi Wireless, PC Data Input Type
Max. 10 Row Text / HD Image / HD Video Contents Available
CABINET SURFACE COLOR
: RAL 5013 - COBALT BLUE
MEGA LED TECHNOLOGY
CANTWELL SACRED HEART OF MARY HIGH SCHOOL
ALPHA 47-SP1056 SMD-DF
FT / IN
GEORGE K.
11 / 08 / 2021
329 N. GARFIELD AVE MONTEBELLO CA 90640
ALPHA 47 SERIES / 96" HEIGHT PEDESTAL TYPE / DOUBLE FACE SIGNAGE / PC-WIFI WIRELESS DATA INPUT
ARTIST : PHILIP K.
PG 1 OF 1
6500 FLOTILLA ST, COMMERCE, CA 90040
© 2021 ALL RIGHTS RESERVED
TOLL FREE : 888.315.7446
www.MEGASIGNINC.com

Exhibit "A-2"

SULLAWAY ENGINEERING
11545 W. BERNARDO COURT, SUITE 201
SAN DIEGO, CA 92127
PROJECTMANAGER@SULLAWAYENG.COM
PHONE: 1-858-312-5150 FAX: 1-858-777-3534

PROJECT: CANTWELL SACRED HEART OF MARY HS, 329 N. GARFIELD AVENUE, MONTEBELLO, CA
PROJECT #: 33579
CLIENT: MEGA SIGN, INC. (DBA MEGA LED TECHNOLOGY)
DATE: 1/21/2022
ENGINEER: ET
LAST REVISED:





01-27-2022

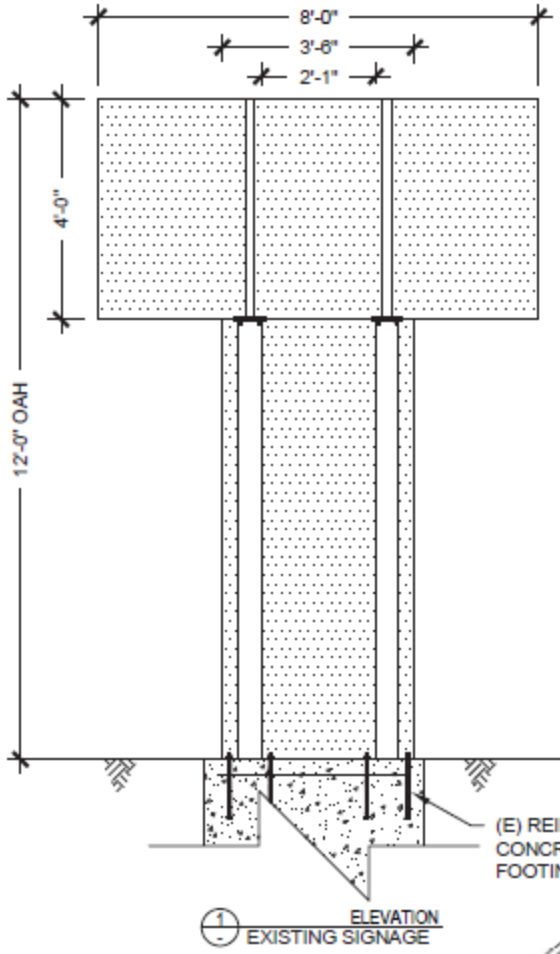
GENERAL NOTES

1. DESIGN CODE: CBC 2019
2. DESIGN LOADS: ASCE 7-16
3. WIND VELOCITY 95 MPH EXPOSURE C
4. SQ. HSS STEEL ASTM A500 GR. B, F_y = 46 KSI MIN.
5. PLATE STEEL ASTM A36
6. BOLT STEEL ASTM A307, HDG PER ASTM A153, ZP PER ASTM B633
7. THREADED ROD STEEL ASTM F1554 GR. 36
8. WELDING STRENGTH, Fexx = 70 KSI
9. PROVIDE PROTECTION AGAINST DISSIMILAR METALS
10. ALL DIMENSIONS TO BE VERIFIED PRIOR TO FABRICATION
11. ALL EXISTING ELEMENTS AND DIMENSIONS TO BE VERIFIED IN FIELD
12. SEISMIC PARAMETERS S_1=0.676g,S_S=1.89g, S_{DS}=1.512g

SULLAWAY ENGINEERING
11545 W. BERNARDO COURT, SUITE 201
SAN DIEGO, CA 92127
PROJECTMANAGER@SULLAWAYENG.COM
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DATE: 1/21/2022
ENGINEER: ET
LAST REVISED:



1 ELEVATION
EXISTING SIGNAGE

REGISTERED PROFESSIONAL ENGINEER
MICHAEL SULLAWAY
C 46588
EXP. 6/30/2022
CIVIL
STATE OF CALIFORNIA

01-27-2022

SULLAWAY ENGINEERING

PROJECT: CANTWELL SACRED HEART OF MARY HS DATE: 1/21/22

PROJ. NO.: 33579 ENGINEER: ET

CLIENT: MEGA SIGN, INC. (DBA MEGA LED TECHNOLOGY)

vs.s units; pounds, feet unless noted otherwise

Applied Wind Loads; from ASCE 7-16 (Existing Sign)

$F=q_z*G*C_f*A_f$ with $q_z = 0.00256K_zK_{zt}K_dV^2$ (29.3.2 & 29.4)

C_f= 1.783 (Fig. 29.3-1) 1.00 max. height= 12.0

K_{zt}= 1.0 (26.8.2) (=1.0 unless unusual landscape)

K_z= from table 28.3-1 Exposure= c

K_d= 0.85 for signs (table 26.6-1)

V= 95 mph

G= 0.85 (26.9) weight= 0.600 klps

s/h= 0.333 M_{DL}= 0.000 k-ft

B/s= 2.00

Pole Loads	structure component	height at section c.g.	K_z	q_z	pressure q_z*G*C_f	A_f	shear	Wind Moment M_W		
	1	4.00	0.85	16.69	25.30	28.00	708	2834		
	2	10.00	0.85	16.69	25.30	32.00	810	8097		
					sums:	60.00	1518	10.93	(M_w) k-ft	arm= 7.2
			P_u=	0.72	klp		M=	10.93	k-ft	$M=sqrt(M_{DL}^2+M_w^2)$
		$M_u=sqrt(1.2M_{DL}^2+1.0M_W^2)$ =		10.93	k-ft					

SULLAWAY ENGINEERING

PROJECT: CANTWELL SACRED HEART OF MARY HS DATE: 1/21/22

PROJ. NO.: 33579 ENGINEER: ET

CLIENT: MEGA SIGN, INC. (DBA MEGA LED TECHNOLOGY)

vs.s units; pounds, feet unless noted otherwise

Applied Wind Loads; from ASCE 7-16 (New Signage)

$F=q_z*G*C_f*A_f$ with $q_z = 0.00256K_zK_{zt}K_dV^2$ (29.3.2 & 29.4)

C_f= 1.711 (Fig. 29.3-1) 2 pole Cf factor= 0.96 2.5 max. height= 12.0

K_{zt}= 1.0 (26.8.2) (=1.0 unless unusual landscape)

K_z= from table 28.3-1 Exposure= c

K_d= 0.85 for signs (table 26.6-1)

V= 95 mph

G= 0.85 (26.9) weight= 0.507 klps

s/h= 0.333 M_{DL}= 0.000 k-ft

B/s= 1.75

Pole Loads	structure component	height at section c.g.	K_z	q_z	pressure q_z*G*C_f	A_f	shear	Wind Moment M_W			
	1	4.00	0.85	16.69	24.28	22.67	550	2201			
	2	10.00	0.85	16.69	24.28	28.00	680	6798			
					sums:	50.67	1230	9.00	(M_w)	k-ft	arm= 7.3
two pole distribution factor "b"s (asce fig. 29.4-1):						x 0.74	911	6.66			
				P_u=	0.61	klp		M=	6.66	k-ft	$M=sqrt(M_{DL}^2+M_w^2)$
$M_u=sqrt(1.2M_{DL}^2+1.0M_W^2)$ =					6.66	k-ft					

Pole Design section; tube

$M_u \leq \phi M_n$ with $M_n = f_y$ f_y= 46 ksi ϕ= 0.9

H	M_u(k-ft)	Z req'd. (in)	Size(in)	t (in)	Z	USE
at grade	6.66	1.93	3	0.174	2.0	4x4x3/16" SQ. HSS, ϕMn = 12.7 k-ft
splice at 8 ft	1.05	0.3	2	0.25	1.0	2x2x1/8" SQ. HSS, ϕMn = 2.02 k-ft

*Moment/Shear at grade for the existing signage is greater than the new signage

→ Existing Footing is OK

SULLAWAY ENGINEERING

PROJECT: CANTWELL SACRED HEART OF MARY HS — DATE: 1/21/22
PROJ. NO.: 33579 — ENGINEER: ET
CLIENT: MEGA SIGN, INC. (DBA MEGA LED TECHNOLOGY)

vs.s — units; pounds, feet unless noted otherwise

Check 0.75" dia. Threaded Rod: (Existing)

Mu =		ar grade =	6.66	k-ft	(See Page#4)
Vu =		ar grade =	0.911	kips	(See Page#4)
n =		#bolts per row =	2		
s =		=	9	in	
Tu per bolt =		Mu/s/n =	4.442	kips	
Vu per bolt =		Vu/n =	0.455	kips	

Per AISC J3:

d(bolt) =	0.75 in	Fu =	58 ksi	ϕ =	0.75	
A(bolt) =				=	0.442 in^2	
Fnt =				0.75*Fu =	43.50 ksi	
Fnv =				0.45*Fu =	26.10 ksi	
ϕRnt =				ϕ*Fnt * A(bolt) =	14.41 kips	OK
ϕRnv =				ϕ*Fnv * A(bolt) =	8.65 kips	OK

Combined Tension & Shear Check:

frv =	V per bolt / A(bolt) =	1.03	ksi	
F'nt =	1.3Fnt - Fnt/ϕFnv*frv ≤ Fnt =	43.50	ksi	
ϕRnt =	ϕF'nt*A(bolt) =	14.41	kips	OK

Check 1'-0"x1'-0"x0.5" Steel Base Plate, A36

(Along Wind)

arm =	2.600 in	b =	12.00 in	t =	0.5 in	
Mplate =			T per bolt * n * arm =	23.100	k-in	(T= See above, n=2)
Z=			bt^2/4=	0.750	in^3	
ϕMn =			ϕ*Fy*Z = 0.9*36ksi*Z =	24.300	k-in	OK

SULLAWAY ENGINEERING

PROJECT: CANTWELL SACRED HEART OF MARY HS — DATE: 1/21/22
PROJ. NO.: 33579 — ENGINEER: ET
CLIENT: MEGA SIGN, INC. (DBA MEGA LED TECHNOLOGY)

units; pounds, feet unless noted otherwise

Check 0.375" dia. Thru Bolts, A307

Mu =		(splice at 8 ft)=	1.05	k-ft	(See Page#4)
Vu =		(splice at 8 ft)=	0.680	kips	(See Page#4)
n =		#bolts per row =	2		
s =		=	6	in	
Tu per bolt =		Mu/s/n =	1.050	kips	
Vu per bolt =		Vu/n =	0.340	kips	
Per AISC J3: d(bolt) =	0.375 in	Fu = 60 ksi	ϕ =	0.75	
A(bolt) =		=	0.110	in^2	
Fnt =		0.75*Fu =	45.00	ksi	
Fnv =		0.45*Fu =	27.00	ksi	
ϕRnt =		ϕ*Fnt * A(bolt) =	3.73	kips	OK
ϕRnv =		ϕ*Fnv * A(bolt) =	2.24	kips	OK
Combined Tension & Shear Check:					
frv =		V per bolt / A(bolt) =	3.08	ksi	
F'nt =		1.3Fnt - Fnt/ϕFnv*frv ≤ Fnt =	45.00	ksi	
ϕRnt =		ϕF'nt*A(bolt) =	3.73	kips	OK

Check 8x6.75x0.375" Steel Top Match Plate, A36 (Along Wind)

arm =	2.050 in	b = 6.75 in	t =	0.375	in	
Mplate =		T per bolt * n * arm =	4.306	k-in	(T= See above, n=2)	
Z=		bt^2/4=	0.237	in^3		
ϕMn =		ϕ*Fy*Z = 0.9*36ksi*Z =	7.689	k-in	OK	

Check 8x6.75x0.375" Steel Top Match Plate, A36 (Across Wind)

arm =	1.050 in	b = 4.050 in	t =	0.375	in	
Mplate =		T per bolt * n * arm =	1.103	k-in	(T= See above, n=1)	
Z=		bt^2/4=	0.142	in^3		
ϕMn =		ϕ*Fy*Z = 0.9*36ksi*Z =	4.613	k-in	OK	

Check 8x6.75x0.375" Steel Bottom Match Plate, A36 (Along Wind)

arm =	1.100 in	b = 6.20 in	t =	0.375	in	
Mplate =		T per bolt * n * arm =	2.311	k-in	(T= See above, n=2)	
Z=		bt^2/4=	0.218	in^3		
ϕMn =		ϕ*Fy*Z = 0.9*36ksi*Z =	7.062	k-in	OK	

Check 8x6.75x0.375" Steel Bottom Match Plate, A36 (Across Wind)

arm =	0.100 in	b = 4.200 in	t =	0.375	in	
Mplate =		T per bolt * n * arm =	0.105	k-in	(T= See above, n=1)	
Z=		bt^2/4=	0.148	in^3		
ϕMn =		ϕ*Fy*Z = 0.9*36ksi*Z =	4.784	k-in	OK	

SULLAWAY ENGINEERING

PROJECT: CANTWELL SACRED HEART OF MARY HS DATE: 1/21/2022

PROJ. NO.: 33579 ENGINEER: ET

CLIENT: MEGA SIGN, INC. (DBA MEGA LED TECHNOLOGY)

vs.s units; pounds, feet unless noted otherwise

Seismic Analysis- Non- Building Structure

Design Force (ASCE 15)

Latitude	34.0171601		
Longitude	-118.1306462		
S_1=	0.676	(from USGS)	I= 1
S_{DS}=	1.512		
F_a=	1.2		
W=	0.507 kips	(See page#4)	

R	Ω	Cd	ASCE Table 15.4-2 "Signs and Billboards"
3	1.75	3	

$V=C_sW$

$C_s=S_{DS}/(R/I)$

C_s=	0.50		
V=	0.255	k	(Seismic shear)
V=	1.230	k	(Wind shear < Governs)
			(See Page #4)

Hazards by Location

Search Information

Address:	329 N. Garfield Avenue, Montebello, CA
Coordinates:	34.0171601, -118.1306462
Elevation:	207 ft
Timestamp:	2022-01-21T06:37:56.810Z
Hazard Type:	Seismic
Reference Document:	ASCE7-16
Risk Category:	II
Site Class:	D-default



Basic Parameters

Name	Value	Description
S_S	1.89	MCE_R ground motion (period=0.2s)
S_1	0.676	MCE_R ground motion (period=1.0s)
S_{MS}	2.268	Site-modified spectral acceleration value
S_{M1}	* null	Site-modified spectral acceleration value
S_{DS}	1.512	Numeric seismic design value at 0.2s SA
S_{D1}	* null	Numeric seismic design value at 1.0s SA

* See Section 11.4.8

▾Additional Information

Name	Value	Description
SDC	* null	Seismic design category
F_a	1.2	Site amplification factor at 0.2s
F_v	* null	Site amplification factor at 1.0s
CR_S	0.897	Coefficient of risk (0.2s)
CR_1	0.897	Coefficient of risk (1.0s)
PGA	0.814	MCE_G peak ground acceleration
F_{PGA}	1.2	Site amplification factor at PGA
PGA_M	0.977	Site modified peak ground acceleration

T_L	8	Long-period transition period (s)
SsRT	1.89	Probabilistic risk-targeted ground motion (0.2s)
SsUH	2.107	Factored uniform-hazard spectral acceleration (2% probability of exceedance in 50 years)
SsD	2.46	Factored deterministic acceleration value (0.2s)
S1RT	0.676	Probabilistic risk-targeted ground motion (1.0s)
S1UH	0.754	Factored uniform-hazard spectral acceleration (2% probability of exceedance in 50 years)
S1D	0.786	Factored deterministic acceleration value (1.0s)
PGAd	0.995	Factored deterministic acceleration value (PGA)

* See Section 11.4.8

The results indicated here DO NOT reflect any state or local amendments to the values or any delineation lines made during the building code adoption process. Users should confirm any output obtained from this tool with the local Authority Having Jurisdiction before proceeding with design.

Disclaimer

Hazard loads are provided by the U.S. Geological Survey Seismic Design Web Services.

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ITEM # 17

CITY OF MONTEBELLO
CITY COUNCIL AND PUBLIC FINANCING AUTHORITY AGENDA STAFF REPORT

TO: Honorable Mayor and City Council Members

FROM: René Bobadilla, P.E., City Manager

BY: Michael Solorza, Director of Finance

SUBJECT: **SECOND READING AND ADOPTION OF ORDINANCE NO. 2452 UPDATING MONTEBELLO MUNICIPAL CODE CHAPTER 2.16 – DIRECTOR OF FINANCE**

DATE: September 14, 2022

RECOMMENDATION(S):

RECOMMENDATION: It is recommended that the City Council:

1) Waive Second Reading and adopt Ordinance No. 2452 Amending Montebello Municipal Code Chapter 2.16.020 – Director of Finance, Powers and Duties; and

2) Take such additional, related action(s) that may be desirable.

FISCAL IMPACT:

There is no fiscal impact to this action updating the City's Municipal Code. The Department of Finance, through the City Manager provides regular budget, financial and treasury reports to the City Council and the public. The quantity and quality of these and other reports are sufficient to provide a clear and transparent picture of the City's financial standing.

BACKGROUND:

N/A

ENVIRONMENTAL IMPACT:

N/A

ANALYSIS:

N/A

DISCUSSION:

The City's Municipal Code contains a chapter which creates the office and describes the duties of the "Director of Finance." As the head of the Finance Department, the Municipal Code (Chapter 2.16 et al) spells out various duties, responsibilities and reports which fall under the purview of the Director of Finance. (Chapter 2 of the Montebello Municipal Code , among other things, lays out the duties and responsibilities of the City Manager, City Council, code enforcement and various departments).

Recently, there have been changes and improvements to the language used to describe the duties of the Director of Finance, as evidenced by other municipalities' similar code sections. Staff conducted research of more than a dozen other cities' Director of Finance code sections. Large and small cities' municipal codes were studied (e.g., Alhambra, Newport Beach, Irvine, Paramount, La Palma, etc.) to determine how this position was described and what specific tasks, duties and reports were assigned to it for each city.

Currently, Montebello's Chapter 2.16 includes only a brief description of the types of reports to be prepared and submitted for City Manager and City Council review (Chapter 2.16.020(E)):

Submit to the city council through the city manager a monthly statement of all receipts and disbursements in sufficient detail to show the exact financial condition of the city; and, as of the end of each fiscal year, submit a complete financial statement and report;

The proposed ordinance amendment updates the types and scope of reports to better represent the actual reports currently being prepared for management and City Council review. Specifically, Chapter 2.16.020(E) would require monthly disbursement and payment reports (i.e., warrant register), monthly treasury reports, quarterly budget projections/reports, an annual financial statement (i.e., ACFR) that shows the exact financial condition at the close of the fiscal year, and other reports as requested by the City Manager (Attachment A).

Currently, the City Council receives a warrant register at each regular meeting (twice per month) which details disbursements/payments, and monthly and quarterly treasury reports as required by Government Code. In addition, quarterly budget reports are produced and presented at regular City Council meetings. Most importantly, the Finance Department produces an Annual Comprehensive Financial Report (ACFR) that fairly and accurately presents the City's exact financial condition as of year-end (i.e., June 30). It

should be noted that – due to the nature of municipal finances – the exact financial condition of a public agency can only be determined at the close of the fiscal year, when the financial statements are audited and an ACFR is produced within six months of fiscal year end.

This Municipal Code Amendment will help clarify the types of reports produced by the Director of Finance to better reflect current practice – both locally in Montebello and reflecting what other cities in Los Angeles and Orange County prepare and produce. This item was continued from the August 24, 2022 City Council meeting.

SUMMARY:

That the City Council adopt an Ordinance amending Municipal Code Chapter 2.16 – Director of Finance to update the duties, responsibilities and reports produced to reflect current practice and best practice as determined by research into other cities' municipal codes.

ATTACHMENT(S):

1. Attachment A - Ordinance No. 2452

NEXT STEPS:

N/A

ATTACHMENT A

ORDINANCE NO. 2452

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MONTEBELLO, CALIFORNIA, AMENDING SECTION 2.16.020 OF CHAPTER 2.16 TO TITLE 2 OF THE MONTEBELLO MUNICIPAL CODE UPDATING THE DUTY OF DIRECTOR OF FINANCE TO PREPARE CERTAIN FINANCIAL REPORTS

RECITALS

WHEREAS, the City of Montebello is a general law city under California Government Code Section 34102; and

WHEREAS, Article XI, Section 7 of the California Constitution provides that the City of Montebello ("City") may make and enforce within its limits all local, police, sanitary, and other ordinances and regulations not in conflict with general laws; and

WHEREAS, the Finance Department is responsible for a broad range of activities, including management of revenue operations of the City, as well as accounting for the City's major revenue streams, such as sales tax and property tax; and

WHEREAS, the Finance Department is responsible for the overall administration of the City's Accounts Payable, Payroll, Accounts Receivable, Information Technology and Purchasing Divisions; and

WHEREAS, the duties of the Director of Finance include, but are not limited to, compiling the budget expense and income estimates for the City Manager, maintaining a general accounting system for the City government and each of its officers, departments and agencies, supervise the keeping of current inventories of all City property and to supervise and be responsible for the disbursement of all moneys and audit of all expenditures; and

WHEREAS, the Director of Finance also has a duty to prepare and present to the City Council through the City Manager certain financial reports; and

WHEREAS, the City Council desires to amend the Montebello Municipal Code to establish a general schedule for, and to specify the types of, financial reports to be prepared by the Director of Finance and presented to the City Council through the City Manager.

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

SECTION 1. The City Council for the City of Montebello finds and declares the foregoing are true and correct, and incorporates said recitals fully into this Ordinance as substantive findings.

SECTION 2. Section 2.16.020 “Powers and Duties” of Chapter 2.16 “Director of Finance” is hereby amended to read as follows (deletions in strikethrough and additions in double underline)::

Chapter 2.16 – DIRECTOR OF FINANCE

2.16.010 Office Established
2.16.020 Powers and Duties

2.16.010 Office Established

There is created and established the office of director of finance, sometimes referred to in this code as "finance officer." The office of director of finance may be combined with any other office or position not inconsistent therewith.

2.16.020 Powers and Duties

The director of finance shall be the head of the finance department of the city, and shall have the power and shall be required to:

A. Have charge of the administration of the financial affairs of the city under the direction of the city manager;

B. Compile the budget expense and income estimates for the city manager;

C. Maintain a general accounting system for the city government and each of its officers, departments and agencies;

D. Supervise and be responsible for the disbursement of all moneys and audit of all expenditures to insure that budget appropriations are not exceeded; audit all purchase orders before issuance; to insure that sufficient funds are appropriated and available; audit and approve before payment all bills, invoices, payrolls, demands or charges against the city government and with the advice of the city attorney, when necessary determine the regularity, legality and correctness of such claims, demands or charges; prepare and submit to the city council periodically a register of audited demands with his/her affidavit attached thereto as provided in Section 37202 of the Government Code;

E. Submit to the city council through the city manager the following reports: ~~a monthly statement of all receipts and disbursements in sufficient detail to show the exact financial condition of the city; and, as of the end of each fiscal year, submit a complete financial statement and report;~~
   i. Monthly reports of disbursements and payments (i.e., warrant register) and required Treasury reports of the city; and
   ii. Quarterly budget projections; and
   iii. One annual comprehensive financial statement and report of the exact financial condition of the city at the close of the fiscal year; and

iv. Such other financial reports as may be requested by the city manager or required by law.

F. Supervise the keeping of current inventories of all property of the city by all city departments, offices and agencies;

G. Perform all the financial and accounting duties heretofore imposed upon the city clerk, and the city clerk shall be relieved of such duties including all such duties imposed upon the city clerk by Section 40802 through 40805 of the Government Code of the state.

H. Perform such other duties as may be imposed upon him/her by law or by this code.

SECTION 4. If any part of this Ordinance, or its application to any individual, entity, or circumstance, is held to be invalid, the remainder of the Ordinance, including the application of provisions to other persons or circumstances, shall not be affected and shall continue in full force and effect. To this end, the provisions of this Ordinance are severable.

SECTION 5. This Ordinance shall become effective thirty (30) days after adoption.

SECTION 6. The City Clerk shall certify to the adoption of this Ordinance causing it to be posted as required by law.

APPROVED AND ADOPTED 14th day of September 2022.

_____
Kimberly A. Cobos-Cawthorne, Mayor

ATTEST:

_____
Christopher Jimenez, City Clerk

APPROVED AS TO FORM:

_____
Arnold M. Alvarez-Glasman, City Attorney

I HEREBY CERTIFY that the foregoing Ordinance was introduced at the regular meeting of the City Council on the 24th day of August 2022, and was adopted by the City Council of the City of Montebello at its meeting held on the 14th day of September 2022 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

_____
Christopher Jimenez, City Clerk

RESOLUTION NO. 22-75

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MONTEBELLO APPROVING AND ALLOWING CERTAIN CLAIMS AND DEMANDS

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MONTEBELLO HEREBY RESOLVES, FINDS, AND DECLARES AS FOLLOWS:

SECTION 1. That the reference is hereby made to that certain Register of Audited Demand No.1537, consisting of 9 pages, and including:

Warrant No.

General: Checks No.597323 through; 597469
ACH No. 2660 through; 2761

On file in the office of the City Clerk, the same having been audited and approved by the Assistant Director of Finance as required by law.

SECTION 2. That the said City Council having examined each such demand does hereby approve and direct the payment of same, as set forth in said Register, except the following Warrant No.

_____

_____

_____

SECTION 3. That the City Clerk shall certify to the passage and adoption of this Resolution and that the same shall be in full force and effect.

APPROVED AND ADOPTED this 14th day of September 2022.

_____
Kimberly A. Cobos-Cawthorne, Mayor

ATTEST:

_____
Christopher Jimenez, City Clerk

APPROVED AS TO FORM:

_____
Arnold M. Alvarez-Glasman, City Attorney

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES) SS:
CITY OF MONTEBELLO)

I, Christopher Jimenez, City Clerk of the City of Montebello, County of Los Angeles, State of California, hereby certify that the foregoing Resolution No.22-75 was passed and adopted by the City Council of the City of Montebello, signed by the Mayor and attested by the City Clerk at a regular meeting of said Council held on the 14th day of September 2022 and that said Resolution was adopted by the following vote, to-wit:

AYES:
NOES:
ABSTAIN:
ABSENT:

The undersigned, City Clerk of the City of Montebello, does hereby attest and certify that the foregoing Resolution is a true, full and correct copy of a resolution duly adopted at a meeting of said City which was duly convened and held on the date stated thereon, and that said document has not been amended, modified, repealed or rescinded since its date of adoption and is in full force and effect as of the date hereof.

DATE: _____

_____
Christopher Jimenez, City Clerk

- Exhibit A – Warrant Register

City of Montebello

Register of Demands No. 1537

From Payment Date 08/12/22 - To Payment Date 08/29/22

WARRANT	DATE	AMOUNT	ACCOUNT DESCRIPTION	VENDOR #	VENDOR NAME
4331	- General Account				
2660	08/18/2022	$5,236.07	CDBG-CV	3163	BANK OF AMERICA
2661	08/18/2022	$3,803.85	CDBG-CV	3163	BANK OF AMERICA
2662	08/18/2022	$1,127.50	VEHICLE MAINTENANCE/EXPENSES	3163	BANK OF AMERICA
2663	08/18/2022	$447.64	SUPPLIES	3163	BANK OF AMERICA
2664	08/18/2022	$124.00	CONTRACT SERVICES	3163	BANK OF AMERICA
2665	08/18/2022	$7,910.15	SUPPLIES	3163	BANK OF AMERICA
2666	08/18/2022	$9,997.57	TRAVEL & MEETINGS	3163	BANK OF AMERICA
2667	08/18/2022	$689.89	SUPPLIES	3163	BANK OF AMERICA
2668	08/18/2022	$11.85	MAIL/ POSTAL EXPENSE	3163	BANK OF AMERICA
2669	08/18/2022	$1,174.46	VEHICLE MAINTENANCE/EXPENSES	3163	BANK OF AMERICA
2670	08/18/2022	$198.93	SUPPLIES	3163	BANK OF AMERICA
2671	08/18/2022	$3,147.75	SUPPLIES	3163	BANK OF AMERICA
2672	08/18/2022	$3,489.68	TRAINING	3163	BANK OF AMERICA
2673	08/18/2022	$382.85	SUPPLIES	3163	BANK OF AMERICA
2674	08/18/2022	$1,966.20	TRAVEL & MEETINGS	3163	BANK OF AMERICA
2675	08/18/2022	$1,313.24	SUPPLIES	3163	BANK OF AMERICA
2676	08/18/2022	$1,493.30	VEHICLE MAINTENANCE/EXPENSES	3163	BANK OF AMERICA
2677	08/18/2022	$8,117.45	TRAINING	3163	BANK OF AMERICA
2678	08/18/2022	$4,490.85	CONTRACT SERVICES	40670	ALL CITY MANAGEMENT SERVICES
2679	08/18/2022	$7,265.48	UNIFORM EXPENSE	20350	ALLSTAR FIRE EQUIPMENT INC
2680	08/18/2022	$6,357.10	SUPPLIES	2586	AMAZON CAPITAL SERVICES INC
2681	08/18/2022	$2,505.44	SUPPLIES	62880	AMERICAN MARKER
2682	08/18/2022	$40.00	CARPOOL INCENTIVE	289	ANDREA ANDRADE
2683	08/18/2022	$40.00	CARPOOL INCENTIVE	61470	ERIKA L ANDRADE
2684	08/18/2022	$3,169.48	CONTRACT SERVICES	3588	ANTHONYS PORTABLE RESTROOMS INC
2685	08/18/2022	$1,476.48	CONTRACT SERVICES	1237	AZTECA LANDSCAPE
2686	08/18/2022	$950.00	CONTRACT SERVICES	2102	JOHN P BEROKOFF
2687	08/18/2022	$405.37	SUPPLIES	10000	CLEAN SWEEP SUPPLY CO INC

City of Montebello

Register of Demands No. 1537

From Payment Date 08/12/22 - To Payment Date 08/29/22

WARRANT	DATE	AMOUNT	ACCOUNT DESCRIPTION	VENDOR #	VENDOR NAME
2688	08/18/2022	$369.00	CONTRACT SERVICES	2889	COMLOCK SECURITY GROUP INC
2689	08/18/2022	$5,136.72	SUPPLIES	2624	CRAFCO INC
2690	08/18/2022	$12,990.96	VEHICLE MAINTENANCE/EXPENSES	3645	DEROTIC LLC
2691	08/18/2022	$834.98	CONTRACT SERVICES	2057	EVERNORTH BEHAVIORAL HEALTH
2692	08/18/2022	$40.00	CARPOOL INCENTIVE	2572	MARLENE GIL
2693	08/18/2022	$40.00	CARPOOL INCENTIVE	3123	NEIRA YESSIE GRANADOS
2694	08/18/2022	$40.00	CARPOOL INCENTIVE	3196	MICAH HERD
2695	08/18/2022	$40.00	CARPOOL INCENTIVE	4280	NADINE HERNANDEZ
2696	08/18/2022	$80.00	CARPOOL INCENTIVE	3585	LUPITA IBARRA
2697	08/18/2022	$14,303.84	CONTRACT SERVICES	3490	INTER-CON SECUIRTY SYSTEMS INC
2698	08/18/2022	$7,282.43	CONTRACT SERVICES	1612	JCL TRAFFIC SERVICES
2699	08/18/2022	$10,566.93	CONTRACT SERVICES	2152	JOHNSON CONTROLS INC
2700	08/18/2022	$40.00	CARPOOL INCENTIVE	3707	KEVORK KALAYCI
2701	08/18/2022	$869.00	CONTRACT SERVICES	3276	MARK ROBERT LOPEZ
2702	08/18/2022	$63.00	CONTRACT SERVICES	3574	MARIA GORYAN MAGDESYAN
2703	08/18/2022	$300.00	TRAINING	35650	MARC MARTY
2704	08/18/2022	$8,913.27	CONTRACT SERVICES	26880	SEBASTIAN WATERWORKS INC
2705	08/18/2022	$1,297.09	VEHICLE MAINTENANCE/EXPENSES	1385	MUNCIE RECLAMATION AND SUPPLY COMPANY
2706	08/18/2022	$30.00	CARPOOL INCENTIVE	2203	SAMANTHA NEVAREZ
2707	08/18/2022	$1,136.00	CONTRACT SERVICES	3028	ONWARD ENGINEERING
2708	08/18/2022	$40.00	CARPOOL INCENTIVE	59960	JO ANN PANOSIAN
2709	08/18/2022	$40.00	CARPOOL INCENTIVE	3089	NATALIE RAMIREZ
2710	08/18/2022	$40.00	CARPOOL INCENTIVE	3712	MATTHEW ROBERT RAMOS
2711	08/18/2022	$40.00	CARPOOL INCENTIVE	69960	NICOLE I SAUCEDO
2712	08/18/2022	$11,557.58	FUEL	1059	AMBER RESOURCES LLC
2713	08/18/2022	$40.00	CARPOOL INCENTIVE	2985	KEVIN SAYCOCIE
2714	08/18/2022	$40.00	CARPOOL INCENTIVE	3432	JOSEPHINE SERRANO
2715	08/18/2022	$40.00	CARPOOL INCENTIVE	24280	MARTIN SOLANO
2716	08/18/2022	$40.00	CARPOOL INCENTIVE	3001	MICHAEL SOLORZA
2717	08/18/2022	$179.05	SUPPLIES	31270	STARBOARD TACK SUPPLY INC

City of Montebello

Register of Demands No. 1537

From Payment Date 08/12/22 - To Payment Date 08/29/22

WARRANT	DATE	AMOUNT	ACCOUNT DESCRIPTION	VENDOR #	VENDOR NAME
2718	08/18/2022	$40.00	CARPOOL INCENTIVE	3053	MICHAEL TELLES
2719	08/18/2022	$40.00	CARPOOL INCENTIVE	1091	JANELLE TORRES
2720	08/18/2022	$461.52	CONTRACT SERVICES	57140	UNDERGROUND SERVICE ALERT OF SOUTHERN CA
2721	08/18/2022	$4,988.11	SUPPLIES	3088	WAXIES ENTERPRISES LLC
2722	08/18/2022	$424.00	CONTRACT SERVICES	183	WECK LABORATORIES ENVIRONMENTAL SERVICES INC
2723	08/18/2022	$1,372.00	SUPPLIES	3163	BANK OF AMERICA
2724	08/18/2022	$3,501.40	SUPPLIES	3163	BANK OF AMERICA
2725	08/18/2022	$2,402.60	SUPPLIES	3163	BANK OF AMERICA
2726	08/18/2022	$1,822.82	SUPPLIES	3163	BANK OF AMERICA
2727	08/18/2022	$29.60	MAIL/ POSTAL EXPENSE	3163	BANK OF AMERICA
2728	08/18/2022	$4,787.91	SUPPLIES	3163	BANK OF AMERICA
2729	08/18/2022	$188.64	SUPPLIES	3163	BANK OF AMERICA
2730	08/18/2022	$1,906.20	TRAINING	3163	BANK OF AMERICA
2731	08/18/2022	$180.50	SUPPLIES	3163	BANK OF AMERICA
2732	08/18/2022	$576.00	MACHINERY & EQUIPMENTS	3163	BANK OF AMERICA
2733	08/18/2022	$972.34	TRAINING	3163	BANK OF AMERICA
2734	08/18/2022	$3,843.85	SUPPLIES	3163	BANK OF AMERICA
2735	08/18/2022	$1,191.79	TRAINING	3163	BANK OF AMERICA
2736	08/24/2022	$442,471.50	PERS GROUP INSURANCE PAYABLE	17	CAL PERS
2737	08/24/2022	$305,788.34	PENSION/RETIREMENT PAYABLE	17	CAL PERS
2738	08/24/2022	$97,019.00	RETIREMENT	17	CAL PERS
2739	08/25/2022	$4,252.62	ADVERTISING/PRINTING SERVICES	2689	ACRO PRINTING INC
2740	08/25/2022	$19,033.86	CONTRACT SERVICES	37720	ADVANCED APPLIED ENGINEERING INC
2741	08/25/2022	$2,962.50	CONTRACT SERVICES	38010	ADVANCED AVANT-GARDE CORPORATION
2742	08/25/2022	$28,568.86	IMPROVEMENTS OTHER THAN BUILDING	3411	AIM CONSULTING SERVICES
2743	08/25/2022	$571.10	UNIFORM EXPENSE	20350	ALLSTAR FIRE EQUIPMENT INC
2744	08/25/2022	$76,882.86	CONTRACT SERVICES	16120	ALVAREZ-GLASMAN & COLVIN
2745	08/25/2022	$1,703.39	SUPPLIES	2586	AMAZON CAPITAL SERVICES INC
2746	08/25/2022	$246.96	SUPPLIES	62880	AMERICAN MARKER
2747	08/25/2022	$20,496.11	CONTRACT SERVICES	3016	ANTARES GOLF LLC

City of Montebello

Register of Demands No. 1537

From Payment Date 08/12/22 - To Payment Date 08/29/22

WARRANT	DATE	AMOUNT	ACCOUNT DESCRIPTION	VENDOR #	VENDOR NAME
2748	08/25/2022	$29,000.00	CONTRACT SERVICES	2102	JOHN P BEROKOFF
2749	08/25/2022	$428.65	SUPPLIES	10000	CLEAN SWEEP SUPPLY CO INC
2750	08/25/2022	$28,916.01	CONTRACT SERVICES	75950	FIESTA TAXI COOPERATIVE INC
2751	08/25/2022	$2,200.00	CONTRACT SERVICES	71920	TOYETTA L BEUKES
2752	08/25/2022	$151,265.63	CONTRACT SERVICES	1175	GRAPHIC ELECTRIC INC
2753	08/25/2022	$3,400.00	CONTRACT SERVICES	1612	JCL TRAFFIC SERVICES
2754	08/25/2022	$4,737.00	CONTRACT SERVICES	2892	KTU & A
2755	08/25/2022	$169.71	SUPPLIES	116	ADAM MITCHELL
2756	08/25/2022	$401.35	SUPPLIES	1120	BLUETRITON BRANDS INC
2757	08/25/2022	$20,000.00	CONTRACT SERVICES	61050	REDFLEX TRAFFIC SYSTEMS
2758	08/25/2022	$2,095.79	SUPPLIES	2594	THE SAUCE CREATIVE SERVICES CORP
2759	08/25/2022	$38,535.51	FUEL INVENTORY	1059	AMBER RESOURCES LLC
2760	08/25/2022	$3,245.00	CONTRACT SERVICES	217	TRACKIT LLC
2761	08/25/2022	$9,150.00	IMPROVEMENTS OTHER THAN BUILDING	3021	WEST & ASSOCIATES ENGINEERING INC
	ACH TOTAL	**$1,476,033.46**			
597323	08/17/2022	$283.00	TRAINING	3448	SAVAGE TRAINING GROUP LLC
597324	08/18/2022	$1,556.38	VEHICLE MAINTENANCE/EXPENSES	28020	ADVANCE ELECTRIC MOTORS CORP
597325	08/18/2022	$264.00	CONTRACT SERVICES	1287	ALTA LANGUAGE SERVICES INC
597326	08/18/2022	$310.42	UTILITY SERVICES	39550	AT&T
597327	08/18/2022	$4,041.43	UTILITY SERVICES	39550	AT&T
597328	08/18/2022	$303.95	CONTRACT SERVICES	27170	BEVERLY HOSPITAL
597329	08/18/2022	$400.00	DUES & SUBSCRIPTIONS	3309	CALIFORNIA CITY MANAGEMENT FOUNDATION
597330	08/18/2022	$5,800.00	ADVERTISING/PRINTING SERVICES	55	CALIFORNIA CONTRACT CITIES ASSOC
597331	08/18/2022	$98.29	UTILITY SERVICES	47580	CALIFORNIA WATER SERVICE COMPANY
597332	08/18/2022	$736.25	CONTRACT SERVICES	40850	MARIA E CASAS
597333	08/18/2022	$5,464.51	UTILITY SERVICES	55830	CHARTER COMMUNICATIONS
597334	08/18/2022	$703.30	CONTRACT SERVICES	36870	CINTAS CORPORATION NO 3
597335	08/18/2022	$1,555.90	SUPPLIES	2455	HASA, INC.

City of Montebello

Register of Demands No. 1537

From Payment Date 08/12/22 - To Payment Date 08/29/22

WARRANT	DATE	AMOUNT	ACCOUNT DESCRIPTION	VENDOR #	VENDOR NAME
597336	08/18/2022	$250.00	GENERAL GOVERNMENT	3754	RAMIRO CORONA
597337	08/18/2022	$300.00	CONTRACT SERVICES	49400	US MOBILE WIRELESS
597338	08/18/2022	$71.77	SUPPLIES	3759	STEPHANIE DE LEON
597339	08/18/2022	$118.40	VEHICLE MAINTENANCE/EXPENSES	29160	FORD OF MONTEBELLO
597340	08/18/2022	$80.00	PARKS AND RECREATION	3757	MELISSA FRAUSTO
597341	08/18/2022	$305.35	SUPPLIES	3753	JOHN S FRIEDMAN
597342	08/18/2022	$1,863.22	MACHINERY & EQUIPMENTS	3350	GARVEY EQUIPMENT COMPANY
597343	08/18/2022	$70.00	POLICE RELATED FEES	3752	GILBERT GOMEZ
597344	08/18/2022	$130.00	CONTRACT SERVICES	3763	OSCAR GUTIERREZ
597345	08/18/2022	$250.00	GENERAL GOVERNMENT	3758	JOE D HERNANDEZ
597346	08/18/2022	$26.80	CONTRACT SERVICES	3386	JOHNATHAN HERNANDEZ
597347	08/18/2022	$10,000.00	ACCOUNTS RECEIVABLE	1340	HILLTOP SECURITIES INC
597348	08/18/2022	$4,724.54	CONTRACT SERVICES	48120	HINDERLITER DE LLAMAS & ASSOCIATES
597349	08/18/2022	$539.78	CONTRACT SERVICES	2012	ICE MACHINE SALES & SERVICE CO
597350	08/18/2022	$15,820.00	CONTRACT SERVICES	3235	ION SECURITY SYSTEMS
597351	08/18/2022	$30,800.00	CONTRACT SERVICES	3673	J LEE ENGINEERING INC
597352	08/18/2022	$70.00	PARKS AND RECREATION	3755	ROBERT LOPEZ
597353	08/18/2022	$1,144.19	CONTRACT SERVICES	37280	LOS ANGELES COUNTY SHERIFF'S DEPARTMENT
597354	08/18/2022	$9,572.50	DUE TO LA COUNTY	692	LOS ANGELES COUNTY SUPERIOR COURT
597355	08/18/2022	$250.00	GENERAL GOVERNMENT	3760	JOSE G MACIAS
597356	08/18/2022	$3,647.17	ACCOUNTS RECEIVABLE	13340	JULIO MARTINEZ
597357	08/18/2022	$70.00	PARKS AND RECREATION	3756	SANDY MEDRANO
597358	08/18/2022	$8,979.35	VEHICLE MAINTENANCE/EXPENSES	54300	SHAK ENTERPRISES INC
597359	08/18/2022	$192.51	SUPPLIES	1474	NATIONAL TRENCH SAFETY
597360	08/18/2022	$70.00	POLICE RELATED FEES	3761	SALOMON NAVARRO
597361	08/18/2022	$1,295.80	CONTRACT SERVICES	41180	MANUEL NUNEZ
597362	08/18/2022	$483.79	SUPPLIES	15620	OFFICE DEPOT INC
597363	08/18/2022	$20.77	UTILITY SERVICES	36610	CITY OF PICO RIVERA
597364	08/18/2022	$578.76	SUPPLIES	56260	PRUDENTIAL OVERALL SUPPLY
597365	08/18/2022	$4,992.90	CONTRACT SERVICES	18730	QUETEL AN OMNIGO COMPANY

City of Montebello

Register of Demands No. 1537

From Payment Date 08/12/22 - To Payment Date 08/29/22

WARRANT	DATE	AMOUNT	ACCOUNT DESCRIPTION	VENDOR #	VENDOR NAME
597366	08/18/2022	$17,578.00	CONTRACT SERVICES	32210	SAN GABRIEL VALLEY COUNCIL OF GOVERNMENTS
597367	08/18/2022	$1,885.98	UTILITY SERVICES	14730	SAN GABRIEL VALLEY WATER CO
597368	08/18/2022	$400.00	CONTRACT SERVICES	61140	MICHAEL SAVEDRA
597369	08/18/2022	$5,710.46	PERMITS AND FEES	28240	SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
597370	08/18/2022	$10,441.54	UTILITY SERVICES	51430	SOUTH MONTEBELLO IRRIGATION DISTRICT
597371	08/18/2022	$86,005.80	UTILITY SERVICES	45630	SOUTHERN CALIFORNIA EDISON
597372	08/18/2022	$2,400.00	CONTRACT SERVICES	65	SPECIAL SERVICES GROUP LLC
597373	08/18/2022	$984.52	CONTRACT SERVICES	3397	STERICYCLE INC
597374	08/18/2022	$1,044.67	CONTRACT SERVICES	1963	SUEZ WTS SERVICES USA INC
597375	08/18/2022	$6,274.92	UTILITY SERVICES	72570	US TELEPACIFIC CORP
597376	08/18/2022	$1,500.00	DUES & SUBSCRIPTIONS	3212	UNITED PHOENIX FIREFIGHTERS ASSOCIATION FIRESTRONG
597377	08/18/2022	$47,115.36	CONTRACT SERVICES	3406	UNIVERSAL PROTECTION SERVICE LP
597378	08/18/2022	$7,217.44	COPIER REPAIR/SERVICES	2747	US BANK EQUIPMENT FINANCE
597379	08/18/2022	$1,960.00	CONTRACT SERVICES	2857	WOLVERINE FENCE COMPANY INC
597380	08/18/2022	$396.84	SUPPLIES	61850	X-IGENT PRINTING INC
597381	08/18/2022	$2,900.80	CONTRACT SERVICES	3662	YOUTH EVOLUTION ACTIVITIES
597382	08/18/2022	$47,014.80	CONTRACT SERVICES	3731	YUNEX, LLC
597383	08/18/2022	$106.60	UTILITY SERVICES	39550	AT&T
597384	08/18/2022	$203.82	UTILITY SERVICES	39550	AT&T
597385	08/25/2022	$16.54	SUPPLIES	3708	VERONICA LARA
597386	08/25/2022	$181.91	CONTRACT SERVICES	3533	AA TROPHY INC
597387	08/25/2022	$4,004.36	UTILITY SERVICES	1732	AT&T CORP
597388	08/25/2022	$7,902.80	AFLAC OTHER	55860	AFLAC
597389	08/25/2022	$7,902.80	AFLAC OTHER	55860	AFLAC
597390	08/25/2022	$7,902.80	AFLAC OTHER	55860	AFLAC
597391	08/25/2022	$200.00	TRAINING	3783	PAULINE AGUAYO
597392	08/25/2022	$150.00	FUEL	22520	HENRY AGUILAR JR
597393	08/25/2022	$55.00	GENERAL GOVERNMENT	3799	FRANCISCO ALVAREZ JR
597394	08/25/2022	$261.87	UTILITY SERVICES	39550	AT&T
597395	08/25/2022	$2,383.68	UTILITY SERVICES	38380	AT&T

City of Montebello

Register of Demands No. 1537

From Payment Date 08/12/22 - To Payment Date 08/29/22

WARRANT	DATE	AMOUNT	ACCOUNT DESCRIPTION	VENDOR #	VENDOR NAME
597396	08/25/2022	$70.00	PARKS AND RECREATION	3793	PRISCILLA BOCANEGRA
597397	08/25/2022	$180.00	PARKS AND RECREATION	3794	ANTHONY CABRERA
597398	08/25/2022	$58.61	UTILITY SERVICES	47580	CALIFORNIA WATER SERVICE COMPANY
597399	08/25/2022	$3,975.51	VEHICLE MAINTENANCE/EXPENSES	45170	MONTEBELLO AUTO GROUP LLC
597400	08/25/2022	$1,842.09	SUPPLIES	2455	HASA, INC.
597401	08/25/2022	$80.00	PARKS AND RECREATION	3771	ANABEL CRUZ
597402	08/25/2022	$40.00	PARKS AND RECREATION	3777	TRINH DAO
597403	08/25/2022	$46,981.08	OTHER GROUP INSURANCE PAYABLE	4110	DELTA DENTAL OF CALIFORNIA
597404	08/25/2022	$56.00	PARKS AND RECREATION	3772	MILEN DER NIGOGHOSSIAN
597405	08/25/2022	$440.00	CONTRACT SERVICES	67140	DONNOE & ASSOCIATES INC
597406	08/25/2022	$3,969.00	CONTRACT SERVICES	3405	ELECTRIC CAR SALES AND SERVICES INC
597407	08/25/2022	$14,900.00	CONTRACT SERVICES	3403	ENGINEERED INSTALLATION SOLUTIONS LLC
597408	08/25/2022	$210.43	MAIL/ POSTAL EXPENSE	22400	FEDERAL EXPRESS CORPORATION
597409	08/25/2022	$3,435.45	VEHICLE MAINTENANCE/EXPENSES	29160	FORD OF MONTEBELLO
597410	08/25/2022	$4,261.78	UNIFORM EXPENSE	55650	GALLS LLC
597411	08/25/2022	$40.00	PARKS AND RECREATION	3800	LUPE GARNICA
597412	08/25/2022	$127.31	CONTRACT SERVICES	1650	GOLDEN STATE ELEVATOR SERVICE INC
597413	08/25/2022	$225.00	GENERAL GOVERNMENT	3768	EFRAIN GONZALEZ
597414	08/25/2022	$40.00	PARKS AND RECREATION	3798	GRACE GORLICK
597415	08/25/2022	$314.05	VEHICLE MAINTENANCE/EXPENSES	30190	IB AUTO PARTS INC
597416	08/25/2022	$250.00	GENERAL GOVERNMENT	3508	DAYANA ILLESCAS
597417	08/25/2022	$6,096.87	CONTRACT SERVICES	2539	JL GROUP LLC
597418	08/25/2022	$39,167.00	CONTRACT SERVICES	3044	KAIZER RANGWALA
597419	08/25/2022	$7,256.40	PERMITS AND FEES	40400	COPLOGIC INC
597420	08/25/2022	$70.00	PARKS AND RECREATION	3770	JUSTINE LOPEZ
597421	08/25/2022	$80.00	GENERAL GOVERNMENT	3792	MARIA LOPEZ
597422	08/25/2022	$320.00	PARKS AND RECREATION	2850	JOHN M MARTINEZ
597423	08/25/2022	$80.00	PARKS AND RECREATION	3796	ANGEL MENDOZA
597424	08/25/2022	$70.00	PARKS AND RECREATION	3795	ADRAN MILLAN
597425	08/25/2022	$2,431.96	VEHICLE MAINTENANCE/EXPENSES	54300	SHAK ENTERPRISES INC

City of Montebello

Register of Demands No. 1537

From Payment Date 08/12/22 - To Payment Date 08/29/22

WARRANT	DATE	AMOUNT	ACCOUNT DESCRIPTION	VENDOR #	VENDOR NAME
597426	08/25/2022	$175.00	TRAINING	3778	LAWRENCE MOON
597427	08/25/2022	$60.00	PARKS AND RECREATION	3767	JORGE MORALES
597428	08/25/2022	$70.00	PARKS AND RECREATION	3775	ALEXANDRA MORENO
597429	08/25/2022	$41.88	CONTRACT SERVICES	2958	RACHEL YVONNE HOSKINS
597430	08/25/2022	$1,970.49	MACHINERY & EQUIPMENTS	450	MUNICIPAL EMERGENCY SERVICES INC
597431	08/25/2022	$40.00	PARKS AND RECREATION	3773	DIANA OBANDO
597432	08/25/2022	$40.00	PARKS AND RECREATION	3774	JENNIFER OLVERA
597433	08/25/2022	$250.00	GENERAL GOVERNMENT	3797	BRIANNA ORDAZ
597434	08/25/2022	$40.00	PARKS AND RECREATION	3776	ALMA PACHECO
597435	08/25/2022	$10,363.94	CDBG-CV	3526	PATH
597436	08/25/2022	$80.00	PARKS AND RECREATION	3766	RICHARD PEREZ
597437	08/25/2022	$250.00	GENERAL GOVERNMENT	3786	EDWARD PINUELAS
597438	08/25/2022	$177.69	CONTRACT SERVICES	51	PODS ENTERPRISES LLC
597439	08/25/2022	$80.00	PARKS AND RECREATION	3769	MARIELA PORON
597440	08/25/2022	$120.71	SUPPLIES	56260	PRUDENTIAL OVERALL SUPPLY
597441	08/25/2022	$2,337.49	SUPPLIES	503	QUADIENT INC
597442	08/25/2022	$1,029.00	CONTRACT SERVICES	3208	SANTA MONICA-UCLA MEDICAL CENTER
597443	08/25/2022	$200.00	TRAINING	51460	RIO HONDO COMMUNITY COLLEGE
597444	08/25/2022	$1,388.00	TRAINING	47640	RIVERSIDE COUNTY SHERIFFS DEPARTMENT
597445	08/25/2022	$70.00	PARKS AND RECREATION	3765	JACQUELINE ROCKWELL
597446	08/25/2022	$60.00	PARKS AND RECREATION	3789	HEIDI RODRIGUEZ
597447	08/25/2022	$8,705.00	CONTRACT SERVICES	3234	SCHOOL NUTRITION PLUS
597448	08/25/2022	$10.00	PARKS AND RECREATION	3791	HALEH SHIRVANIAN
597449	08/25/2022	$47,059.86	UTILITY SERVICES	45630	SOUTHERN CALIFORNIA EDISON
597450	08/25/2022	$6,375.90	UTILITY SERVICES	40520	SOUTHERN CALIFORNIA GAS CO
597451	08/25/2022	$1,492.50	PERMITS AND FEES	4160	SOUTHERN CALIFORNIA MUNICIPAL ATHLETIC FED
597452	08/25/2022	$957.51	CONTRACT SERVICES	1963	SUEZ WTS SERVICES USA INC
597453	08/25/2022	$465.00	CONTRACT SERVICES	1312	SWANK MOTION PICTURES INC
597454	08/25/2022	$20,000.00	CONTRACT SERVICES	3602	THE PUN GROUP LLP
597455	08/25/2022	$192.61	DUES & SUBSCRIPTIONS	41430	THOMSON REUTERS - WEST

City of Montebello

Register of Demands No. 1537

From Payment Date 08/12/22 - To Payment Date 08/29/22

WARRANT	DATE	AMOUNT	ACCOUNT DESCRIPTION	VENDOR #	VENDOR NAME
597456	08/25/2022	$1,500.00	CONTRACT SERVICES	3522	ROSANNA TOS
597457	08/25/2022	$2,285.31	MACHINERY & EQUIPMENTS	3615	TRANSPORTATION MANAGEMENT & DESIGN INC
597458	08/25/2022	$28,250.00	CONTRACT SERVICES	3648	TRUELINE CONSTRUCTION & SURFACING INC
597459	08/25/2022	$250.00	GENERAL GOVERNMENT	2054	ESTHER TRUJILLO
597460	08/25/2022	$1,450.11	CONTRACT SERVICES	1823	SERGIO A FLORES
597461	08/25/2022	$32.85	UNIFORM EXPENSE	64140	TURNOUT MAINTENANCE COMPANY LLC
597462	08/25/2022	$14,639.19	MACHINERY & EQUIPMENTS	1188	TYLER TECHNOLOGIES INC
597463	08/25/2022	$653.44	SUPPLIES	131	UNITED SITE SERVICES INC
597464	08/25/2022	$400.00	CONTRACT SERVICES	3573	JOHN M VALDIVIA
597465	08/25/2022	$112.00	PARKS AND RECREATION	3764	GUILLERMO VALENZUELA
597466	08/25/2022	$1,381.80	OTHER GROUP INSURANCE PAYABLE	58990	VISION SERVICE PLAN
597467	08/25/2022	$1,584.00	MACHINERY & EQUIPMENTS	2000	VITAL MEDICAL SERVICES LLC
597468	08/25/2022	$70.00	PARKS AND RECREATION	3787	JASON WATKINS
597469	08/29/2022	$580.71	TRAVEL & MEETINGS	2441	DAVID TORRES

Total	**$684,698.87**
GRAND TOTAL	**$2,160,732.33**

CITY OF MONTEBELLO
SPECIAL CITY COUNCIL MEETING

M I N U T E S

TUESDAY, MAY 3, 2022 AT 6:30 P.M.

CITY HALL COUNCIL CHAMBERS
1600 WEST BEVERLY BOULEVARD
MONTEBELLO, CALIFORNIA 90640

CALL TO ORDER – Mayor Cobos-Cawthorne called the meeting to order at 6:35 p.m.

ROLL CALL – Members present were Mayor Cobos-Cawthorne, Mayor Pro Tem Jimenez, Councilmember Torres, Councilmember Melendez, and Councilmember Peralta. City Clerk Jimenez and Treasurer Gutierrez were also present.

STAFF PRESENT – City Attorney Arnold Alvarez-Glasman, City Manager René Bobadilla, Assistant City Manager Arlene Salazar, Deputy City Clerk Alicia Fernandez, Assistant to Deputy City Clerk Kimberly Guillen.

PUBLIC COMMENTS ON CLOSED SESSION ITEMS ONLY

The City Clerk's Office had four (4) members of the public wishing to address the City Council. Speakers were provided three minutes to address the City Council and said speaker cards are on file at the City Clerk's office.

CLOSED SESSION – 6:30 P.M.

Mayor Cobos-Cawthorne recessed the meeting into Closed Session at 6:51 p.m. to consider the following closed session items:

1. **CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION**
   Government Code Section 54956.9(d)(2)
   One matter

Mayor Cobos-Cawthorne reconvened the meeting at 7:00 p.m. During Closed Session the City Council received a briefing on Item No. 1, no action taken; nothing to report.

REGULAR SESSION – IMMEDIATELY FOLLOWING CLOSED SESSION

CORRECTIONS TO THE AGENDA – CITY MANAGER

PUBLIC COMMENTS ON AGENDA ITEMS ONLY

DRAFT

The City Clerk's Office had six (6) members of the public wishing to address the City Council. Speakers were provided three minutes to address the City Council and said speaker cards are on file at the City Clerk's office.

The City Clerk's Office acknowledged one (1) written public comments submitted to the City's public comment email address. Said comments are on file at the City Clerk's office.

REGULAR BUSINESS

2. PRESENTATION BY OUTSIDE COUNSEL AND DISCUSSION REGARDING THE RESULTS OF THIRD PARTY INVESTIGATOR'S FINDINGS ON COUNCILMEMBER TORRES' CONDUCT

Presentation was given by, Nancy P. Doumanian, Esq. Nancy Law Group/Doumanian & Associates, into the administrative investigation for City of Montebello of Council Member David Torres regarding his conduct. The presentation included an overview on the following: City Council members as elected officials and their behavior expectations; the #MeToo movement and how it has changed the work environment; workplace etiquette in today's society; how other cities have handled Council Members who engage in harassing, hostile and retaliatory conduct towards city employees; potential liability to the City of Montebello; employers obligations under the law on hostile work environment and workplace harassment; and Councilmember Torres' investigation findings.

Ms. Doumanian also presented the scope of the investigation, methodology, strategy, scope of the allegations, and assessing witness credibility. She then proceeded to present the findings of the 17 witnesses who came forward to testify to Councilmember Torres' conduct and presented Councilmember Torres responses to the investigators.

Councilmember Melendez stated that today is not a discussion of Councilmember Torres' character, but a plea from staff to stop this behavior. He also noted that he was disappointed in the lack of respect shown during this presentation and the mockery that was going on.

Councilmember Peralta expressed her disappointment by the presentation and spoke in favor of Councilmember Torres and commended his work as a Councilmember.

Mayor Pro Tem Jimenez expressed her concern for the 17 employees that came forward regarding allegations by Councilmember Torres and commended staff for coming forward. Furthermore, she noted that the miscommunication has created a toxic work environment at City Hall.

Councilmember Torres stated that he was not given a chance to present evidence during his investigation and encouraged City to release his emails and text messages with staff to the public because all communication was within his duties as Councilmember. He also noted that it was never his intent to cause any concern or harm and apologized for his behavior, but also acknowledged that everything he's done has been in his scope as a Councilmember.

DRAFT

Mayor Cobos-Cawthorne also noted that the 17 witness allegations are unsettling and mentioned the possibility of a potential class action lawsuit. The Mayor apologized to the employees and proceeded to open it up for recommendations from Council.

Mayor Pro Tem Jimenez asked for a 5 minute recess to make the right decision. Council recessed and the Mayor reconvened the meeting at 9:08 p.m.

Councilmember Melendez addressed Councilmember Torres' previous comments and commended him on his apology, stating that this is a step towards a healing process. Councilmember asked City Manager and City Attorney to craft something and bring it back in a month to assure that Councilmember Torres will continue to have his first amendment rights as a Councilmember but also that there are procedures in place to remedy this situation and assure that employees are safe. Councilmember Melendez made a motion to have this come back in a month and have a deeper discussion at that time.

Councilmember Peralta expressed her concerns on why there aren't procedures put into place internally with our HR department to serve our employees out of respect and their protection. She also noted that she would like the Fire Chief's harassment claim against the Mayor to be addressed prior to any action taken tonight.

Mayor Pro Tem Jimenez seconded the motion made by Councilmember Melendez, asking that the City Council direct the City Manager and City Attorney to craft something and bring it back in a month to assure that Torres continue to have his First Amendment rights as a Councilmember but also that there are procedures in place to remedy this situation and assure that employees are safe.

During the June 22, 2022 Council Meeting, Councilmember Torres requested to amend the May 3, 2022 meeting minutes to make reference to the Municipal Code 2.04.05, Section E, that he cited.

MOVED: Melendez	**SECONDED:** Jimenez	**APPROVED:** 3-2-0-0
AYES: Melendez, Jimenez, Cobos-Cawthorne NOES: Peralta, Torres ABSTAIN: None ABSENT: None		

ADJOURNMENT

Mayor Pro Tem Jimenez motioned to adjourn the meeting, seconded by Mayor Cobos-Cawthorne. Motion carried unanimously and the meeting was adjourned at 9:13 p.m.

THE MINUTES OF MAY 3, 2022 ARE HEREBY APPROVED AND ADOPTED ON THIS 14TH DAY OF SEPTEMBER 2022.

Alicia Fernandez, Senior Deputy City Clerk

DRAFT

CLOSED SESSION
SPEAKER CARDS

CITY OF MONTEBELLO

Request No. 3

SPEAKER CARD

Please Note: Address and phone number are optional and not required to speak.

Public Comment/Speaker Card must be submitted to City Clerk's Office prior to 5:00 p.m. for live meetings or in accordance with Assembly Bill 361 for video/audio meetings.

Type of Comment: Closed Session ☑ Non-Agenda Item ☐ **AGENDA ITEM NO.** 1 & 2

Meeting Date: 5/3/2022 **Time Received:** 6:15pm **Date Received:** _____

SPEAKER'S FULL NAME: DAVID TORRES, COUNCILMEMBER **PHONE:** _____ *(Optional)*

ADDRESS: _____ *(Optional)*

ORGANIZATION REPRESENTED: _____

Opposed ☐ In Support ☐ Neutral ☐ **TOPIC:** _____

NOTES: _____

ACCOMMODATIONS: _____

Translation Needed: No ☐ Yes ☐ Language: _____

Received by Staff _____ **Received Via:** Email ☐ Phone ☐ In Person ☐

CITY OF MONTEBELLO ■ ■ ■ ■ Request No. 5

SPEAKER CARD

Please Note: Address and phone number are optional and not required to speak.

Public Comment/Speaker Card must be submitted to City Clerk's Office prior to 5:00 p.m. for live meetings or in accordance with Assembly Bill 361 for video/audio meetings.

Type of Comment: Closed Session ☒ Non-Agenda Item ☐ **AGENDA ITEM NO.** M

Meeting Date: 5/3 **Time Received:** _____ **Date Received:** _____

SPEAKER'S FULL NAME: Lorraine Richards **PHONE:** _____ *(Optional)*

ADDRESS: 449 Concourse Ave *(Optional)*

ORGANIZATION REPRESENTED: _____

Opposed ☒ In Support ☐ Neutral ☐ **TOPIC:** Agenda Notification

NOTES: _____

ACCOMMODATIONS: _____

Translation Needed: No ☒ Yes ☐ Language: _____

Received by Staff _____ **Received Via:** Email ☐ Phone ☐ In Person ☐

CITY OF MONTEBELLO ■ ■ ■ ■ Request No. 4

SPEAKER CARD

Please Note: Address and phone number are optional and not required to speak.
Public Comment/Speaker Card must be submitted to City Clerk's Office prior to 5:00 p.m. for live meetings or in accordance with Assembly Bill 361 for video/audio meetings.

Type of Comment: Closed Session ☒ Non-Agenda Item ☐ **AGENDA ITEM NO.** 1 & 2

Meeting Date: 5/3/22 **Time Received:** 6:22pm **Date Received:** _____

SPEAKER'S FULL NAME: MYung-Soo Seok **PHONE:** 213 820-3430 (Optional)

ADDRESS: 1801 E. 7th street, LA CA 90021

ORGANIZATION REPRESENTED: (Optional) Painters & Allied Trades District Council 36

Opposed ☐ In Support ☒ Neutral ☐ **TOPIC:** In Support of Councilmember Torres

NOTES: _____

ACCOMMODATIONS: _____

Translation Needed: No ☐ Yes ☐ Language: _____

Received by Staff _____ **Received Via:** Email ☐ Phone ☐ In Person ☐

CITY OF MONTEBELLO

Request No. 9

SPEAKER CARD

Please Note: Address and phone number are optional and not required to speak.

Public Comment/Speaker Card must be submitted to City Clerk's Office prior to 5:00 p.m. for live meetings or in accordance with Assembly Bill 361 for video/audio meetings.

Type of Comment: Closed Session ☒ Non-Agenda Item ☐ **AGENDA ITEM NO.** _____

Meeting Date: May 2022 **Time Received:** _____ **Date Received:** _____

SPEAKER'S FULL NAME: MARGOT Eiser **PHONE:** — *(Optional)*

ADDRESS: on File *(Optional)*

ORGANIZATION REPRESENTED: Self & other citizens

Opposed ☐ In Support ☐ Neutral ☐ **TOPIC:** _____

NOTES: _____

ACCOMMODATIONS: _____

Translation Needed: No ☒ Yes ☐ Language: _____

Received by Staff _____ **Received Via:** Email ☐ Phone ☐ In Person ☐

AGENDA ITEM
SPEAKER CARDS

CITY OF MONTEBELLO ■ ■ ■ ■ Request No. 1

SPEAKER CARD

Please Note: Address and phone number are optional and not required to speak.

Public Comment/Speaker Card must be submitted to City Clerk's Office prior to 5:00 p.m. for live meetings or in accordance with Assembly Bill 361 for video/audio meetings.

Type of Comment: Closed Session ☐ Non-Agenda Item ☐ **AGENDA ITEM NO.** _____

Meeting Date: _____ **Time Received:** 5:30 **Date Received:** _____

SPEAKER'S FULL NAME: Will Cervera **PHONE:** 323 353 2626 (Optional)

ADDRESS: _____ (Optional)

ORGANIZATION REPRESENTED: [redacted]

Opposed ☐ In Support ☐ Neutral ☐ **TOPIC:** Torres'

NOTES: _____

ACCOMMODATIONS: _____

Translation Needed: No ☐ Yes ☐ Language: _____

Received by Staff _____ **Received Via:** Email ☐ Phone ☐ In Person ☐

CITY OF MONTEBELLO ■ ■ ■ ■ Request No. 2

SPEAKER CARD

Please Note: Address and phone number are optional and not required to speak.

Public Comment/Speaker Card must be submitted to City Clerk's Office prior to 5:00 p.m. for live meetings or in accordance with Assembly Bill 361 for video/audio meetings.

Type of Comment: Closed Session ☐ Non-Agenda Item ☐ **AGENDA ITEM NO.** _____

Meeting Date: 5/3/22 **Time Received:** 5:45pm **Date Received:** _____

SPEAKER'S FULL NAME: Ricardo Alonzo **PHONE:** _____ *(Optional)*

ADDRESS: _____ *(Optional)*

ORGANIZATION REPRESENTED: _____

Opposed ☐ In Support ☐ Neutral ☐ **TOPIC:** _____

NOTES: _____

ACCOMMODATIONS: _____

Translation Needed: No ☐ Yes ☐ Language: _____

Received by Staff _____ **Received Via:** Email ☐ Phone ☐ In Person ☐

CITY OF MONTEBELLO ■ ■ ■ ■ Request No. 6

SPEAKER CARD

Please Note: Address and phone number are optional and not required to speak.
Public Comment/Speaker Card must be submitted to City Clerk's Office prior to 5:00 p.m. for live meetings or in accordance with Assembly Bill 361 for video/audio meetings.

Type of Comment: Closed Session ☐ Non-Agenda Item ☐ **AGENDA ITEM NO.** _____

Meeting Date: 5/3/22 **Time Received:** _____ **Date Received:** _____

SPEAKER'S FULL NAME: Maria Knox **PHONE:** _____ *(Optional)*

ADDRESS: 705 N. 20th Street *(Optional)*

ORGANIZATION REPRESENTED: _____

Opposed ☒ In Support ☐ Neutral ☐ **TOPIC:** _____

NOTES: _____

ACCOMMODATIONS: _____

Translation Needed: No ☐ Yes ☐ Language: _____

Received by Staff _____ **Received Via:** Email ☐ Phone ☐ In Person ☐

CITY OF MONTEBELLO ■ ■ ■ ■ Request No. 7

SPEAKER CARD

Please Note: Address and phone number are optional and not required to speak.

Public Comment/Speaker Card must be submitted to City Clerk's Office prior to 5:00 p.m. for live meetings or in accordance with Assembly Bill 361 for video/audio meetings.

Type of Comment: Closed Session ☐ Non-Agenda Item ☐ **AGENDA ITEM NO.** 2

Meeting Date: _____ **Time Received:** _____ **Date Received:** _____

SPEAKER'S FULL NAME: Dillon Arreola **PHONE:** _____ *(Optional)*

ADDRESS: _____ *(Optional)*

ORGANIZATION REPRESENTED: _____

Opposed ☐ In Support ☐ Neutral ☐ **TOPIC:** _____

NOTES: _____

ACCOMMODATIONS: _____

Translation Needed: No ☐ Yes ☐ Language: _____

Received by Staff _____ **Received Via:** Email ☐ Phone ☐ In Person ☐

CITY OF MONTEBELLO

Request No. 8

SPEAKER CARD

Please Note: Address and phone number are optional and not required to speak.

Public Comment/Speaker Card must be submitted to City Clerk's Office prior to 5:00 p.m. for live meetings or in accordance with Assembly Bill 361 for video/audio meetings.

Type of Comment: Closed Session ☐ Non-Agenda Item ☐ **AGENDA ITEM NO.** 2

Meeting Date: _____ **Time Received:** _____ **Date Received:** _____

SPEAKER'S FULL NAME: Julian Cepeda **PHONE:** _____ *(Optional)*

ADDRESS: _____ *(Optional)*

ORGANIZATION REPRESENTED: _____

Opposed ☐ In Support ☐ Neutral ☐ **TOPIC:** _____

NOTES: _____

ACCOMMODATIONS: _____

Translation Needed: No ☐ Yes ☐ Language: _____

Received by Staff _____ **Received Via:** Email ☐ Phone ☐ In Person ☐

CITY OF MONTEBELLO ■ ■ ■ ■ Request No. 10

SPEAKER CARD

Please Note: Address and phone number are optional and not required to speak.

Public Comment/Speaker Card must be submitted to City Clerk's Office prior to 5:00 p.m. for live meetings or in accordance with Assembly Bill 361 for video/audio meetings.

Type of Comment: Closed Session ☐ Non-Agenda Item ☐ **AGENDA ITEM NO.** 2

Meeting Date: May 3 '22 **Time Received:** _____ **Date Received:** _____

SPEAKER'S FULL NAME: Ted Jimenez **PHONE:** 213-804-8391 (Optional)

ADDRESS: 1200 Corporate Center Dr. Monterey Park CA 91754 (Optional)

ORGANIZATION REPRESENTED: Southwest Carpenters

Opposed ☐ In Support ☒ Neutral ☐ **TOPIC:** David Torres -

NOTES: _____

ACCOMMODATIONS: _____

Translation Needed: No ☒ Yes ☐ Language: English

Received by Staff _____ **Received Via:** Email ☐ Phone ☐ In Person ☐

CITY OF MONTEBELLO ■ ■ ■ ■ Request No. 11

SPEAKER CARD

Please Note: Address and phone number are optional and not required to speak.

Public Comment/Speaker Card must be submitted to City Clerk's Office prior to 5:00 p.m. for live meetings or in accordance with Assembly Bill 361 for video/audio meetings.

Type of Comment: Closed Session ☐ Non-Agenda Item ☐ **AGENDA ITEM NO.** _____

Meeting Date: _____ **Time Received:** _____ **Date Received:** _____

SPEAKER'S FULL NAME: Linda Nielles **PHONE:** _____ *(Optional)*

ADDRESS: on file *(Optional)*

ORGANIZATION REPRESENTED: _____

Opposed☐ In Support☐ Neutral☐ **TOPIC:** _____

NOTES: After Report

ACCOMMODATIONS: _____

Translation Needed: No ☐ Yes ☐ Language: _____

Received by Staff _____ **Received Via:** Email ☐ Phone ☐ In Person ☐

AGENDA COMMENTS

1880 CENTURY PARK EAST • SUITE 607 • LOS ANGELES, CALIFORNIA 90067

Mailing Address:
P.O. Box 3066
Beverly Hills, CA 90212

May 3, 2022

Montebello City Council
1600 West Beverly Boulevard
Montebello, CA 90604

RE: AGENDA ITEM 2 – DAVID TORRES

Dear Mayor Cobos-Cawthorne, Mayor Pro Tem Jimenez and Honorable Councilmembers:

We are writing today to let you know that our interactions with Councilmember Torres have been nothing but polite, professional and helpful. As members of the business community in Montebello, we have seen Councilmember Torres vociferously stand up for what he believes is right and in the best interests of all residents and stakeholders in Montebello.

Harassment should not be tolerated under any circumstances. We trust that there are Human Resources systems in place in the city to properly investigate and address such allegations, and we trust that Montebello will rely on those systems in this case rather than politicizing these allegations. The employees, residents and stakeholders of Montebello deserve a non-political process.

Sincerely,

HERMARK INVESTMENT COMPANY

Samantha Millman and Kenneth Millman

CITY OF MONTEBELLO
ADJOURNED REGULAR CITY COUNCIL MEETING

MINUTES

WEDNESDAY, JUNE 1, 2022 AT 5:00 P.M.

CITY HALL COUNCIL CHAMBERS
1600 WEST BEVERLY BOULEVARD
MONTEBELLO, CALIFORNIA

DRAFT

OPENING CEREMONIES

CALL TO ORDER – Mayor Cobos-Cawthorne called the meeting to order at 5:09 p.m.

ROLL CALL – Members present were Mayor Cobos-Cawthorne, Mayor Pro Tem Jimenez, and Councilmember Torres. City Clerk Jimenez and Treasurer Gutierrez were also present. Councilmember Peralta and Councilmember Melendez were absent.

STAFF PRESENT – Deputy City Attorney Christopher Cardinale, Director of Public Works James Enriquez, Deputy City Clerk Alicia Fernandez, Assistant to Deputy City Clerk Kimberly Guillen, and Records Coordinator Angelina Padilla. City Manager René Bobadilla, Assistant City Manager Arlene Salazar, and City Attorney Arnold Glasman were absent.

Deputy City Attorney Christopher Cardinale stated that Staff was requesting to move Closed Session Item Nos. 1, 2, 3 and Regular Session Item No. 8 to the June 8, 2022, Regular City Council Meeting. Councilmember Torres motioned and seconded by Mayor Pro Tem Jimenez; motion approved unanimously.

PUBLIC COMMENTS FOR CLOSED SESSION ITEMS
None.

CLOSED SESSION – 5:00 P.M.
The following closed session items were moved to the June 8, 2022, Regular City Council Meeting:

1. **THREAT TO PUBLIC SERVICES OR FACILITIES**
   Government Code Section 54957
   Consultation with City Manager, Police Chief, City Attorney and other related City officials.

2. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Government Code Section 54956.9(d)(2)
One matter related to SB 1383 compliance

3. CONFERENCE WITH LABOR NEGOTIATORS
Government Code Section 54957.6
Agency Negotiators: René Bobadilla, Nicholas Razo
Employee Groups: SMART-TD

REGULAR SESSION – NO LATER THAN 6:00 P.M.

CLOSED SESSION REPORT
None.

INVOCATION – City Clerk Christopher Jimenez

PLEDGE OF ALLEGIANCE – Frank Jurado Sr., Citizen of the Month

CORRECTIONS TO THE AGENDA – CITY MANAGER – Director James Enriquez noted that Item No. 8 will be pulled until the next meeting.

CEREMONIAL/PRESENTATIONS

4. RECOGNITION OF CITIZEN OF THE MONTH – MANNY FRANCO – Presented by Mayor Cobos-Cawthorne

5. RECOGNITION OF AND ADMINISTRATION OF OATH OF OFFICE FOR EDDIE FRANCO, PLANNING COMMISSIONER – Presented by Mayor Cobos-Cawthorne

6. RECOGNITION OF AND ADMINISTRATION OF OATH OF OFFICE FOR FRANK JURADO SR., PARKS AND RECREATION COMMISSIONER – Presented by Mayor Cobos-Cawthorne

7. RECOGNITION OF MONTEBELLO UNITED METHODIST CHURCH (117 YEARS) – Presented by Mayor Cobos-Cawthorne

8. CODE ENFORCEMENT UPDATE – Presentation was postponed to June 8, 2022.

9. PRELIMINARY BUDGET FOR FISCAL YEAR 22/23 – Presented by Director of Finance Michael Solorza. Council asked clarifying questions.

PUBLIC COMMENTS ON NON-AGENDA AND AGENDA ITEMS (30 MINUTES)
The City Clerk's Office called ten (10) members of the public wishing to address the City Council. Speakers were provided three minutes to address the City Council and said speaker cards are on file at the City Clerk's office.

DRAFT

The City Clerk's Office acknowledged four (4) written public comments submitted to the City's public comment email address. Said comments are on file at the City Clerk's office.

STAFF COMMUNICATIONS ON ITEMS OF COMMUNITY INTEREST

Director of Recreation & Community Services David Sosnowski informed the Council that the Farmer's Market Series was coming to a conclusion and further stated that yard sales would be allowed within the City on June 3, 4, and 5.

REGULAR BUSINESS

10. ADOPT RESOLUTION NO'S. 22-38 AND 22-37 ADOPTING MEMORANDA OF UNDERSTANDING BETWEEN THE CITY AND THE MONTEBELLO POLICE MANAGEMENT ASSOCIATION (MPMA) AND THE CITY AND THE MONTEBELLO POLICE OFFICERS ASSOCIATION (MPOA)

RECOMMENDATION: It is recommended that the City Council:

1) Adopt Resolution 22-38 adopting a tentatively agreed upon Comprehensive Memorandum of Understanding (MOU) between the City and the Montebello Police Management Association (MPMA); and
2) Adopt Resolution No. 22-37 adopting a tentatively agreed upon Comprehensive Memorandum of Understanding between the City and the Montebello Police Officers Association (MPOA).

CONSENT CALENDAR

Councilmember Torres and Mayor Cobos-Cawthorne pulled Item No. 13. Councilmember Torres pulled Item No. 16. Mayor Pro Tem Jimenez motioned, seconded by Councilmember Torres that Item No's. 11, 12, 14, and 15 be approved; motion approved unanimously.

11. ADOPT RESOLUTION NO. 22-39 APPROVING THE ENGINEER'S REPORT FOR THE FY 2022-2023 ANNUAL NATASHA LANE LANDSCAPE ASSESSMENT DISTRICT NO. 2005-1 AND SETTING A DATE FOR THE PUBLIC HEARING

RECOMMENDATION: It is recommended that the City Council:

1) Adopt Resolution No. 22-39 (Attachment A) approving the Fiscal Year 2022-23 Engineer's Report (Attachment B) for the Annual Natasha Lane Landscape Assessment District No. 2005-1 setting a date for a Public Hearing for the regular meeting scheduled on June 22, 2022 at 6:00 p.m.; and
2) Take such additional, related, action that may be desirable.

12. ADOPT RESOLUTION NO. 22-40 APPROVING THE ENGINEER'S REPORT FOR THE FISCAL YEAR 2022-23 ANNUAL NATASHA LANE SEWER AND STORM WATER PUMP STATION ASSESSMENT DISTRICT NO. 2005-2 AND SETTING A DATE FOR THE PUBLIC HEARING

RECOMMENDATION: It is recommended that the City Council:

DRAFT

1) Adopt Resolution No. 22-40 (Attachment A) approving the Fiscal Year 2022-23 Engineer's Report (Attachment B) for the Annual Natasha Lane Sewer and Storm Drain Pump Assessment District No. 2005-2 and setting a date for a Public Hearing for the regular meeting scheduled on June 22, 2022 at 6:00 pm; and
2) Take such additional, related, action that may be desirable.

13. AUTHORIZE THE NOTICE INVITING BIDS FOR HYRAP STREETS FISCAL YEAR 2022-23 PROJECT (CP NO. 897)

RECOMMENDATION: It is recommended that the City Council:

1) Approve the Plans, Specifications, and Estimate (PS&E) for the HYRAP Streets Fiscal Year 2022-23 Project (CP No. 897); and
2) Authorize the City Clerk to publish the Notice Inviting Bids (Attachment A); and
3) Approve the Notice of Exemption (Attachment B) for the subject project and authorize the City Clerk to file the Notice of Exemption with Los Angeles Registrar-Recorder; and
4) Take such additional, related, action that may be desirable.

Councilmember Torres asked if there was a comprehensive list of pending street improvement or projects. He also inquired about how streets are selected for renovation.

Director Enriquez provided clarification of the process.

Mayor Cobos-Cawthorne motioned, seconded by Mayor Pro Tem Jimenez; motion approved unanimously.

14. APPROVAL OF WATER RIGHTS LICENSE AND AGREEMENT NO. 3986 WITH SAN GABRIEL VALLEY WATER COMPANY

RECOMMENDATION: It is recommended that the City Council:

1) Approve a Water Rights License and Agreement No. 3986 with San Gabriel Valley Water Company (SGVWC) for the lease of 386.50 acre-feet of the City of Montebello's Fiscal Year 2021-22 Allowed Pumping Allocation at a rate of $120 per acre-foot and total payment of $46,380; and
2) Authorize the City Manager to execute the Agreement on behalf of the City; and
3) Take such additional, related, action that may be desirable.

15. ADOPT RESOLUTION NO. 22-36 FOR FISCAL YEAR 2022-23 CONFIRMATION OF ANNUAL TAX RATE FOR VOTER APPROVED INDEBTEDNESS

RECOMMENDATION: It is recommended that the City Council:

DRAFT

1) Review and adopt the attached Resolution establishing property tax override rates on voter approved indebtedness for retirement expenditures for the Fiscal Year 2022-23; and
2) Direct staff to forward the Resolution to the Los Angeles County Auditor Controller within the required time limit; and
3) Direct staff to take whatever additional actions necessary to ensure collection of the property tax override; and
4) Take such additional, related, action that may be desirable.

16. PAYMENT OF BILLS: RESOLUTION NO. 22-35 APPROVING THE CITY WARRANT REGISTER OF DEMANDS DATED MAY 25, 2022

RECOMMENDATION: Adopt Resolution No. 22-35 approving the Warrant Register dated May 25, 2022.

Councilmember Torres asked for clarification on the Warrant Demands, clarification was provided. Councilmember Torres motioned, seconded by Mayor Pro Tem Jimenez; motion approved unanimously.

AB 1234 TRAVEL REPORTS

Mayor Cobos-Cawthorne provided a report on the Innovating Commerce Serving Communities Conference in Las Vegas. Mayor Pro Tem Jimenez and City Treasurer provided their experience at the conference.

COUNCIL ORALS

Council member announcements; requests for future agenda items; conference/meetings reports.

1. **Mayor Pro Tem Jimenez**
   a. 2nd Annual Stride for Pride 5K Run Montebello Run in partnership with the City of Montebello, Saturday, June 25th
   b. East Side Pride Festival in Downtown Montebello, June 25th
   c. Council Consensus to direct staff to raise a Pride Flag throughout Pride Month, as requested in 2021

Mayor Pro Tem Jimenez announced the 2nd Annual Stride for Pride 5k and the Pride Festival. She requested Council consensus to raise a Pride Flag. Director Sosnowski informed the Council that the flag was raised.

2. **Councilmember Torres**
3. **Councilmember Melendez**
   a. De Paul Center/Mercy Housing community outreach concerns
4. **Councilmember Peralta**
   a. Pride Month Recognition and community festivities
   b. Request for Pride Flag to be displayed
   c. Request Council consensus to have LGBTQ friendly artwork/poetry from the community displayed at City Hall
   d. Appointment of Henry Fimbres to the Personnel Advisory Commission

DRAFT

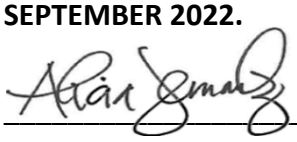
e. Thank you to the SGVCOG's Capital Projects and Construction Committee Members for approving the construction, operation, and maintenance agreement with Union Pacific Railroad and the City of Montebello for the Montebello Boulevard Grade Separation Project
f. Recognition and Congratulations to Boulevard Market for being named Business of the Year for Supervisor District 1 by the Los Angeles County Business Federation

5. Mayor Cobos-Cawthorne

ADJOURNMENT

Mayor Cobos-Cawthorne adjourned in the memory of John Velasco and Gil Espinosa. Councilmember Torres motioned, seconded by Mayor Pro Tem Jimenez to adjourn the meeting at 7:47 p.m.

THE MINUTES OF JUNE 1, 2022 ARE HEREBY APPROVED AND ADOPTED ON THIS 14TH DAY OF SEPTEMBER 2022.



Alicia Fernandez, Sr. Deputy City Clerk

DRAFT

SPEAKER CARDS

* ADMINISTRATIVE CITATIONS

CITY OF MONTEBELLO

Request No. 1

SPEAKER CARD

Please Note: Address and phone number are optional and not required to speak.

Public Comment/Speaker Card must be submitted to City Clerk's Office prior to 5:00 p.m. for live meetings or in accordance with Assembly Bill 361 for video/audio meetings.

Type of Comment: Closed Session ☐ Non-Agenda Item ☒ **AGENDA ITEM NO.** _____

Meeting Date: 6/1/22 **Time Received:** _____ **Date Received:** 6/1/22

SPEAKER'S FULL NAME: Scott Shuster **PHONE:** 609412-0859 (Optional)

ADDRESS: 616 S. Taylor Ave Montebello CA (Optional)

ORGANIZATION REPRESENTED: N/A

Opposed ☐ In Support ☐ Neutral ☐ **TOPIC:** _____

NOTES: Incorrect information/escalation re code enforcement/Parking

ACCOMMODATIONS: _____

Translation Needed: No ☐ Yes ☐ Language: _____

Received by Staff _____ **Received Via:** Email ☐ Phone ☐ In Person ☑

CITY OF MONTEBELLO ■ ■ ■ ■ Request No. 2

SPEAKER CARD

Please Note: Address and phone number are optional and not required to speak.

Public Comment/Speaker Card must be submitted to City Clerk's Office prior to 5:00 p.m. for live meetings or in accordance with Assembly Bill 361 for video/audio meetings.

Type of Comment: Closed Session ☐ Non-Agenda Item ☐ **AGENDA ITEM NO.** _____

Meeting Date: 06-01-21 **Time Received:** _____ **Date Received:** _____

SPEAKER'S FULL NAME: Will Cerven **PHONE:** _____ *(Optional)*

ADDRESS: _____ *(Optional)*

ORGANIZATION REPRESENTED: None

Opposed ☐ In Support ☐ Neutral ☐ **TOPIC:** Public comment

NOTES: _____

ACCOMMODATIONS: _____

Translation Needed: No ☐ Yes ☑ Language: _____

Received by Staff _____ **Received Via:** Email ☐ Phone ☐ In Person ☐

CITY OF MONTEBELLO Request No. 2a

SPEAKER CARD

Please Note: Address and phone number are optional and not required to speak.

Public Comment/Speaker Card must be submitted to City Clerk's Office prior to 5:00 p.m. for live meetings or in accordance with Assembly Bill 361 for video/audio meetings.

Type of Comment: Closed Session ☐ Non-Agenda Item ☐ **AGENDA ITEM NO.** _____

Meeting Date: _____ **Time Received:** _____ **Date Received:** _____

SPEAKER'S FULL NAME: Will Cervera **PHONE:** _____ *(Optional)*

ADDRESS: _____ *(Optional)*

ORGANIZATION REPRESENTED: _____

Opposed ☐ In Support ☐ Neutral ☐ **TOPIC:** Closed session

NOTES: _____

ACCOMMODATIONS: _____

Translation Needed: No ☐ Yes ☐ Language: _____

Received by Staff _____ **Received Via:** Email ☐ Phone ☐ In Person ☐

CITY OF MONTEBELLO

Request No. 3

SPEAKER CARD

Please Note: Address and phone number are optional and not required to speak.

Public Comment/Speaker Card must be submitted to City Clerk's Office prior to 5:00 p.m. for live meetings or in accordance with Assembly Bill 361 for video/audio meetings.

Type of Comment: Closed Session ☐ Non-Agenda Item ☒ **AGENDA ITEM NO.** _____

Meeting Date: _____ **Time Received:** _____ **Date Received:** _____

SPEAKER'S FULL NAME: LEVAN PROTHERO **PHONE:** 323 621 6525 (Optional)

ADDRESS: 845 So. 9th St Montebello, Calif. (Optional)

ORGANIZATION REPRESENTED: _____

Opposed ☐ In Support ☐ Neutral ☐ **TOPIC:** _____

NOTES: _____

ACCOMMODATIONS: _____

Translation Needed: No ☐ Yes ☐ Language: _____

Received by Staff _____ **Received Via:** Email ☐ Phone ☐ In Person ☐

CITY OF MONTEBELLO Request No. 4

SPEAKER CARD

Please Note: Address and phone number are optional and not required to speak.

Public Comment/Speaker Card must be submitted to City Clerk's Office prior to 5:00 p.m. for live meetings or in accordance with Assembly Bill 361 for video/audio meetings.

Type of Comment: Closed Session ☐ Non-Agenda Item ☑ **AGENDA ITEM NO.** _____

Meeting Date: 6-1-22 **Time Received:** _____ **Date Received:** _____

SPEAKER'S FULL NAME: DAVID MUNOZ **PHONE:** 323-728-6432 (Optional)

ADDRESS: 1713 MALDEN DR (Optional)

ORGANIZATION REPRESENTED: TO-TALK

Opposed ☐ In Support ☐ Neutral ☐ **TOPIC:** _____

NOTES: * HOMELESS

ACCOMMODATIONS: _____

Translation Needed: No ☐ Yes ☐ Language: _____

Received by Staff _____ **Received Via:** Email ☐ Phone ☐ In Person ☐

- DE DAN CENTER

CITY OF MONTEBELLO Request No. _____

SPEAKER CARD

Please Note: Address and phone number are optional and not required to speak.

Public Comment/Speaker Card must be submitted to City Clerk's Office prior to 5:00 p.m. for live meetings or in accordance with Assembly Bill 361 for video/audio meetings.

Type of Comment: Closed Session ☐ Non-Agenda Item ☐ **AGENDA ITEM NO.** _____

Meeting Date: 6-1-22 **Time Received:** _____ **Date Received:** _____

SPEAKER'S FULL NAME: Bill Prado 580 **PHONE:** _____ *(Optional)*

ADDRESS: 505 Allis DR Montebello *(Optional)*

ORGANIZATION REPRESENTED: _____

Opposed ☐ In Support ☐ Neutral ☐ **TOPIC:** _____

NOTES: _____

ACCOMMODATIONS: _____

Translation Needed: No ☐ Yes ☐ Language: _____

Received by Staff _____ **Received Via:** Email ☐ Phone ☐ In Person ☐

CITY OF MONTEBELLO ■ ■ ■ ■ Request No. 6

SPEAKER CARD

Please Note: Address and phone number are optional and not required to speak.

Public Comment/Speaker Card must be submitted to City Clerk's Office prior to 5:00 p.m. for live meetings or in accordance with Assembly Bill 361 for video/audio meetings.

Type of Comment: Closed Session ☐ Non-Agenda Item ☒ **AGENDA ITEM NO.** _____

Meeting Date: _____ **Time Received:** 5:45pm **Date Received:** _____

SPEAKER'S FULL NAME: Ed Holder **PHONE:** _____ (Optional)

ADDRESS: _____ (Optional)

ORGANIZATION REPRESENTED: MERCY HOUSE ABOUT SMALL HOMES

Opposed ☐ In Support ☐ Neutral ☐ **TOPIC:** SATURDAY AT 11:00 AM AT PARK

NOTES: CENTER

ACCOMMODATIONS: _____

Translation Needed: No ☐ Yes ☐ Language: _____

Received by Staff _____ **Received Via:** Email ☐ Phone ☐ In Person ☐

CITY OF MONTEBELLO Request No. 7

SPEAKER CARD

Please Note: Address and phone number are optional and not required to speak.

Public Comment/Speaker Card must be submitted to City Clerk's Office prior to 5:00 p.m. for live meetings or in accordance with Assembly Bill 361 for video/audio meetings.

Type of Comment: Closed Session ☐ Non-Agenda Item ☒ **AGENDA ITEM NO.** _____

Meeting Date: _____ **Time Received:** 5:46 pm **Date Received:** _____

SPEAKER'S FULL NAME: Arturo Nevarez **PHONE:** _____ *(Optional)*

ADDRESS: _____ *(Optional)*

ORGANIZATION REPRESENTED: _____

Opposed ☐ In Support ☐ Neutral ☐ **TOPIC:** _____

NOTES: _____

ACCOMMODATIONS: _____

Translation Needed: No ☐ Yes ☐ Language: _____

Received by Staff _____ **Received Via:** Email ☐ Phone ☐ In Person ☐

CITY OF MONTEBELLO

Request No. 8

SPEAKER CARD

Please Note: Address and phone number are optional and not required to speak.

Public Comment/Speaker Card must be submitted to City Clerk's Office prior to 5:00 p.m. for live meetings or in accordance with Assembly Bill 361 for video/audio meetings.

Type of Comment: Closed Session ☐ Non-Agenda Item ☐ **AGENDA ITEM NO.** _____

Meeting Date: 8/1/22 **Time Received:** _____ **Date Received:** _____

SPEAKER'S FULL NAME: Linda Nelles **PHONE:** _____ *(Optional)*

ADDRESS: _____ *(Optional)*

ORGANIZATION REPRESENTED: _____

Opposed ☐ In Support ☐ Neutral ☐ **TOPIC:** _____

NOTES: _____

ACCOMMODATIONS: _____

Translation Needed: No ☐ Yes ☐ Language: _____

Received by Staff _____ **Received Via:** Email ☐ Phone ☐ In Person ☐

CITY OF MONTEBELLO ■ ■ ■ ■ Request No. 9

SPEAKER CARD

Please Note: Address and phone number are optional and not required to speak.

Public Comment/Speaker Card must be submitted to City Clerk's Office prior to 5:00 p.m. for live meetings or in accordance with Assembly Bill 361 for video/audio meetings.

Type of Comment: Closed Session ☐ Non-Agenda Item ☑ **AGENDA ITEM NO.** _____

Meeting Date: 6/1/22 **Time Received:** _____ **Date Received:** _____

SPEAKER'S FULL NAME: Tila Gregorian **PHONE:** _____ *(Optional)*

ADDRESS: On file *(Optional)*

ORGANIZATION REPRESENTED: _____

Opposed ☐ In Support ☐ Neutral ☐ **TOPIC:** _____

NOTES: _____

ACCOMMODATIONS: _____

Translation Needed: No ☐ Yes ☐ Language: _____

Received by Staff _____ **Received Via:** Email ☐ Phone ☐ In Person ☐

CITY OF MONTEBELLO ■ ■ ■ ■ Request No. 10

SPEAKER CARD

Please Note: Address and phone number are optional and not required to speak.

Public Comment/Speaker Card must be submitted to City Clerk's Office prior to 5:00 p.m. for live meetings or in accordance with Assembly Bill 361 for video/audio meetings.

Type of Comment: Closed Session ☐ Non-Agenda Item ☐ **AGENDA ITEM NO.** _____

Meeting Date: 06-01-2022 **Time Received:** _____ **Date Received:** _____

SPEAKER'S FULL NAME: Rosa Tamayo **PHONE:** _____ *(Optional)*

ADDRESS: _____ *(Optional)*

ORGANIZATION REPRESENTED: _____

Opposed ☐ In Support ☐ Neutral ☐ **TOPIC:** _____

NOTES: _____

ACCOMMODATIONS: _____

Translation Needed: No ☐ Yes ☐ Language: _____

Received by Staff _____ **Received Via:** Email ☐ Phone ☐ In Person ☐

AGENDA & NON-AGENDA COMMENTS

Angelina Padilla

From: Sean Valadez <sean.valadez@hotmail.com>
Sent: Monday, May 23, 2022 3:26 PM
To: comment, ccpublic
Subject: City of Montebello investments and development council meeting

Follow Up Flag: Follow up
Flag Status: Flagged

Hello

I would like to ask during this public council meeting if the city would allow the edification of one or two digital billboard advertisements monuments next to the 5 freeway with one being inside the Rosewood park school lawn area at the very furthest corner.

We would like the revenue generated from this signage to benefit the Montebello school district.

We are a company seeking to start new development like this in the city.

Thank you

Sean Valadez
+13239972610

PLEASE DO NOT CLICK ON UNKNOWN LINKS. Contact Montebello IT Division if you are unsure.

Angelina Padilla

From: Jorge Martinez <monqiuno@aol.com>
Sent: Monday, May 23, 2022 11:25 PM
To: comment, ccpublic
Subject: DePaul Center

Follow Up Flag: Follow up
Flag Status: Flagged

To the Montebello Planning Commission, and the Montebello City Council, and all other concerned parties.

I Jorge Martinez, declare that I am a resident of Montebello, and that I am concerned for the future of the DePaul Evangelization Center, located at 1105 Bluff Road in Montebello. The property is bordered on the east by Bluff Road, on the north by Frankel Avenue, on the west by Carob Way, and on the south by Date Street.

1. I believe the DePaul Evangelization Center should be maintained, and preserved as is, with little or no changes.
2. I am firmly against the DePaul Evangelization Center being re-zoned for high-density housing, or any housing. I am against any apartments, condominiums, duplexes or other multi-unit complexes, or single family homes being constructed on the site. Such projects will result in much more traffic in the area. Parking in the surrounding area is already completely congested. If any new housing is constructed on the site, traffic will be much more congested, parking will be impossible, and thus, there will be more unforseen issues in our already compacted neighborhoods.
3. The site of the DePaul Evangelization Center is a very rare, and welcomed open space in our neighborhood, or in any neighborhood. Aside from being open space, it is a place of much-needed peace and quiet.

PLEASE DO NOT CLICK ON UNKNOWN LINKS. Contact Montebello IT Division if you are unsure.

Angelina Padilla

From: Vanessa <vmwinn03@gmail.com>
Sent: Wednesday, May 25, 2022 8:30 AM
To: comment, ccpublic
Subject: Question

Good morning,

What are you doing to prevent tragedies like the Robb Elementary shooting from happening in our schools?

Please please consider supporting strict gun laws!

Please please push for easy access to mental health services!

As a new mom and a preschool teacher I beg you!! Please do not let us live in fear!

Sincerely,

Vanessa Winn

Sent from my iPhone

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CITY OF MONTEBELLO
REGULAR CITY COUNCIL MEETING

MINUTES

WEDNESDAY, JUNE 8, 2022 AT 5:00 P.M.

CITY HALL COUNCIL CHAMBERS
1600 WEST BEVERLY BOULEVARD
MONTEBELLO, CALIFORNIA

DRAFT

OPENING CEREMONIES

CALL TO ORDER – Mayor Cobos-Cawthorne called the meeting to order at 5:06 p.m.

ROLL CALL – Members present were Mayor Cobos-Cawthorne, Councilmember Peralta, Councilmember Melendez, and Councilmember Torres; Mayor Pro Tem Jimenez arrived at 5:12 p.m. City Clerk Jimenez and Treasurer Gutierrez were also present; City Treasurer arrived at 5:50 p.m.

STAFF PRESENT – City Attorney Arnold Alvarez-Glasman, City Manager René Bobadilla, Assistant City Manager Arlene Salazar, Deputy City Clerk Alicia Fernandez, Assistant to Deputy City Clerk Kimberly Guillen, and Records Coordinator Angelina Padilla.

PUBLIC COMMENTS FOR CLOSED SESSION ITEMS – None.

CLOSED SESSION – 5:30 P.M.

Mayor Cobos-Cawthorne recessed the meeting into Closed Session at 5:07 p.m. to consider the following closed session items:

1. **THREAT TO PUBLIC SERVICES OR FACILITIES**
   Government Code Section 54957
   Consultation with City Manager, Police Chief, City Attorney and other related City officials.

2. **CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION**
   Government Code Section 54956.9(d)(2)
   One matter related to SB 1383 compliance
   One matter of threatened litigation related to an employee issue
   Threat of litigation – One matter related to the CVRA

3. CONFERENCE WITH LABOR NEGOTIATORS
Government Code Section 54957.6
Agency Negotiators: René Bobadilla, Nicholas Razo
Employee Groups: SMART-TD

4. PUBLIC EMPLOYEE PERFORMANCE EVALUATION
Government Code Section 54957
Title: City Manager René Bobadilla

City Attorney Alvarez-Glasman requested to add an additional matter to the agenda, under Item No. 2 (2.b), as a subsequent need matter pursuant to Government Code Section 54954.2(b)(2).

2.b. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Government Code Section 54956.9(d)(2)
Threat of litigation – One matter

It was motioned by Councilmember Melendez, seconded by Councilmember Peralta, that the item be added; motion did not receive a 4/5 vote and failed.

MOVED: Melendez	**SECONDED:** Peralta	**FAILED:** 3-1-1-0
AYES: Melendez, Peralta, Cobos-Cawthorne NOES: Torres, ABSTAIN: None ABSENT: Jimenez		

REGULAR SESSION – 6:00 P.M.

CLOSED SESSION REPORT

Mayor Cobos-Cawthorne reconvened the meeting at 6:12 p.m. City Attorney Alvarez-Glasman noted that Mayor Pro Tem Jimenez joined at 5:12 p.m. Furthermore, he noted that during Closed Session it was attempted to place an add on Closed Session of Anticipated Litigation item which was motioned by Councilmember Melendez, seconded by Councilmember Peralta; motion did not receive a 4/5 vote and failed. Upon the arrival of Mayor Pro Tem Jimenez, this add on Closed Session item was subsequently addressed which was motioned by Councilmember Melendez, seconded by Councilmember Peralta; approved unanimously.

City Attorney Alvarez-Glasman stated that Mayor Cobos-Cawthorne made a request pursuant to the City of Montebello Municipal Code that the use of electronic devices be restricted from the dais. Mayor Cobos-Cawthorne, Councilmember Melendez, and Mayor Pro Tem Jimenez placed their cell phones in the basket. Furthermore, it was requested that Councilmember Torres place his in the basket as well or turn it into the Sergeant of Arms; Councilmember Torres stated that he would not. The same request was made to Councilmember Peralta and she stated that she felt comfortable with it being in her bag.

DRAFT

During Closed Session the City Council received a briefing on Item No. 1 and direction was provided but no final action was taken. On Item No. 2, related to SB 1383 Compliance, a briefing was provided to the City Council and direction was provided to come back for Open Session consideration at the next meeting. On Item No. 2, related to threatened litigation matter, the item was discussed but no action was taken and it direction was provided to conduct a follow up on the matter. On Item No. 2, related to the anticipated litigation add on matter, the City Council received a briefing and direction was provided, but no final action was taken and there was nothing to report. On Item No. 3, a briefing was provided to the City Council, direction was provided to the Agency's Negotiator's, and no final action was taken. Item No. 4 was not discussed and held over to the next meeting.

INVOCATION – Pastor Sebastian Petz, Montebello Christian

PLEDGE OF ALLEGIANCE – Al Cota, American Legion Member

CORRECTIONS TO THE AGENDA – CITY MANAGER – No corrections

CEREMONIAL/PRESENTATIONS

5. **RECOGNITION OF LGBTQ PRIDE MONTH** – Presented by Mayor Cobos-Cawthorne

6. **RECOGNITION OF JUNETEENTH – FREEDOM DAY** – Presented by Mayor Cobos-Cawthorne

7. **RECOGNITION OF PTSD AWARENESS MONTH** – Presented by Mayor Cobos-Cawthorne

8. **RECOGNITION OF NATIONAL SCLERODERMA AWARENESS MONTH** – Presented by Mayor Cobos-Cawthorne

PUBLIC COMMENTS ON NON-AGENDA AND AGENDA ITEMS (30 MINUTES)

The City Clerk's Office acknowledged six (6) members of the public wishing to address the City Council. Speakers were provided three minutes to address the City Council and said speaker cards are on file at the City Clerk's office.

The City Clerk's Office acknowledged one (1) written public comment submitted to the City's public comment email address. Said comment is on file at the City Clerk's office.

STAFF COMMUNICATIONS ON ITEMS OF COMMUNITY INTEREST

City Manager Bobadilla invited Deputy Director Angelica Palmeros to provide a briefing to the City Council on the City of Montebello Operation Stay Safe program and was available to answer any questions.

REGULAR BUSINESS

9. **ADOPT RESOLUTION NO'S. 22-38 AND 22-37 ADOPTING MEMORANDA OF UNDERSTANDING BETWEEN THE CITY AND THE MONTEBELLO POLICE MANAGEMENT ASSOCIATION (MPMA) AND THE CITY AND THE MONTEBELLO POLICE OFFICERS ASSOCIATION (MPOA)**

DRAFT

Director Razo presented a PowerPoint presentation to the City Council related to the MPMA and MPOA associations and was available to answer any questions.

Councilmember Torres asked clarifying questions, which were addressed by Director Razo. Councilmember Melendez, Councilmember Peralta, Mayor Pro Tem Torres, and Mayor Cobos-Cawthorne commended Staff and the bargaining groups.

It was motioned by Mayor Pro Tem Jimenez, seconded by Councilmember Melendez that the City Council:

1) Adopt Resolution 22-38 adopting a tentatively agreed upon Comprehensive Memorandum of Understanding (MOU) between the City and the Montebello Police Management Association (MPMA); and
2) Adopt Resolution No. 22-37 adopting a tentatively agreed upon Comprehensive Memorandum of Understanding between the City and the Montebello Police Officers Association (MPOA).

Motion was approved unanimously.

10. ADOPTION OF FISCAL YEAR 2022-23 OPERATING AND CAPITAL BUDGET

Director Solorza presented a PowerPoint presentation to the City Council discussing the budget review process and provided them with an overview on the following: general fund budget; all funds; staffing; supplemental budget requests; general fund revenue; sales tax detail; general fund expenditures; and the FY 2022-23 budget for Transit, IT, Capital Improvement Program, Hilton Garden Inn, and Home2Suites and was available to answer any questions.

Councilmember Torres, Melendez, and Peralta commended Director Solorza, and asked clarifying questions which were addressed by Director Solorza. Mayor Pro Tem Jimenez and Mayor Cobos-Cawthorne expressed their support for this item. Mayor Cobos-Cawthorne commended staff on their grant writing efforts.

Mayor Pro Tem Jimenez motioned, seconded by Councilmember Melendez; that the City Council:

1) Adopt Resolution No. 22-43 adopting the Fiscal Year 2022-23 operating and capital budgets for all funds; and
2) Adopt Resolution No. 22-44 adopting the compensation plan, table of organization and job classifications for Fiscal Year 2022-23; and
3) Adopt Resolution No. 22-45 establishing a Fiscal Year 2022-23 appropriations limit per Government Code Section 7190 (Gann Limit); and
4) Adopt Resolution No. 22-46 for paying and reporting the value of employer paid member contributions as required by a recent CalPERS audit.

The motion was approved by the following vote.

DRAFT

MOVED: Jimenez	**SECONDED:** Melendez	**APPROVED:** 3-2-0-0

AYES: Melendez, Jimenez, Cobos-Cawthorne
NOES: Torres, Peralta
ABSTAIN: None
ABSENT: None

CONSENT CALENDAR

No items were pulled by the City Council for discussion. Councilmember Peralta motioned, seconded by Councilmember Melendez, that Item No's. 11-18 be approved; motion was approved unanimously.

11. AWARD OF CONSTRUCTION CONTRACT FOR CP. #891 – ANNUAL CONCRETE REPAIR PROGRAM FISCAL YEAR 2021-22

RECOMMENDATION: It is recommended that the City Council:

1) Award a construction contract for the Annual Concrete Repair Program Fiscal Year 2021-22 (C.P. # 891) in the amount of $1,208,926 to CJ Concrete Construction, Inc.; and
2) Authorize the Director of Public Works to review and approve change orders within a 15% contingency of the contract amount; and
3) Authorize the City Manager to execute the Contract Agreement, on behalf of the City; and
4) Take such additional, related, action that may be desirable.

12. APPROVAL OF AMENDMENT NO. 1 TO AGREEMENT NO. 3890 FOR GOLF COURSE MANAGEMENT SERVICES

RECOMMENDATION: It is recommended that the City Council:

1) Approve Amendment No. 1 to Agreement No. 3890 for Golf Course management services at the Montebello Golf Course with S&S Labarge Golf, Inc.; and
2) Authorize the City Manager to execute the Amendment on behalf of the City; and
3) Take such additional, related, action that may be desirable.

13. APPROVAL OF AGREEMENT NO. 3985 WITH NEW FLYER OF AMERICA, INC., TO PURCHASE SEVEN, FORTY-FOOT, COMPRESSED NATURAL GAS (CNG) TRANSIT BUSES

RECOMMENDATION: It is recommended that the City Council:

1) Approve Agreement No. 3985 with New Flyer of America, Inc. ("New Flyer"), to purchase seven (7), forty-foot (40') Compressed Natural Gas (CNG) transit buses; and
2) Authorize the City Manager and/or their designee to approve change orders for up to two (2) percent of the total agreement amount; and
3) Take such additional, related action that may be desirable.

DRAFT

14. APPROVAL OF THREE (3) PROFESSIONAL SERVICE AGREEMENTS, NO.'S 3988, 3989 AND 3990, TO (I) FORD OF MONTEBELLO, (II) CHEVROLET OF MONTEBELLO, AND (III) MONTEBELLO TIRE PROS, TO ESTABLISH AN AS-NEEDED VENDOR BENCH FOR THE CITYWIDE FLEET VEHICLE MAINTENANCE AND REPAIR SERVICES REQUEST FOR PROPOSAL, NO. 22-4

RECOMMENDATION: It is recommended that the City Council:

1) Award three (3) Professional Services Agreements, No.'s 3988, 3989, and 3990, to (i) Ford of Montebello, Inc. (dba Ford of Montebello), (ii) Montebello Auto Group, LLC (dba Chevrolet of Montebello), and (iii) SHAK Enterprises, Inc. (dba Montebello Tire Pros), for a three-year (3-year) term with the option for renewal of up to two (2) additional one-year (1-year) terms, for an annual total not-to-exceed amount of $100,000 with each vendor , with the City of Montebello (City) to establish an as-needed vendor bench for the Citywide Fleet Vehicle Maintenance and Repair Services Request for Proposal, No. 22-4 (RFP No. 22-4); and
2) Authorize the City Manager, and/or his designee, to take action necessary to execute and finalize each proposed agreement (No.'s 3988-3990) on behalf of the City; and
3) Take such additional or alternative action that may be desirable.

15. APPROVAL OF PROVIDING RECRUITMENT INCENTIVES FOR QUALIFIED POLICE OFFICERS AND POLICE DISPATCHERS

RECOMMENDATION: It is recommended that the City Council:

1) Approve a program to provide recruitment incentives for qualified Police Officers and Police Dispatchers and referral bonuses to current employees; and
2) Take such additional, and related, action that may be desirable.

16. APPROVAL TO SUBMIT APPLICATION FOR THE U.S. DEPARTMENT OF JUSTICE, OFFICE OF COMMUNITY ORIENTED POLICING SERVICES (COPS), FISCAL YEAR 2022 COPS HIRING PROGRAM (CHP)

RECOMMENDATION: It is recommended that the City Council:

1) Approve the submission of the grant application for the U.S. Department of Justice, Office of Community Oriented Policing Services (COPS), Fiscal Year 2022 COPS Hiring Program (CHP); and
2) Take such additional, related, action that may be desirable.

17. PAYMENT OF BILLS: ADOPT RESOLUTION NO. 22-41 APPROVING THE CITY WARRANT REGISTER OF DEMANDS DATED JUNE 8, 2022

RECOMMENDATION: Adopt Resolution No. 22-41 approving the Warrant Register dated June 8, 2022.

DRAFT

18. APPROVAL OF CITY COUNCIL MINUTES – SPECIAL MEETING APRIL 8, 2022; SPECIAL MEETING APRIL 9, 2022; APRIL 13, 2022; SPECIAL MEETING APRIL 23, 2022; APRIL 27, 2022.

RECOMMENDATION: Approve said minutes as written.

AB 1234 TRAVEL REPORTS

Members of the City Council will provide a brief report on meetings attended at the expense of the local agency as required by Government Code Section 53232.3(d).

COUNCIL ORALS

Council member announcements; requests for future agenda items; conference/meetings reports.

1. **Councilmember Peralta**
   a. Recognition of Schurr High School AVID 2022 Scholarship Recipients
   b. Request Council consensus to have LGBTQ friendly artwork/poetry from the community displayed at City Hall
   c. Requesting action to adopt and recognize June 3rd as National Gun Violence Awareness Day
   d. Appointment of Henry Fimbres to the Personnel Advisory Commission
   e. Recognition and Congratulations to BLVD MRKT for being named Business of the Year for Supervisor District 1 by the Los Angeles County Business Federation

   Councilmember Peralta requested consensus on items 1.b. and 1.c. Consensus was received on both item 1.b. and 1.c.
2. **Councilmember Melendez**
3. **Councilmember Torres**
4. **Mayor Pro Tem Jimenez** – added an oral and reminded the public about an upcoming 5k run and Father's Day Brunch.
5. **Mayor Cobos-Cawthorne**

Mayor Cobos-Cawthorne recessed the meeting to continue Closed Session and discuss Item No. 4. Mayor Cobos-Cawthorne reconvened the meeting at 9:11 p.m. City Attorney Alvarez-Glasman provided a briefing on Item No. 4 and made a statement for the record that the City Manager excused himself from the conversation; there was no action taken and nothing to report.

ADJOURNMENT

Councilmember Melendez motioned to adjourn the meeting, seconded by Mayor Pro Tem Jimenez. Mayor Cobos-Cawthorne adjourned the meeting at 9:17 p.m.

THE MINUTES OF JUNE 8, 2022 ARE HEREBY APPROVED AND ADOPTED ON THIS 14TH DAY OF SEPTEMBER 2022.

Alicia Fernandez, Senior Deputy City Clerk

DRAFT

SPEAKER CARDS

CITY OF MONTEBELLO Request No. 1

SPEAKER CARD

Please Note: Address and phone number are optional and not required to speak.

Public Comment/Speaker Card must be submitted to City Clerk's Office prior to 5:00 p.m. for live meetings or in accordance with Assembly Bill 361 for video/audio meetings.

Type of Comment: Closed Session ☐ Non-Agenda Item ☒ **AGENDA ITEM NO.** _____

Meeting Date: 8 June 2022 **Time Received:** 5:23 PM (emailed via cityclerk@cmb) **Date Received:** 8 June 2022

SPEAKER'S FULL NAME: MARGOT EISER **PHONE:** _____ (Optional)

ADDRESS: [illegible] Montebello Golf Course (Optional)

ORGANIZATION REPRESENTED: —

Opposed ☐ In Support ☐ Neutral ☒ **TOPIC:** General Plan

NOTES: _____

ACCOMMODATIONS: _____

Translation Needed: No ☐ Yes ☐ Language: _____

Received by Staff Kim Guillen **Received Via:** Email ☐ Phone ☐ In Person ☒

CITY OF MONTEBELLO ■ ■ ■ ■ Request No. 2

SPEAKER CARD

Please Note: Address and phone number are optional and not required to speak.

Public Comment/Speaker Card must be submitted to City Clerk's Office prior to 5:00 p.m. for live meetings or in accordance with Assembly Bill 361 for video/audio meetings.

Type of Comment: Closed Session ☐ Non-Agenda Item ☑ **AGENDA ITEM NO.** —

Meeting Date: 6/8/22 **Time Received:** 05:38 PM **Date Received:** 6/8/22

SPEAKER'S FULL NAME: LANZA, ALEN **PHONE:** (323) 440-7751
(Optional)

ADDRESS: _____
(Optional)

ORGANIZATION REPRESENTED: _____

Opposed ☐ In Support ☐ Neutral ☐ **TOPIC:** _____

NOTES: _____

ACCOMMODATIONS: _____

Translation Needed: No ☐ Yes ☐ Language: _____

Received by Staff _____ **Received Via:** Email ☐ Phone ☐ In Person ☒

CITY OF MONTEBELLO Request No. 3

SPEAKER CARD

Please Note: Address and phone number are optional and not required to speak.

Public Comment/Speaker Card must be submitted to City Clerk's Office prior to 5:00 p.m. for live meetings or in accordance with Assembly Bill 361 for video/audio meetings.

Type of Comment: Closed Session ☐ Non-Agenda Item ☒ **AGENDA ITEM NO.** _____

Meeting Date: 6/8/22 **Time Received:** _____ **Date Received:** _____

SPEAKER'S FULL NAME: Monique Rivera **PHONE:** _____ *(Optional)*

ADDRESS: _____ *(Optional)*

ORGANIZATION REPRESENTED: _____

Opposed ☐ In Support ☐ Neutral ☐ **TOPIC:** MCAP

NOTES: _____

ACCOMMODATIONS: _____

Translation Needed: No ☒ Yes ☐ Language: _____

Received by Staff Kim Guillen **Received Via:** Email ☐ Phone ☐ In Person ☐

CITY OF MONTEBELLO Request No. 4

SPEAKER CARD

Please Note: Address and phone number are optional and not required to speak.

Public Comment/Speaker Card must be submitted to City Clerk's Office prior to 5:00 p.m. for live meetings or in accordance with Assembly Bill 361 for video/audio meetings.

Type of Comment: Closed Session ☐ Non-Agenda Item ☐ **AGENDA ITEM NO.** _____

Meeting Date: 06-08-2022 **Time Received:** _____ **Date Received:** _____

SPEAKER'S FULL NAME: ROSA TAMAYO **PHONE:** 323-724-6099 (Optional)

ADDRESS: 5005 S. Montebello Blvd #4 CMTBCA. 90640 (Optional)

ORGANIZATION REPRESENTED: _____

Opposed ☐ In Support ☐ Neutral ☐ **TOPIC:** _____

NOTES: _____

ACCOMMODATIONS: _____

Translation Needed: No ☐ Yes ☐ Language: _____

Received by Staff _____ **Received Via:** Email ☐ Phone ☐ In Person ☐

CITY OF MONTEBELLO Request No. 5

SPEAKER CARD

Please Note: Address and phone number are optional and not required to speak.

Public Comment/Speaker Card must be submitted to City Clerk's Office prior to 5:00 p.m. for live meetings or in accordance with Assembly Bill 361 for video/audio meetings.

Type of Comment: Closed Session ☐ Non-Agenda Item ☐ **AGENDA ITEM NO.** _____

Meeting Date: 6/8/22 **Time Received:** _____ **Date Received:** _____

SPEAKER'S FULL NAME: Tila Gregorian **PHONE:** (323) 722-3521 *(Optional)*

ADDRESS: 1041 Hibiscus St. *(Optional)*

ORGANIZATION REPRESENTED: _____

Opposed ☐ In Support ☐ Neutral ☐ **TOPIC:** _____

NOTES: _____

ACCOMMODATIONS: _____

Translation Needed: No ☐ Yes ☐ Language: _____

Received by Staff _____ **Received Via:** Email ☐ Phone ☐ In Person ☐

CITY OF MONTEBELLO Request No. 6

SPEAKER CARD

Please Note: Address and phone number are optional and not required to speak.

Public Comment/Speaker Card must be submitted to City Clerk's Office prior to 5:00 p.m. for live meetings or in accordance with Assembly Bill 361 for video/audio meetings.

Type of Comment: Closed Session ☐ Non-Agenda Item ☐ Peralta Orals **AGENDA ITEM NO.** 1

Meeting Date: _____ **Time Received:** _____ **Date Received:** _____

SPEAKER'S FULL NAME: Linda Nelkins **PHONE:** _____ *(Optional)*

ADDRESS: _____ *(Optional)*

ORGANIZATION REPRESENTED: _____

Opposed☐ In Support☐ Neutral☐ **TOPIC:** _____

NOTES: _____

ACCOMMODATIONS: _____

Translation Needed: No ☐ Yes ☐ Language: _____

Received by Staff _____ **Received Via:** Email ☐ Phone ☐ In Person ☐

AGENDA & NON-AGENDA COMMENTS

Angelina Padilla

From: fiveznuff 4u <bgt5872@gmail.com>
Sent: Wednesday, June 8, 2022 11:48 AM
To: comment, ccpublic
Subject: Re: speaker card

Hello my name is Brandon Takeyama, I'm a resident of Montebello. My question is why I have been ignored and pushed off since august 20,2020. This is in regards to several emails to Director Enriquez, Mayor Cobos, Sal Melendez & Rene Bobadilla for paving the streets of Vail st & Ferguson drive. Mr. Enriquez had stated in several emails that it would be included in Fiscal Year 2020/21 Capital Improvement Program budget. All 4 individuals have been numerously emailed regarding these streets. That is so wrong as an elected official and including a Mayor to disregard a resident. They need to be reminded that they work for the people. They are Civil servants for the Community of Montebello. These streets have been neglected and are in need of paving. If it was included in the budget for 20/2021 what happened? Where did the money go for those improvements? A resident on Ferguson drive was added to the email and he was ignored as well from all 4 individuals. Why are these individuals ignoring the fact? Is it because it's mid south Montebello and not North Montebello? Remember Montebello should be accounted as one whole city not segregated. I need answers and a timeline when these streets are going to be done.
Thank you

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