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Consensus Building Around New CA Infrastructure Financing Authority.

For years, in the absence of redevelopment, it has been difficult to get infrastructure project proponents, local governments, and investors to agree on much besides this: Since the state's popular economic development tool was dismantled in 2011, experts have been unsure how California communities were going to make tens of billions of dollars of needed investments in the state's aging infrastructure.

In a first-of-its-kind meeting last week co-hosted by the Bay Area Council Economic Institute and the California Economic Summit, a group of more than a hundred infrastructure financing professionals discussed just how quickly that may be about to change.

Only a few months after a broad new local authority known as Enhanced Infrastructure Financing Districts became law, there was general consensus among experts that this new tool would provide communities with a robust alternative to redevelopment—one they can begin using right away.

"This is no longer an abstraction; it's a tool we can use now, one whose principles are being used all around the world," said Mark Pisano, a senior fellow at USC's Sol Price School of Public Policy, who also serves as one of the co-leads of the Summit Infrastructure Action Team, a group that helped craft the legislation. Pisano pointed to the $25 billion Crossrail Project in London as an example of a major new infrastructure investment that is using a model akin to an EIFD, with the project managed by multiple jurisdictions and funded with a mix of public, private, and local resources.

Presenters in the meeting explored how a range of California infrastructure projects could also take advantage of this new authority—from the $4 billion extension of BART into Silicon Valley and the $1 billion restoration of the Los Angeles River to major upgrades of the Long Beach Civic Center.

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