Rebuttal to Placentia CCRP Political Statements

CLAIM 1: "CCRP wouldn't bring new tax increases for current residents, only for new buyers or developers."

Rebuttal: Misleading at best. Historically inaccurate in practice.

- 1. CFDs (Community Facilities Districts) are typically attached to properties, not just new buyers. Once a CFD is created for a parcel, any owner within the district pays the special tax.
- 2. EIFDs (Enhanced Infrastructure Financing Districts) redirect property tax increment from all properties in the zone. This diverts funds from city services, causing potential service cuts or citywide tax increases.
- 3. Bonds for infrastructure upgrades are typically repaid by ad valorem property taxes across the entire city. Our models show a $10-$20M bond could cost $400-$600 per household/year.
- 4. 'New development pays for itself' is rarely true. Infrastructure demand typically outpaces developer fees, leading cities to cover the gap through taxes or cuts elsewhere.

CLAIM 2: "The state made us draft this plan. We're not actually moving forward-just trying to preserve funding."

Rebuttal: Partially true, but strategically misleading.

- 1. SCAG and RHNA mandates require planning for housing units but do not require adopting a Specific Plan like CCRP.
- 2. CCRP includes entitlements and CEQA exemptions that can be acted upon by developers once adopted.
- 3. State law does not require eliminating tenant protections or displacement safeguards-those are local policy choices.

TAX IMPACT ANALYSIS

- Financing Tool | Visible Tax? | Affects Current Residents? | Notes
- CFD | Yes - property tax bill | Yes - all in district | Direct impact
- EIFD | No - indirect | Yes - reduced services | Impacts general fund
- GO Bonds | Yes - ad valorem | Yes - all owners | Funds infrastructure
- Mello-Roos | Yes - special tax | Yes - resale owners | Common in OC

CASE STUDY COMPARISONS

- - Brea: Redevelopment required follow-up bonds due to cost overruns.
- - Santa Ana: Corridor redevelopment led to displacement and citywide financial strain.
- - South Gate: Promised 'no new taxes' but used bonds and utility hikes to fund shortfalls.

CONCLUSION

- - The tax burden is layered-CFDs, EIFDs, bonds, and redirected revenues compound each other.
- - Developers may pay up front, but those costs flow to homeowners, renters, and taxpayers.
- - Lack of transparency and clear financial disclosure is a major red flag in CCRP implementation.