



Enhanced Infrastructure Financing District Policy Discussion

February 27, 2024

Recommended Action

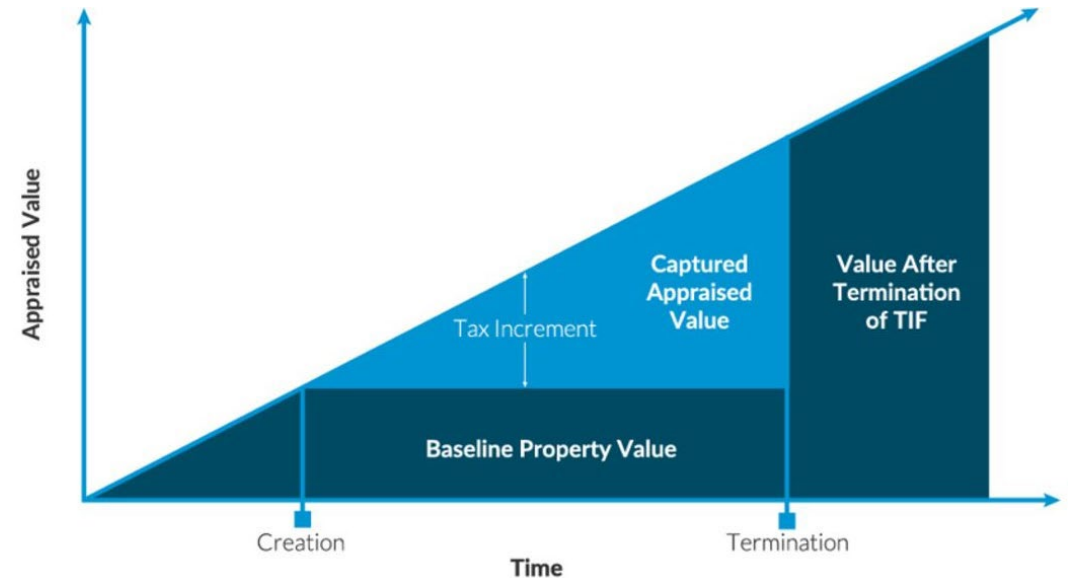
1. Review and approve a County Enhanced Infrastructure Financing District (EIFD) Policy.
2. Receive an update on Santa Rosa Downtown Business Corridor Enhanced Infrastructure Financing District activities.

Background

- July 18, 2023 - Board appointed Supervisor Coursey and Supervisor Rabbitt to the Public Financing Authority (PFA) established by the City of Santa Rosa for the purpose of developing the Infrastructure Financing Plan (IFP) for a Downtown Santa Rosa Enhanced Infrastructure Financing District (EIFD).
- January 30, 2024 – Board discussed options and directed staff to draft a County EIFD Policy for consideration.

Enhanced Infrastructure Financing District (EIFD)

- Established in 2014 with approval of Senate Bill 628
- Alternative to redevelopment agencies
- A separate government entity within a designated district boundary
- A type of special tax increment financing district
- Uses a portion of property tax increment revenues to finance public infrastructure for community-wide benefit
- No new taxes



Purpose of the EIFD Policy

- Establish minimum requirements for the County's participation in an EIFD with one or more taxing entities.
- Protect the County's interests and provide guidance to staff evaluating proposals requesting County participation in an EIFD.
- Ensure fiscal due diligence prior recommendation to the Board of Supervisors to participate in an EIFD.

EIFD Policy – Minimum Requirements

1. The City's contribution of property tax increment in dollars must be greater than or equal to the County's property tax increment contribution.
2. The County will not contribute 100 percent of its property tax increment.
3. A fiscal analysis must be conducted and must demonstrate a positive net impact to the County General Fund that is attributable to the tax revenue generated from the proposed EIFD and should account for avoided costs resulting from EIFD-funded projects.



EIFD Policy – Minimum Requirements

4. In addition to supporting economic development, projects in the proposed EIFD must align with established Board strategic priorities in one or more of the following areas:
 - a) affordable housing
 - b) climate adaptation and resilience
 - c) transit-oriented development
 - d) active transportation
 - e) advancing racial equity and social justice.
5. An EIFD proposal must be consistent with Division 2 of Title 5 of the California Government Code (Section 53398.5 - 53398.88), which authorizes the formation of EIFDs.

