



Contra
Costa
County

To: Board of Supervisors
From: Monica Nino, County Administrator
Date: September 7, 2021

Subject: REFERRAL TO THE FINANCE COMMITTEE REGARDING DEVELOPMENT OF A COUNTY
POLICY ON ENHANCED INFRASTRUCTURE FINANCING DISTRICTS

RECOMMENDATION(S):

REFER to the Finance Committee development of a County policy regarding Enhanced Infrastructure Financing Districts.

FISCAL IMPACT:

No fiscal impact.

BACKGROUND:

In 2015, Senate Bill 628 (Chapter 785, Statutes of 2014) created Enhanced Infrastructure Financing Districts (EIFDs) effectively modifying the structure of already existing Infrastructure Financing Districts (IFDs). Following the dissolution of redevelopment, EIFDs serve as a financing mechanism to use tax-increment financing, similar to former redevelopment projects, but with greater collaboration between cities and counties for economic development, housing and other large scale projects throughout the State. Subsequent to the creation in 2015, statutes authorizing EIFDs have been modified on a regular basis, including broadening the listing eligible project types and modifying to process to issue bonds to fund those projects by the EIFD.

☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY
ADMINISTRATOR

☐ RECOMMENDATION OF BOARD
COMMITTEE

Action of Board On: **09/07/2021** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF SUPERVISORS

AYE: John Gioia, District I Supervisor
Candace Andersen, District II Supervisor
Diane Burgis, District III Supervisor
Karen Mitchoff, District IV Supervisor
Federal D. Glover, District V Supervisor

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: September 7, 2021

Monica Nino, County Administrator and Clerk of the Board of Supervisors

By: Stacey M. Boyd, Deputy

Contact: Timothy Ewell, (925)
655-2043

Similar to financial impacts from former redevelopment agencies, the County's share of the ad valorem property tax can be impacted by a redirection

BACKGROUND: (CONT'D)

of those revenues from the County to an EIFD. The difference is that the County must opt-in to become a partner in the EIFD formation process and pre-negotiate the share of ad valorem property tax to be reallocated to the EIFD. Due to the size of the County and the number of cities within the County there is potential for significant requests of County participation in EIFD development at a financial cost to the County. As an example, the County Administrator's Office has been approached by the cities of Pittsburg and Brentwood to gauge interest in the participation of the County in EIFDs located within each city.

Today's action is requesting that the Board of Supervisors refer to the Finance Committee the development of a policy related to evaluation of EIFD proposals submitted for review from jurisdictions within the County. Recall that the County took a similar approach to evaluation of Compensation Agreements being requested by cities as part of the redevelopment dissolution process. Adopting and subsequently distributing a policy sets a minimum bar for cities to meet when it comes to submitting proposals to the County for review and evaluation. It also communicates to cities what projects the County is interested in partnering on, consistent with stated Board of Supervisors policy goals, and acceptable rates of financial participation for such projects by the County.

CONSEQUENCE OF NEGATIVE ACTION:

This issue will not be formally referred to the Finance Committee for policy development.