



SUMMARY REPORT

Agenda Date: 4/14/2026

To: Sonoma County Board of Supervisors

Department or Agency Name(s): County Executive's Office

Staff Name and Phone Number: M. Christina Rivera and Christel Querijero, 707-565-2431

Vote Requirement: 4/5th

Supervisorial District(s): Countywide

Title:

West Sonoma County Enhanced Infrastructure Financing District Draft Infrastructure Financing Plan and Conflict of Interest Code

Recommended Action:

- A) Receive the Draft Infrastructure Financing Plan for the proposed West Sonoma County Enhanced Infrastructure Financing District (EIFD).
- B) Provide direction to staff on the Draft Infrastructure Financing Plan prior to its presentation to the West Sonoma County EIFD Public Financing Authority.
- C) Adopt the Resolution approving the Conflict of Interest Code for the Public Financing Authority of the West Sonoma County Enhanced Infrastructure Financing District.
- D) Authorize \$75,000 from District Formation Funds for the required notifications to property owners and residents within the West Sonoma County EIFD and state Board of Equalization filing package, if the EIFD is fully formed.
- E) Adopt a Budget Resolution Authorizing a Budgetary Adjustment to the Fiscal Year 2025-2026 Adopted Budget In The Amount Of \$75,000. (Attachment C) (4/5th Vote Required)

Executive Summary:

An Enhanced Infrastructure Financing District (EIFD) is a type of special purpose financing district that utilizes a portion of incremental property tax revenues from new development and property value growth in a specifically defined geographic area to finance public capital facilities or other specified projects of communitywide significance (e.g., infrastructure, public amenities).

On October 14, 2025 <<https://sonoma-county.legistar.com/LegislationDetail.aspx?ID=7694811&GUID=A7B0C478-74E0-4525-A463-5FE0F79D8571>> the Board adopted a Resolution of Intention

to establish the unincorporated West Sonoma County Enhanced Infrastructure Financing District (WSC-EIFD) and the WSC-EIFD Public Financing Authority (PFA), the governing body of the WSC-EIFD. On December 16, 2025 <<https://sonoma-county.legistar.com/LegislationDetail.aspx?ID=7777745&GUID=40FD7960-2590-4E3C-938D-944AB9345D56>>, the Board appointed Supervisors Lynda Hopkins, Rebecca Hermosillo and James Gore to the WSC-EIFD Public Financing Authority. The public members to the PFA, Pip Marquez De La Plata and Thai Hilton, and alternate public members Jennifer Roberts and Amy Talley, were appointed on January 27, 2026 <<https://sonoma-county.legistar.com/LegislationDetail.aspx?ID=7823944&GUID=A62F4043-138D-4C82-B06B->

59F493C4603C>.

The WSC-EIFD PFA <<https://sonomacounty.gov/administrative-support-and-fiscal-services/county-executives-office/strategic-initiatives/west-sonoma-county-enhanced-infrastructure-financing-district>> met on February 25, 2026 and directed staff to prepare the Draft Infrastructure Financing Plan (Draft IFP), the governing document of the EIFD. Staff seeks the Board's direction on modifications, if any, to the Draft IFP to share with the PFA in advance of their public meeting and hearings.

Also at its February 25, 2026 meeting, the WSC-EIFD PFA adopted the attached conflict of interest code setting forth its designated employees and disclosure categories. Staff requests the Board of Supervisors adopt the resolution approving the Conflict of Interest Code for the WSC-EIFD PFA, which is required by state law.

Finally, the item requests the Board authorize \$75,000 from District Formation Funds for the required notifications to property owners and residents within the West Sonoma County EIFD and state Board of Equalization filing package, if the EIFD is fully formed, and to adopt a budget resolution authorizing a budgetary adjustment to the Fiscal Year 2025-2026 adopted budget in the amount of \$75,000 for the notifications and filing package (Attachment C). For reference, if approved, the total amount allocated for this effort is \$253,500.

Discussion:

EIFD Law

Senate Bill 628 (2014) authorized the formation of Enhanced Infrastructure Financing Districts (EIFDs). EIFD legislation is codified in California Government Code section 53398.50, et. seq. (EIFD Law). EIFDs were created as a replacement for the former Redevelopment Agencies that were disbanded in 2012 due to state budget challenges. An EIFD is a type of special tax increment financing district that uses a portion of property tax increment (growth) revenues generated by the established 1% of assessed property value tax rate under Section 1 of Article XIII A of the California Constitution (Prop 13).

The EIFD model relies on tax revenue increments generated by growth from within the geographic boundaries of a proposed area, excluding from educational agencies. The tax increment growth is determined from the base year of the EIFD, which is the fiscal year in which the EIFD is formally established (Base Year). EIFDs do not impose new taxes or raise tax rates. Eligible projects may include public infrastructure, transportation improvements, water and sewer facilities, parks, flood protection, affordable housing, and other facilities of communitywide significance.

Background on West Sonoma County EIFD Exploration

The County first engaged in WSC-EIFD exploration after January 23, 2024, when the Board approved a \$50,000 grant agreement with the City of Sebastopol (City) from District 5 Community Infrastructure Funds for the City to engage a consultant to evaluate the feasibility of an EIFD that encompasses both the City and unincorporated West County. On February 11, 2025, the Board received an update on City/County EIFD discussions and approved \$7,500 from District Formation Funds for the City's consultant, Kosmont Companies (Kosmont), to develop a WSC-EIFD fiscal impact analysis.

On June 3, 2025, the Board received Kosmont's preliminary WSC-EIFD feasibility analysis and directed staff to

return to the Board with the final analysis. Following the June 3, 2025 presentation to the Board, County staff met with City Councilmembers and staff to follow up on discussions related to the City/County EIFD. At that time, the Interim City Manager, with support from two Councilmembers, requested to pause further City/County EIFD exploration to address higher priority items for the City until more staff capacity is available to support the effort.

On October 14, 2025 <<https://sonoma-county.legistar.com/LegislationDetail.aspx?ID=7694811&GUID=A7B0C478-74E0-4525-A463-5FE0F79D8571>>, the Board received a presentation on the County Consultant's analysis and adopted a Resolution of Intention to initiate the establishment of the unincorporated West Sonoma County Enhanced Infrastructure Financing District (WSC-EIFD) and to establish the WSC-EIFD Public Financing Authority (PFA), the governing body of the WSC-EIFD. The PFA held its first meeting on February 25, 2026. At that meeting, the PFA ordered the preparation of the Infrastructure Financing Plan (IFP) as required by EIFD Law (California Government Code Section 53398.50 through 53398.88). The IFP is the legal document that governs the EIFD and guides the use of incremental tax revenues over the life of the EIFD. The IFP must be approved by the Board of Supervisors and adopted by the PFA prior to EIFD formation. Information about the WSC-EIFD has been posted on a dedicated website (<<https://sonomacounty.gov/administrative-support-and-fiscal-services/county-executives-office/strategic-initiatives/west-sonoma-county-enhanced-infrastructure-financing-district>>).

Draft Infrastructure Financing Plan Analysis

This Board item is intended as a preview of the IFP for Board of Supervisors input. The current Draft IFP is attached as Exhibit A. It contains the items required by California Government Code Section 53398.63. A summary of the key requirements contained in the IFP is provided below.

1. **EIFD Map and Legal Description.** The proposed EIFD boundaries include the primary population centers in West Sonoma County, totaling approximately 60,000 acres (approx. 5% of the County).
2. **Public Facilities and Development Proposed within the EIFD.** The public capital facilities proposed to be financed through the EIFD include, but are not limited to:
 - Sheriff Substation
 - Emergency access infrastructure
 - Dock & coastal infrastructure at risk of sea level rise
 - Community gathering space
 - Roadway improvements
 - Sidewalks and bike improvements
 - Affordable and workforce housing
 - Recreation improvements
 - Wastewater infrastructure.
3. **Use of Incremental Tax Revenue.** The EIFD will use incremental property tax revenue to finance public facilities and maintenance of those public facilities, and administration of the EIFD. The County proposes to allocate a maximum of 25% of its future share of future property tax increment within the EIFD. Based on projected growth of assessed value, total EIFD funding capacity is estimated at approximately \$86 million on a 50-year present-value basis.

4. **Necessity and Goals of the EIFD:** The formation of the EIFD is necessary to assist in the financing of the construction of targeted public facilities that serve the EIFD boundary and surrounding community while providing significant communitywide benefits. These public facilities will catalyze private sector investment and development to support the County's General Plan and provide the infrastructure foundation for the development of critically needed housing in the community and greater region.
5. **Economic and Fiscal Impacts:** Establishing the EIFD is a critical step towards the successful development of the public facilities and other projects of communitywide significance, which will generate significant economic benefits to the County and other taxing entities. The fiscal impact analysis, prepared by Kosmont Companies as Appendix D to the IFP, estimates that EIFD activity will generate approximately \$26 million in net positive general fund revenues on present-value basis for the County. Additionally, the Analysis highlights the job opportunities generated by the EIFD, including approximately 531 direct, indirect, and induced temporary constructed-related jobs and 161 permanent ongoing jobs in the County.

Next Steps

EIFD law requires a structured public process prior to adoption of an IFP. The PFA must hold a public meeting to present the draft IFP, then two public hearings on the proposed IFP. The purpose of the first hearing is to receive comments and consider modifications to the IFP. The second hearing allows for the submission of formal protests and for the PFA to take action to either adopt the IFP and form the EIFD or terminate the proceedings. Public notice of these meetings and hearings will be provided to property owners and residents as required by state law.

These meetings and hearings are scheduled between May and August 2026 and will be noticed according to EIFD law. The PFA may adopt the IFP at the second public hearing and formally establish the WSC-EIFD. A summary of the key actions for establishing the EIFD, as well as estimated dates of completion, is as follows:

Task	Target Date	Notes
PFA holds Public Meeting	May 27, 2026	Presentation of draft IFP (no action to be taken)
Board of Supervisors Meeting	June 2, 2026	Consider resolution approving the IFP (if any changes after this date, must return to Board of Supervisors)
PFA holds Public Hearing #1	July 13, 2026	Additional comments taken; PFA takes action to approve, modify, or reject IFP
PFA holds Public Hearing #2 and Protest Proceeding	August 12, 2026	If majority protest exists, take action to terminate EIFD. If no majority protest, PFA can propose adoption of the IFP and formation of the EIFD
Staff files EIFD with State Board of Equalization (BOE)	September 2026	

In the event of a majority protest by property owners or residents within the boundaries during the final PFA public hearing, the formation proceedings would be discontinued.

Conflict of Interest Code Adoption

State law requires every agency that has decision-making authority to adopt a conflict of interest code (COIC). A COIC identifies the designated positions who are required to file statements of economic interest (Form 700s) and which financial interests must be disclosed for each respective position. COICs provide transparency to ensure government employees are not making decisions to promote their own financial interests. After an agency has adopted its COIC, it must be approved by the code reviewing body to be effective. Because the WSC-EIFD is located within the boundaries of the County, the Board of Supervisors is the code reviewing body for the WSC_PFA. The PFA adopted the COIC at its February 25, 2026 meeting, attached as Exhibit B, and staff requests the Board adopt the COIC for the PFA.

District Formation Fund Request

Staff requests the Board authorize \$75,000 from District Formation Funds for the required notifications to property owners and residents within the West Sonoma County EIFD and state Board of Equalization filing package, if the EIFD is fully formed.

The costs to mail the required EIFD formation notice(s) range from \$12,500 to \$25,000, depending on the number of mailings that need to be sent; two at most are anticipated. The EIFD filing package is the set of legally required documents approved by the PFA to formally establish the EIFD, which generally includes the draft IFP outlining proposed projects, costs, and financing methods; maps and legal descriptions of the district boundaries; tax increment revenue projections; fiscal impact analyses on affected taxing entities; and documentation demonstrating compliance with public hearing requirements. The filing fee for the size of the area of the proposed WSC-EIFD is approximately \$50,000.

Staff recommends the Board adopt a Budget Resolution Authorizing a Budgetary Adjustment to the Fiscal Year 2025-2026 Adopted Budget In The Amount Of \$75,000 (Attachment C) (4/5 vote)

Strategic Plan:

N/A

Racial Equity:

Was this item identified as an opportunity to apply the Racial Equity Toolkit?

No

Prior Board Actions:

October 14, 2025 - Board received the final fiscal impact analysis for the proposed West Sonoma County EIFD (WSC-EIFD), adopted a Resolution of Intention to establish the WSC-EIFD and the Public Financing Authority, and funding to support establishing the WSC-EIFD.

June 3, 2025 - Board received a preliminary West Sonoma County EIFD feasibility analysis and directed staff to return with a final analysis.

February 11, 2025 - Board received an update on City/County EIFD discussions and approved funding for the preparation of a fiscal impact analysis for the proposed West Sonoma County EIFD.

January 23, 2024 - Board approved a \$50,000 grant agreement with the City of Sebastopol for consulting services to evaluate the feasibility of an EIFD encompassing the City and unincorporated West County.

FISCAL SUMMARY

Expenditures	FY25-26 Adopted	FY26-27 Projected	FY27-28 Projected
Budgeted Expenses			
Additional Appropriation Requested	\$75,000		
Total Expenditures	\$75,000		
Funding Sources			
General Fund/WA GF			
State/Federal			
Fees/Other			
Use of Fund Balance			
General Fund Contingencies	\$75,000		
Total Sources	\$75,000		

Narrative Explanation of Fiscal Impacts:

The current fund balance of the District Formation Fund is \$1.2M with approximately \$600,000 of allocated to active projects. If approved, fund balance available to be programmed is \$525,000.

Staffing Impacts:			
Position Title (Payroll Classification)	Monthly Salary Range (A-I Step)	Additions (Number)	Deletions (Number)

Narrative Explanation of Staffing Impacts (If Required):

Attachments:

- A. West Sonoma County EIFD Draft Infrastructure Financing Plan
- B. Conflict of Interest Code for the Public Financing Authority of the WSC-EIFD
- C. Budget Resolution
- D. Presentation

Related Items "On File" with the Clerk of the Board:

N/A