

GHADS VS. CFDS

At times, the use of Geologic Hazard Abatement Districts (GHADs) is evaluated against other long-term funding alternatives, such as Community Facilities Districts (CFDs). While the termination of CFDs is often tied to repayment of infrastructure bonds, GHADs are usually created with perpetual funding streams and corresponding long-term operations, maintenance and prevention responsibilities. Below is a brief comparison of several of the key aspects of GHADs and CFDs.

	GHAD	CFD
Subject to Prop 13	No	No
Subject to Prop 218	Yes	Yes
Subject to CEQA	No	Yes
Subject to LAFCO	No	No
Issue Bonds	Yes	Yes
Own & Acquire Land	Yes	No
Focus on Hazard Prevention	Yes	No
Quickly Respond to New Land Stability Circumstances	Yes	No
Collection w/Property Tax	Yes	Yes
Deductibility of Taxes	Portion related to maintenance, repair, or interest	Portion related to maintenance, repair, or interest
Formation & Management Requirements	Simpler	More Complex
City Governance Option	Yes	Required
Duration	Unlimited until dissolved	Usually until initial bonds repaid
Nature of Entity	Independent State Entity	District Created by Local Agency
History of use for mitigation & land management functions	Yes	Potential, but not typical

For more information, please contact the California Association of Geologic Hazard Abatement Districts.

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