



Santa Rosa Enhanced Infrastructure Financing District (EIFD) Investment Financing Plan

City of Sebastopol/County EIFD and West County EIFD Feasibility Update

June 3, 2025

Recommended Actions

- A. Adopt a resolution approving the City of Santa Rosa Enhanced Infrastructure Financing District (EIFD) Infrastructure Financing Plan and allocation of a portion of the County incremental tax revenue to the Santa Rosa Downtown EIFD.
- B. Authorize the County Executive Officer to certify that the County shall not participate in an EIFD until certain information has been certified to the Department of Finance, in accordance with California Government Code Section 53398.54.
- C. Receive an update on potential City of Sebastopol/County of Sonoma and West County EIFDs feasibility analysis.

Changes to the Santa Rosa EIFD Infrastructure Financing Plan since April 22, 2025

1. Planning and design costs are eligible expenses
2. Prioritization for funded improvements

Table 2: Prioritization of Public Capital Facilities and Affordable Housing Costs

Item	EIFD-Funded Improvements	Priority Program Project Percentages ¹	Estimated Cost
1	(a) Performing Arts/Sports Entertainment/Conference Center (b) Streetscaping Improvements (c) Placemaking Improvements	80%	\$51,673,608
2	Affordable Housing	20%	\$12,918,402
Total		100%	\$64,592,010

Note:

1. Revenue allocated to the EIFD will be used to fund the specified improvements according to the Priority Program Project Percentages above.

Changes to the Santa Rosa EIFD Infrastructure Financing Plan since April 22, 2025

2. Prioritization for Funded Improvements (continued)

- 50% of the 80% funding for placemaking improvements during first 10 years, *unless and until* a major catalyst project presents itself
- Bonds will not be issued for placemaking improvements during first 10 years.
- If a major catalyst project presents itself, the City, County, and PFA would need to convene to revisit percentages and funding program.
- If a major catalyst project does *not* present itself within 10 years, the City, County, and PFA shall revisit percentages at the 10-year mark .

Changes to the Santa Rosa EIFD Infrastructure Financing Plan since April 22, 2025

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Changes to the Santa Rosa EIFD Infrastructure Financing Plan since April 22, 2025

3. If Performing Arts/Sports Entertainment Center is *outside* EIFD boundaries, it must have a “tangible connection” and materially increase economic activity within the EIFD.
4. If transportation improvements are part of Placemaking efforts, they must be located *within* the boundaries of the EIFD. If transportation improvements are located *outside* the EIFD they must connect affordable housing projects or the Center to the EIFD and they cannot be funded from the Placemaking Priority Program Project Percentages of the allocated revenues.

Changes to the Santa Rosa EIFD Infrastructure Financing Plan since April 22, 2025

5. It is the policy of the EIFD to prioritize the Construction of affordable housing units in the Downtown Station Area and to prioritize units in mixed-use/inclusionary projects, but projects located outside of the Downtown Station Area, and 100% affordable projects are not precluded from EIFD funding.
6. A footnote was added to the fiscal impact analysis regarding the County's Sheriff detention costs to state that while County staff does not accept the characterization of Sheriff costs as entirely associated with unincorporated areas (primarily Sheriff's Office detention costs), the County does agree that the fiscal impact to the County General Fund is still positive.

Next Steps

- Government Code Section 53398.54 certification within 10 days of Board's action to participate in the EIFD to the Department of Finance and Public Financing Authority
- Public Financing Authority second required public hearing to adopt the Resolution of Formation of the Santa Rosa EIFD
- County and City staff coordinate to finalize and memorialize administrative protocols and procedures
- Before November 30, 2025, the City of Santa Rosa requests jurisdictional boundary change with the California State Board of Equalization.
- County representation on the Santa Rosa EIFD Public Financing Authority continues

City of Sebastopol and West County Enhanced Infrastructure Financing District (EIFD) Feasibility Analysis Summary



June 3, 2025



Kosmont Companies

El Segundo, CA

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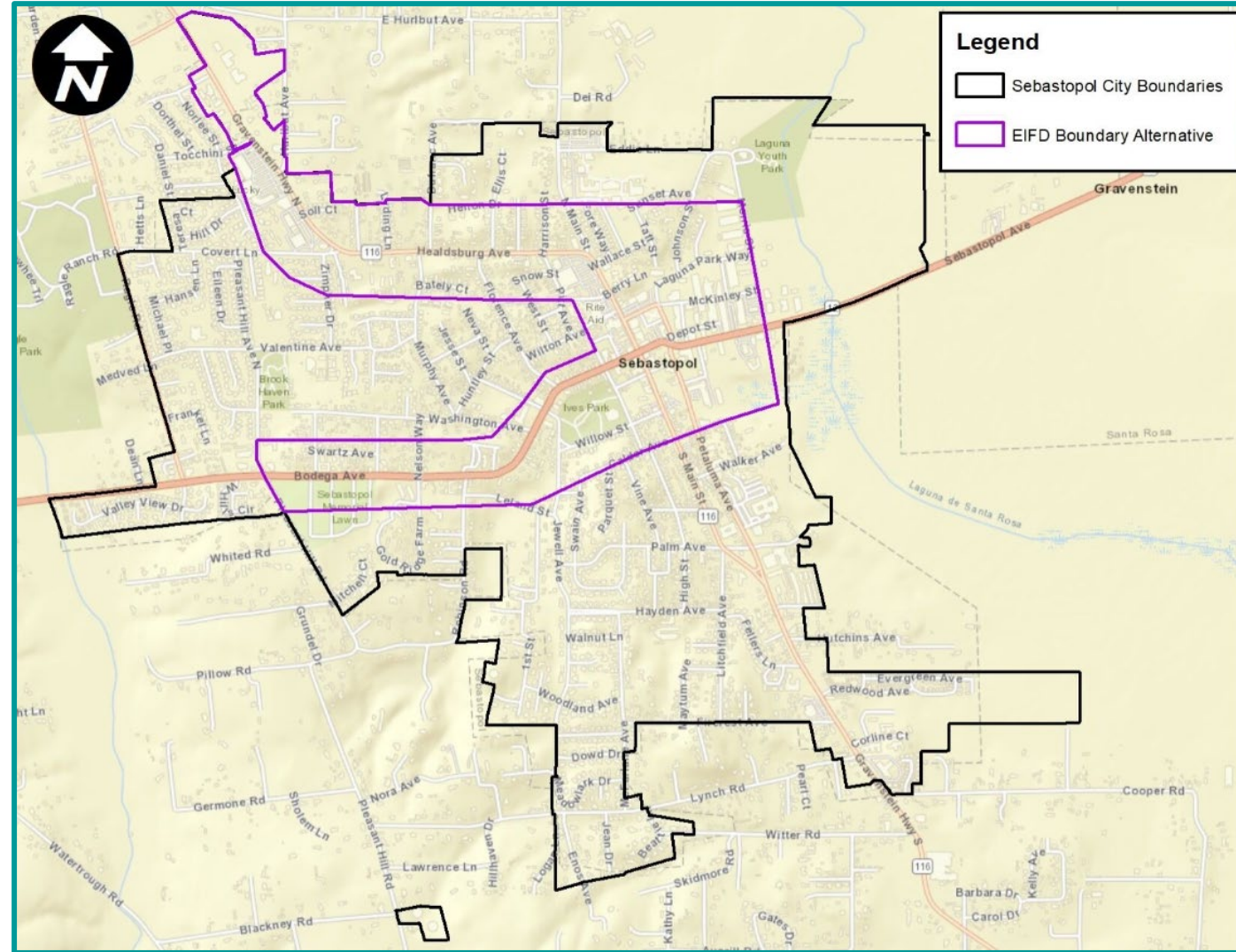
Key EIFD Analysis Findings

1. **EIFD boundaries** – Suggesting two different EIFDs for City of Sebastopol and County consideration:
 - a) Option 1: Focused Corridor within the City (City and County participation for projects within City)
 - b) Option 2: Unincorporated West County area (only County participation for projects outside of City)
2. **Revenue allocation (\$\$\$)** – Balance of funding capacity and General Fund protection
 - a) Option 1: Within City: 25% City allocation + County dollar match (~23% of County share)
 - b) Option 2: Unincorporated: 20% to 25% County allocation, subject to further Fiscal Impact Analysis review
3. **Projects eligible for funding** – Inclusive City and County lists based on stakeholder outreach thus far, with potential framework for prioritization based on return on investment and significant public benefit
4. **Potential Next Steps**
 - a) Within City: City leading the process, awaiting results of voter-approved sales tax review
 - b) Unincorporated: County can proceed with Resolution of Intention with Board approval

Potential Sebastopol EIFD

Sebastopol Corridor-Focused EIFD Boundary

- Focus on development opportunity sites
- Approx. 290 acres (~24% of City)



Source: Parcel Quest, ArcGIS, Kosmont Companies (2024)

EIFD Revenue and Bonding Capacity Scenarios

Corridor-Focused Boundary

EIFD Revenue Allocation Scenario	Year 5 Accumulated Revenue + Bonding Capacity*	Year 10 Accumulated Revenue + Bonding Capacity*	50-Year Present-Value @ 3% Discount Rate	50-Year Nominal Total
A) City 25%	\$689,000	\$2,087,000	\$10,702,000	\$28,185,000
B) City 50%	\$2,041,000	\$4,837,000	\$21,404,000	\$56,370,000
C) City 25% + County Dollar Match (~23% of County Share)	\$2,041,000	\$4,837,000	\$21,404,000	\$56,370,000
D) City 50% + County Dollar Match (~46% of County Share)	\$4,744,000	\$10,336,000	\$42,808,000	\$112,740,000

City allocation includes allocation from both AB8 + MVLF in-lieu. 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.*

Potential EIFD Infrastructure Projects within the City

- Library expansion
- City Parks improvements
- Traffic / roadway improvements (e.g., roundabouts)
- Community pool
- City Hall complex
- Remodel / relocation of Community Center
- Improvements to support reimagining Downtown
- Downtown Corridor pedestrian connectivity enhancements
- Flood control improvements
- Various unfunded roadway, bicycle, traffic signalization improvements
- Various unfunded water and sewer improvements (e.g., new wells)
- Affordable housing
- Potential new power utility
- Fire house
- Improvements to support future development in Urban Growth Boundary

City and County “Return on Investment”

- Housing, including affordable housing
- Revitalized Downtown, public amenities, quality of life
- Estimated Job creation, wages:
 - **135 permanent jobs** in City and County and **\$7.9M** in related wage income
 - **1,033 temporary construction-related jobs*** in City and County and **\$87.5M** in related wage income
- Acceleration of development and related fiscal revenues:
 - **\$19.1 million** in present value **fiscal benefit** for CITY general fund over 50 years, net of tax increment contribution to EIFD and net of estimated fiscal expenditures
 - **\$2.1 million** in present value **fiscal benefit** for COUNTY general fund over 50 years, net of tax increment contribution to EIFD and net of estimated fiscal expenditures
- Attract other funding (e.g., grants)

* Construction job-years, where one job-year is defined as one year of employment for one individual; all figures approximated

Potential Unincorporated District 5 EIFD

Potential West County EIFD: Unincorporated Population Centers

- Approx. 53,400 acres (~4.7% of County)
- Approx. \$4.0B in existing assessed property value (~3.5% of Countywide assessed value)



Source: Sonoma County Auditor-Controller, ArcGIS, Kosmont Companies (2025)

West County Unincorporated Communities

Unincorporated Community	Size (Acres)	Estimated Population in 2024
Bloomfield	5,210	328
Bodega	1,856	200
Bodega Bay	8,013	934
Carmet	186	65
Cazadero	4,557	317
Forestville	3,366	3,149
Graton	1,011	1,626
Guerneville	6,323	4,543
Jenner	1,536	131
Monte Rio	1,267	1,042
Occidental	3,181	1,117
Salmon Creek	710	108
Sea Ranch	10,381	1,609
Sereno Del Mar	474	123
Timber Cove	3,616	225
Valley Ford	1,690	145
Total	53,377	15,662

Source: ESRI (2025)

EIFD Revenue and Bonding Capacity Scenarios

EIFD Revenue Allocation Scenario	Year 5 Accumulated Revenue + Bonding Capacity*	Year 10 Accumulated Revenue + Bonding Capacity*	50-Year Present-Value @ 3% Discount Rate	50-Year Nominal Total
A) County 15%	\$1,632,000	\$5,149,000	\$28,914,000	\$78,493,000
B) County 20%	\$2,397,000	\$7,086,000	\$38,553,000	\$104,657,000
C) County 25%	\$3,162,000	\$9,024,000	\$48,191,000	\$130,821,000
D) County 30%	\$3,926,000	\$10,961,000	\$57,829,000	\$156,985,000
E) County 35%	\$4,691,000	\$12,898,000	\$67,467,000	\$183,149,000

County allocation does not include MVLFF in-lieu.

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Potential EIFD Infrastructure Projects in West County

- Parks and recreation improvements
- Emergency Access (e.g., seasonal crossings > permanent bridges)
- Dock & coastal infrastructure at risk of sea level rise
- Community gathering spaces (potentially including Senior Rec Center, gymnasium)
- Sheriff / fire station(s)
- Affordable and workforce housing
- Brownfield remediation
- Sidewalks, bicycle improvements
- Water / wastewater / flood control improvements
- Sebastopol library expansion
- Roadway / paving resurfacing
- Drainage / culvert issues
- Investment in the Bodega Bay Grange
- Ice House Replacement
- Broadband internet
- EV charging
- Wildfire prevention
- Air quality
- Protected bike lanes
- Restrooms
- Parking in downtown Forestville
- Creek flooding improvements
- Skate park in Forestville
- Expand new Forestville public library
- Public swimming pool in Forestville or Lower Russian River area
- Public transportation expansion and accessibility and walkability

County “Return on Investment”

- Focus on critical County infrastructure in need of investment
- Housing, including affordable housing
- Public amenities, quality of life
- Estimated Job creation, wages:
 - **162 permanent jobs** in City and County and **\$9.5M** in related wage income
 - **531 temporary construction-related jobs*** in City and County and **\$45.0M** in related wage income
- Acceleration of development and related fiscal revenues:
 - Marginally fiscally positive (\$473,000) present value fiscal benefit for County general fund over 50 years, net of tax increment contribution to EIFD and net of estimated fiscal expenditures (20% allocation scenario)
- Attract other funding (e.g., grants)

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Review of Key EIFD Analysis Findings

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