

**PLACENTIA ENHANCED INFRASTRUCTURE
FINANCING DISTRICT**

**ANNUAL REPORT
FY 2022-23**

**Prepared For:
The City of Placentia and the County of Orange**



Prepared By:



JUNE 2023

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The analyses, projections, assumptions, rates of return, and any examples presented herein are for illustrative purposes and are not a guarantee of actual and/or future results. Project pro forma and tax analyses are projections only. Actual results may differ from those expressed in this analysis.

1.0 Introduction

The City of Placentia, in partnership with the County of Orange, established the Public Financing Authority (“PFA”) for the Enhanced Infrastructure Financing District (“EIFD”) at its May 21, 2019 meeting. The purpose of the PFA is to establish and implement the EIFD. The governing Infrastructure Finance Plan (“IFP”) was adopted by the City Council on June 18, 2019, by the County of Orange Board of Supervisors on June 25, 2019, and separately by the PFA (which includes representatives from both the City and the County) on July 30, 2019.

On January 1, 2020, California EIFD legislation was revised to incorporate Assembly Bill 116 (“AB 116”), which modified both the process by which EIFDs are formed and the requirements to achieve approval to issue debt secured by EIFD revenues. Pursuant to the revised EIFD statute, the PFA conducted a series of public meetings and hearings from August 2020 through May 2021, and an ordinance was adopted to culminate the IFP approval and EIFD formation process under the updated EIFD statutory requirements.

The Placentia EIFD encompasses just over 300 acres of land, representing approximately 7% of the City’s total 4,243 acres. The District can be characterized as a developing area of the City within the Old Town Placentia area, the TOD Packing House District, and parcels south of the TOD Packing House District and adjacent to the 57 freeway.

Land use designations in the District include residential, commercial, industrial, open space and parks. The newly established Old Town Revitalization Plan, the TOD Packing House District, the prime industrial lands, and the planned hospitality areas made this area the City’s prime location for the EIFD.

It is anticipated that the EIFD will fund all or portions of infrastructure improvements characterized in the Old Town Placentia Revitalization Streetscape Master Plan as further described in the IFP.

This Annual Report is prepared pursuant to Government Code Section 53398.66 and presents the following information:

- a) A description of the projects undertaken in the fiscal year, including any rehabilitation of structures, and a comparison of the progress expected to be made on those projects compared to the actual progress.
- b) A chart comparing the actual revenue and expenses, including administrative costs, of the public financing authority to the budgeted revenue and expenses.
- c) The amount of tax increment revenue received.

- d) An assessment of the status regarding completion of the enhanced infrastructure financing district's projects.
- e) The amount of revenue expended to assist private businesses.

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2.0 Description of Projects in FY 2022-23

There were no projects undertaken in Fiscal Year (“FY”) 2022-23, which is consistent with the progress expected to be made at this point.

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3.0 Actual vs. Budgeted Revenue and Expenses

Projected and actual revenue and expenses for FY 2022-23 are shown in Table 1 below:

Table 1: Projected and Actual Revenue and Expenses

	Projected FY 2022-23	Actual FY 2022-23
EIFD Revenues and Expenses		
City Contribution	\$171,890.00	\$37,402.70
County Contribution	74,570.00	13,888.03
Administrative Expenses	(1,719.00)	\$0.00
Net Revenue	\$244,741.00	\$51,290.73
Eligible Project Expenditures	\$0.00	\$0.00

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4.0 Tax Increment Revenue Received

Gross tax increment revenue received by the EIFD are shown in Table 2 below.

Table 2: EIFD Gross Tax Increment Revenue

FY	City TI Contribution	County TI Contribution	City RDA Residual Contribution	Co RDA Residual Contribution	Total Annual EIFD TI Revenue	Cumulative EIFD TI Revenue
2021-22	\$9,508.54	\$3,699.52	\$144.14	\$55.58	\$13,407.78	\$13,407.78
2022-23	\$16,844.10	\$6,028.12	\$20,558.61	\$7,859.91	\$51,290.73	\$64,698.50

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5.0 EIFD Project Status

The EIFD is in the early phase of building a stabilized revenue stream that could be leveraged for future projects and potential debt issuance(s) accordingly. No EIFD projects have been funded, which is consistent with City and the PFA expectations at this time. It should be noted that the City and County are discussing potential amendments to the IFP that would modify the future allocation of property tax increment to the EIFD. Such amendments would not alter the information summarized in this annual report.

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6.0 Revenue Expended for Private Business

As of the date of this Annual Report, no revenues have been expended to assist private businesses. This is consistent with City and the PFA expectations at this time.

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