



CITY OF BEVERLY HILLS

455 NORTH REXFORD DRIVE • BEVERLY HILLS, CALIFORNIA 90210

John A. Mirisch, Mayor

March 25, 2019

The Honorable Kathryn Barger
Los Angeles County Board of Supervisors
Kenneth Hahn Hall of Administration
500 West Temple St., Suite 869
Los Angeles, CA 90012
kathryn@bos.lacounty.gov

**RE: Motion to Amend County Policy on Enhanced Infrastructure Financing Districts-
Minimum Property Tax Thresholds
City of Beverly Hills - SUPPORT**

Dear Supervisor Barger:

The City of Beverly Hills supports your motion to amend County policy adopted on August 1, 2017 requiring minimum property tax thresholds to evaluate Enhanced Infrastructure Financing Districts (EIFD) and Community Revitalization and Investment Authority Projects (CRIA). The proposed amended policy would enable the County to consider city revenues from other local, state, and federal sources when evaluating participation in an EIFD- opening the door for more cities to partner with the County on EIFDs.

EIFDs and CRIs are critical tools for multiple public entities to collaboratively address the state's housing crisis, infrastructure deficit, sustainability goals, and economic development needs through tax increment financing. The current County minimum requirement that a "City's share of property tax increment must equal a minimum of 15 cents (\$0.15) for every dollar (\$1.00) captured in the EIFD Project Area", preemptively eliminates the opportunity for 71 cities to approach the County to participate in an EIFD. The City of Beverly Hills is eligible for participating in these programs as the City's municipal property tax rate is 0.1742; however, we strongly believe these incentives should be more inclusionary. The current policy ignores the legislative intent of EIFDs and CRIs, which is to provide additional funding mechanisms to disadvantaged communities.

Current property tax allocations were set after voters approved Proposition 13 in 1979. Due to this, cities cannot increase or change their property tax allocations; however, cities can bring other resources to the table. We encourage the County to evaluate County-City EIFD and CRIA partnerships based on the other

comprehensive requirements outlined in the adopted policy, including the merits of the proposed project, alignment with Board priorities, and fiscal impacts to the County.

Thank you for consideration of this revision. Without this amendment by the Board, we believe cities are discouraged from engaging the County on a variety of essential infrastructure and economic development projects that, if enabled, could produce significant social and economic benefits for Los Angeles County for many years to come. We urge the Board of Supervisors to take quick action on this matter to ensure that all communities have an opportunity to foster growth and economic opportunity.

Sincerely,

A handwritten signature in black ink, appearing to read "John A. Mirisch", with a stylized, flowing script.

John A. Mirisch, Mayor

cc: Los Angeles County Supervisor Sheila Kuehl, 3rd District
Kristine Guerrero, Los Angeles County Division, League of California Cities*, kguerrero@cacities.org
Michael Vuong, California Contract Cities Association, mvuong@contractcities.org
Chris Perry, Planning and Public Works Deputy, Office of Supervisor Barger, cperry@bos.lacounty.gov