

March 6, 2013

Senator Lois Wolk, Chair  
Senate Governance and Finance Committee  
State Capitol, Room 5114  
Sacramento, CA 95814

**Re: SB 33 - SUPPORT**

Dear Senator Wolk:

We, the undersigned, a network of steward leaders representing all sectors (e.g., nonprofit, private, public, education, etc.) from California's diverse economic regions who are dedicated to promoting a shared action agenda to catalyze California's economic recovery through regional strategies, submit this letter in support of Senate Bill (SB) 33 (Wolk)—a measure that would make it easier to establish Infrastructure Financing Districts throughout the State of California, enabling the development of critical infrastructure and offering communities a much-needed tool, especially with the demise of Redevelopment Agencies (RDA), to create jobs, reduce blight, and invigorate neighborhoods.

As you know, Infrastructure Financing Districts (IFDs) provide an opportunity for local governments to fund public infrastructure (such as highways, transit facilities, and libraries) by using bond proceeds that are repaid through property tax increment. While IFDs have been authorized in statute since 1990, overly complex and onerous barriers (such as the requirement of two-thirds voter approval for both the creation of the IFD and bonds associated with it) have prevented its full utilization. Though several efforts have been made to apply IFDs to specific local areas—such as San Francisco with AB 1199 (Ammiano) in 2010 and San Diego with SB 207 (Peace) in 1999—only a handful of projects have been delivered using this broader statutory authority in over 20 years.

SB 33 removes some of the most onerous barriers associated with the creation of and issuance of bonds tied to IFDs, including:

- Removing the two-thirds vote requirement associated with forming an IFD;
- Removing the two-thirds vote requirement for issuing IFD-associated bonds;
- Extending the life of an IFD from 30 years to 40 years, which increases an IFD's bonding capacity; and
- Removing the prohibition against an IFD including any portion of a redevelopment project area.

Even more, SB 33 provides for several layers of additional accountability for IFDs by establishing a public financing authority made up of three members of the city council or board of supervisors that established the district and two members of the public as well as a public accountability committee to review the public financing authority's actions.

With the elimination of RDA, local governments are in critical need of additional tools—like IFDs—to help finance and deliver much-needed infrastructure throughout the State of California. As such, we want to thank you for your continued leadership on this bill, and we want to offer our formal support for SB 33—a bill we see as critical to strengthening our economy and providing local governments with needed tools to support California communities after redevelopment’s demise.

Sincerely,



Bill Allen  
President & CEO  
Los Angeles County Economic Development  
Corporation



Cynthia Kurtz, President & CEO  
San Gabriel Valley Economic Partnership



MICHAEL E. MANCHAK  
President/CEO  
Economic Vitality Corporation  
of San Luis Obispo County



Paul Granillo  
President & CEO  
Inland Empire Economic Partnership



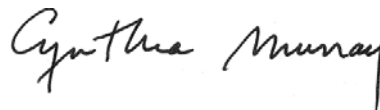
Barbara deBoom,  
President/CEO  
Palm Desert Area Chamber of Commerce



Steve Diels  
President, Los Angeles Division, League of California  
Cities Council Member, City of Redondo Beach



Karen Engel  
Executive Director  
East Bay Economic Development Alliance



Cynthia Murray  
President & CEO  
North Bay Leadership Council



Randy Gordon  
President & CEO  
Long Beach Area Chamber of Commerce



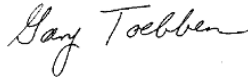
Lucy Dunn  
President & CEO  
Orange County Business Council



Bob Linscheid  
President & CEO  
San Francisco Chamber of Commerce



Mark Cafferty  
President & CEO  
San Diego Regional Economic Development  
Corporation



Gary Toebben  
President & CEO  
Los Angeles Area Chamber of Commerce



Roger Niello  
President & CEO  
Sacramento Metro Chamber of Commerce



Ronald Kopf  
Executive Director  
Tuolumne County Business Council

cc: Honorable Members of the California Governance & Finance Committee