

Authorizing a Resolution of Intent to Enter into the Carson Enhanced Infrastructure Financing District

On September 29, 2014, Governor Brown approved SB 628, which authorized the formation of Enhanced Infrastructure Financing Districts (EIFDs). An EIFD is a Limited Tax Increment Financing District created after the dissolution of redevelopment agencies in 2012. An EIFD allows governmental entities to contribute a portion of their future property tax revenues from a defined district for the construction of certain infrastructure projects.

The City of Carson (City) has proposed to partner with the County of Los Angeles (County) on an EIFD to assist in the financing of infrastructure projects that will spur development and community wellbeing. Consistent with policy established by the Board of Supervisors (Board) regarding partnering with cities on the creation of EIFDs, a contribution from the County General Fund of 25% of future property tax increment, matched in dollar value by the City, would facilitate the financing of \$50 million of infrastructure projects including street and circulation improvements, infrastructure and remediation activities (including a set-aside of up to \$10 million for remediation or infrastructure improvements at the Victoria Golf Course), and low- and moderate-income housing.

MOTION

SOLIS _____

RIDLEY-THOMAS _____

KUEHL _____

HAHN _____

BARGER _____

Based on a preliminary fiscal analysis, it is anticipated that new development in the EIFD project area will generate greater future property taxes for the County, net of its contribution to the EIFD. Therefore, it is expected that even with participation in the EIFD, there will still be a positive net impact on the County's General Fund due to the increased assessed values in the proposed EIFD. If successful, the region will further benefit from the EIFD due to the anticipated development and remediation activities that are envisioned. Consistent with Board policy, a detailed fiscal analysis will be provided later in the process when an Infrastructure Financing Plan (IFP) is completed.

The IFP, which will detail the County's anticipated contribution to the EIFD, will be presented to the Board for approval before any incremental tax revenue from the County is contributed to the proposed EIFD. The IFP must also be approved by the Public Financing Authority (PFA), which is the Governing Body of the EIFD, at a public hearing to form the proposed EIFD. The Resolution of Intent includes the formation of the PFA and appointments to the PFA Governing Body. These appointments include the Supervisor representing the Second Supervisorial District and a member of the public appointed by the County, who will be joined by the Mayor of the City, a City Council representative, and a member of the public appointed by the City.

I THEREFORE MOVE THAT THE BOARD OF SUPERVISORS:

1. Approve a Resolution of Intent to express the County of Los Angeles' (County) intent to participate in the Carson Enhanced Infrastructure Financing District (EIFD) if the Board of Supervisors approves the Infrastructure Financing Plan at a later date;
2. Affirm that as a potential participating taxing entity the County will have membership in the newly formed Public Financing Authority;
3. Find that the proposed Resolution is not subject to the provisions of the California Environmental Quality Act (CEQA) because the action is excluded from the definition of a "project" by Section 21065 of the Public Resources Code

and Section 15378(b) of the State CEQA Guidelines. The proposed action is the creation of a government funding mechanism, a fiscal activity which does not involve any commitment to any specific project, thus there is not a potentially significant physical impact on the environment;

4. Authorize the Acting Chief Executive Officer, or her designee, to execute a workorder, or amend the existing workorder with Kosmont Companies for a total of \$50,000, comprised of Second District Economic Development Funds, to fund predevelopment expenses associated with the creation of the Carson EIFD; and
5. Approve the attached appropriation adjustment of \$50,000 from the Second District Economic Development Fund to the Economic Development budget unit to fund predevelopment expenses associated with the creation of the Carson EIFD.

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(KK)

**RESOLUTION OF INTENT OF THE BOARD OF SUPERVISORS OF THE COUNTY OF
LOS ANGELES TO PARTICIPATE IN THE PROPOSED CITY OF CARSON ENHANCED
INFRASTRUCURE FINANCING DISTRICT AND NEWLY FORMED PUBLIC FINANCING
AUTHORITY**

WHEREAS, on _____, the City Council of the City of Carson ("City Council") approved Resolution No. _____ which is attached to this Resolution as Exhibit A ("Exhibit A"); and

WHEREAS, pursuant to Chapter 2.99 of Part 1 of Division 2 of Title 5 of the California Government Code (commencing with Section 53398.50) (the "EIFD Law") Exhibit A authorized the initiation of a process to establish an Enhanced Infrastructure Financing District ("EIFD") whose proposed name is the "City of Carson Enhanced Infrastructure Financing District" ("Carson EIFD"); and

WHEREAS, the proposed boundaries of the Carson EIFD are identified on a map entitled "Proposed Boundaries of the Carson EIFD" a copy of which is attached to this Resolution as Exhibit B; and

WHEREAS, the proposed Carson EIFD will be used to finance certain public facilities within the proposed boundaries of the Carson EIFD; and

WHEREAS, Exhibit A also established a Public Financing Authority ("PFA") to serve as the governing body of the proposed EIFD and which will also be responsible for implementing the Infrastructure Financing Plan ("IFP") required under EIFD Law; and

WHEREAS, the City Council has proposed, as stated in Exhibit A, that the County of Los Angeles participate with the City of Carson in the proposed Carson EIFD as a taxing entity; and

WHEREAS, pursuant to Government Code section 53398.51.1 and as stated in Exhibit A, if the County of Los Angeles participates in the proposed Carson EIFD as a taxing entity, a member of your Board shall be a member of the PFA.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Supervisors of the County of Los Angeles that:

1. The Board intends that the County of Los Angeles ("County") will participate in the Carson EIFD as described in Exhibit A as a taxing entity if the Board of Supervisors approves the IFP at a later hearing date;
2. Pursuant to Government Code section 53398.51.1 and Exhibit A, if the Board of Supervisors subsequently approve the IFP and the County's participation as a taxing entity in the proposed Carson EIFD, the County of Los Angeles will have membership in the newly formed PFA described in Exhibit A. The PFA's membership will include the Los Angeles County Supervisor of the Supervisorial District in which the majority of the territory of the Carson EIFD is located, as well as the Mayor of the City of Carson, one member of the City Council appointed by the City Council, one member of the public appointed by the Carson City Council, and one member of the public appointed by the Board of Supervisors;
3. City of Carson staff will prepare the IFP in accordance with EIFD Law;

4. The IFP must be approved by the Board of Supervisors before the County may be considered a participating taxing entity in the Carson EIFD or any incremental tax revenue from the County may be used by the proposed Carson EIFD. The IFP must also be approved by the Board of Supervisors before a public hearing is held for formation of the proposed Carson EIFD and approval of the IFP by the PFA;
5. As stated in Exhibit A, City of Carson staff will be responsible for the distribution of the IFP, and any required California Environmental Quality Act reports, to the PFA, the City of Carson Planning Commission, land owners within the boundaries of the proposed Carson EIFD (as defined under EIFD Law), and each affected taxing entity (as defined under EIFD Law) as required under California Government Code Section 53398.64 for formation of the proposed Carson EIFD;
6. As stated in Exhibit A, the City of Carson City Clerk is responsible for the mailing and publication of notice, as required under EIFD Law (California Government Code Sections 53398.60, 53398.61, 53398.66), for formation of the proposed Carson EIFD. The County of Los Angeles, and its staff, will have no responsibilities for the required mailing and publication of notice;
7. The PFA will hold a public hearing for the establishment of the proposed Carson EIFD and approval of the IFP at the City of Carson Council Chambers. Under no condition, will the PFA hold the public hearing for the establishment of the proposed Carson EIFD and approval of the IFP until the Board of Supervisors has formally approved the IFP;
8. This resolution in no way obligates the County of Los Angeles to use incremental tax revenue to finance public facilities in the proposed Carson EIFD until the Board of Supervisors approves the IFP;
9. This Resolution in no way obligates the PFA to establish the proposed Carson EIFD. As stated in Exhibit A, the establishment of the proposed Carson EIFD and approval of the IFP is contingent upon the approval by the PFA by resolution and ordinance following a public hearing; and
10. This Resolution shall take effect immediately upon its approval by the Board of Supervisors of the County of Los Angeles.

The foregoing resolution was on the 24th day of November 2020, adopted by the Board of Supervisors of the County of Los Angeles.



CELIA ZAVALA
Executive Officer
Board of Supervisors of
the County of Los Angeles

By 
Deputy

APPROVED AS TO FORM

RODRIGO A. CASTRO-SILVA
Acting County Counsel

By  FOR MICHAEL BUENWAGSEL
Deputy County Counsel

November 18, 2020

COUNTY OF LOS ANGELES

REQUEST FOR APPROPRIATION ADJUSTMENT

DEPARTMENT OF BOARD OF SUPERVISORS

AUDITOR-CONTROLLER:

THE FOLLOWING APPROPRIATION ADJUSTMENT IS DEEMED NECESSARY BY THIS DEPARTMENT. PLEASE CONFIRM THE ACCOUNTING ENTRIES AND AVAILABLE BALANCES AND FORWARD TO THE CHIEF EXECUTIVE OFFICER FOR HER RECOMMENDATION OR ACTION.

ADJUSTMENT REQUESTED AND REASONS THEREFORE

**FY 2020-21
3 - VOTES**

SOURCES

USES

BOARD OF SUPERVISORS
A01-BS-2000-10010

SERVICES & SUPPLIES

DECREASE APPROPRIATION

50,000

ECONOMIC DEVELOPMENT
A01-AM-2000-10170

SERVICES & SUPPLIES

INCREASE APPROPRIATION

50,000

SOURCES TOTAL

\$ 50,000

USES TOTAL

\$ 50,000

JUSTIFICATION

Reflects the transfer of \$50,000 from the Board of Supervisors Second District Economic Development Fund to the Economic Development budget unit to support the Carson Enhanced Infrastructure Financing District project.

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

18

NOV 24 2020

AUTHORIZED SIGNATURE

ARTURO GONZALEZ, CHIEF FISCAL SERVICES

BOARD OF SUPERVISOR'S APPROVAL (AS REQUESTED/REVISED)

CECILIA ZAVALA
EXECUTIVE OFFICER

REFERRED TO THE CHIEF
EXECUTIVE OFFICER FOR---

ACTION

RECOMMENDATION

AUDITOR-CONTROLLER

B.A. NO. 095

BY Claire Boyd

DATE 11/18/20

APPROVED AS REQUESTED

APPROVED AS REVISED

CHIEF EXECUTIVE OFFICER

DATE Nov 18, 2020

