

CITY OF SANGER NORTH ACADEMY CORRIDOR ENHANCED INFRASTRUCTURE FINANCING DISTRICT

INFRASTRUCTURE FINANCING PLAN

Prepared for:
The City of Sanger



Prepared By:
Kosmont Companies



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Table of Contents

Section	Page
1.0 Introduction	3
2.0 Description of the Proposed District.....	7
3.0 Description of Proposed Facilities and Development.....	8
4.0 Finding of Communitywide Significance	12
5.0 Financing Section.....	13
6.0 Removal of Dwelling Units and Replacement Housing Plan	17
7.0 Goals of the District	18
8.0 Appendices	19

Index of Appendices:

- Appendix A: Map of Boundaries of the Sanger EIFD
- Appendix B: Legal Description of the Sanger EIFD
- Appendix C: Projected Tax Increment Revenue Analysis
- Appendix D: Fiscal Impact Analysis
- Appendix E: City General Plan and North Academy Corridor Master Plan Environmental Impact Report



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

1.1 Background & Purpose

Background. Pursuant to its Resolution No. 2021-67, which was adopted by the City Council of the City of Sanger on November 18, 2021 (the “Resolution of Intention”) and Part 1 of Division 2 of Title 5 of the California Government Code (the “EIFD Law”), the City Council of the City of Sanger (the “City”) declared its intention to establish the Sanger North Academy Corridor Enhanced Infrastructure Financing District (“Sanger EIFD” or “District”). Pursuant to the same Resolution No. 2021-67, which was adopted by the City Council on November 18, 2021, the City Council of the City established the Sanger EIFD Public Financing Authority (“PFA”) as the governing body of the Sanger EIFD.

At its inaugural meeting on March 29, 2022, the PFA directed its Executive Director, who is the City Manager of the City, to work with staff and consultant Kosmont Companies to prepare an infrastructure financing plan (“IFP”) for the Sanger EIFD.

Purpose of the Sanger EIFD. The Sanger EIFD is intended to serve as a catalyst for private sector investment and critical public infrastructure with transformative potential for the Sanger EIFD area and the City as a whole. The Sanger EIFD encompasses approximately 280 acres of land, representing approximately 7.0% of the City in terms of acreage. The Sanger EIFD includes a contiguous area of largely undeveloped or underdeveloped parcels with significant potential for new development and/or rehabilitation. These areas were chosen based on their capacity to benefit from catalytic infrastructure improvements with communitywide significance 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 includes 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 from the District, those public improvements and facilities to be financed with assistance from the proposed District, and those to be provided jointly. The description includes the proposed location,

timing, and costs of the development and financial assistance. This information is included in Section 3 of this IFP.

- c) 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 contains all of the following information:
 - 1) A specification of the maximum portion of the incremental tax revenue of the City proposed to be committed to the District for each year during which the District will receive incremental tax revenue. The portion may change over time. As detailed further in Section 5.1 and Table 3 of this IFP, The maximum portion of the City's property tax increment to be committed to the District will be 100% throughout the duration of the District lifetime, which is projected to be forty-five (45) years from the date on which the issuance of bonds is approved by the PFA.
 - 2) 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. Section 5.2 and Table 3 of this IFP includes a projection of tax revenues to be received by the District by year over the course of the District's lifetime, as described in the previous paragraph. 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. See paragraph 5 below for the Sanger EIFD termination date.
 - 3) A plan for financing the public facilities to be assisted by the District, including a detailed description of any intention to incur debt. Section 5.3 of this IFP includes a plan for financing the public facilities to be assisted by the District. The PFA intends to incur debt only when it is financially prudent to do so. It is estimated at this time that the Sanger EIFD will provide funding for approximately \$27 million (in present value dollars) of public improvement costs 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.
 - 4) 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 of taxes that may be allocated to the District shall not exceed \$135,000,000 in nominal dollars.
 - 5) 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 on the earlier of: (i) forty-five (45) years from the date on which the issuance of bonds is approved by the PFA, or (ii) June 30, 2099. This IFP assumes that the District will be formed in Fiscal Year 2022-2023 and will begin receiving tax revenues in Fiscal Year 2023-2024.

- 6) An analysis of the costs to the City 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 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. Appendix D also includes an analysis of the tax, fee, charge, and other revenues expected to be received by the City as a result of expected development in the area of the District. It is estimated that, at Year 30 of the District lifetime (assumed stabilized buildout of the District area), annual costs to the City will be approximately \$1.8 million, and annual revenues to the City will be approximately \$2.7 million.
 - 7) An analysis of the projected fiscal impact of the District and the associated development upon the City. 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 30 of the District lifetime, the District area will generate an annual net fiscal surplus of approximately \$1.0 million to the City.
 - 8) 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.

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2.0 Description of the Proposed District

The Sanger EIFD encompasses approximately 280 acres of land, representing approximately 7.0% of the City in terms of acreage. The Sanger EIFD includes a contiguous area of largely undeveloped or underdeveloped parcels with significant potential for new development and/or rehabilitation. These areas were chosen based on their capacity to benefit from catalytic infrastructure improvements with communitywide significance and regional benefit.

Land use designations in the District primarily include commercial, mixed-use, and several public use parcels. 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 Sanger 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 30 years of the District lifetime. These development assumptions are within the range anticipated in the North Academy Corridor Master Plan.

Table 1: Anticipated Future Private Development

Development Type	SF / Units	AV Per SF / Unit	Estimated AV
Commercial / Retail	358,094 SF	\$225 PSF	\$81 million
Commercial / Office	414,930 SF	\$195 PSF	\$81 million
Hotel	135 rooms	\$175,000 per room	\$24 million
Residential	215 units	\$500,000 per unit	\$108 million
Estimated Total			\$293 million

Source: City of Sanger North Academy Corridor Master Plan, CoStar Property (2022)

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

The EIFD Law authorizes the Sanger EIFD to finance 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, if they are of communitywide significance and provide significant benefits to the Sanger EIFD or the surrounding community.

The PFA intends to utilize the District to fund infrastructure projects of communitywide significance that provide significant benefits to the region over the District lifetime. Table 2 identifies the targeted infrastructure improvements to receive EIFD funding over the District’s lifetime, based on information available to the PFA at this time.



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Table 2: Potential Priority Projects for Receipt of EIFD Funding

#	PROJECT	ESTIMATED COST	ESTIMATED TIMING
1	Water and sewer, and other utility infrastructure, including potential contribution to sewage treatment plant upgrades)	\$20-40 million	2025-2035
2	Parks, open space, and other recreational infrastructure, including potential related land acquisition costs and future ongoing maintenance costs		

Additional expenditures by the Sanger EIFD, including any use of potential future EIFD bond proceeds, will be subject to approval by the PFA. Eligible expenditures in accordance with Government Code sections 53398.52 and 53398.56 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 and are projects of communitywide significance that provide significant benefits to the district or the surrounding community. The Sanger EIFD may also finance the ongoing or capitalized costs to maintain public capital facilities financed in whole or in part by the Sanger EIFD. Facilities funded may be located outside the boundaries of the Sanger EIFD, as long as they have a tangible connection to the work of the Sanger EIFD. The Sanger EIFD will also finance planning and design activities that are directly related to the purchase, construction, expansion, or rehabilitation of these projects. Projects financed by the Sanger EIFD may include, but not be limited to, all of the following:

- Highways, interchanges, and ramps;
- Bridges;
- Arterial streets;
- Parking facilities;
- Transit facilities;
- Parks, recreational facilities, and open space;
- Sewage treatment and water reclamation plants and interceptor pipes;
- Facilities for the collection and treatment of water for urban uses;
- Facilities for the transfer and disposal of solid waste, including transfer stations and vehicles;
- Storm water conveyance and collection facilities;
- Flood control levees and dams, retention basins, and drainage channels;
- Child care facilities;
- Libraries;
- Broadband and telecommunications infrastructure;
- Sidewalks and streetscape improvements;
- Bicycle lanes and paths;
- Public art;

- Corporation yards;
- Police facilities;
- Brownfield restoration and other environmental mitigation;
- Affordable housing as authorized under the EIFD Law;
- Projects that implement a sustainable communities strategy and transit priority projects;
- Acquisition, construction, or repair of industrial structures for private use;
- Acquisition, construction, or repair of commercial structures by the small business occupant of such structures, if such acquisition, construction, or repair is for purposes of fostering economic recovery from the COVID-19 pandemic and of ensuring the long-term economic sustainability of small businesses;
- 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;
- Facilities in which nonprofit community organizations provide health, youth, homeless, and social services.

Other Expenses: In addition to the direct costs of the above facilities, the Sanger EIFD may finance the costs of planning and design work that is directly related to the purchase, construction, expansion or rehabilitation of property, including, but not limited to, the cost of environmental evaluation and engineering and surveying costs; environmental remediation costs; construction staking costs; utility relocation and demolition costs incidental to the construction of the facilities; costs of legal services; and costs of project/construction management.

In addition, the Sanger EIFD may finance any other expenses incidental to the formation, administration¹ and implementation of the Sanger EIFD and to the construction, completion, inspection and acquisition of the authorized facilities, including, but not limited to, the costs of creation and administration of the Sanger EIFD; costs of issuance of bonds or other debt of the Sanger EIFD or of any other public agency (including a community facilities district) that finances authorized facilities, and payment of debt service thereon; financing costs of improvements incurred by developers until reimbursement for the costs of the improvements from the Sanger

¹ Administration costs refer to the actual or reasonably estimated costs directly related to the administration of the Sanger EIFD, including, but not limited to, the following: the costs of computing annual tax increment revenues and preparing the required annual reporting; the costs of allocation tax increment revenues (whether by the County, the City, or otherwise); the costs to the City, Sanger EIFD, or any designee thereof in complying with disclosure requirements; the costs associated with preparing required disclosure statements and responding to public inquiries regarding the Sanger EIFD; and the costs of the City, Sanger EIFD, or any designee thereof related to any appeal of the implementation of the Sanger EIFD. Administration costs shall also include amounts estimated or advanced by the City for any other administrative purposes, including, but not limited to, attorney's fees or any other expenses incidental to the implementation of the Sanger EIFD.

EIFD; costs incurred by the City, Fire District, or the Sanger EIFD in connection with the division of taxes pursuant to Government Code section 53398.75; and legal costs.

Targeted improvements would conform to established guidelines in adopted planning documentation, such as the City General 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, complementary district formation (e.g., Mello-Roos Community Facilities District), impact fees, private sector investment incentivized by the formation of the Sanger EIFD itself, 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 Sanger 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, and those advances may 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 Sanger EIFD may expend up to 10 percent of any accrued tax increment in the first two years of the effective date of the Sanger EIFD on planning and dissemination of information to the residents within the Sanger EIFD boundaries about the IFP and planned activities to be funded by the Sanger 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 County of Fresno in connection with the division of taxes for the Sanger EIFD are eligible to be paid by the Sanger EIFD.

4.0 Finding of Communitywide Significance

Implementation of the District promotes the goals of and is consistent with 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, housing production, and improvement of quality of life.

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

- Approx. \$15 million in net fiscal impact to the City over 50 years (on a present-value basis)
- Approx. 215 housing units within the District upon buildout and stabilization
- 3,461 direct, indirect, and induced temporary, construction-related job-years² in the City and County, supporting \$219 million in total wages
- 2,171 direct, permanent jobs in the City upon buildout and stabilization
- 918 additional indirect and induced permanent jobs in the City and County (total of 3,088 direct, indirect, and induced jobs) upon buildout and stabilization, supporting \$144 million in wages
- \$484 million in economic output from construction in the City and County
- \$282 million in annual ongoing economic output in the City and County upon buildout and stabilization.

² A job-year is defined as one year of employment for one employee. Over a 30-year construction period, 6,922 job-years translates into approximately 231 annual average jobs.

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 allocating property tax increment to the District at this time. 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.

Definition of Tax Increment. For purposes of clarity, the phrases “tax increment,” “incremental property tax” and “incremental tax revenue”, as used in this IFP and the EIFD Law, refer to the portion of future property tax revenue described in Section 53398.75(a)(2) of the EIFD Law, i.e., the difference between (A) and (B) in the following formula:

(A) the taxes that would be produced by the rate upon which the tax is levied each year during the term of the Sanger EIFD upon the total sum of the assessed value of the taxable property in the EIFD in each such year **minus**

(B) the taxes that would be produced by the rate upon which the tax is levied upon the total sum of the assessed value of the taxable property in the Sanger EIFD as shown upon the last equalized roll prior to the effective date of the resolution adopted pursuant to Section 53398.69 of the EIFD Law to create the Sanger EIFD.

In the case of the Sanger EIFD, the resolution adopted pursuant to Section 53398.69 was [is expected to be] adopted on August 23, 2022, and the last equalized roll prior to the effective date of that resolution is the roll for Fiscal Year 2022-2023. Fiscal Year 2022-23 is referred to as the “base year.” The assessed value of the taxable property shown in such last equalized roll is approximately \$17.4 million. This value is referred to as the “base year value”.

5.1 Maximum Portion of Incremental Tax Revenue Dedicated to the District

The maximum portion of the City’s property tax increment (including the incremental tax revenue described in the previous sentence) to be committed to the District will be 100% in each year throughout the District lifetime. As authorized in EIFD law, the PFA may revisit this percentage maximum at a future point in time, but any such revisions would be formulated such any existing agreements, debt service, or other outstanding obligations would not be affected (i.e., revisions would only pertain to new future agreements/obligations).

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 allocations to the District over the District lifetime. It is expected that a total of approximately \$67 million of incremental tax revenues will be allocated to the District by the City over the District lifetime. 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, complementary district formation (e.g., Community Facilities District), impact fees, private sector investment incentivized by the formation of the Sanger EIFD itself, 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 the Sanger EIFD will provide funding for approximately \$27 million (in present value dollars) of public improvement costs 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 of taxes that may be allocated to the District shall not exceed \$135,000,000 in nominal dollars 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 issuance of bonds is approved by the PFA, or (ii) June 30, 2099. This IFP assumes that the District will be formed in Fiscal Year 2022-2023 and will begin receiving tax revenues in Fiscal Year 2023-2024.

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 while the area is being developed and after the area is developed. It is estimated that, at Year 30 of the District lifetime (assumed stabilized buildout of District area), annual costs to the City will be approximately \$1.8 million to service the area of the District. Annual revenues to the City are estimated at approximately \$2.7 million from development within the District.

Table 3: Projection of District Revenues by Year

Fiscal Year	Incremental Assessed Value	Property Tax Increment @ 1% General Levy	City AB8 Property Tax Allocation				City MVLF In-Lieu Allocation				Total Taxes Allocated to EIFD
			Average City AB8 Share Available	City AB8 Increment Available	Portion of City AB8 Share Allocated	City AB8 Increment Allocated	Average City MVLF Share Available	City MVLF Increment Available	Portion of City MVLF Allocated	City MVLF Increment Allocated	
0 2022 / 2023	\$0	\$0	9.54%	\$0	100%	\$0	20.7%	\$0	100%	\$0	\$0
1 2023 / 2024	\$16,804,189	\$168,042	9.54%	\$16,031	100%	\$16,031	20.7%	\$34,793	100%	\$34,793	\$50,824
2 2024 / 2025	\$34,273,570	\$342,736	9.54%	\$32,697	100%	\$32,697	20.7%	\$70,963	100%	\$70,963	\$103,660
3 2025 / 2026	\$52,428,029	\$524,280	9.54%	\$50,016	100%	\$50,016	20.7%	\$108,552	100%	\$108,552	\$158,568
4 2026 / 2027	\$71,287,981	\$712,880	9.54%	\$68,009	100%	\$68,009	20.7%	\$147,601	100%	\$147,601	\$215,610
5 2027 / 2028	\$103,916,338	\$1,039,163	9.54%	\$99,136	100%	\$99,136	20.7%	\$215,158	100%	\$215,158	\$314,295
6 2028 / 2029	\$124,511,546	\$1,245,115	9.54%	\$118,784	100%	\$118,784	20.7%	\$257,801	100%	\$257,801	\$376,585
7 2029 / 2030	\$145,882,019	\$1,458,820	9.54%	\$139,171	100%	\$139,171	20.7%	\$302,048	100%	\$302,048	\$441,220
8 2030 / 2031	\$168,050,531	\$1,680,505	9.54%	\$160,320	100%	\$160,320	20.7%	\$347,948	100%	\$347,948	\$508,268
9 2031 / 2032	\$191,040,455	\$1,910,405	9.54%	\$182,253	100%	\$182,253	20.7%	\$395,549	100%	\$395,549	\$577,801
10 2032 / 2033	\$229,275,151	\$2,292,752	9.54%	\$218,728	100%	\$218,728	20.7%	\$474,713	100%	\$474,713	\$693,442
11 2033 / 2034	\$240,902,211	\$2,409,022	9.54%	\$229,821	100%	\$229,821	20.7%	\$498,787	100%	\$498,787	\$728,608
12 2034 / 2035	\$252,895,667	\$2,528,957	9.54%	\$241,262	100%	\$241,262	20.7%	\$523,619	100%	\$523,619	\$764,882
13 2035 / 2036	\$265,265,524	\$2,652,655	9.54%	\$253,063	100%	\$253,063	20.7%	\$549,231	100%	\$549,231	\$802,295
14 2036 / 2037	\$278,022,042	\$2,780,220	9.54%	\$265,233	100%	\$265,233	20.7%	\$575,644	100%	\$575,644	\$840,877
15 2037 / 2038	\$291,175,739	\$2,911,757	9.54%	\$277,782	100%	\$277,782	20.7%	\$602,878	100%	\$602,878	\$880,660
16 2038 / 2039	\$304,737,399	\$3,047,374	9.54%	\$290,719	100%	\$290,719	20.7%	\$630,958	100%	\$630,958	\$921,677
17 2039 / 2040	\$318,718,080	\$3,187,181	9.54%	\$304,057	100%	\$304,057	20.7%	\$659,905	100%	\$659,905	\$963,962
18 2040 / 2041	\$333,129,117	\$3,331,291	9.54%	\$317,805	100%	\$317,805	20.7%	\$689,743	100%	\$689,743	\$1,007,548
19 2041 / 2042	\$347,982,132	\$3,479,821	9.54%	\$331,975	100%	\$331,975	20.7%	\$720,496	100%	\$720,496	\$1,052,471
20 2042 / 2043	\$363,289,041	\$3,632,890	9.54%	\$346,578	100%	\$346,578	20.7%	\$752,189	100%	\$752,189	\$1,098,766
21 2043 / 2044	\$379,062,057	\$3,790,621	9.54%	\$361,625	100%	\$361,625	20.7%	\$784,847	100%	\$784,847	\$1,146,472
22 2044 / 2045	\$395,313,703	\$3,953,137	9.54%	\$377,129	100%	\$377,129	20.7%	\$818,495	100%	\$818,495	\$1,195,625
23 2045 / 2046	\$412,056,813	\$4,120,568	9.54%	\$393,102	100%	\$393,102	20.7%	\$853,162	100%	\$853,162	\$1,246,264
24 2046 / 2047	\$429,304,548	\$4,293,045	9.54%	\$409,557	100%	\$409,557	20.7%	\$888,873	100%	\$888,873	\$1,298,430
25 2047 / 2048	\$447,070,393	\$4,470,704	9.54%	\$426,505	100%	\$426,505	20.7%	\$925,658	100%	\$925,658	\$1,352,163
26 2048 / 2049	\$465,368,174	\$4,653,682	9.54%	\$443,961	100%	\$443,961	20.7%	\$963,543	100%	\$963,543	\$1,407,504
27 2049 / 2050	\$484,212,062	\$4,842,121	9.54%	\$461,938	100%	\$461,938	20.7%	\$1,002,559	100%	\$1,002,559	\$1,464,498
28 2050 / 2051	\$503,616,583	\$5,036,166	9.54%	\$480,450	100%	\$480,450	20.7%	\$1,042,736	100%	\$1,042,736	\$1,523,186
29 2051 / 2052	\$523,596,625	\$5,235,966	9.54%	\$499,511	100%	\$499,511	20.7%	\$1,084,105	100%	\$1,084,105	\$1,583,616
30 2052 / 2053	\$544,167,445	\$5,441,674	9.54%	\$519,136	100%	\$519,136	20.7%	\$1,126,697	100%	\$1,126,697	\$1,645,832
31 2053 / 2054	\$555,399,582	\$5,553,996	9.54%	\$529,851	100%	\$529,851	20.7%	\$1,149,953	100%	\$1,149,953	\$1,679,804
32 2054 / 2055	\$566,856,361	\$5,668,564	9.54%	\$540,781	100%	\$540,781	20.7%	\$1,173,674	100%	\$1,173,674	\$1,714,455
33 2055 / 2056	\$578,542,276	\$5,785,423	9.54%	\$551,929	100%	\$551,929	20.7%	\$1,197,870	100%	\$1,197,870	\$1,749,799
34 2056 / 2057	\$590,461,909	\$5,904,619	9.54%	\$563,301	100%	\$563,301	20.7%	\$1,222,549	100%	\$1,222,549	\$1,785,850
35 2057 / 2058	\$602,619,934	\$6,026,199	9.54%	\$574,899	100%	\$574,899	20.7%	\$1,247,722	100%	\$1,247,722	\$1,822,622
36 2058 / 2059	\$615,021,120	\$6,150,211	9.54%	\$586,730	100%	\$586,730	20.7%	\$1,273,399	100%	\$1,273,399	\$1,860,129
37 2059 / 2060	\$627,670,330	\$6,276,703	9.54%	\$598,797	100%	\$598,797	20.7%	\$1,299,589	100%	\$1,299,589	\$1,898,386
38 2060 / 2061	\$640,572,524	\$6,405,725	9.54%	\$611,106	100%	\$611,106	20.7%	\$1,326,303	100%	\$1,326,303	\$1,937,409
39 2061 / 2062	\$653,732,762	\$6,537,328	9.54%	\$623,661	100%	\$623,661	20.7%	\$1,353,551	100%	\$1,353,551	\$1,977,212
40 2062 / 2063	\$667,156,205	\$6,671,562	9.54%	\$636,467	100%	\$636,467	20.7%	\$1,381,344	100%	\$1,381,344	\$2,017,811
41 2063 / 2064	\$680,848,116	\$6,808,481	9.54%	\$649,529	100%	\$649,529	20.7%	\$1,409,693	100%	\$1,409,693	\$2,059,222
42 2064 / 2065	\$694,813,866	\$6,948,139	9.54%	\$662,852	100%	\$662,852	20.7%	\$1,438,609	100%	\$1,438,609	\$2,101,462
43 2065 / 2066	\$709,058,931	\$7,090,589	9.54%	\$676,442	100%	\$676,442	20.7%	\$1,468,104	100%	\$1,468,104	\$2,144,546
44 2066 / 2067	\$723,588,897	\$7,235,889	9.54%	\$690,304	100%	\$690,304	20.7%	\$1,498,188	100%	\$1,498,188	\$2,188,492
45 2067 / 2068	\$738,409,462	\$7,384,095	9.54%	\$704,443	100%	\$704,443	20.7%	\$1,528,874	100%	\$1,528,874	\$2,233,317
46 2068 / 2069	\$753,526,439	\$7,535,264	9.54%	\$718,864	100%	\$718,864	20.7%	\$1,560,174	100%	\$1,560,174	\$2,279,038
47 2069 / 2070	\$768,945,755	\$7,689,458	9.54%	\$733,574	100%	\$733,574	20.7%	\$1,592,099	100%	\$1,592,099	\$2,325,673
48 2070 / 2071	\$784,673,458	\$7,846,735	9.54%	\$748,578	100%	\$748,578	20.7%	\$1,624,663	100%	\$1,624,663	\$2,373,242
49 2071 / 2072	\$800,715,715	\$8,007,157	9.54%	\$763,883	100%	\$763,883	20.7%	\$1,657,879	100%	\$1,657,879	\$2,421,762
50 2072 / 2073	\$817,078,816	\$8,170,788	9.54%	\$779,493	100%	\$779,493	20.7%	\$1,691,759	100%	\$1,691,759	\$2,471,252
Total		\$222,870,476		\$21,261,843	100%	\$21,261,843		\$46,145,246	100%	\$46,145,246	\$67,407,089
Present Value @ 3%		\$90,233,849		\$8,608,309	100%	\$8,608,309		\$18,682,883	100%	\$18,682,883	\$27,291,193



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.

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 allocating tax increment revenues to the District. Table 4 presents an overview of fiscal impacts to the City. It is estimated that, at Year 30 of the District lifetime, the District area will generate an annual net fiscal surplus of approximately \$1.0 million to the City.

Over 50 years, it is estimated that District activity will generate a positive net fiscal impact of approximately \$15 million for the City on a present-value basis.

Table 4: Overview of Fiscal Impacts to City

	Annual (Stablized Year 30)	Year 0-50 Nominal Total	Year 0-50 Present Value @ 3.0%
City of Sanger			
Estimated Fiscal Revenues (Net of EIFD Allocation)	\$2,748,900	\$113,886,200	\$42,343,900
Estimated Fiscal Expenditures	\$1,764,200	\$73,355,500	\$27,314,500
Estimated Net Fiscal Impact to City	\$984,700	\$40,530,700	\$15,029,400

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 developer’s fair share (not contemplated at this time), the PFA may consider and evaluate such reimbursement at the appropriate time.



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.

6.0 Removal of Dwelling Units and Replacement Housing Plan

The PFA does not anticipate that any housing units will be removed as a result of any 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. 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.

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7.0 Goals of the District

As stated in the Resolution of Intention, the goal of the Sanger EIFD is to assist in the provision of public facilities of communitywide significance that provide significant benefits and promote economic development within the boundaries of the Sanger EIFD or the surrounding community and, for those facilities located outside the Sanger EIFD boundaries which also have a tangible connection to the Sanger EIFD.

More specifically, the goals of the District's implementation of the public facilities outlined in Section 3.2 are to support the City's General Plan and to provide the infrastructure foundation for the development of critically-needed housing and commercial development in the community and greater region. The District additionally aims to implement Statewide policy goals of housing supply and sustainable infrastructure investment.

Additional objectives include economic development in the form of fiscal revenue generation for the City and other taxing entities, job creation, housing production, and improvement of quality of life. The District will be utilized to address critical infrastructure funding needs, which are critical to catalyze private sector investment and development.

8.0 Appendices

Appendix A: Map of Boundaries of the Sanger EIFD (Attached)

Appendix B: Legal Description of the Sanger EIFD (Attached)

Appendix C: Projected Tax Increment Revenue Analysis (Attached)

Appendix D: Fiscal Impact Analysis (Attached)

Appendix E: City General Plan and North Academy Corridor Master Plan Environmental Impact Report (Linked): <https://www.ci.sanger.ca.us/458/2035-General-Plan-Update>

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