

Meeting Date: 9/29/2015

Report Type: Staff/Discussion

Report ID: 2015-00830

Title: Enhanced Infrastructure Financing Districts Information Session

Location: Citywide

Recommendation: Receive and file.

Contact: Denise Malvetti, Senior Development Project Manager, (916) 808-7064, Economic Development Department

Presenter: Denise Malvetti, Senior Development Project Manager, (916) 808-7064, Economic Development Department

Department: Economic Development Dept

Division: Citywide Development

Dept ID: 18001031

Attachments:

1-Description/Analysis

City Attorney Review

Approved as to Form

Jeffrey L. Massey

9/22/2015 9:31:56 AM

Approvals/Acknowledgements

Department Director or Designee: Larry Burkhardt - 9/17/2015 2:50:48 PM

Description/Analysis

Issue Detail: On January 1, 2015, Senate Bill (SB) 628 became effective giving cities the authority to establish new governmental entities called Enhanced Infrastructure Financing Districts (EIFDs). EIFDs are financing tools that are designed to be more usable than Infrastructure Financing Districts (IFDs). IFDs have been allowed under California law since 1990 yet only three have been formed. A city may create one or more of these districts to finance the construction or rehabilitation of a variety of public infrastructure and private facilities. Similar to Redevelopment, the projects are funded with property tax increment of consenting taxing entities (exclusive of school districts). With the dissolution of Redevelopment and limited financing tools to fund both public and private facilities, EIFDs may provide a necessary funding source to meet the needs of the city's aging infrastructure and continue the development momentum that is underway.

Given the multiple fiscal considerations associated with establishing these districts, the City has hired Keyser Marston Associates, Inc., the leading financial consulting firm in the areas of IFDs and EIFDs, to analyze the feasibility of establishing one or multiple EIFDs within the City of Sacramento. Because EIFD legislation is new and none have been formed yet in California, Keyser Marston Associates, Inc.'s first deliverable to City is an informational session at Council providing an overview of the new legislation, what EIFDs are, how they are formed and governed, how proceeds can and cannot be used, and the opportunities and limitations of this new tool. Debbie Kern, Senior Principal of Keyser Marston Associates, will provide the presentation and she and the project team will be available for questions.

Policy Considerations: None, this is an informational presentation only.

Economic Impacts: None.

Environmental Considerations: Not applicable.

Sustainability: Not applicable.

Commission/Committee Action: None.

Rationale for Recommendation: Not applicable.

Financial Considerations: None with this informational report.

Local Business Enterprise (LBE): Not applicable.