



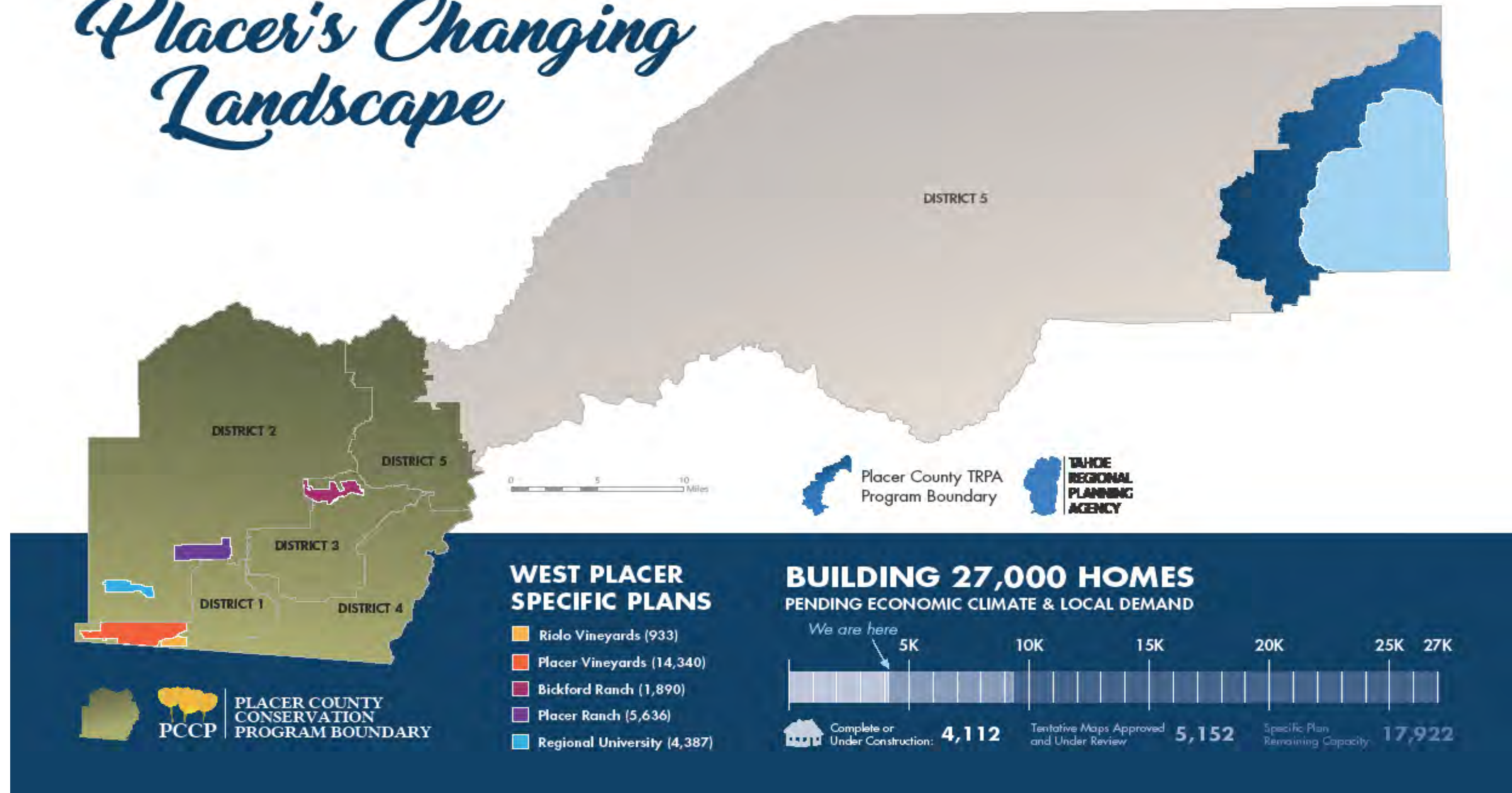
# Annual CEAC Policy Conference Infrastructure and Development Policy Committee Meeting Michele Kingsbury Placer County Deputy CEO





# Background Specific Plan Administration Group

## Placer's Changing Landscape



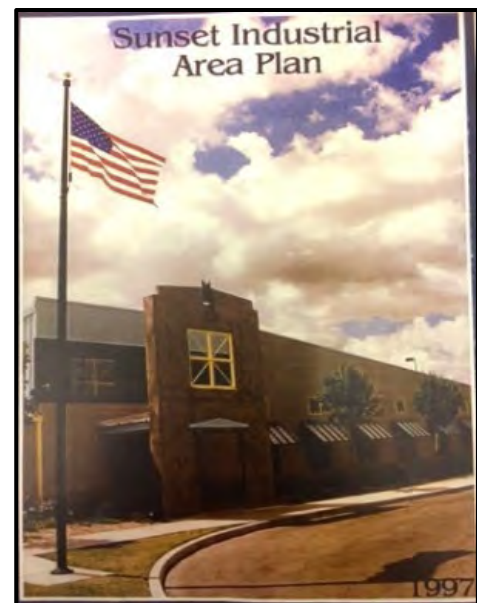
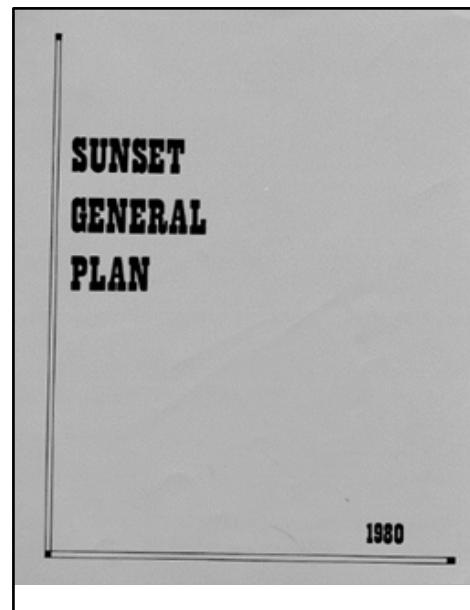
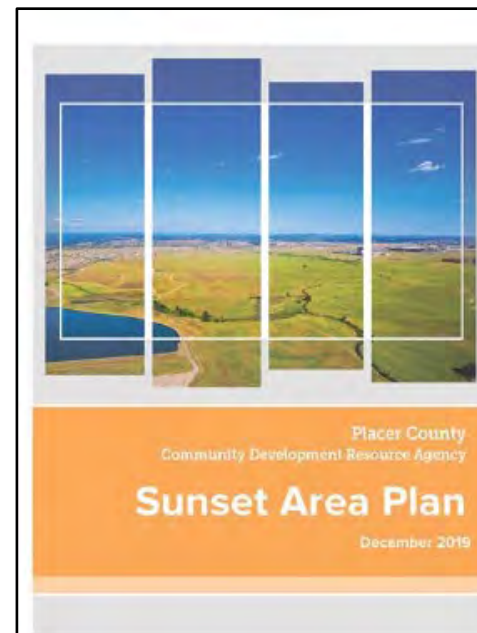


# Placer County Enhanced Infrastructure Financing District No. 1 (Sunset Area/Placer Ranch)





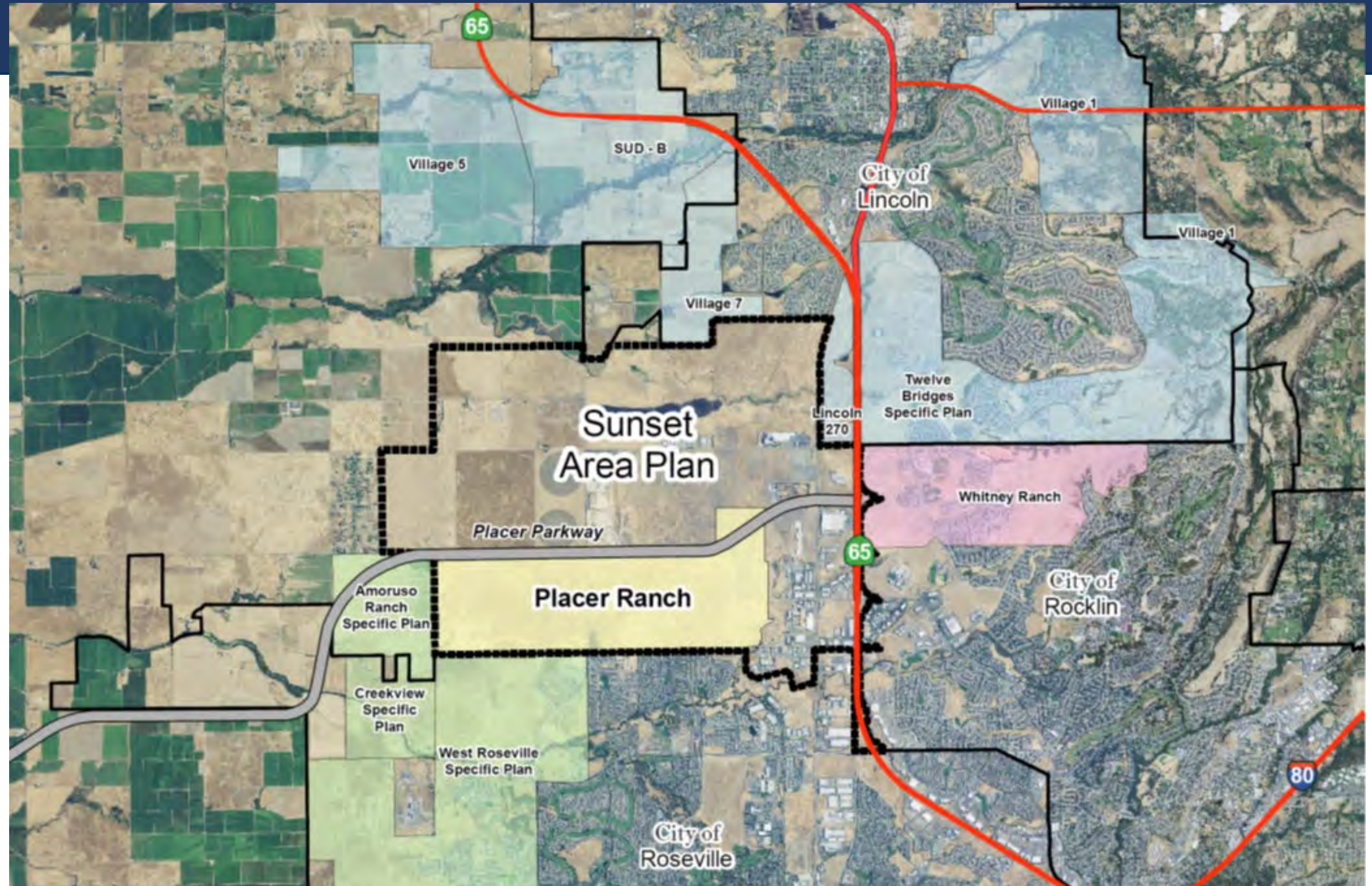
# Sunset Area/Placer Ranch EIFD Background



- Sunset Area – Envisioned as a **cornerstone for economic growth and employment** in South Placer for over 60+ years.
- 1997 and 2019 Sunset Area Plans – identified **tax increment financing** as critical to addressing impediments to development.
- 2019 Sunset Area Plan - identified the need for "...funding sources to pay for **Backbone Infrastructure and Public Facilities**, including any existing and potential future fee programs or financing districts..."
- **EIFD** - identified as critical tool to address infrastructure funding needs by capturing value from future development in the form of future property tax increment.



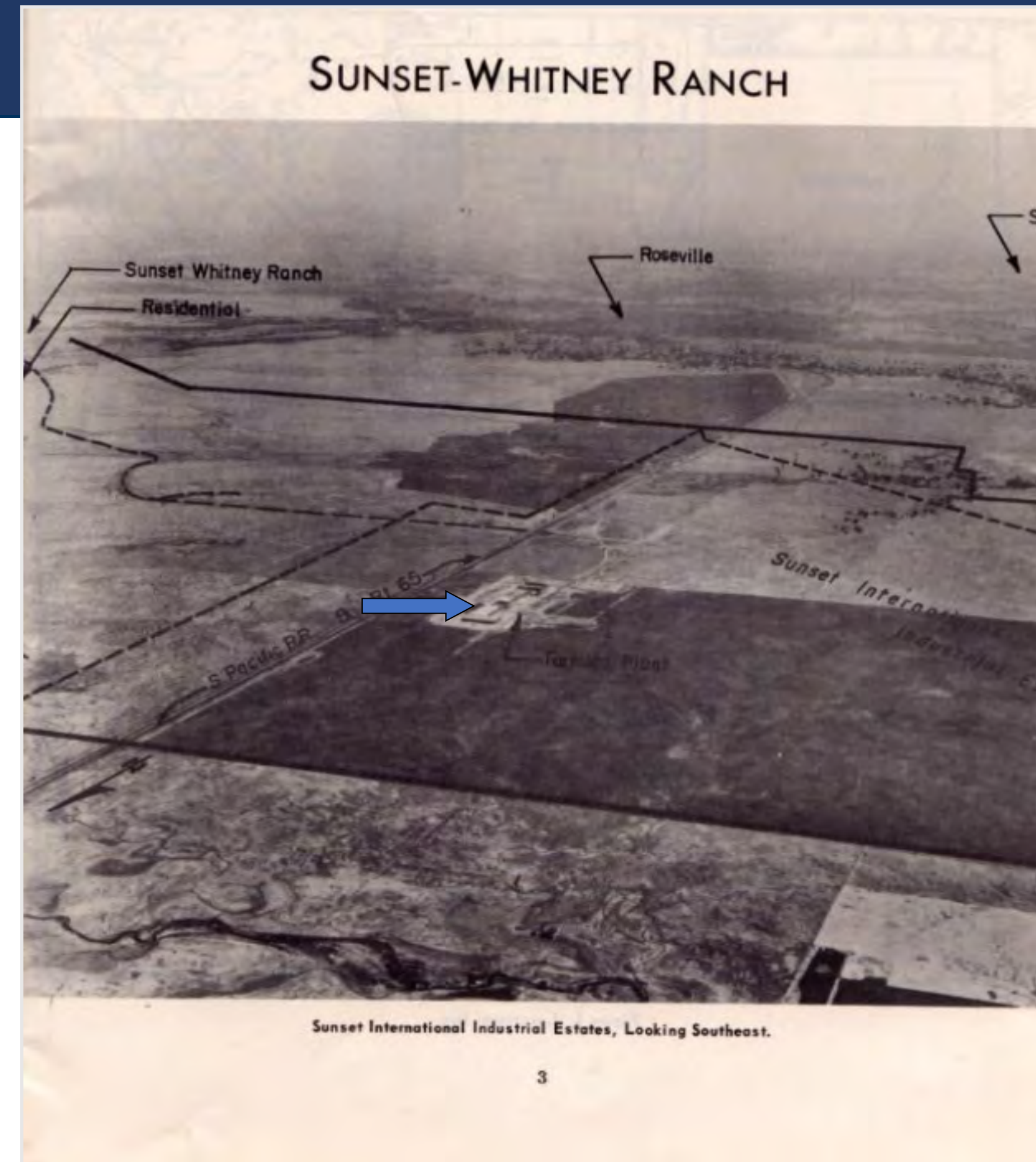
# Sunset Area/Placer Ranch EIFD Background





# Sunset Area/Placer Ranch EIFD Background

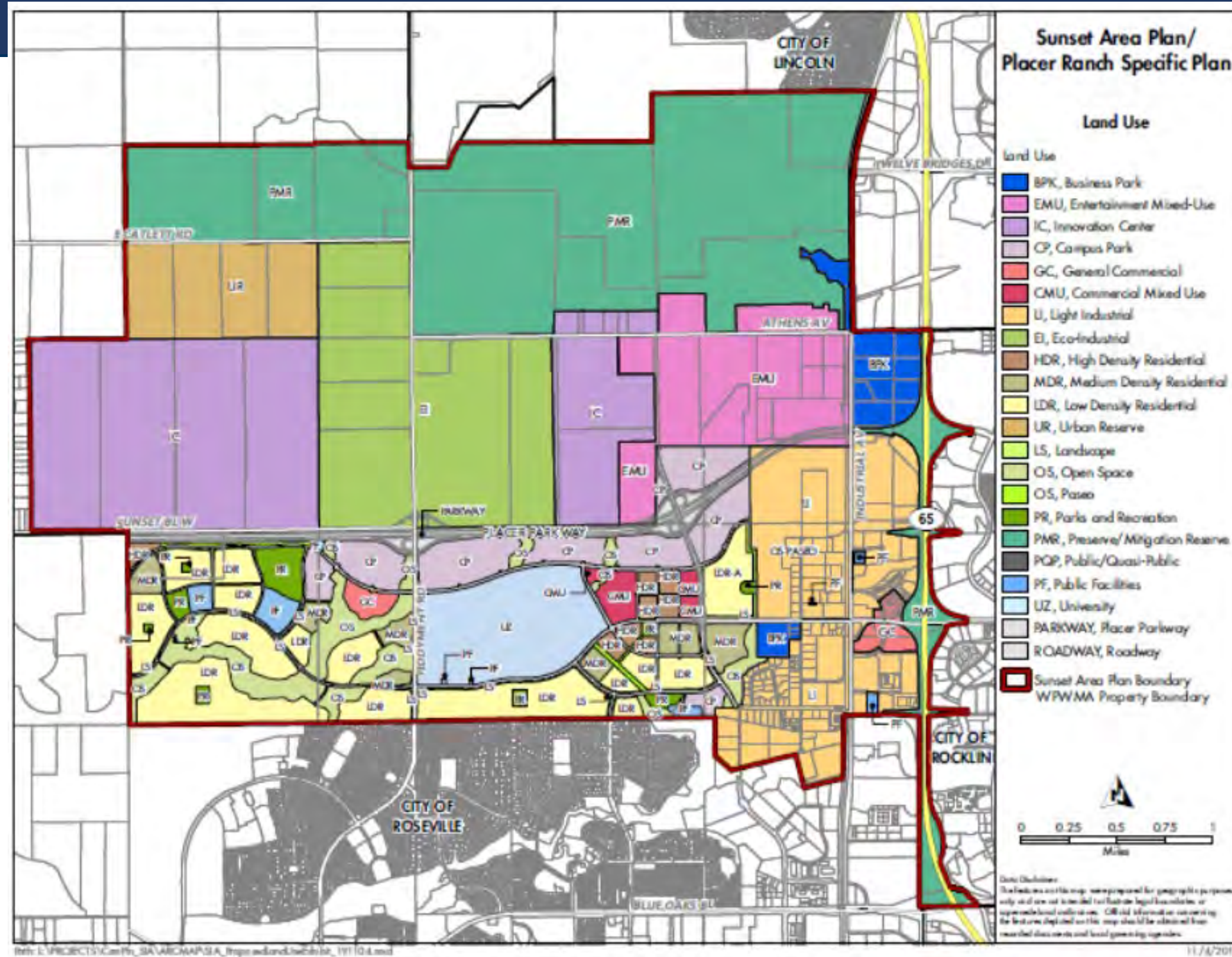
One of the first urban land uses in the region was the Formica Plant, built in 1965, which has been redeveloped into the Placer Gold Industrial Park today.





# Sunset Area/Placer Ranch EIFD

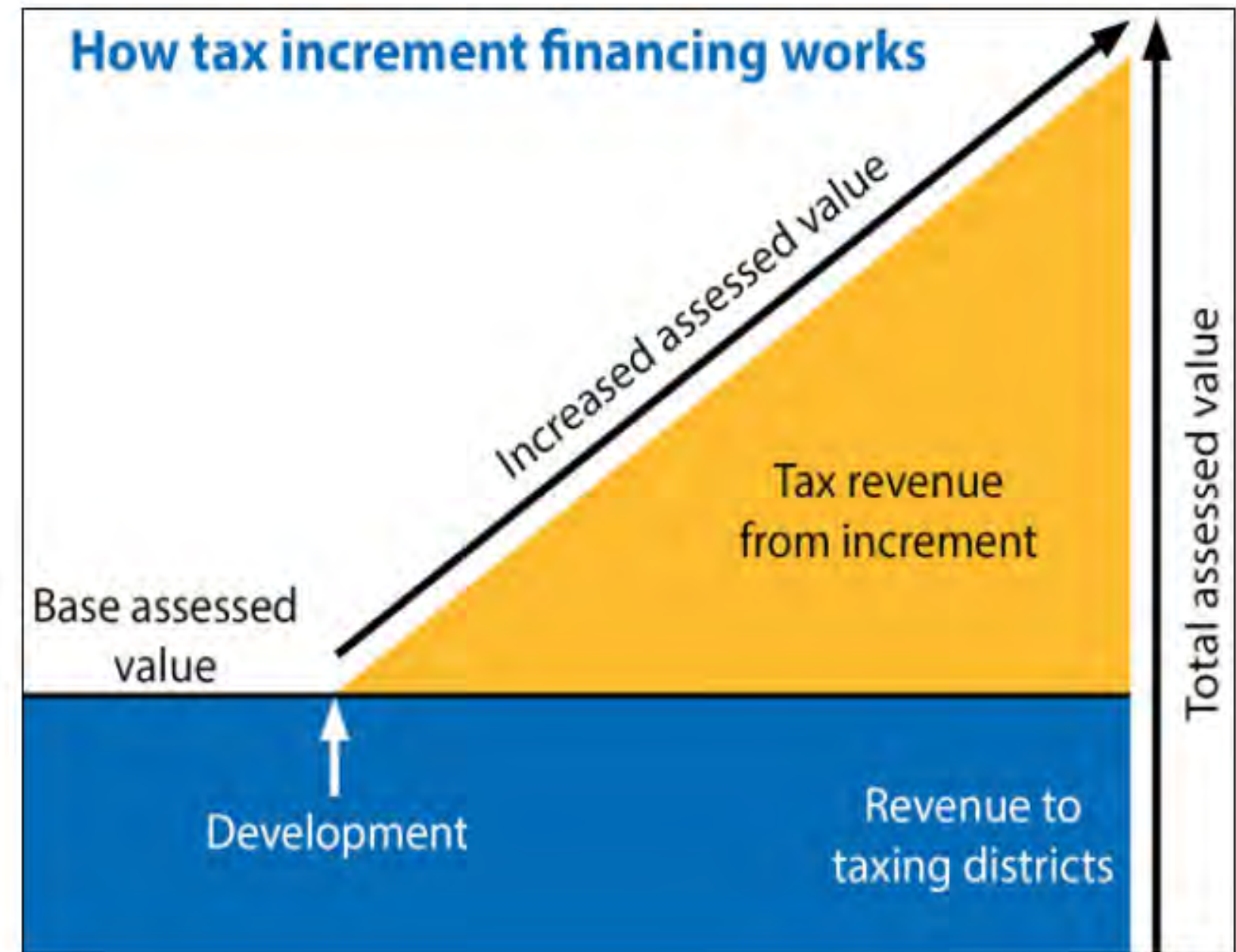
## Background





# Sunset Area/Placer Ranch EIFD Background

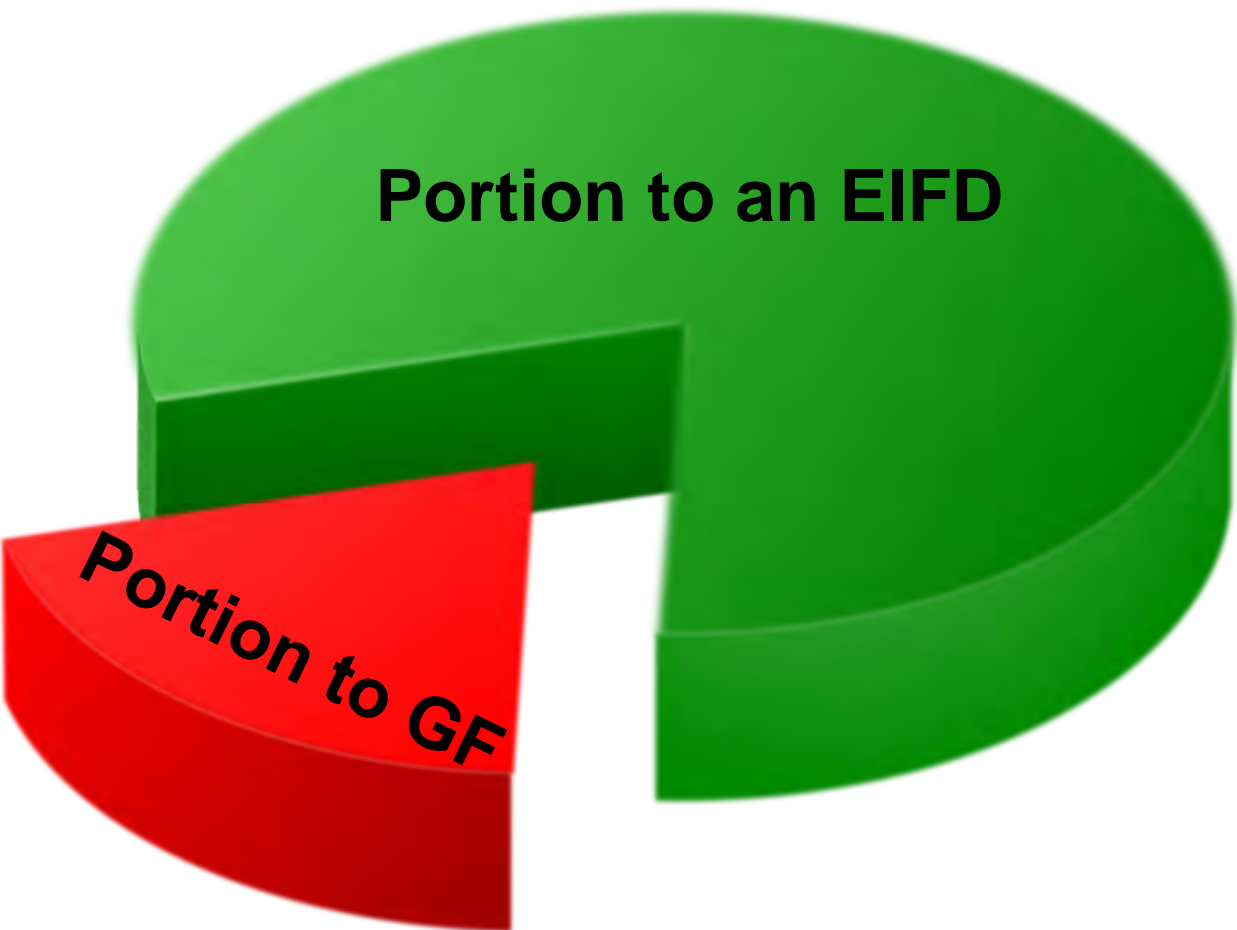
- Government Code Section 53398 authorizes EIFD formation.
- EIFDs use **tax increment financing**—captures **only the incremental growth in property tax revenues** (County's share of the 1% assessed value of real property) within a defined area.
- **No Financial Burden to Property Owners:**
  - **NO NEW PROPERTY TAXES**
  - **NO NEW FEES**
- **Education-Protected:** does not draw from school district revenues.
- **Community Investment:** EIFD revenues generated within a defined area are reinvested locally into community-serving projects—including **critical backbone infrastructure** and **affordable housing**—directly supporting the County's goals.





# Sunset Area/Placer Ranch EIFD Background

## County Property Tax Increment



- **County share of property tax per \$1 collected:**

**Countywide average: 17.1 ¢**

**Sunset Area EIFD average: 20.03 ¢**

**Placer Ranch Specific Plan average: 22.06 ¢**



# Sunset Area/Placer Ranch EIFD Background

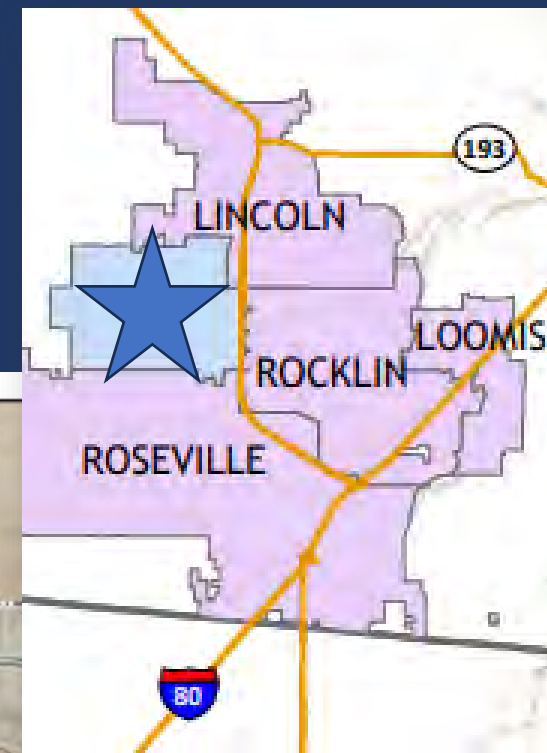
## What projects benefit from EIFD funding?

- Any public improvements with a useful life of 15+ years to provide a community benefit, including but not limited to:
  - Water, Wastewater (Sewer), and Drainage Infrastructure
  - Roads, Transit Facilities, Parking Facilities and Bridges
  - Parks, Trails, Open Space, and Recreational Facilities
  - Civic Infrastructure
  - Affordable Housing
- SB 1145 extended EIFD funding capabilities to cover infrastructure maintenance costs.





# Sunset Area/Placer Ranch EIFD Boundary



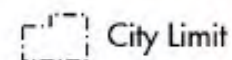
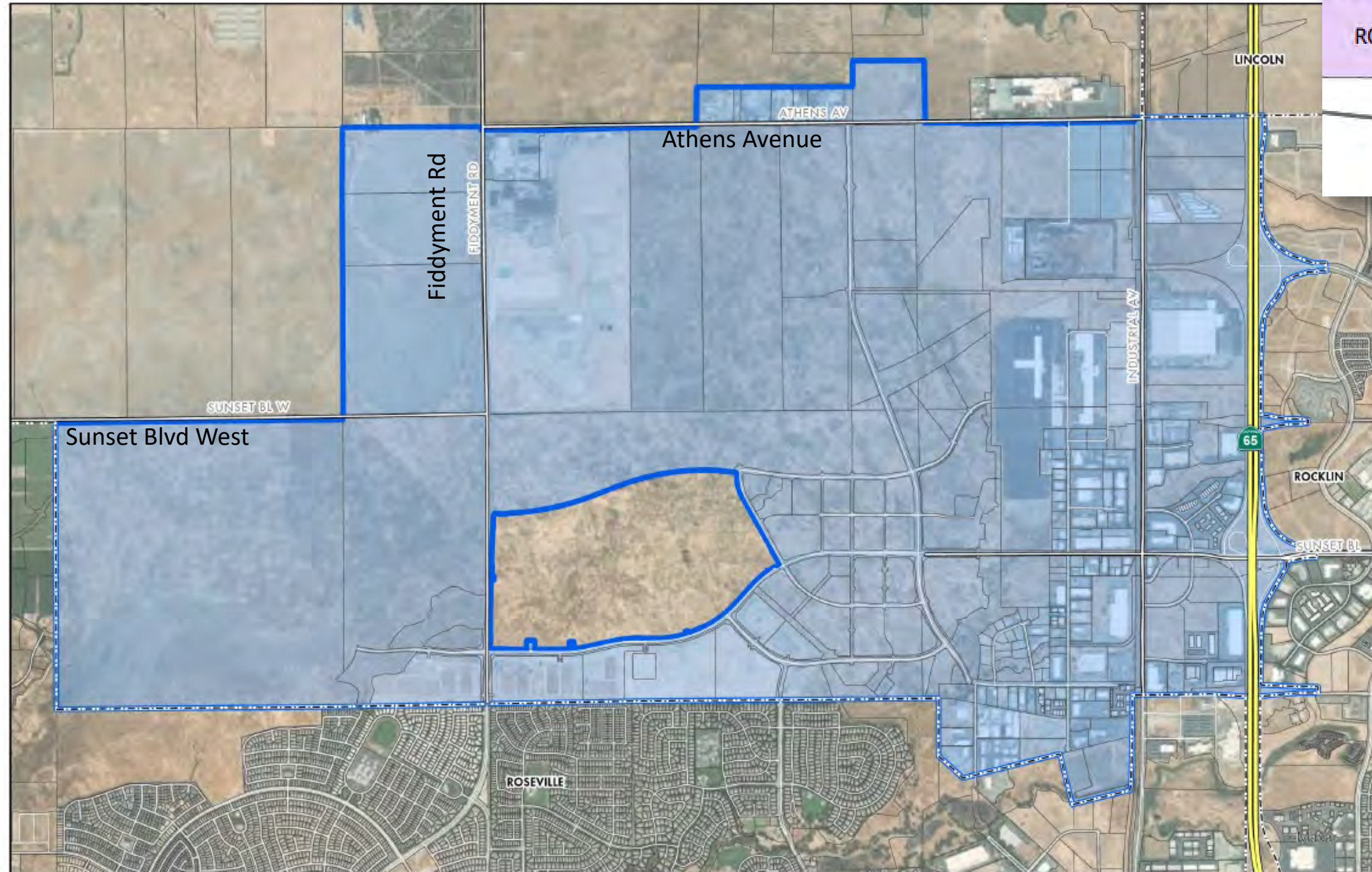
4,729 acres of the  
8,497-acre Sunset Area Plan

Currently 85% vacant land

20-year projections:

- 6,600 residential units
- 25M SF of non-residential
- 27,000 new full-time jobs

***Capturing growth in  
property values from new  
development***



City Limit



Proposed Boundary Map of the Sunset Area / Placer Ranch Enhanced Infrastructure Financing District



# Sunset Area/Placer Ranch EFD

## Infrastructure Financing Plan (IFP)

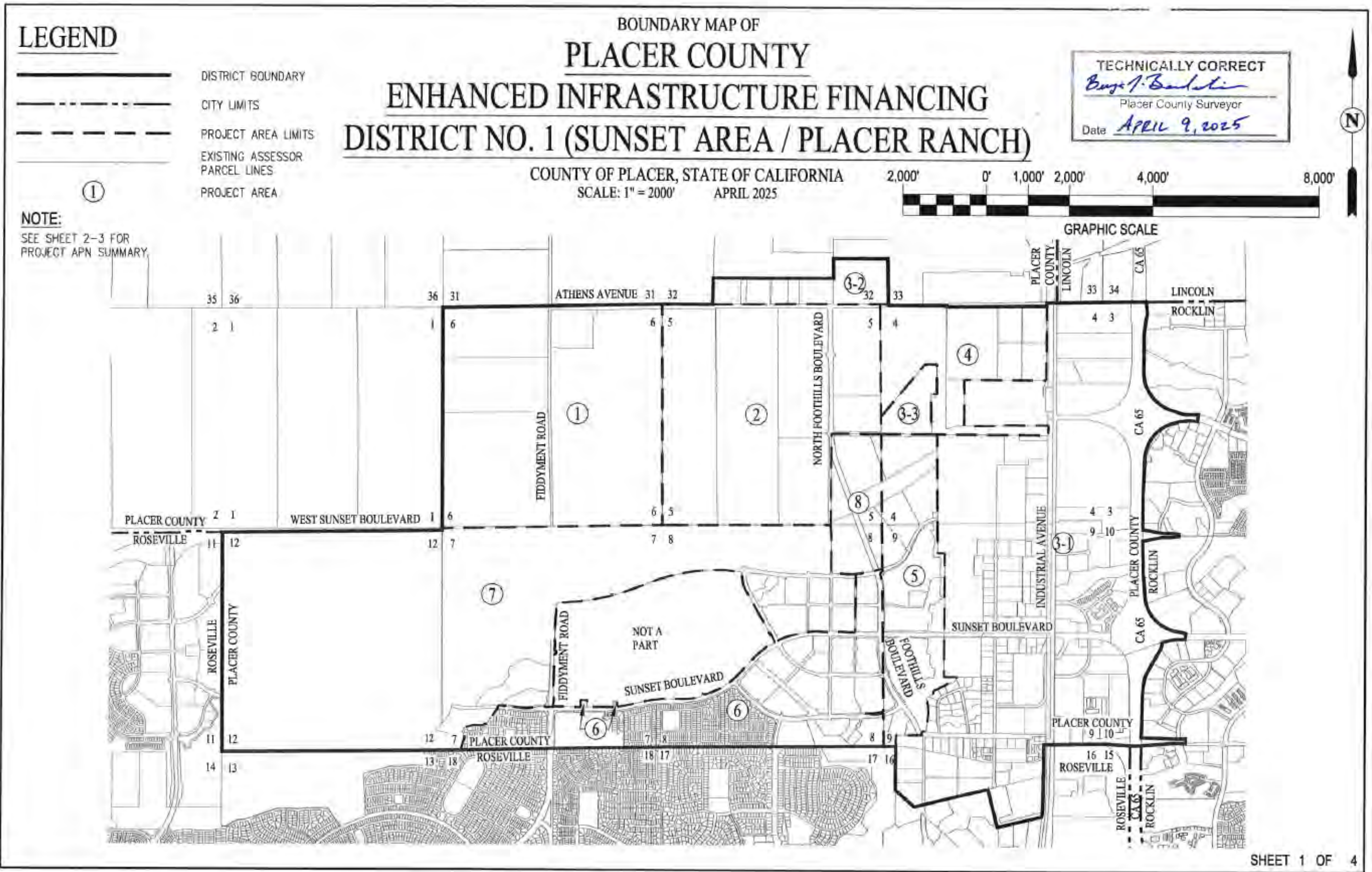
- **Guides EFD activities and funding decisions**
- **Required step** to establish an EFD
- **Key Elements of the IFP:**
  - **Defines EFD boundaries** and list of **proposed projects**
  - Explanation of **how the projects benefit the community**
  - **Financial plan** outlining:
    - Revenue sources
    - Financing methods (e.g., bonds)
  - Stated **goals and anticipated outcomes**
  - **Fiscal analysis**, including:
    - Projected tax revenue growth
    - Overall fiscal impacts





# Sunset Area/Placer Ranch EIFD

## Project Areas



1,2,3,4 = (Net) Sunset Area

5,6,7,8 = Placer Ranch SP

1,3,4,5 = Former Sunset  
Industrial Redevelopment  
Area (RDA)

Approximately 8 Tax Rate  
Areas



# Sunset Area/Placer Ranch EIFD

## Infrastructure Financing Plan (IFP)

**Gross Tax Increment** – for each Project Area, 100% of the revenue produced by application of the 1% ad valorem rate to the property's *Incremental Assessed Value* (difference from 24/25 base year).

### 3 sources of property tax revenue to EIFD

- 1. Tax Increment** – For each Project Area, revenue produced by applying the applicable County General Funds' property tax share as determined by Auditor Controller's office to Gross Tax Increment. *Allocated Tax Increment* is the portion of Tax Increment, up to 100%, allocated to EIFD as determined by BOS on annual basis or as otherwise required to provide security for bonds or other debt issued by EIFD.
- 2. EIFD Property Net Available Revenue** – Periodic distributions to County General Fund from Redevelopment Property Tax Trust Fund (RPTTF), until Successor Agency dissolves (FY 36/37), up to 100% determined annually. Upon dissolution, properties will generate Tax Increment.
- 3. Non-EIFD Property Net Available Revenue** - From properties within former RDAs but not in the EIFD boundaries, until Successor Agencies dissolves (FY 41/42). Minimum \$1M / Maximum \$4M, determined annually. Available on 'pay-go' basis. Will not be used to secure repayment of bonds/debt of EIFD.



# Sunset Area/Placer Ranch EIFD

## Infrastructure Financing Plan (IFP)

### Tax Revenue Projection to Sunset Area/Placer Ranch EIFD over term of EIFD:

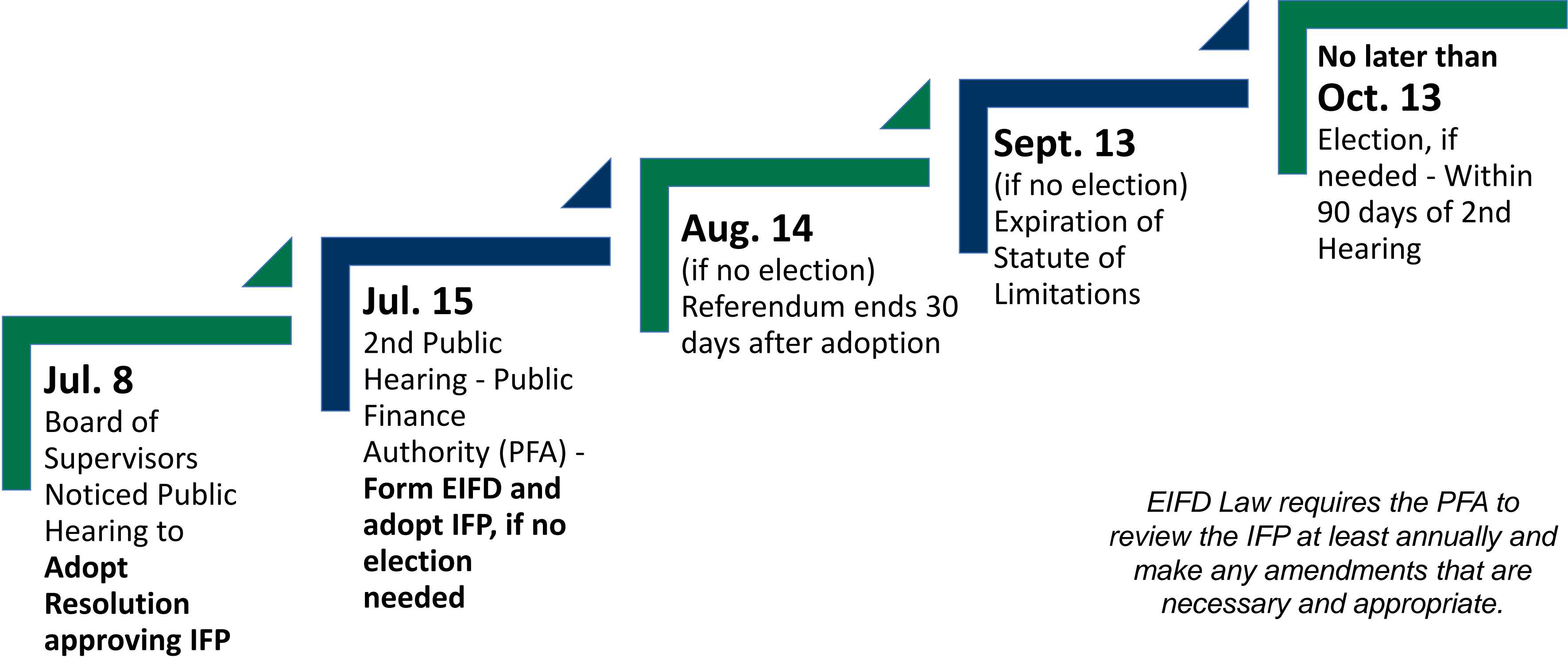
<b>\$553.44 million</b>	Projected cumulative <b>Allocated Tax Increment</b> and <b>EIFD Property Net Available Revenue</b>
<u>\$53.82 million</u>	+ Allocated <b>Non-EIFD Property Net Available Revenue</b>
<b>\$607.26 million</b>	= Projected cumulative <b>Aggregate Tax Revenue</b> to the SA/PR EIFD over the term of the EIFD

The limit on total tax dollars that may be allocated to the EIFD is \$1.215 billion

*Appendix B outlines potential projects eligible to receive EIFD funding such as key backbone infrastructure, Placer Parkway, affordable housing*



# Sunset Area/Placer Ranch EIFD Process





# Community Facilities Districts (CFDs)

- CFDs are a type of special tax district formed when property owners within a geographic area agree to levy a tax on property to fund infrastructure improvements or services.
- Approved by the Legislature in 1982 to fill Prop. 13 funding gaps.
- CFDs may fund services that public agency budgets can no longer sustain through property tax and / or sales tax revenues alone.





# Questions

