



COUNTY OF HUMBOLDT

For the meeting of: 3/14/2023

File #: 23-132

To: Board of Supervisors

From: County Administrative Office

Agenda Section: Departmental

Vote Requirement: Majority

SUBJECT:

New Appointment to the Samoa Peninsula Enhanced Infrastructure and Financing District (EIFD) Authority Board

RECOMMENDATION(S):

That the Board of Supervisors:

1. Appoint a member of the Board to the Samoa Peninsula EIFD Authority Board, to replace former Chair, Virginia Bass.

SOURCE OF FUNDING:

General Fund (1100)

DISCUSSION:

EIFD OVERVIEW

The California Legislature authorized the formation of Enhanced Infrastructure and Financing Districts (EIFDs) in 2014 through Senate Bill 628, and the statutory framework for EIFDs, which has been amended multiple times since 2014, is codified in Chapter 2.99 of Part 1 of Division 2 of Title 5 of the California Government Code (commencing with Section 53398.50) (EIFD Law).

An EIFD is a special district which uses tax increment financing to aid communities in funding a wide and diverse variety of public capital improvement projects and other projects of community-wide significance as set forth in state law. The EIFD does not impose a new tax. Added improvements gained through EIFD funding supports future development and results in increased property values. This generates tax increments, or increased property tax revenues above the “base year,” which can then be leveraged for additional improvements.

BACKGROUND

On May 21, 2019, staff presented a report on the lack of modern and working infrastructure on the Samoa Peninsula, and the Board directed staff to establish a task force whose purpose was to engage in

inter-departmental communication concerning Responsible Engagement for the Development of Infrastructure (REDI).

On Sept. 3, 2019, staff provided an overview of partnership and financing options for infrastructure development on the Samoa Peninsula, based on findings of the REDI task force initiative. The Board directed staff to explore financing vehicles for infrastructure development, and to work with stakeholders sharing a vested interest in infrastructure development on the Samoa Peninsula.

On March 17, 2020, the county formed the Samoa Peninsula Infrastructure Workgroup (Workgroup), with the purpose to, “explore potential funding opportunities to create and/or improve existing infrastructure on the Samoa Peninsula which may include the possibility of creating an entity that can seek resources for the infrastructure needs of the Samoa Peninsula for economic development improvements and the betterment of the community members who live there and the economy of Humboldt County.” Through the Workgroup and communication with state partners, staff identified the EIFD as the preferred infrastructure improvement investment vehicle.

On June 29, 2021, the Board of Supervisors adopted Resolution of Intention (Resolution No. 21-68) to form the Samoa Peninsula Enhanced Infrastructure Financing District (“Samoa Peninsula EIFD”) and established the Public Financing Authority (“Authority Board”) to be the governing body of the EIFD.

On Oct. 19, 2021, staff presented the proposed Samoa Peninsula EIFD and draft Infrastructure Financing Plan (IFP) to the Authority Board and the public. The IFP is a legal document required by legislation and describes the Samoa Peninsula EIFD to be formed and specific requirements related to financing and implementing goals of the Samoa Peninsula EIFD.

On Dec. 14, 2021, the Authority Board held the first Public Hearing of the Samoa Peninsula EIFD to hear all written and oral comments but took no action.

On Jan. 25, 2022, the Authority Board held the second Public Hearing of the Samoa Peninsula EIFD to hear additional written and oral comments but took no action to modify or reject the IFP.

On Feb. 8, 2022, the Board of Supervisors adopted a resolution approving the IFP for the Samoa Peninsula EIFD.

On March 3, 2022, the Authority Board held its third, and final, Public Hearing of the Samoa Peninsula EIFD to hear all written and oral protests to the Samoa Peninsula EIFD and the IFP. Finding no majority protest, the Authority Board adopted a resolution approving the IFP, forming the Samoa Peninsula EIFD, and adopting bylaws for the Authority Board.

On May 16, 2022, staff filed for the formation of the Samoa Peninsula EIFD with the California State Board of Equalization.

NEW APPOINTMENT

The Authority Board of the Samoa Peninsula EIFD consists of three (3) members of the Board of

Supervisors and two (2) members of the public. Per the Public Financing Authority Bylaws, Section 2, Terms, County Supervisors appointed to the Authority Board shall serve for the length of their term as County Board of Supervisor or by resignation or termination from the Authority Board. Upon the end of Virginia Bass's term as Fourth District Supervisor for the County of Humboldt, a vacancy opened on the Authority Board. This vacancy must be filled by an acting member of the Humboldt County Board of Supervisors within ninety (90) days. Staff recommends that your Board appoint a member of your Board to the Authority Board of the Samoa Peninsula EIFD.

FINANCIAL IMPACT:

There is no financial impact for appointing a member of the Board to the Samoa Peninsula EIFD Authority Board. However, The county has committed 75% of its Property Tax Increment for property within the district to see that these goals are met. EIFD law provides that 10% of committed tax increment generated in the first two years may be allocated toward the formation of the district, and per the adopted IFP, once funds are available, administrative costs of approximately \$35,000 annually, may be paid for through EIFD revenue.

STRATEGIC FRAMEWORK:

This action supports your Board's Strategic Framework by supporting business, workforce development and creation of private-sector jobs.

OTHER AGENCY INVOLVEMENT:

None

ALTERNATIVES TO STAFF RECOMMENDATIONS:

Board Discretion

ATTACHMENTS:

1. BOS Resolution No. 22-16
2. Authority Board Resolution No. 22-01
3. Authority Board First Amended Bylaws
4. Samoa Peninsula EIFD IFP
 - a. Appendix A - Legal Description
 - b. Appendix B - Boundary Map
 - c. Appendix C - Projected Tax Increment Revenue Analysis
 - d. Appendix D - Fiscal Impact Analysis
 - e. Appendix E - General Plan EIR

PREVIOUS ACTION/REFERRAL:

Board Order No.: K-1, I-2, I-1, I-1, L-2, D-12, L-1, L-2, L-2, D-9, K-1, D-5

Meeting of: May 21, 2019, Sept. 3, 2019, March 17, 2020, June 29, 2021, July 20, 2021, Sept. 14, 2021, Sept. 21, 2021, Oct. 19, 2021, Dec. 14, 2021, Jan. 25, 2021, Feb. 15, 2022, Mar. 3, 2022, Aug. 23, 2022.

File No.: 19-642, 19-1246, 20-204, 21-68, 21-1001, 21-1229, 21-1319, 21-1448, 21-1703, 22-17, 22-118, 22-168, 22-962

