



City of Victorville
Old Town CRIA
CRIA Board Meeting

June 5, 2023





Outline

- I. Introductions
- II. CRIA Process
- III. Improvements to CRIA
- IV. Previous vs. Current CRIA Area
- V. CRIA Plan Requirements
- VI. Goals & Objectives
- VII. Programs
- VIII. Tax Increment Projections
- IX. Next Steps



Board of Directors

Debra Jones, Mayor

Elizabeth Becerra, Mayor Pro Tem

Leslie Irving, City Council Member

Steve Blech, Public Member

Jennifer Neri, Public Member

Staff



Scott Webb
City Planner

Tony Camargo
Assistant to the City Manager



Hitta Mosesman
Vice President, CDH

Irlanda Martinez
Project Manager, CDH

Introductions





CRIA Process

Where are we?

| | |
|---------------------|---|
| Summer 2020 | Existing Conditions Assessment complete |
| Fall 2020 | Adoption of CRIA |
| Summer 2021 | City Council appoints members to serve on the CRIA Board. |
| January 2022 | SB 780 comes into effect |
| Fall 2022 | Board received Draft CRIA Plan |
| February 2023 | Board voted to modify the boundaries of the CRIA sites to include Housing Element sites |
| May 2023 | Board receives updated CRIA Plan and Bylaws, and approves future public hearing dates |
| June – October 2023 | Public review process |



Improvements to CRIA

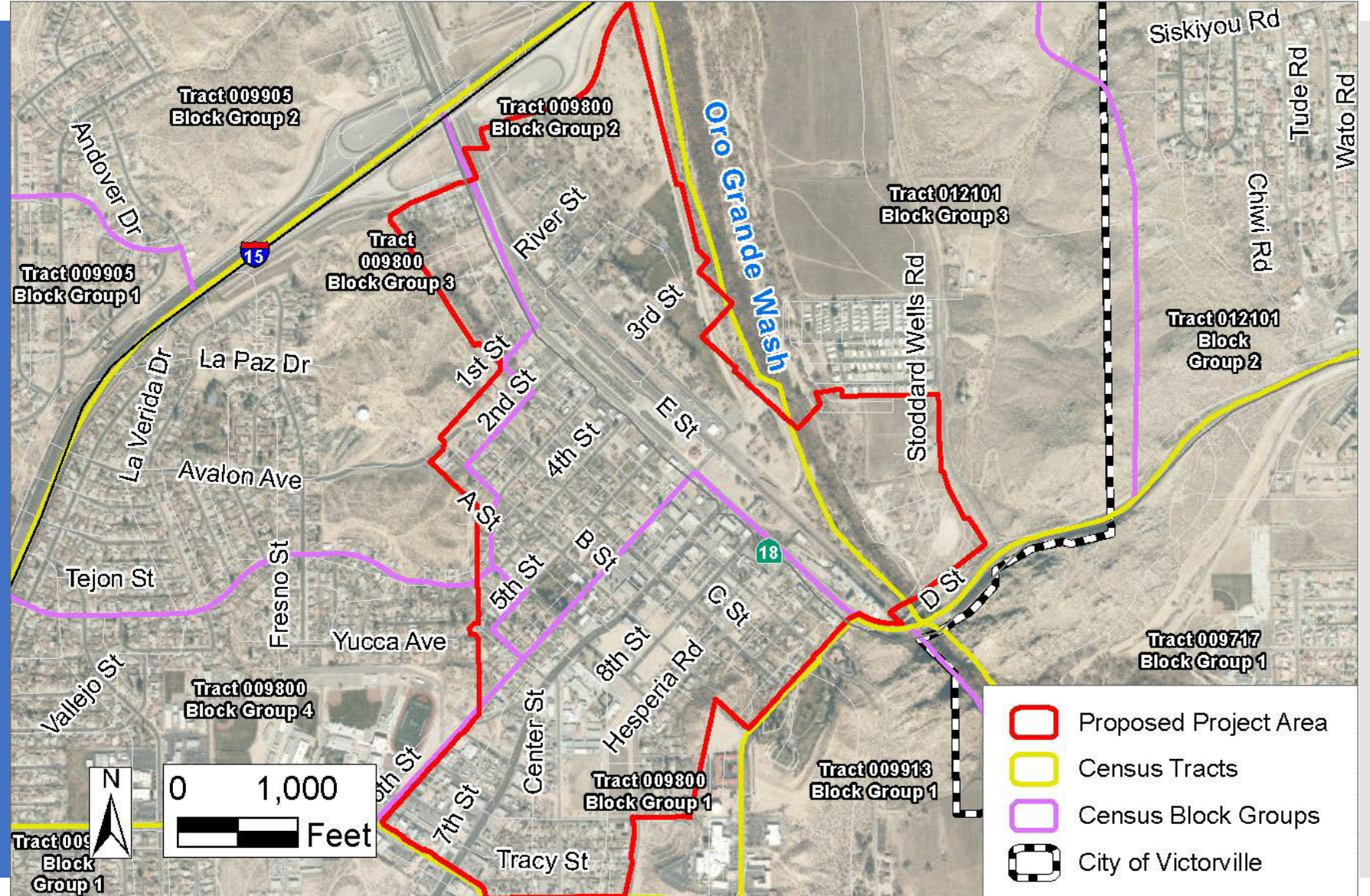


- **Passage of SB 780**
 - Allows CRIAs to include Housing Element sites
 - Requires CRIA to restart the hearing and protest process
 - Generates more revenue by increasing the base year assessed value
- **February 2023 – Board voted to include Housing Element sites to CRIA Plan**



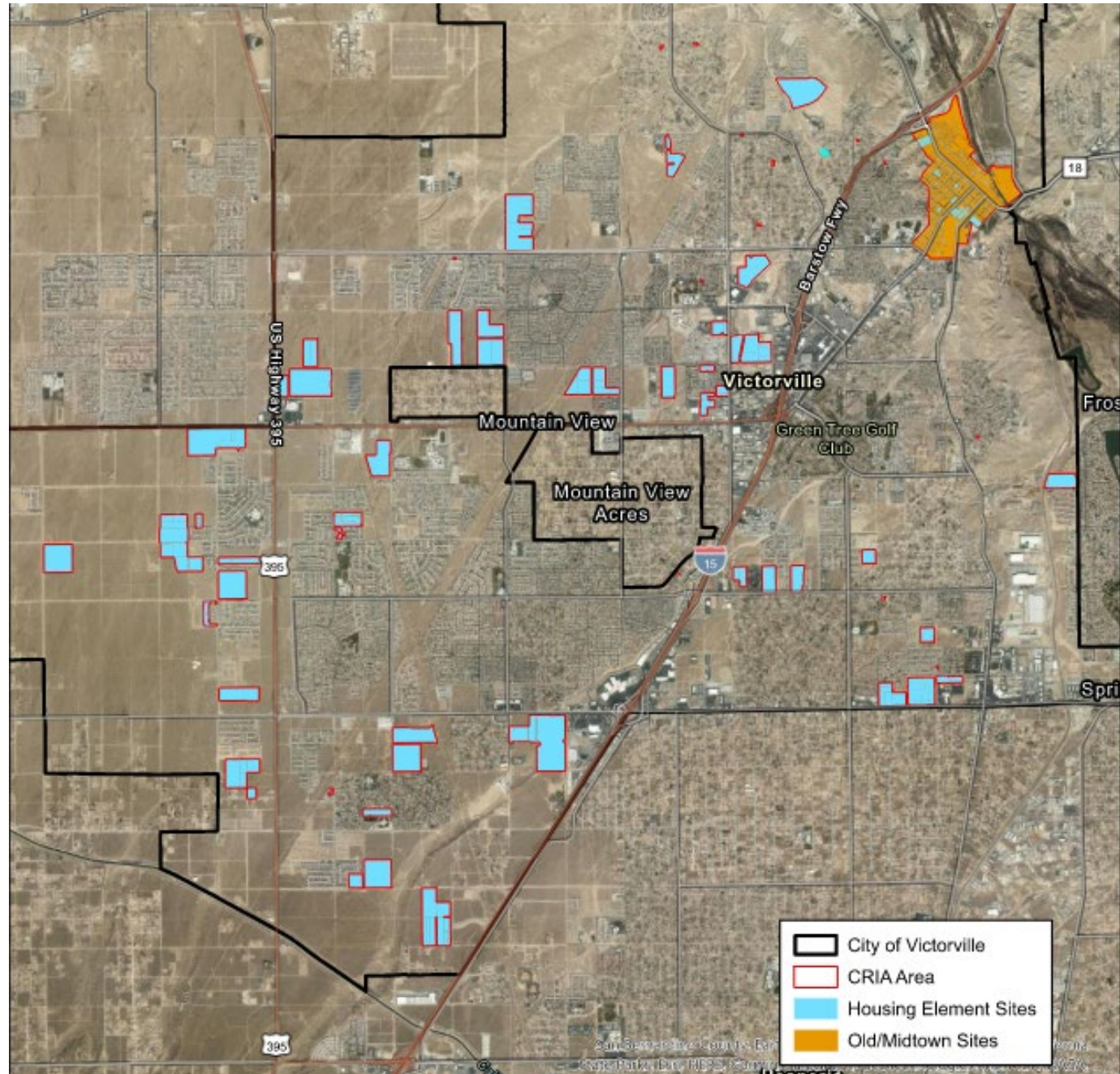
Victorville

Old Town Area





New CRIA Area Sites





Tax Increment Financing

Increase in property taxes from assessed value increases
(new development or property sales)



Residents are not required to pay an additional tax



CRIA Plan (Requirements)



- Required by GOV Section 62003
- Shall include:
 1. Statement of goals & objectives
 2. Description of deteriorated infrastructure & program for repair
 3. Housing program with 5-year estimate of deposits, assisted units, etc.
 4. Program to remove hazardous substances
 5. Program to provide funding for economic revitalization
 6. 5-year projected receipt of revenue and projected expenses



CRIA Plan (Goals & Objectives)



■ **Goals**

1. Assist in implementing Old Town Specific Plan
2. Facilitate economic revitalization and the provision of affordable housing

■ **Objectives:**

1. Transform Old Town focal point for region
2. Bring new housing opportunities to Old Town
3. Encourage new businesses and jobs in Old Town
4. Promote attractive and pedestrian-oriented Old Town



CRIA Plan (Considerations)



It is important to note that the estimates presented during this meeting and in the Victorville CRIA Plan are based on the development assumptions in the City's certified 6th Cycle Housing Element and the Old Town Parking Study.

The City cannot guarantee the estimated revenues, as growth is contingent on private sector developments.



CRIA Plan (Programs)



PREVIOUS CRIA PLAN

| | | Tax Increment Revenues By County Participation Level | | | | | | | | | |
|------------------------|----------------------|---|------------------|------------------|------------------|------------------------------------|------------------|------------------|------------------|------------------|------------------|
| Year | FY | 0% | | 50% | | 54% (Break-Even %) ¹ | | 75% | | 100% | |
| | | Non-LMIHF | LMIHF | Non-LMIHF | LMIHF | Non-LMIHF | LMIHF | Non-LMIHF | LMIHF | Non-LMIHF | LMIHF |
| 0 | 2022-23 ² | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 1 | 2023-24 | 2,550 | 850 | 3,680 | 1,227 | 3,776 | 1,259 | 4,244 | 1,415 | 4,809 | 1,603 |
| 2 | 2024-25 | 5,152 | 1,717 | 7,433 | 2,478 | 7,628 | 2,543 | 8,574 | 2,858 | 9,714 | 3,238 |
| 3 | 2025-26 | 7,806 | 2,602 | 11,261 | 3,754 | 11,557 | 3,852 | 12,989 | 4,330 | 14,717 | 4,906 |
| 4 | 2026-27 | 10,512 | 3,504 | 15,166 | 5,055 | 15,565 | 5,188 | 17,494 | 5,831 | 19,821 | 6,607 |
| 5 | 2027-28 | 13,273 | 4,424 | 19,149 | 6,383 | 19,653 | 6,551 | 22,088 | 7,363 | 25,026 | 8,342 |
| Subtotal | | \$ 39,293 | \$ 13,098 | \$ 56,690 | \$ 18,897 | \$ 58,180 | \$ 19,393 | \$ 65,389 | \$ 21,796 | \$ 74,087 | \$ 24,696 |
| Total CRIA Rev. | | \$52,391 | | \$75,587 | | \$77,573 | | \$87,185 | | \$98,783 | |

UPDATED CRIA PLAN

| | | Tax Increment Revenues By County Participation Level | | | | | | | | | |
|------------------------|----------------------|---|------------------|-------------------|------------------|------------------------------------|-------------------|---------------------|-------------------|---------------------|---------------------|
| Year | FY | 0% | | 50% | | 56% (Break-Even %) ¹ | | 75% | | 100% | |
| | | Non-LMIHF | LMIHF | Non-LMIHF | LMIHF | Non-LMIHF | LMIHF | Non-LMIHF | LMIHF | Non-LMIHF | LMIHF |
| 0 | 2023-24 ² | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 1 | 2024-25 | 4,976 | 1,659 | 7,310 | 2,437 | 7,612 | 2,537 | 8,477 | 2,826 | 9,645 | 3,215 |
| 2 | 2025-26 | 10,052 | 3,351 | 14,767 | 4,922 | 15,375 | 5,125 | 17,124 | 5,708 | 19,482 | 6,494 |
| 3 | 2026-27 | 15,229 | 5,076 | 22,373 | 7,458 | 23,295 | 7,765 | 25,944 | 8,648 | 1,097,608 | 365,869 |
| 4 | 2027-28 | 20,510 | 6,837 | 30,131 | 10,044 | 31,372 | 10,457 | 589,463 | 196,488 | 2,240,020 | 746,673 |
| 5 | 2028-29 | 25,897 | 8,632 | 38,044 | 12,681 | 419,622 | 139,874 | 1,186,432 | 395,477 | 3,451,753 | 1,150,584 |
| Subtotal | | \$ 76,664 | \$ 25,555 | \$ 112,624 | \$ 37,541 | \$ 497,276 | \$ 165,759 | \$ 1,827,441 | \$ 609,147 | \$ 6,818,806 | \$ 2,272,835 |
| Total CRIA Rev. | | \$102,219 | | \$150,165 | | \$663,035 | | \$2,436,588 | | \$9,091,342 | |

About \$9million higher

The City cannot guarantee the estimated revenues, as growth is contingent on private sector developments.



CRIA Plan (Programs)



| Previous Plan | Updated Plan |
|--|---|
| HOUSING PROGRAM | |
| Up to <u>one</u> \$15k residential rehabilitation loan provided – first 5 years | Up to <u>113</u> \$20k residential rehabilitation loan provided – first 5 years |
| HAZARDOUS SUBSTANCES | |
| CRIA Board to coordinate with owners to address any threats & support grant applications | <i>No Changes</i> |

The City cannot guarantee the program estimates, as revenue is contingent on private sector developments.



CRIA Plan (Programs)



| Previous Plan | Updated Plan |
|---|--|
| ECONOMIC DEVELOPMENT | |
| Up to <u>four</u> \$15k commercial rehabilitation loans – first 5 years | <i>Removed</i> |
| Old Town Business Recruitment Packet | <i>Removed</i> |
| | Assistance in residential rehabilitation/development. |
| | Outreach to improve business attraction efforts. |
| | Establish a marketing campaign to promote business opportunities. |
| | Relocation assistance grant for small businesses looking to relocate to CRIA areas. |
| | Forgivable acquisition loan to small business owners for purchasing the property where their business is located. |
| | Support a partnership between the CRIA and the Victorville Police Department to ensure a safe environment in Old Town. |

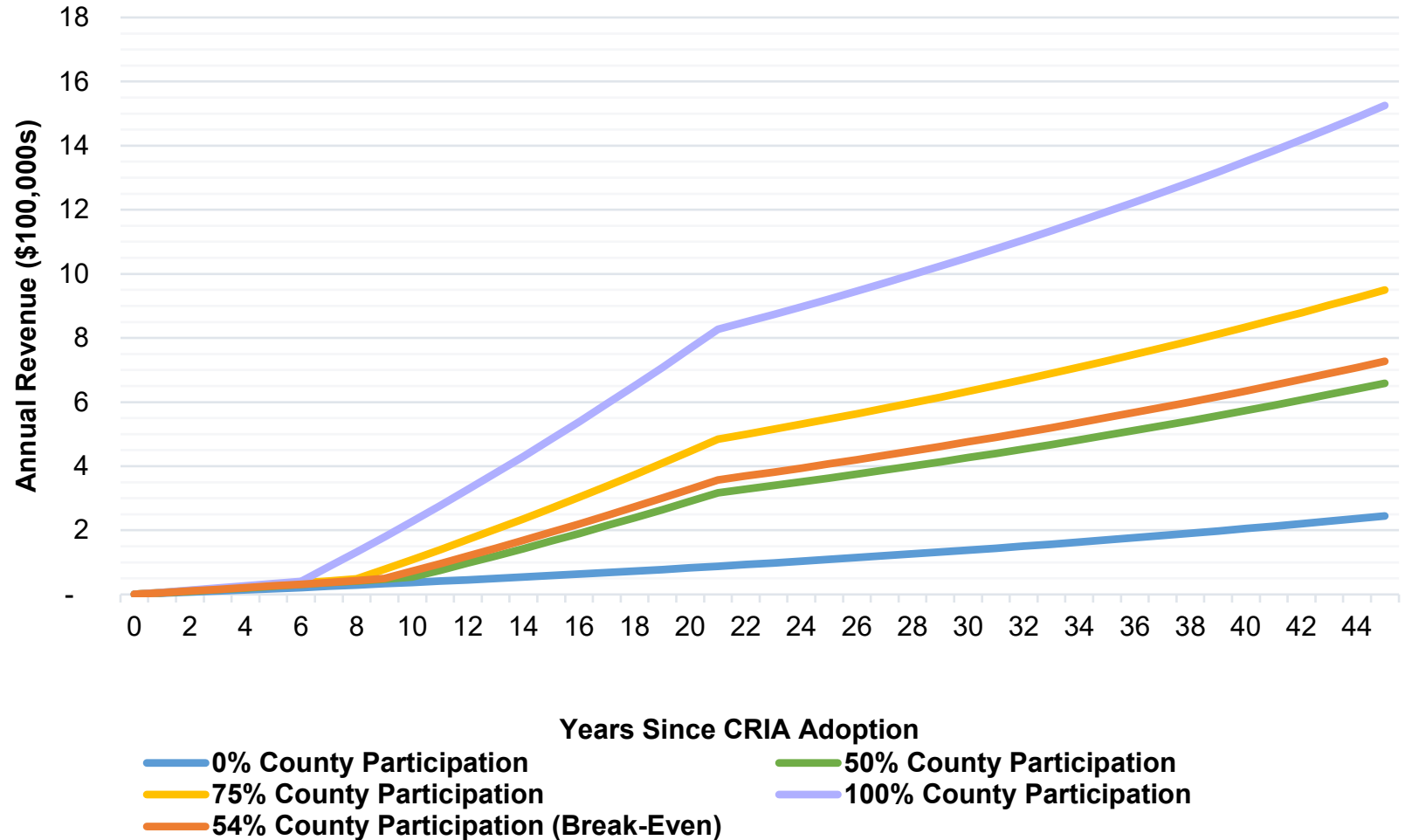
The City cannot guarantee the program estimates, as revenue is contingent on private sector developments.



Tax Increment Projections (Estimates)

Previous CRIA Plan

Projected CRIA Revenues, With New Development



The City cannot guarantee the estimated revenues, as growth is contingent on private sector developments.

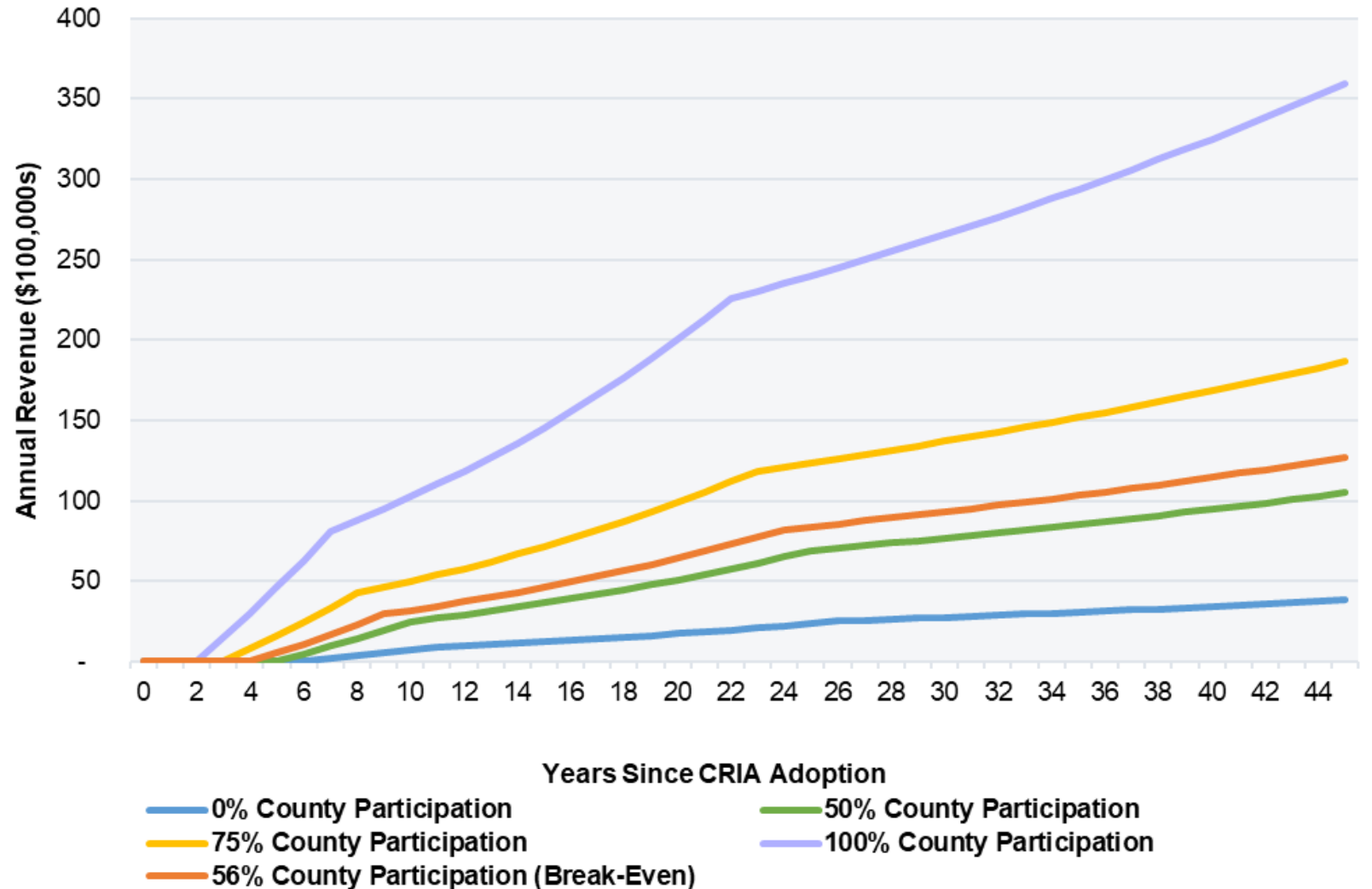


Victorville

Tax Increment Projections (Estimates)

Updated CRIA Plan

Projected CRIA Revenues, With New Development



The City cannot guarantee the estimated revenues, as growth is contingent on private sector developments.



Tax Increment Projections (Comparisons)

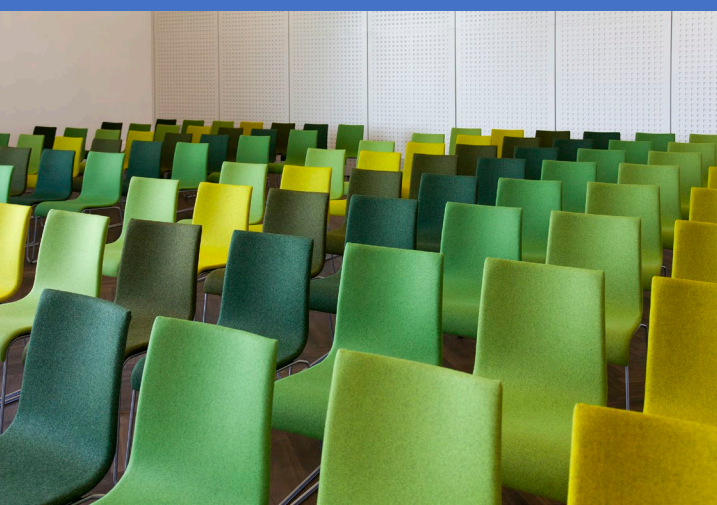
Tax Increment Revenues (45-Year Totals)

| CP | Previous | Updated |
|------|----------|----------|
| 0% | \$4.8M | \$88.0M |
| 50% | \$14.0M | \$249.9M |
| 54% | \$15.6M | \$309.2M |
| 75% | \$20.8M | \$464.1M |
| 100% | \$34.7M | \$916.3M |

The City cannot guarantee the estimated revenues, as growth is contingent on private sector developments.



Next Steps



Summer 2023

- Updated CRIA Plan available for public review

Summer/Fall 2023

- Public Hearings:
 - **First:** August 7, 2023
 - **Second:** September 11, 2023
 - **Third:** October 11, 2023

Winter 2024

- CRIA Plan approved



Questions, Feedback and Next Steps

