



FACT SHEET

City of Covina Enhanced Infrastructure Financing District (EIFD) Feasibility Study



EIFD – A Funding Source for Community Improvements

Throughout California, Enhanced Infrastructure Financing Districts (EIFDs) have been used as a tool to invest in infrastructure without burdening local taxpayers. EIFDs allow local governments to use future tax revenues from new development to fund infrastructure and public improvement projects.



Housing-Supportive Infrastructure

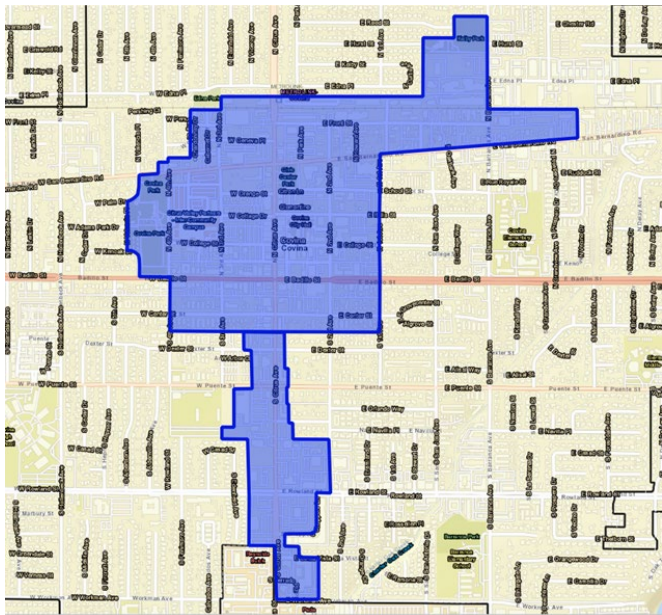


Parks and Open Space



Transit and Mobility

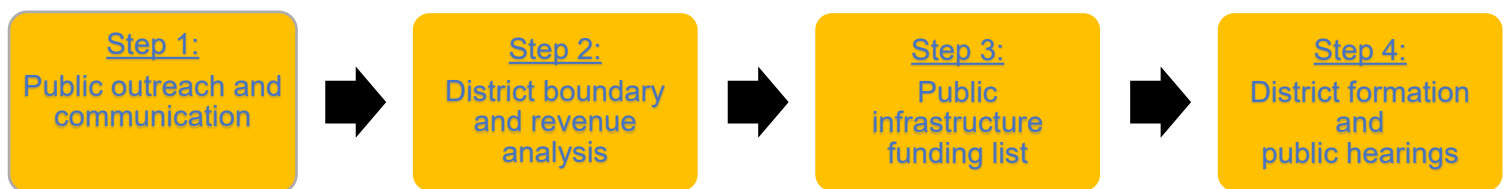
The City of Covina and the Southern California Association of Governments (SCAG) are conducting a study to assess the feasibility of an EIFD for Covina as a viable tool to fund infrastructure and public improvements serving the greater Covina community. The boundary for the study is the Town Center Specific Plan Area and Citrus Avenue Corridor as shown below.



EIFD Study Goals

- Identify available future EIFD revenue potential within the EIFD area
- Determine public infrastructure improvement needs
- Identify potential public and private funding partners

The Feasibility Study Process



The estimated timeline for Steps 1-3 is January to October 2022 with potential District formation (Step 4) from October 2022 to June 2023.

For more information or participate in meetings and workshops visit:
<https://covinaca.gov/rdh/page/enhanced-infrastructure-financing-district>



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How can I get involved?

To learn more and stay updated on community meetings, visit <https://covinaca.gov/rdh/page/enhanced-infrastructure-financing-district>. Public meetings will allow the public to speak one-on-one with the Study team and provide input on the community improvements to be financed by the EIFD.

FREQUENTLY ASKED QUESTIONS (FAQs)

What is an EIFD?

Approved by legislation in 2014, EIFDs are special financing districts with defined boundaries that use future local property taxes to fund public infrastructure projects (e.g., streets, utilities, open space, affordable housing). EIFDs can be formed by a City or a County and include as a partner any entity with property taxing authority, excluding school districts.

How does an EIFD work and what improvements can it fund?

When a new building or project is constructed in an EIFD, the County Auditor-Controller takes a portion of the 1% property taxes collected from the new building and puts it in a special fund for use by the EIFD to pay for infrastructure improvements like affordable housing, roadway, utility, parks and open space, and transit improvements, remediation activities, government facilities, parking, broadband infrastructure, and numerous other improvements.

Will EIFD result in residents or businesses being displaced?

No. It is not a new land use plan, a change in zoning, or eminent domain. An EIFD is only a way to fund improvements that the community has approved in previous planning documentation (e.g., Town Center Specific Plan) and other needed infrastructure improvements citywide.

Is EIFD a new tax?

No. It is not a new tax. It is a way to generate new revenues for community improvements. When a new building or project is built in an EIFD, new tax revenues are generated. By capturing a portion of these new tax revenues, funding is made available to pay for certain community improvements including affordable housing, parks and open space, and transit/mobility.

How long does it take to form an EIFD?

Forming an EIFD takes approximately 18-24 months. The City is currently in the first phase of the process, including community outreach and evaluating EIFD feasibility.

Who approves an EIFD?

The local elected officials from each of the participating taxing entities in the EIFD (e.g., City, County) vote to form the EIFD and create a Public Financing Authority. This Authority includes elected officials and appointed public members and oversees EIFD formation, financing, and activities. There is no public vote to approve an EIFD or issue bonds to pay for public improvements, however, there are a series of public meetings and a majority protest opportunity at formation.

How long does an EIFD last?

An EIFD can collect and spend property tax increment up to 45 years after the first bond is issued.

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