

## **FAQ - AB 1568 (Bloom): Neighborhood Infill and Transit Improvements Act**

### **Q: How is a NIFTI district different than a regular EIFD?**

**A:** Unlike an EIFD, a NIFTI district allows the use of a local's share of sales and use taxes and transaction and uses taxes. An EIFD only allows for the use of local property tax increment.

In addition, a NIFTI district requires that of the total district funds, at least 20% be used on affordable housing projects.

### **Q: Can a local jurisdiction use sales and use taxes that have already been dedicated for a different purpose, like transportation?**

**A:** No. AB 1568 ensures that only non-dedicated shares of local taxes are eligible for use in a NIFTI district (page 5, lines 5-13).

### **Q: Will a NIFTI district require an additional vote by the voters of a county?**

**A:** No. A NIFTI district requires the same votes of an EIFD. However, a legislative body that chooses to participate in a NIFTI district will be required to adopt an ordinance that specifies the details of their financial commitment and participation.

### **Q: What are the limitations/qualifications for a NIFTI district?**

**A:** In addition to the eligibility under EIFD, a NIFTI District shall also:

- Be an infill site, as defined
- Dedicate 20% of total funds to affordable housing for low and very low income households.
- Require that at least 20% of new housing constructed in the district be affordable, with 6 % dedicated to very low, and 9 % dedicate to low income households.
- Not use district funds on highway or highway interchange improvements.