

CITY OF PALMDALE
Enhanced Infrastructure Financing District (EIFD)
Frequently Asked Questions



What is an EIFD?

Approved by State 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, sidewalks, pedestrian safety enhancements) or affordable housing. EIFDs can be formed among any entities with property taxing authority, including a City, County, or Special District, but excluding school districts. In Palmdale’s case, the two entities with property taxing authority include the City and the County of Los Angeles.

Does an EIFD create a new tax?

No. EIFDs are created to pay for infrastructure and other public amenities from incremental property tax revenues. This is known as “property tax increment.” EIFD is not a new tax imposed on property owners.

Who approves an EIFD?

The local elected officials from each of the participating taxing entities that form an EIFD (e.g. City Council, County Board of Supervisors) vote to form the EIFD and create a Public Financing Authority (PFA). This PFA oversees EIFD financing and activities by engaging the public in three (3) public hearings to review the plan and proposed infrastructure improvements. There is no public vote to form an EIFD.

How long does an EIFD last?

Approximately 50 years. A portion of the property tax increment that the City of Palmdale and the County of Los Angeles receive from new development would be specifically restricted to pay for the infrastructure projects listed in the Infrastructure Financing Plan (IFP).

What is the goal of Palmdale EIFD?

The goal of the Palmdale Enhanced Infrastructure Financing District (“Palmdale EIFD” or “District”) is to support needed infrastructure in the Antelope Valley to help accelerate the production of quality jobs and accessible housing. The Palmdale EIFD will help fund investments in streets and roads, utilities, and exploration of an Antelope Valley County Service Center to help fulfill economic goals for the City, County, and State, as well as promote sustainability by connecting jobs and housing in the Antelope Valley.

The anticipated \$176.2 million of infrastructure will help accelerate \$3.5 billion in private sector investment to promote the jobs and housing in Palmdale and the growing Antelope Valley:

- Reduce congestion and commuter overflow
- Create more available housing
- Improve job opportunities
- Support long-term operations of USAF Plant 42
- Improve transportation network and options for multi-modal circulation
- Evaluate potential County Service Center and reduced commute

Is an EIFD a developer subsidy?

EIFD is NOT a developer subsidy. The proposed district is not funding infrastructure that would otherwise be a developer/private sector obligation. EIFD is funding regionally beneficial public infrastructure of communitywide significance, that is necessary to catalyze private sector investment that would otherwise not occur until decades later, if at all.

What are the boundaries of the EIFD?

The Palmdale EIFD encompasses approximately 22,971 acres of land—18,860 acres located within Palmdale city limits (representing approximately 28% of the City's total approximately 68,032 acres) and 4,140 acres located in unincorporated County. The Palmdale EIFD boundaries are non-contiguous, focusing on the jobs and housing centers of the City. The boundaries can be separated into three sub-areas: Aerospace Corridor (6,800 acres), Commercial Centers (2,206 acres), and Las Colinas (13,965 acres). These areas include industrial areas around the future Palmdale Regional Airport and USAF Plant 42, the Palmdale Medical Campus, transit-oriented development in the Palmdale Transportation Center area, significant new housing opportunities in the Ritter Ranch / Anaverde residential projects, and various other targeted opportunity site areas within the City that need infrastructure improvements for communitywide and regional benefit.

For additional information about the Palmdale EIFD, please visit www.cityofpalmdale.org/EIFD or email EIFD@cityofpalmdale.org