How to create an Enhanced Infrastructure Financing District (EIFD)

MUNICIPALITY (CITY/COUNTY)

1. **Form Team**
   - Municipality (city/county)
   - Legal Counsel
   - Financial Advisor

2. **Evaluate EIFD Feasibility**
   - Define/refine Boundaries
   - Estimate Future Assessed Property Values
   - Estimate Increment for Potential Taxing Agencies
   - Identify Public Facilities and Programs
   - Identify Funding Sources in Addition to Tax Increment
   - **Best Practices Tips**
     1. Focus on areas with significant growth potential
     2. Maximize area
     3. Explore available RPTTF revenues that could kick-start the EIFD

3. **Conduct Outreach**
   - Electeds
   - Other Taxing Entities
   - Affected Residents and Property Owners
   - **Best Practices Tips**
     1. Explore potential projects to be funded by the EIFD that would entice participation of the County or other taxing agencies
     2. Educate stakeholders about EIFDs – not a new tax, not a lien on property
     3. Identify property owners who will advocate for formation

4. **Initiate Formal Process**
   - Select members of Public Financing Authority (PFA)
   - Establish PFA and adopt Resolution of Intention to establish proposed EIFD
   - Mail Resolution of Intention to PFA, each affected taxing entity, and property owners
You have now formed your PFA!

**PUBLIC FINANCING AUTHORITY**

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### Prepare Infrastructure Financing Plan (IFP)

1. Map and Legal Description
2. List of Facilities and Programs
3. Tax Increment Revenue Projections
4. Financing Plan
5. Fiscal Impacts on Affected Taxing Entities
6. Date District will Cease
7. Replacement Housing Plan
8. District Goals
9. Tax Increment Limits

### Best Practices Tips

1. Provide comprehensive list of projects and programs
2. Projects listed in General Plan are good starting point
3. Tax increment limits should provide large buffer above projections to minimize risk of need to amend limits

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### Pre-Adoption

1. Send IFP to all affected taxing entities and property owners
2. Notice and hold information meeting four weeks before 1st Public Hearing
   - Present Draft IFP
   - Consider Comments

**NOTE:** Must be Sent at Least 60 Days Prior to Adoption

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### Public Hearings and Protest Proceedings

1. Notice and hold 1st Public Hearing – No Action
2. Notice and hold 2nd Public Hearing – Consider comments, action to modify or reject IFP
3. If IFP not rejected, notice 3rd Public Hearing and provide a copy of IFP
4. Hold 3rd Public Hearing – Consider all protests; terminate if majority protests or adopt the IFP subject to confirmation by voters in protest election
5. If less than 25% protest at 3rd hearing, PFA may adopt the IFP at the close of the hearing by ordinance
6. If between 25% and 50% protest, then notice and hold protest election
7. If majority vote against IFP, then process terminates

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### Approvals & Formation

1. All Impacted Taxing Entities must approve the IFP prior to PFA forming the EIFD
2. PFA enacts resolution forming the EIFD

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This chart was created by CALED’s Economic Development Finance and Real Estate (EDFRE) Committee. Learn more about EDFRE at [https://caled.org/everything-ed/caleds-economic-development-finance-real-estate-committee/](https://caled.org/everything-ed/caleds-economic-development-finance-real-estate-committee/)