

# REDEVELOPMENT, INFRASTRUCTURE FINANCING DISTRICTS, AND COMMUNITY REVITALIZATION AND INVESTMENT AUTHORITIES

#### **HOW DO THEY COMPARE?**

## **FORMATION**

EXCIT	RDA	IFD	EIFD	CRIA
Blight Finding	Yes	No	No	80% of revitalization area income must be less than 80% statewide median income  Must also meet 3 of 4 tests:  1. unemployment rate 3% higher than state rate 2. crime rate 5% higher than state rate 3. deteriorated/inadequat e infrastructure 4. deteriorated commercial and residential buildings
Urbanization Finding	Yes	No	No	No
Relationship with RDA		<ul> <li>IFD may include former redevelopment project area</li> <li>Successor Agency must have Finding of Completion for RDA project</li> </ul>	<ul> <li>EIFD may include former redevelopment project area</li> <li>Successor Agency must have Finding of Completion for RDA project, RDA litigation must be resolved, Controller review must be complete</li> </ul>	<ul> <li>CRIA may include former redevelopment project area</li> <li>Successor Agency must have Finding of Completion for RDA project, RDA litigation must be resolved, Controller review must be complete</li> </ul>
Citizen Committee Review	Yes- if residential eminent domain allowed	No	No	Voter protest hearing

Governing Board	Usually same as City Council/County Board that established RDA	Legislative body of taxing agency establishing IFD	<ul> <li>Governing board is separate public financing authority</li> <li>If one taxing entity: 3 members of entity's legislative body + 2 public members</li> <li>If multiple taxing entities: majority of members of each entity's legislative body + 2 public members</li> </ul>	<ul> <li>If one taxing entity: 3 members of entity's legislative body + 2 public members</li> <li>If multiple taxing entities: majority of members of each entity's legislative body + 2 public members</li> </ul>
Noticed Public Hearing	Yes	Yes	Yes	Yes – 3 hearings
Preparation of Plan	Yes- Redevelopment Plan	Yes- Infrastructure Financing Plan	Yes- Infrastructure Financing Plan	Yes- Community Revitalization and Investment Plan
Public Agency Vote	Simple Majority	Simple Majority	Simple Majority	Simple Majority
Voter Approval of Formation	No	Yes- 2/3 affirmative	No	Yes, if 25 – 50% of voters protest at public hearing
CEQA	Yes- EIR	Yes (may be covered by CEQA documentation for project)	Yes (may be covered by CEQA documentation for project)	Yes (may be covered by CEQA documentation for project)

## **POWERS**

	RDA	IFD	EIFD	CRIA
Infrastructure Financing	Yes, if no other reasonable means of financing available	Yes, for public capital facilities and projects of communitywide significance	Yes, for public capital facilities and projects of communitywide significance	Yes
Land Acquisition	Yes (may acquire itself or finance acquisition)	Yes (finance acquisition only)	Yes (finance acquisition only)	Yes (may acquire itself or finance acquisition)



Eminent Domain	Yes – 12 year limit	No	No	Yes – 12 year limit
Land Conveyance	Yes	No	No	Yes
Environmental Remediation	Yes	Not specifically authorized	Yes	Yes
Affordable Housing	Yes	Yes	Yes	Yes
Private Commercial Rehabilitation  Private Commercial Rehabilitation loans and industrial/manufacturing financing		No	Yes, for acquisition, construction or repair of industrial structures	Yes
Maintenance, Operations and No Services		No	No	No

## **FINANCING**

	RDA	IFD	EIFD	CRIA
Property Tax Increment	Yes- mandatory for all taxing agencies	Yes- only for consenting taxing agencies; education districts may not consent	Yes- only for consenting taxing agencies; education districts may not consent	Yes- only for consenting taxing agencies; education districts may not consent
Amount of Tax Increment to District	All	All or portions of consenting agencies' share as designated in plan	All or portions of consenting agencies' share as designated in plan	All or portions of consenting agencies' share as designated in plan
Issuance of Tax Allocation Bonds	Yes	Yes	Yes	Yes
Vote for Bond Issuance	RDA Board- Simple majority	IFD Board-simple majority + District Voters- 2/3 majority	IFD Board-simple majority + District Voters- 55% majority	Election–simple majority if between 25-50% protest
Term	Up to 45 years receipt of taxes to repay debt	Up to 30 years from district formation	Up to 45 years from issuance of bonds or loan	Up to 45 years from district formation
Relationship to RDA Debt	2	Subordinate to RDA enforceable obligations	Subordinate to RDA enforceable obligations	



## **SPECIAL REQUIREMENTS**

	RDA	(FD	EIFD	CRIA
Mandatory Expenditure for Affordable Housing	Yes-20% of funds	No	No	Yes-25% of funds
Inclusionary Housing	Yes- 15% of privately developed housing, 30% of RDA developed housing	Yes- 20% of IFD financed housing	Yes- 100% of EIFD financed housing	No
Replacement Housing	Yes	Yes	Yes	Yes
Relocation	Yes	Yes	Yes	Yes
Owner Participation Rights	Yes	No	No	No
Restriction on Assistance to Big Box Stores and Auto Dealers	Yes	No	No	Yes
Prevailing Wages	<ul> <li>Required for RDA's own projects</li> <li>For assistance to other projects, depends on form of assistance</li> </ul>	Depends on form of assistance	Depends on form of assistance	Depends on form of assistance
Tax Sharing Payments to Other Taxing Agencies	Yes- Required for 1994-2011 plans, permitted for pre- 1994 plans	No	No	No

This chart is a special Kronick publication providing timely information on the latest court decisions and legislative developments.

This chart does not represent the legal opinion of the firm or any member of the firm on the issues described, and the information contained in this chart should not be construed as legal advice.

Should further analysis or explanation of the subject matter be required, please contact:

Constantine C. Baranoff or Jon Goetz Kronick, Moskovitz, Tiedemann & Girard 400 Capitol Mall, 27<sup>th</sup> Floor Sacramento, CA 95814 (916) 321-4500

