

# Downtown Los Angeles Enhanced Infrastructure Financing District (EIFD) - Feasibility Study Area Fact Sheet



Metro

## EIFD: A Tool to Fund Transit and Housing-Supportive Projects

Throughout California, Special Districts known as an Enhanced Infrastructure Financing District (EIFD) have been used as a tool to invest in transit infrastructure, affordable housing and community development goals without burdening local taxpayers. EIFD Special Districts allow local governments to use revenues from new developments to fund infrastructure and improvement projects.



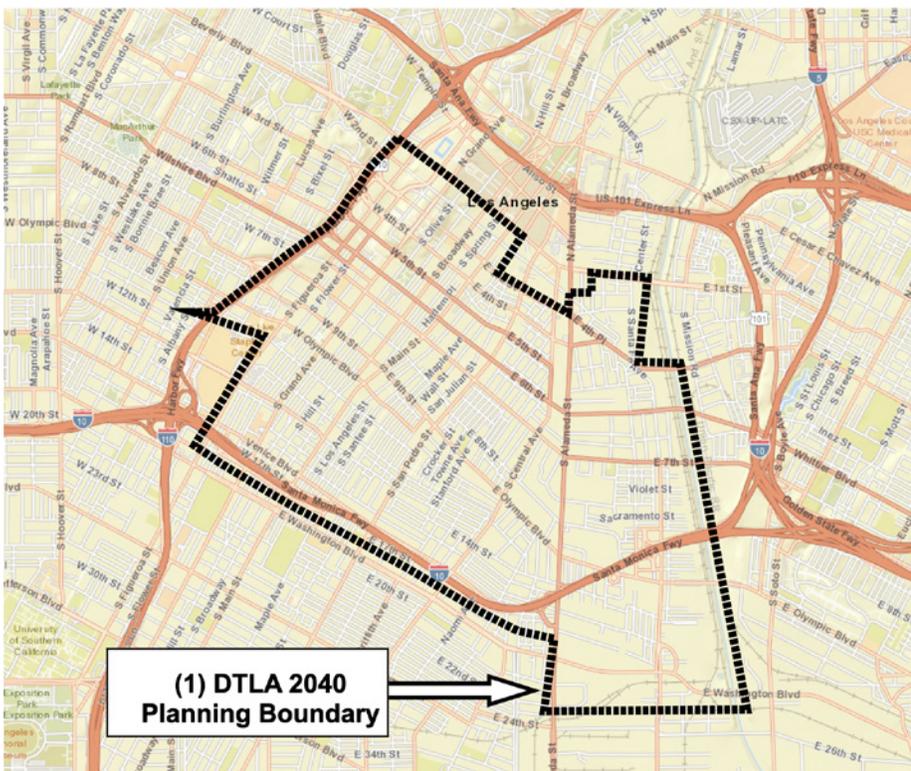
**Provide Equitable Transit Options**



**Create Parks & Open Space**



**Support Affordable Housing & End Homelessness**



## Downtown Los Angeles Study Area

The City envisions adding mixed-use housing around the seven existing Metro Rail Stations to create a pedestrian-friendly, transit-oriented, vibrant and connected Downtown Los Angeles (DTLA). To meet these goals, the City has identified several potential funding sources, including the creation of an EIFD Special District. Currently there is a Feasibility Study being done in the DTLA Study Area. Boundary alternatives within the Study Area are being evaluated and will take into consideration feedback received during the stakeholder engagement process.

## Special District Feasibility Study Goals

- Evaluate the boundary options for a potential EIFD Special District
- Identify available revenue sources within the district
- Determine infrastructure improvement needs in the City
- Identify potential public and private investment partners

The City is in the first step of the Special District Feasibility Study process. Steps 2, 3, and 4 would occur subject to the completion, approval and community support of the Special District Feasibility Study.



**We Are Here.**

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## How can I get involved?

To learn more and stay up-to-date on the latest information about the Plan, visit [\[INSERTWEBSITEHERE.com\]](#). Additionally, a key stakeholder briefing will be hosted by the Study team and for stakeholders to provide feedback.

### Community Open House Workshop

**Date:** August 24, 2021

**Time:** 2:00 pm

**Location:** [https://us02web.zoom.us/webinar/register/WN\\_rkvrq-D1SiCTsWrTI2OPPw](https://us02web.zoom.us/webinar/register/WN_rkvrq-D1SiCTsWrTI2OPPw)

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## Frequently Asked Questions

### What is an Enhanced Infrastructure Financing District?

Approved by legislation in 2014, EIFDs are Special Districts with defined boundaries that use local property taxes to issue bonds to fund infrastructure projects (e.g. streets, utilities, open space, affordable housing). EIFDs can be formed by any entity with property taxing authority, including a City, County, or Special District, but excluding school districts.

### Does an EIFD create a new tax?

No. EIFDs are created to pay for infrastructure and other public amenities from incremental property tax revenues generated from new development projects. This is known as "property tax increment." When a new building or project is constructed, the County Assessor takes a portion of the 1% property taxes collected from the new building and puts them in a special fund for use by the EIFD.

### How long does it take to form an EIFD?

Forming an EIFD takes approximately 18 months. The City is currently in the first phase of the process, evaluating EIFD feasibility.

### Who approves an EIFD?

The local elected officials from each of the participating taxing entities that form an EIFD (e.g. City, County) vote to form the EIFD and create a Public Financing Authority. This Authority oversees EIFD financing and activities. There is no public vote to approve an EIFD. This is with the exception of when an EIFD issues bonds to pay for improvements. In these cases, 55% of the registered voters in the Special District must approve.

### 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.

### What is the goal of creating an EIFD in downtown LA?

- Increasing transit ridership with the Metro light rail, Metrolink stations, and Metro Transitway/Bus Rapid Transit stations as well as adjacent transit corridors in Los Angeles County
- Improving local and regional efforts that enhance an equitable integration of transportation and community planning
- Furthering the reduction in greenhouse gases through encouraging in-fill development along transit corridors and transit use
- Supporting and implementing sustainable development principles