

CITY OF FRESNO ENHANCED INFRASTRUCTURE FINANCING DISTRICT

INFRASTRUCTURE FINANCING PLAN

Prepared For:

The City of Fresno



Prepared By:



SEPTEMBER 2020

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1.0 Introduction

1.1 Background & Purpose

The proposed Fresno Enhanced Infrastructure Financing District (“EIFD” or “District”) is intended to serve as a catalyst for private sector investment and critical infrastructure with transformative

potential for the EIFD area and the City of Fresno (“City”) as a whole. The Fresno EIFD encompasses approximately 4,237 acres of land, representing approximately 5.8% of the City’s total approximately 73,400 acres. The Fresno EIFD includes the City’s Downtown Planning Area and the southern portion of the Blackstone Avenue Bus Rapid Transit (“BRT”) Corridor as characterized in the City General Plan. The District includes overlap with the Tower District Specific Plan, Fulton Corridor Specific Plan, and Fresno Chandler Downtown Airport Specific Plan areas. These areas were chosen based on their capacity to benefit from catalytic infrastructure improvements with communitywide and regional benefit.

1.2 Contents and Overview of this Infrastructure Financing Plan (“IFP”)

Pursuant to Government Code Sections 53398.59 through 53398.74, this IFP comprises the following information:

- a) A map and legal description of the District, [included herein as Appendix A and Appendix B, respectively.](#)
- b) A description of the public facilities and other forms of development or financial assistance that is proposed in the area of the district, including those to be provided by the private sector, those to be provided by governmental entities without assistance under this chapter, those public improvements and facilities to be financed with assistance from the proposed district, and those to be provided jointly. The description shall include the proposed location, timing, and costs of the development and financial assistance. [This information is included in Section 3 of this IFP.](#)
- c) If funding from affected taxing entities is incorporated into the financing plan, a finding that the development and financial assistance are of communitywide significance and provide significant benefits to an area larger than the area of the district. [This information is included in Section 4 of this IFP.](#)
- d) A financing section ([included in Section 5 of this IFP](#)), which shall contain all of the following information:
 - a. A specification of the maximum portion of the incremental tax revenue of the city or county and of each affected taxing entity proposed to be committed to the district for each year during which the district will receive incremental tax revenue.
The portion need not be the same for all affected taxing entities. The portion may change over time. [The maximum portion of the City’s property tax increment to be committed to the District will be 33% throughout the duration of the District lifetime, which is projected to be forty five \(45\) years from the date on which the first issuance of bonds or acquisition of a loan is approved by the Public Financing Authority \(“PFA”\).](#)
 - b. A projection of the amount of tax revenues expected to be received by the district in each year during which the district will receive tax revenues, including an

estimate of the amount of tax revenues attributable to each affected taxing entity for each year. Section 5.3 of this IFP includes a projection of tax revenues to be received by the District by year over the course of forty five (45) years from the date on which the first issuance of bonds or acquisition of a loan is approved by the PFA. These projections are based on research and analysis of available data at the time of IFP preparation for purposes of illustration. Actual results may differ from those expressed in this document. Appendix C provides additional detail for the projected revenue analysis.

- c. A plan for financing the public facilities to be assisted by the district, including a detailed description of any intention to incur debt. Section 5.4 of this IFP includes a plan for financing the public facilities to be assisted by the District. The PFA governing the District intends to incur debt only when it is financially prudent to do so. It is estimated at this time that approximately \$100 million (in current 2020 dollars) of public improvements will be funded from a combination of tax increment bond or loan proceeds (multiple issuances may be necessary) and pay-as-you-go tax increment funding over the District lifetime.
- d. A limit on the total number of dollars of taxes that may be allocated to the district pursuant to the plan. The total number of dollars or taxes that may be allocated to the District shall not exceed \$346,000,000. This maximum has been set based on preliminary underwriting of various debt issuance alternatives evaluated to fund approximately \$100 million (in present value dollars) of essential public improvements over the District lifetime.
- e. A date on which the district will cease to exist, by which time all tax allocation to the district will end. The date shall not be more than 45 years from the date on which the issuance of bonds is approved pursuant to subdivision (a) of Section 53398.81, or the issuance of a loan is approved by the governing board of a local agency pursuant to Section 53398.87. The District will cease to exist the earlier of: (i) forty five (45) years from the date on which the first issuance of bonds or acquisition of a loan is approved by the PFA, or (ii) June 30, 2071. This IFP assumes that the District will be formed in Fiscal Year 2020-2021 and will begin receiving tax revenues in Fiscal Year 2021-2022.
- f. An analysis of the costs to the city or county of providing facilities and services to the area of the district while the area is being developed and after the area is developed. The plan shall also include an analysis of the tax, fee, charge, and other revenues expected to be received by the city or county as a result of expected development in the area of the district. Appendix D to this IFP includes, as part of the Fiscal Impact Analysis, an analysis of the costs to the City for providing facilities and services to the area of the District. It is estimated that, at Year 20 of the District lifetime (slightly beyond General Plan horizon), annual costs to the City will be approximately \$18.5 million.

- g. An analysis of the projected fiscal impact of the district and the associated development upon each affected taxing entity. Appendix D to this IFP includes an analysis of the projected fiscal impact of the District and the associated development upon the City, as the only affected taxing entity that is contributing tax increment revenues to the District at this time. It is estimated that, at Year 20 of the District lifetime, the District area will generate an annual net fiscal surplus of approximately \$975,000 to the City.
- h. A plan for financing any potential costs that may be incurred by reimbursing a developer of a project that is both located entirely within the boundaries of that district and qualifies for the Transit Priority Project Program, pursuant to Section 65470, including any permit and affordable housing expenses related to the project. At this time, the PFA does not intend to finance any potential costs that may be incurred by reimbursing a developer of a project that is both located entirely within the boundaries of the District and qualifies for the Transit Priority Project Program, pursuant to Section 65470.
- e) If any dwelling units within the territory of the district are proposed to be removed or destroyed in the course of public works construction within the area of the district or private development within the area of the district that is subject to a written agreement with the district or that is financed in whole or in part by the district, a plan providing for replacement of those units and relocation of those persons or families consistent with the requirements of Section 53398.56. The PFA does not anticipate that any housing units will be removed as a result of any project identified in this IFP. However, if any relocation of dwelling units is deemed to be required in the future for a project financed by the District, the PFA will comply with the requirements of Government Code Section 53398.56.
- f) The goals the district proposes to achieve for each project financed pursuant to Section 53398.52. Section 7 of this IFP summarizes the goals of each project to be financed by the District.

2.0 Description of the Proposed District

The Fresno EIFD encompasses approximately 4,237 acres of land, representing approximately 5.8% of the City's total approximately 73,400 acres. The Fresno EIFD includes the City's Downtown Planning Area and the southern portion of the Blackstone Avenue BRT Corridor as characterized in the City General Plan. The District includes overlap with the Tower District Specific Plan, Fulton Corridor Specific Plan, and Fresno Chandler Downtown Airport Specific Plan areas. These areas were chosen based on their capacity to benefit from catalytic infrastructure improvements with communitywide and regional benefit.

Land use designations in the District primarily include residential and commercial / retail / office. Appendix A includes a map of the proposed District, and Appendix B is a legal description of the District.

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3.0 Description of Proposed Facilities and Development

3.1 Anticipated Future Private Development

Anticipated future private development within the EIFD is summarized in Table 1 below, with greater detail provided in Appendix C. Buildout and absorption of these land uses are forecasted in the first 20 years of the District lifetime (slightly beyond General Plan horizon).

Table 1: Anticipated Future Private Development

Development Type	SF / Units	AV Per SF / Unit	Estimated AV at Buildout (2020\$)
Rental Residential	8,856 units	\$200,000 per unit	\$1,771,260,000
For Sale Residential	1,200 units	\$400,000 per unit	\$480,000,000
Commercial / Retail	200,000 SF	\$200 PSF	\$40,000,000
Hotel	350 rooms	\$175,000 per room	\$61,250,000
Estimated Total			\$2,352,510,000

Source: City of Fresno General Plan (July 2019)

3.2 Public Facilities to be Financed with Assistance from the Fresno EIFD

The PFA intends to utilize the District to assist the funding of approximately \$100 million (present value dollars) in multi-modal transportation, mobility, and related improvements, including but not limited to the following:

- a) Safety and accessibility improvements for all modes of travel (car / bicycle / pedestrian)
- b) Roadway and bus infrastructure investments
- c) Streetscape, urban greening, and lighting enhancements
- d) Improved gateway and wayfinding signage.

Infrastructure improvements delineated in the Southern Blackstone Avenue Smart Mobility Strategy (“SBASMS”) have been prioritized to be at least partially funded from EIFD proceeds. The SBASMS outlines a range of right-of-way, bicycle, pedestrian, streetscape, and transit infrastructure improvements with significant potential to catalyze private investment and provide communitywide and regional benefit. The SBASMS is included as Appendix E, and Table 2 outlines an order-of-magnitude level of cost estimates categorized by time horizon.

Table 2: Order-of-Magnitude Cost Estimates for SBASMS Improvements

Time Horizon	Estimated Costs
Near-term (Corridor-wide)	\$3.3 to \$5.0 million
Long-term (Corridor-wide)	\$53 million

Source: Southern Blackstone Avenue Smart Mobility Strategy (March 2019)

Additional expenditures by the EIFD will be subject to consideration by the PFA. Eligible expenditures in accordance with Government code sections 53398.52, 53398.56 and 53398.57 include the purchase, construction, expansion, improvement, seismic retrofit, or rehabilitation of any real or other tangible property with an estimated useful life of 15 years or longer. The EIFD may finance planning and design activities that are directly related to the purchase, construction, expansion, or rehabilitation of these projects. Example projects may include, but not be limited to, the following:

- a) Highways, interchanges, ramps and bridges, arterial streets, parking facilities, and transit facilities
- b) Sewage treatment and water reclamation plants and interceptor pipes
- c) Facilities for the collection and treatment of water for urban uses
- d) Flood control levees and dams, retention basins, and drainage channels e) Child care facilities
- f) Libraries
- g) Parks, recreational facilities, and open space
- h) Facilities for the transfer and disposal of solid waste, including transfer stations and vehicles
- i) Brownfield restoration and other environmental mitigation
- j) The acquisition, construction, or rehabilitation of housing for persons of very low, low, and moderate income, as defined in Sections 50105 and 50093 of the Health and Safety Code, for rent or purchase
- k) Projects that enable communities to adapt to the impacts of climate change, including, but not limited to, higher average temperatures, decreased air and water quality, the spread of infectious and vector-borne diseases, other public health impacts, extreme weather events, sea level rise, flooding, heat waves, wildfires, and drought
- l) The acquisition, construction, or improvement of broadband Internet access service.

Targeted improvements would conform to established guidelines in existing, adopted planning documentation, including the City General Plan, Downtown Neighborhoods Community Plan, Tower District Specific Plan, Fulton Corridor Specific Plan, and Fresno Chandler Downtown Airport Specific Plan.

The PFA intends to continue to identify, evaluate, and pursue additional funding sources and financing mechanisms aside from District tax increment to implement the improvements identified above, potentially including grant sources (e.g. Active Transportation Program, Infill Infrastructure Grant Program, Economic Development Administration Public Works and Economic Adjustment Assistance Program¹), complementary district formation (e.g. Community Facilities District, Property-Based Improvement District), impact fees, private sector investment incentivized by the formation of the EIFD itself and its federal Opportunity Zone designation, and/or other sources.

Private sector developers will be responsible for funding project-specific / fair-share / in-tract infrastructure. Some public facilities included in the EIFD area are anticipated to be provided by governmental entities without assistance from the District. There are no public facilities anticipated to be provided jointly by the private sector and governmental entities, however it is possible that private sector developers may advance funding for improvements, with anticipation to be partially reimbursed with EIFD proceeds. Such case-specific agreements would come before the PFA for approval at the appropriate time.

In accordance with Government Code Section 53398.69, the EIFD may expend up to 10 percent of any accrued tax increment in the first two years of the effective date of the EIFD on planning and dissemination of information to the residents within the EIFD boundaries about the IFP and planned activities to be funded by the EIFD, including reimbursement of the City's advanced funding of such eligible costs.

In addition, in accordance with Government Code Section 53398.76, costs incurred by the City and the County of Fresno in connection with the division of taxes for the EIFD are eligible to be paid by the EIFD. This IFP estimates administrative costs at approximately \$25,000 annually.

¹ As of the drafting of this IFP, the federal Economic Development Administration Public Works and Economic Adjustment Assistance Program includes an additional \$1.467 billion in federal Coronavirus Aid, Relief, And Economic Security (CARES) Act funding available to eligible grantees in communities impacted by the coronavirus pandemic.

4.0 Finding of Communitywide Significance

Implementation of the District promotes the goals of the City's General Plan, facilitates implementation of regional connectivity through various modes of transportation, and provides the infrastructure foundation for the development of critically-needed housing in the community and greater region. The District supports job creation, improvement of quality of life, and promotion of environmental sustainability, all in an area designated entirely as Disadvantaged Community (DAC) census tracts based on the California Environmental Protection Agency (CalEPA) CalEnviroScreen tool (version 3.0).

Specific communitywide and regional benefits anticipated to be generated by the District include:

- \$9.9 million in net fiscal impact to the City over 50 years (on a present-value basis)
 - 10,056 housing units within the District
 - 22,310 direct, indirect, and induced temporary, construction-related job-years² in the City and County
 - 910 direct, permanent jobs in the City
 - 315 additional indirect and induced permanent jobs in the City and County (total of 1,225 direct, indirect, and induced jobs)
 - \$3.6 billion in economic output from construction in the City and County □ \$211 million in annual ongoing economic output in the City and County.

5.0 Financing Section

Projections included in this IFP are based on research and analysis of available data at the time of IFP for purposes of planning and illustration. Actual results may differ from those expressed in this document.

Aside from the City, no other taxing entity is contributing property tax increment to the District. It is anticipated that property tax increment will be utilized on both a “pay-as-you-go” basis as well as security for tax increment bond issuance or loan acquisition.

² A job-year is defined as one year of employment for one employee.

The Fresno EIFD includes overlap with former Redevelopment Project Area boundaries of the former Fresno Redevelopment Agency, and so property tax revenues generated by the properties within the overlapping area will flow according to the Redevelopment Agency dissolution statutes until all of the Successor Agency's obligations are retired (currently anticipated in 2045). Redevelopment Property Tax Trust Fund ("RPTTF") residual revenues are intended to be contributed by the City to the District as part of the maximum allocations outlined in the following sections.

The analysis and projections herein reflect the City's intention to dedicate incremental property tax revenue allocated to the City in lieu of motor vehicle license fees to the District pursuant to Government Code Section 53398.75(e)(1) in addition and in proportion to the more typical incremental AB8 property tax.

5.1 Maximum Portion of Incremental Tax Revenue Dedicated to the District

The maximum portion of the City's property tax increment to be committed to the District will be 33% throughout the District lifetime.

5.2 Projection of District Tax Revenues by Year

Table 3 provides an overview of the projected growth of assessed value, property tax increment, and City and County contributions to the District over the District lifetime. It is expected that a total of approximately \$346,000,000 of incremental tax revenues will be allocated to the District by the City.

Table 3: Projection of District Revenues by Year

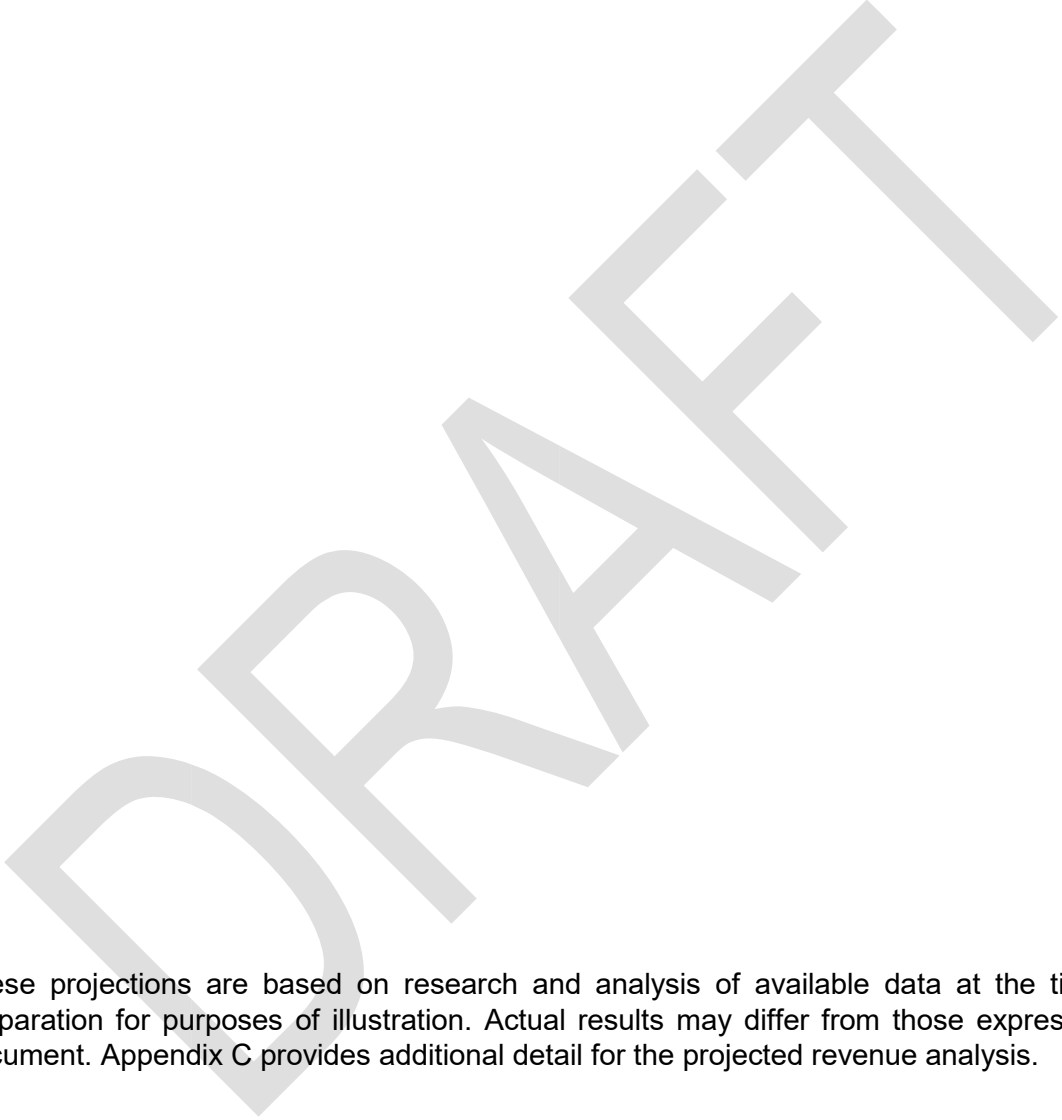
Fresno EIFD
Infrastructure Financing Plan
September 2020

Fiscal Year	Incremental Assessed Value	Property Tax Increment @ 1% General Levy	City AB8 Contribution				City MVLF Contribution				Total Taxes Allocated to EIFD
			Weighted Average City Share Available	City Increment Available	City Share Allocated	City Increment Allocated	Approx. Equivalent City MVLF Share Available	City MVLF Increment Available	City MVLF Share Allocated	City MVLF Increment Allocated	
2020 / 2021	\$0	\$0	23.4%	\$0	33%	\$0	12.1%	\$0	33%	\$0	\$0
2021 / 2022	\$215,163,805	\$2,151,638	23.4%	\$502,995	33%	\$165,988	12.1%	\$259,740	33%	\$85,714	\$251,702
2022 / 2023	\$437,753,834	\$4,377,538	23.4%	\$1,023,350	33%	\$337,705	12.1%	\$528,444	33%	\$174,387	\$512,092
2023 / 2024	\$667,981,070	\$6,679,811	23.4%	\$1,561,559	33%	\$515,314	12.1%	\$806,368	33%	\$266,101	\$781,416
2024 / 2025	\$906,061,966	\$9,060,620	23.4%	\$2,118,127	33%	\$698,982	12.1%	\$1,093,772	33%	\$360,945	\$1,059,927
2025 / 2026	\$1,210,779,023	\$12,107,790	23.4%	\$2,830,473	33%	\$934,056	12.1%	\$1,461,618	33%	\$482,334	\$1,416,390
2026 / 2027	\$1,466,410,355	\$14,664,104	23.4%	\$3,428,070	33%	\$1,131,263	12.1%	\$1,770,209	33%	\$584,169	\$1,715,432
2027 / 2028	\$1,730,602,300	\$17,306,023	23.4%	\$4,045,679	33%	\$1,335,074	12.1%	\$2,089,134	33%	\$689,414	\$2,024,488
2028 / 2029	\$2,003,595,030	\$20,035,950	23.4%	\$4,683,862	33%	\$1,545,675	12.1%	\$2,418,683	33%	\$798,165	\$2,343,840
2029 / 2030	\$2,289,291,884	\$22,892,919	23.4%	\$5,351,744	33%	\$1,766,076	12.1%	\$2,763,568	33%	\$911,978	\$2,678,053
2030 / 2031	\$2,625,777,042	\$26,257,770	23.4%	\$6,138,355	33%	\$2,025,657	12.1%	\$3,169,764	33%	\$1,046,022	\$3,071,679
2031 / 2032	\$2,927,651,795	\$29,276,518	23.4%	\$6,844,056	33%	\$2,258,539	12.1%	\$3,534,178	33%	\$1,166,279	\$3,424,817
2032 / 2033	\$3,239,370,900	\$32,393,709	23.4%	\$7,572,771	33%	\$2,499,015	12.1%	\$3,910,477	33%	\$1,290,457	\$3,789,472
2033 / 2034	\$3,561,207,380	\$35,612,074	23.4%	\$8,325,138	33%	\$2,747,295	12.1%	\$4,298,989	33%	\$1,418,666	\$4,165,962
2034 / 2035	\$3,906,899,926	\$39,068,999	23.4%	\$9,133,273	33%	\$3,013,980	12.1%	\$4,716,299	33%	\$1,556,379	\$4,570,359
2035 / 2036	\$4,250,087,506	\$42,500,875	23.4%	\$9,935,553	33%	\$3,278,732	12.1%	\$5,130,585	33%	\$1,693,093	\$4,971,825
2036 / 2037	\$4,394,105,667	\$43,941,057	23.4%	\$10,272,228	33%	\$3,389,835	12.1%	\$5,304,440	33%	\$1,750,465	\$5,140,300
2037 / 2038	\$4,541,004,192	\$45,410,042	23.4%	\$10,615,637	33%	\$3,503,160	12.1%	\$5,481,771	33%	\$1,808,985	\$5,312,145
2038 / 2039	\$4,690,840,687	\$46,908,407	23.4%	\$10,965,914	33%	\$3,618,752	12.1%	\$5,662,650	33%	\$1,868,674	\$5,487,426
2039 / 2040	\$4,843,673,912	\$48,436,739	23.4%	\$11,323,197	33%	\$3,736,655	12.1%	\$5,847,146	33%	\$1,929,558	\$5,666,213
2040 / 2041	\$4,999,563,802	\$49,995,638	23.4%	\$11,687,625	33%	\$3,856,916	12.1%	\$6,035,332	33%	\$1,991,659	\$5,848,576
2041 / 2042	\$5,158,571,490	\$51,585,715	23.4%	\$12,059,342	33%	\$3,979,583	12.1%	\$6,227,281	33%	\$2,055,003	\$6,034,586
2042 / 2043	\$5,320,759,331	\$53,207,593	23.4%	\$12,438,493	33%	\$4,104,703	12.1%	\$6,423,070	33%	\$2,119,613	\$6,224,316
2043 / 2044	\$5,486,190,929	\$54,861,909	23.4%	\$12,825,228	33%	\$4,232,325	12.1%	\$6,622,774	33%	\$2,185,515	\$6,417,841
2044 / 2045	\$5,654,931,159	\$56,549,312	23.4%	\$13,219,697	33%	\$4,362,500	12.1%	\$6,826,472	33%	\$2,252,736	\$6,615,236
2045 / 2046	\$5,827,046,193	\$58,270,462	23.4%	\$13,622,055	33%	\$4,495,278	12.1%	\$7,034,245	33%	\$2,321,301	\$6,816,579
2046 / 2047	\$6,002,603,528	\$60,026,035	23.4%	\$14,032,460	33%	\$4,630,712	12.1%	\$7,246,173	33%	\$2,391,237	\$7,021,949
2047 / 2048	\$6,181,672,010	\$61,816,720	23.4%	\$14,451,074	33%	\$4,768,854	12.1%	\$7,462,339	33%	\$2,462,572	\$7,231,426
2048 / 2049	\$6,364,321,862	\$63,643,219	23.4%	\$14,878,060	33%	\$4,909,760	12.1%	\$7,682,829	33%	\$2,535,333	\$7,445,093
2049 / 2050	\$6,550,624,711	\$65,506,247	23.4%	\$15,313,585	33%	\$5,053,483	12.1%	\$7,907,728	33%	\$2,609,550	\$7,663,033
2050 / 2051	\$6,740,653,616	\$67,406,536	23.4%	\$15,757,821	33%	\$5,200,081	12.1%	\$8,137,126	33%	\$2,685,252	\$7,885,333
2051 / 2052	\$6,934,483,100	\$69,344,831	23.4%	\$16,210,942	33%	\$5,349,611	12.1%	\$8,371,111	33%	\$2,762,467	\$8,112,078
2052 / 2053	\$7,132,189,173	\$71,321,892	23.4%	\$16,673,125	33%	\$5,502,131	12.1%	\$8,609,776	33%	\$2,841,226	\$8,343,358
2053 / 2054	\$7,333,849,368	\$73,338,494	23.4%	\$17,144,552	33%	\$5,657,702	12.1%	\$8,853,215	33%	\$2,921,561	\$8,579,263
2054 / 2055	\$7,539,542,767	\$75,395,428	23.4%	\$17,625,408	33%	\$5,816,385	12.1%	\$9,101,522	33%	\$3,003,502	\$8,819,887
2055 / 2056	\$7,749,350,034	\$77,493,500	23.4%	\$18,115,880	33%	\$5,978,240	12.1%	\$9,354,795	33%	\$3,087,083	\$9,065,323
2056 / 2057	\$7,963,353,446	\$79,633,534	23.4%	\$18,616,162	33%	\$6,143,334	12.1%	\$9,613,134	33%	\$3,172,334	\$9,315,668
2057 / 2058	\$8,181,636,926	\$81,816,369	23.4%	\$19,126,450	33%	\$6,311,728	12.1%	\$9,876,640	33%	\$3,259,291	\$9,571,020
2058 / 2059	\$8,404,286,076	\$84,042,861	23.4%	\$19,646,943	33%	\$6,483,491	12.1%	\$10,145,416	33%	\$3,347,987	\$9,831,478
2059 / 2060	\$8,631,388,209	\$86,313,882	23.4%	\$20,177,846	33%	\$6,658,689	12.1%	\$10,419,567	33%	\$3,438,457	\$10,097,146
2060 / 2061	\$8,863,032,384	\$88,630,324	23.4%	\$20,719,368	33%	\$6,837,391	12.1%	\$10,699,201	33%	\$3,530,736	\$10,368,128
2061 / 2062	\$9,099,309,443	\$90,993,094	23.4%	\$21,271,719	33%	\$7,019,667	12.1%	\$10,984,428	33%	\$3,624,861	\$10,644,529
2062 / 2063	\$9,340,312,044	\$93,403,120	23.4%	\$21,835,118	33%	\$7,205,589	12.1%	\$11,275,360	33%	\$3,720,869	\$10,926,458
2063 / 2064	\$9,586,134,696	\$95,861,347	23.4%	\$22,409,785	33%	\$7,395,229	12.1%	\$11,572,110	33%	\$3,818,796	\$11,214,025
2064 / 2065	\$9,836,873,801	\$98,368,738	23.4%	\$22,995,945	33%	\$7,588,662	12.1%	\$11,874,795	33%	\$3,918,682	\$11,507,344
2065 / 2066	\$10,092,627,688	\$100,926,277	23.4%	\$23,593,828	33%	\$7,785,963	12.1%	\$12,183,534	33%	\$4,020,566	\$11,806,530
2066 / 2067	\$10,353,496,654	\$103,534,967	23.4%	\$24,203,669	33%	\$7,987,211	12.1%	\$12,498,447	33%	\$4,124,488	\$12,111,699
2067 / 2068	\$10,619,582,998	\$106,195,830	23.4%	\$24,825,707	33%	\$8,192,483	12.1%	\$12,819,659	33%	\$4,230,488	\$12,422,971
2068 / 2069	\$10,890,991,069	\$108,909,911	23.4%	\$25,460,186	33%	\$8,401,861	12.1%	\$13,147,295	33%	\$4,338,607	\$12,740,469
2069 / 2070	\$11,167,827,302	\$111,678,273	23.4%	\$26,107,354	33%	\$8,615,427	12.1%	\$13,481,484	33%	\$4,448,890	\$13,064,317
2070 / 2071	\$11,450,200,260	\$114,502,003	23.4%	\$26,767,465	33%	\$8,833,263	12.1%	\$13,822,357	33%	\$4,561,378	\$13,394,641
Total		\$2,953,656,643		\$690,484,876		\$227,860,009		\$356,557,050		\$117,663,826	\$345,523,836
Present Value	@ 3.0%	\$1,153,482,412		\$269,652,928		\$88,985,466		\$139,245,124		\$45,950,891	\$134,936,357



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.

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These projections are based on research and analysis of available data at the time of IFP preparation for purposes of illustration. Actual results may differ from those expressed in this document. Appendix C provides additional detail for the projected revenue analysis.

5.3 Plan for Financing Public Facilities

The PFA intends to utilize numerous funding sources and financing mechanisms to implement the improvements identified in Section 3.2, potentially including District tax increment, grant sources (e.g. Active Transportation Program, Infill Infrastructure Grant Program, Economic Development Administration Public Works and Economic Adjustment Assistance Program), complementary district formation (e.g. Community Facilities District, Property-Based



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Improvement District), impact fees, private sector investment incentivized by the formation of the EIFD itself and its federal Opportunity Zone designation, and/or other sources.

As it pertains to the use of District tax increment, the PFA intends to incur debt only when it is financially prudent to do so. It is estimated at this time that approximately \$100 million (in present value dollars) of public improvements will be funded from a combination of tax increment bond or loan proceeds (multiple issuances may be necessary) and pay-as-you-go tax increment funding over the District lifetime.

5.4 Limit on Total Dollars Allocated to the District

The total number of dollars or taxes that may be allocated to the District shall not exceed \$346,000,000 over the District lifetime. This maximum has been set based on preliminary underwriting of various debt issuance alternatives evaluated to fund approximately \$100 million (in present value dollars) of essential public improvements over the District lifetime.

5.5 District Termination Date

The District will cease to exist the earlier of: (i) forty five (45) years from the date on which the first issuance of bonds or acquisition of a loan is approved by the PFA, or (ii) June 30, 2071. This IFP assumes that the District will be formed in Fiscal Year 2020-2021 and will begin receiving tax revenues in Fiscal Year 2021-2022.

5.6 Analysis of Costs to Provide Facilities and Services

Appendix D to this IFP includes, as part of the Fiscal Impact Analysis, an analysis of the costs to the City for providing facilities and services to the area of the District. It is estimated that, at Year 20 of the District lifetime (slightly beyond General Plan horizon), annual costs to the City will be approximately \$18.5 million to service the area of the District.

5.7 Fiscal Impact Analysis

Appendix D to this IFP includes an analysis of the projected fiscal impact of the District and the associated development upon the City, as the only affected taxing entity that is contributing tax increment revenues to the District. Table 4 presents an overview of fiscal impacts to the City.

Table 4: Overview of Fiscal Impacts to City

	Annual (Stablized Year 20)	Year 0-50 Nominal Total	Year 0-50 Present Value @ 3.0%
City of Fresno			
Estimated Fiscal Revenues (Net of EIFD Contribution)	\$19,428,033	\$1,108,296,900	\$436,369,200
Estimated Fiscal Expenditures	\$18,453,200	\$1,102,831,400	\$426,496,400
Estimated Net Fiscal Impact to City	\$974,833	\$5,465,500	\$9,872,800

It is estimated that, at Year 20 of the District lifetime, the District area will generate an annual net fiscal surplus of approximately \$975,000 to the City. Over 50 years, District activity will generate a positive net fiscal impact of approximately \$9.9 million for the City on a present-value basis. This is in addition to the Community economic benefits outlined in Section 4 of this IFP (e.g. housing, jobs, mobility and connectivity, quality of life, environmental sustainability).

5.8 Developer Reimbursement for Transit Priority Project

The PFA does not intend to finance any potential costs that may be incurred by reimbursing a developer of a project that is both located entirely within the boundaries of the District and qualifies for the Transit Priority Project Program, pursuant to Section 65470. To the extent that a developer is willing to fund Transit Priority Project infrastructure expenditures beyond and in advance of said reimbursement at the appropriate time.

developer's fair share (not contemplated at this time), the PFA may consider and evaluate such

6.0 Removal of Dwelling Units and Replacement Housing Plan

The PFA does not anticipated that any housing units will be removed as a result of any project identified in this IFP. However, if any relocation of dwelling units is deemed to be required in the future for a project financed by the District, the PFA will comply with the requirements of Government Code Section 53398.56.

7.0 Goals of the District

The goals of the District's implementation of the public facilities outlined in Section 3.2 are to support the City's General Plan, facilitate implementation of regional connectivity through various modes of transportation, and to provide the infrastructure foundation for the development of critically-needed housing in the community and greater region. The District additionally aims to implement Statewide policy goals of housing supply and sustainable infrastructure investment in an area designated entirely as Disadvantaged Community (DAC) census tracts based on the California Environmental Protection Agency (CalEPA) CalEnviroScreen tool (version 3.0).

Additional objectives include economic development in the form of fiscal revenue generation for the City and other taxing entities, job creation, improvement of quality of life, and promotion of environmental sustainability. The District will be utilized to address infrastructure funding needs of approximately \$100 million (in current 2020 dollars), which are critical to catalyze private sector investment and development.

8.0 Appendices

Appendix A: Map of Boundaries of the Fresno EIFD

Appendix B: Legal Description of the Fresno EIFD

Appendix C: Projected Tax Increment Revenue Analysis

Appendix D: Fiscal Impact Analysis

Appendix E: Southern Blackstone Avenue Smart Mobility Plan

Appendix F: General Plan Master Environmental Impact Report