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CALIFORNIA'S FIRST CITY / COUNTY COOPERATIVE EIFD

Kosmont partners with SCAG, the City of Placentia, and County of Orange on the Placentia TOD Packing House & Old Town EIFD

The City of Placentia/County of Orange TOD Packing House & Old Town Enhanced Infrastructure Financing District ("District" or "EIFD") was formed on July 30, 2019 as the first City/County cooperative-EIFD to be formed in California.

The EIFD area also encompasses two (2) Opportunity Zone (OZ) census tracts, which enables the City/County to use the EIFD as a collateral inducement for private sector investment driven by the federal tax benefits that OZ's can provide.



Pictured (left to right): Placentia Asst. City Administrator Jeannette Ortega, PFA Boardmember & Chamber President Joe Rasic, PFA Boardmember & Merchants Assoc. President Rosalina Davis, PFA Board Chair & Placentia City Councilmember Chad Wanke, PFA Vice Chair & Orange County Board Supv. Doug Chaffee, PFA Boardmember & Placentia Mayor Pro Tem Ward Smith, Placentia City Administrator Damien Arrula, SCAG Executive Director Kome Ajise, Kosmont Senior VP Joseph Dieguez, Kosmont Senior VP Brian Moncrief, SCAG Regional Planner Specialist Kimberly Clark, Placentia Public Works Director Luis Estevez, and Orange County Public Finance Director Suzanne Luster

BACKGROUND

The District encompasses ~300 acres, representing approximately 7% of the City. The District includes the City's "Old Town" Placentia Revitalization Plan area and Transit-oriented Development (TOD) Packing House District, and other proximate areas. The nucleus is a forthcoming Metrolink station for the 91 Line; the first Metrolink station in Orange County in nearly 10 years.

The District represents a partnership between Placentia and the County of Orange, and will be funded by property tax increment from both taxing entities. The Southern California Association of Governments ("SCAG") provided funding for the technical analysis for the Infrastructure Financing Plan through its Tax Increment Financing Pilot Project Program.

The Placentia/ Orange County EIFD was selected by SCAG based on:

1. High potential for development/redevelopment within the near term (5 years)
2. Mixed-use/transit-oriented development with zoning in place
3. Identified infrastructure that would be catalytic for future private development
4. Infrastructure that provides community-wide and regional benefit
5. Sufficient tax increment funding capacity to fund targeted infrastructure improvements

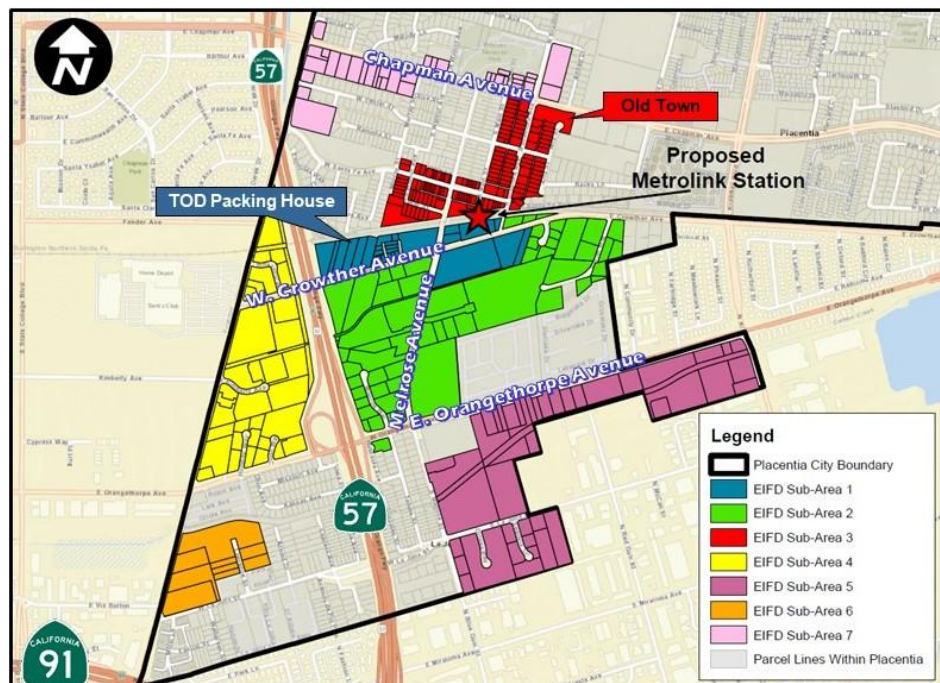


PURPOSE OF THE EIFD

The Placentia/Orange County EIFD will serve as a catalyst for private development in the Old Town and TOD Packing Housing District areas, put in place to capture value from significant (~\$460 million+) residential, commercial, and hospitality development potential and to direct the funding generated to critical transit-supportive infrastructure with transformative potential for the City and North Orange County region.

Private development and infrastructure improvements in the District will relieve traffic on the 2nd most congested freeway in the nation (91 FWY) while providing community and economic benefits:

- Support of City and County Economic Development (job creation, quality of life, sustainability)
- Sustainable infrastructure, GHG/VMT reduction, convenient transit to local universities
- 1600+ housing units
- 3900+ construction jobs, 1150+ permanent jobs
- \$800+ million in economic output from construction; \$164+ million annual economic output
- ~\$60M present value net fiscal benefit for City over 50 years
- ~\$32M present value net fiscal benefit for County over 50 years



KEYS TO PLACENTIA'S AND ORANGE COUNTY'S SUCCESS

- Positive existing working relationship with City executive staff and County executive staff
- Transparent approach to County contribution including evaluation of net fiscal impact to County
- Strategic “third party” partner in SCAG as Metropolitan Planning Organization with funding to assist in formation activities
- Complementary tools such as federal Opportunity Zone incentives

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