Enhanced Infrastructure Financing Districts (EIFDs)

August 18, 2026

County Executive's Office

Recommended Actions

A. Adopt a resolution approving the West Sonoma County Enhanced Infrastructure Financing District (EIFD) Infrastructure Financing Plan and the allocation of a portion of the County incremental tax revenue to the West Sonoma County Enhanced Infrastructure Financing District.

B. Authorize the County Executive Officer to certify that the County shall not participate in an Enhanced Infrastructure Financing District until certain information has been certified to the Department of Finance, in accordance with California Government Code Section 53398.54.

C. Receive an analysis of the impact of County participation in current and potential future Enhanced Infrastructure Financing Districts on the County General Fund, and a report of other financing options for infrastructure projects.

Recommended Actions

D. Consider the City of Cotati (Cotati) request for the County's participation in the Cotati EIFD and, if approved, direct staff on next steps:

1. Engage a consultant to assess the EIFD fiscal impact analysis submitted by the City of Cotati, consistent with the County's EIFD policy.
2. Appoint a Supervisor to the Cotati EIFD Public Financing Authority (PFA).
3. Proceed with process to identify a Public Member of the Cotati EIFD PFA.

E. Authorize $75,000 from District Formation Funds for consultation on EIFD technical matters, programmatic support, tax increment analysis, and related services.

F. Adopt a Budget Resolution Authorizing a Budgetary Adjustment to the Fiscal Year 2026-2027 Adopted Budget In The Amount Of $75,000. (4/5th Vote Required)

G. Consider directing staff to revise the County Enhanced Infrastructure Financing District Policy to include requirements for establishing a County-only EIFD and any other updates.

West Sonoma County EIFD: Infrastructure Financing Plan

EIFD Revenue Allocation	Year 5 Accumulated Revenue + Bonding Capacity*	Year 10 Accumulated Revenue + Bonding Capacity*	50-Year Present-Value @ 3% Discount Rate	50-Year Nominal Total
County 25%	$6,256,000	$16,969,000	$85,951,000	$238,494,000

EIFD Boundaries

- Primary population centers in West County
- Approximately 60,000 acres (~5% of County)
- Approximately $7.1B in existing assessed property value (~6% of Countywide assessed value)

Potential Projects

Sheriff substation, emergency access infrastructure, dock & coastal infrastructure at risk of sea level rise, community gathering space, roadway improvements, sidewalks & bike improvements, affordable & workforce housing, recreation improvements, wastewater infrastructure, water infrastructure

County allocation does not include MVLF in-lieu.
** Bonding capacity assumes Year 5 is first bond issuance for EIFD. "Year 5 means fifth year of revenue following district formation. Net proceeds shown. Bondable revenue assumes $25,000 admin charge, 150% debt service coverage. 6.0% interest rate; 30-year term. Proceeds net of 2% underwriter's discount, estimated reserve fund (maximum annual debt service), costs of issuance estimated at $350,000.Source: Kosmont Financial Services (KFS), registered Municipal Advisor.*

Alternative Infrastructure Financing Mechanisms

Category	Primary Revenue Source	Typical use	Key consideration
Financing Districts	Assessments, special taxes, fees, charges	Infrastructure and services within defined area	May require voter approval or formation process
Debt Financing	Bonds, lease payments, pledged revenues, dedicated taxes	Major capital projects	Creates long-term repayment obligations
Short-term Financing	Anticipated revenues or grants	Cash flow and project timing needs	Temporary financing, not permanent funding
Grants	State and federal programs	Broad range of infrastructure projects	Competitive and not guaranteed

General Fund Impact of Modeled EIFDs

Key Model Assumptions

Base year	FY 2025-26 (FY 2024-2025 for Santa Rosa)
Contribution	25% of County General Fund property-tax increment, net of ERAF
Time horizon	50 years; present value at 3%
Assessed value coverage	Current and contemplated EIFD areas total 13.7% of countywide assessed value
Growth	3% property-tax revenue growth; 3.2% General Fund expenditure growth

General Fund Impact of Modeled EIFDs

Annual Increment to EIFDs at end of Years 10 and 50

EIFD Area	Share of Countywide Assessed Value in EIFD Areas	Year 10	Year 50
Santa Rosa	1.00%	$0.23 M	$2.00 M
West County	6.00%	$1.60 M	$15.71 M
Unincorporated Sonoma Valley	1.40%	$0.37 M	$3.67 M
City of Sonoma	3.80%	$0.79 M	$7.76 M
City of Cotati	0.20%	$0.05M	$0.47M
City of Rohnert Park	0.90%	$0.17 M	$1.64 M
City of Sebastopol	0.60%	$0.15 M	$1.44 M
TOTAL	**13.70%**	**$3.35 M**	**$32.7 M**

General Fund Impact of Modeled EIFDs

Cumulative Increment to EIFDs at end of Years 10 and 50

EIFD Scenario	Share of Countywide Assessed Value of EIFD Area	Cumulative Increment at Year 10	Cumulative Increment at Year 50	Present Value @ 3% Year 50	% of Total County Increment
Santa Rosa	1.00%	$0.5 M	$39.2 M	$13.8 M	0.19%
West County	6.00%	$8.4 M	$307.3 M	$112.7 M	1.50%
Unincorporated Sonoma Valley	1.40%	$2.0 M	$71.7 M	$26.30 M	0.35%
City of Sonoma	3.80%	$4.1 M	$151.8 M	$55.66 M	0.74%
City of Cotati	0.20%	$0.2M	$9.1M	$3.35M	0.04%
City of Rohnert Park	0.70%	$1.1 M	$41.1 M	$15.09 M	0.16%
Sebastopol	0.60%	$0.8 M	$28.2 M	$10.34 M	0.14%
TOTAL	**13.70%**	**$16.9 M**	**$639.4 M**	**$233.9 M**	**3.12%**

General Fund Impact of Modeled EIFDs

13.7%

Modeled share of countywide assessed value in EIFD areas

$3.4M

Annual General Fund impact in year 10

$32.7M

Annual General Fund impact in year 50

Long-term General Fund Exposure

$639.4M

Cumulative nominal 50-year impact

$233.9M

Present value of 50-year impact at 3%

Other EIFD Exploration

City of Cotati

- Approved Resolution of Intent to Establish an EIFD
- Submitted Cotati/County EIFD fiscal impact analysis for Board consideration

City of Rohnert Park

- City Council approval of Resolution of Intent to Establish a Rohnert Park/County EIFD expected September 2026

Sonoma Valley/City of Sonoma

City of Sebastopol

City of Cloverdale

EIFD Policy Options

- Require proposed EIFDs be evaluated against a portfolio-level limit, such as share of future County increment, Year 50 annual exposure, and share of projected General Fund expenditures.
- Establish contribution limit or maximum participation percentage
- Require cumulative exposure be updated before adding new EIFDs or changing County participation terms
- Require staff to identify whether the commitment could conflict with reserve policy, structural balance, or known baseline service pressures