February 22, 2021

The Honorable Senator Dave Cortese
State Capitol, Room 3070
Sacramento, California 95814

RE: Support/Sponsor for SB780

Dear Senator Cortese:

The California Association for Local Economic Development (CALED), an organization representing over 750 public and private local economic development professionals, is proud to Support and Sponsor your SB 780.

This bill proposes helpful changes and clarifications that would improve the functioning and usefulness of two recently enacted tax increment laws:

- Enhanced Infrastructure Finance Districts (EIFDs), and
- Community Revitalization Investment Authorities (CRIAs)

Since the elimination of local redevelopment agencies, local governments have access to several tax increment tools that local communities can consider using. These tools include EIFDs and CRIAs. While such tools are helpful, they are less financially robust than former redevelopment, especially for communities with small shares of local property tax where it can take many years to accumulate sufficient tax increment to support community improvements. EIFDs are currently viewed by local agencies as the most flexible tool available, and some are in the process of being established. CRIAs, however, are considered to have some potential, but are overly cumbersome to establish and operate.

Collectively, we believe these changes and clarifications will facilitate the use of these tools and help advance local economic development efforts.

Thank you again for your leadership in authoring this bill. CALED looks forward to working to support its passage in the legislative process. Please feel free to contact me at 916-448-8252, whenever needed.

Sincerely,

Gurbax Sahota
President & CEO

Cc: Senator Mike McGuire, Chair, Senate Committee on Governance and Finance
    Members, Senate Committee on Governance and Finance