West County Enhanced Infrastructure Financing District (EIFD)
Draft Infrastructure Financing Plan

April 14, 2026

Recommended Actions

A. Receive the Draft Infrastructure Financing Plan for the proposed West Sonoma County Enhanced Infrastructure Financing District).

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 $25,000 (Attachment C) (4/5 vote)

West Sonoma County
Enhanced Infrastructure Financing District (EIFD)

Preview of Draft Infrastructure Financing Plan (IFP)

Prepared by:
Kosmont Companies

Executive Summary

- County of Sonoma evaluated the use of an Enhanced Infrastructure Financing District (EIFD) to capture value from future assessed property value growth in West County to fund critical infrastructure and community investment priorities without increasing taxes

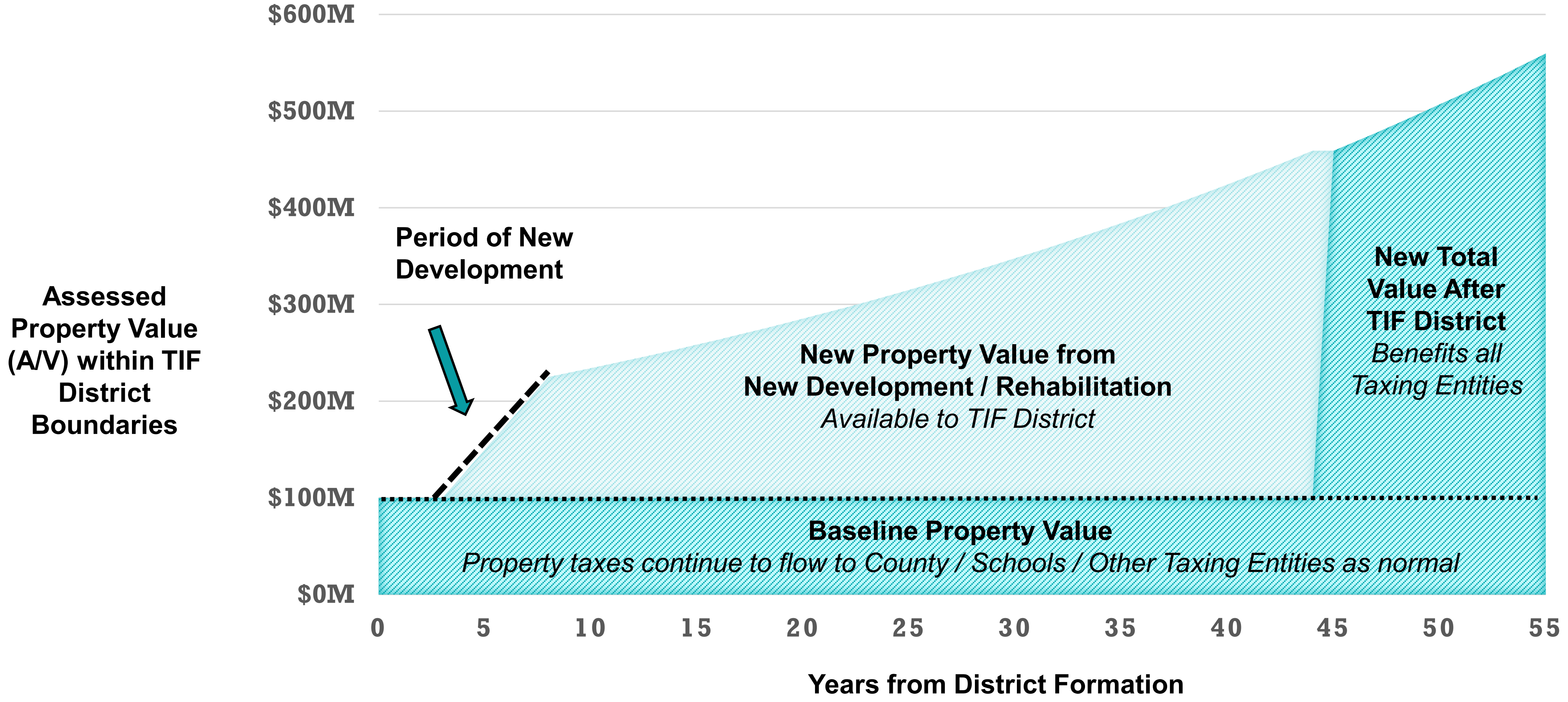
- County Board of Supervisors (BOS) adopted a Resolution of Intention (ROI) to form the EIFD on October 14, 2025

- The governing EIFD Public Financing Authority (PFA) met on February 25, 2026 to review “EIFD 101”, adopt PFA Bylaws, and direct preparation of the guiding Infrastructure Financing Plan (IFP)

- Purpose of today’s meeting is a preview of the first draft Infrastructure Financing Plan (IFP)

- Next steps include presentation of the IFP at a series of PFA public meetings and hearings, separate County Board of Supervisors approval – completion targeted before August 2026

Tax Increment Financing (TIF) Overview – Not a New Tax



Note: Illustrative.

Contents of the Infrastructure Financing Plan (IFP)

A. Description of the District

B. Description of Proposed Facilities and Development

C. Finding of Communitywide Significance

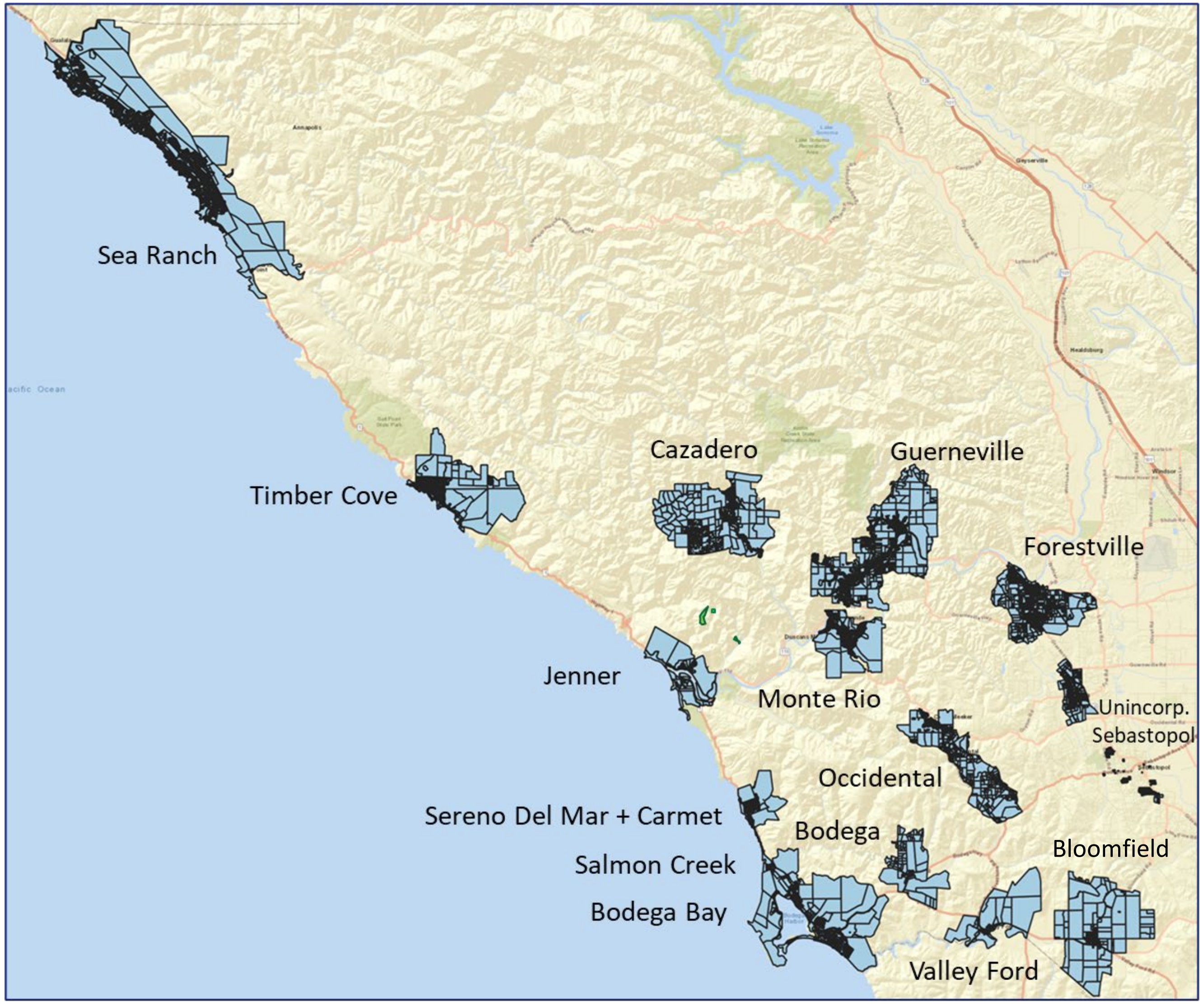
D. Financing Section

E. Goals of the District

F. Appendices (e.g., Legal Description, Financial Analysis Detail)

Draft EIFD Boundaries

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



Real Estate Finance/Economics Development Entitlements
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Source: Sonoma County Auditor-Controller (2026)

Potential Projects for EIFD Funding

a) Sheriff Substation

b) Emergency access infrastructure

c) Dock & coastal infrastructure at risk of sea level rise

d) Community gathering space

e) Roadway improvements

f) Sidewalks and bike improvements

g) Affordable and workforce housing

h) Recreation improvements

i) Wastewater infrastructure

Draft Financing Section Terms

- County commits **25%** of its future property tax increment within the boundary for approx. 50 years (remaining portion flows to General Fund)

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
County 25%	$6,256,000	$16,969,000	$85,951,000	$238,494,000

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.*

Financing Districts Attract Other Funding

- Districts explicitly increase scoring for CA state housing grants (e.g., IIG, AHSC, TCC)

Other Public Sources

- *Cap-and-Trade / HCD grant & loan programs (AHSC, IIG, TCC,CERF)*
- *Prop 4 Climate Bond Fundings*
- *Prop 68 parks & open space grants*
- *Prop 1 water/sewer funds*
- *Caltrans ATP / HSIP grants*
- *Federal EDA / DOT / EPA funding*
- *Federal ARPA, Invest Act, IIJ Act*

Other Private Sources

- *Development Agreement / impact fees*
- *Benefit assessments (e.g., contribution from CFD)*
- *Private investment*

Regional and Communitywide Significance

- Focus on critical County infrastructure in need of investment
- Housing, including affordable housing
- Public amenities, quality of life
- <u>Estimated Job creation, wages:</u>
  - **162 permanent jobs** in the County and **$9.5M** in related wage income
  - **531 temporary construction-related jobs*** in the County and **$45.0M** in related wage income
- <u>General Fund Fiscal Impact Analysis:</u>
  - Positive fiscal benefit for County general of **~$26M** over 50 years (present-value), net of tax increment contribution to EIFD and net of estimated fiscal expenditures
  - Fiscal impact is driven by several key assumptions, such as ability of the EIFD to catalyze development such as retail and hospitality uses
- 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 EIFD Formation Schedule

Target Date	Task
COMPLETE **October 14, 2025**	a) County Board of Supervisors (BOS) adopts Resolution of Intention (ROI) to form EIFD and formally establishes PFA Board
TODAY **February 25, 2026**	b) PFA meets to direct the drafting of the Infrastructure Financing Plan (IFP)
COMPLETE **March 2026**	c) Distribute draft IFP to property owners, affected taxing entities, County BOS
TODAY **April 14, 2026**	d) Preview of draft IFP with County BOS
May 27, 2026	e) PFA holds an initial public meeting to present the draft IFP (no action to be taken)
June 2, 2026	f) County Board of Supervisors consider resolution approving IFP
July 13, 2026	g) PFA holds first public hearing to hear additional comments and take action to modify or reject IFP
August 12, 2026	h) PFA holds second public hearing to consider oral and written protests and take action to terminate proceedings or adopt IFP and form the district by resolution

Next Steps / Actions Items

- For today:
  a) Hear and address Board questions and comments on first draft IFP

- Tentative PFA meeting on May 27, 2026 for formal presentation of the draft IFP

- EIFD website: https://sonomacounty.gov/administrative-support-and-fiscal-services/county-executives-office/strategic-initiatives/west-sonoma-county-enhanced-infrastructure-financing-district

REVISED Estimate of EIFD Formation and Administration Costs

	One-time	**Cost**
1	Exploration and Feasibility Study (estimated 50% of the initial contract)	$25,000
2	Fiscal Impact Analysis	$7,500
3	Economic analysis/Infrastructure Financing Plan/Jurisdictional boundary change process	$50,000
4	Land Surveyor Services	$90,000
5	Staffing the Public Financing Authority (District 5 staff, County Counsel, CEO)	$6,000
6	Mailings/Notifications to Property Owners and Residents (2)	$25,000
7	Board of Equalization Filing Package (if EIFD is formed)	$50,000
	TOTAL	**$253,500**

	Ongoing	**Cost**
1	Administrative costs, Years 1-5	$25,000 - $50,000
2	Administrative Costs, Years 6 and beyond	$75,000 - $125,000
	Range	**$100,000 - $175,000**

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Disclaimer

The high-level analyses, projections, assumptions, rates of return, and any examples presented herein are for illustrative purposes and are not a guarantee of actual and/or future results. Project pro forma and tax analyses are projections only. Actual results may differ from those expressed in this analysis.

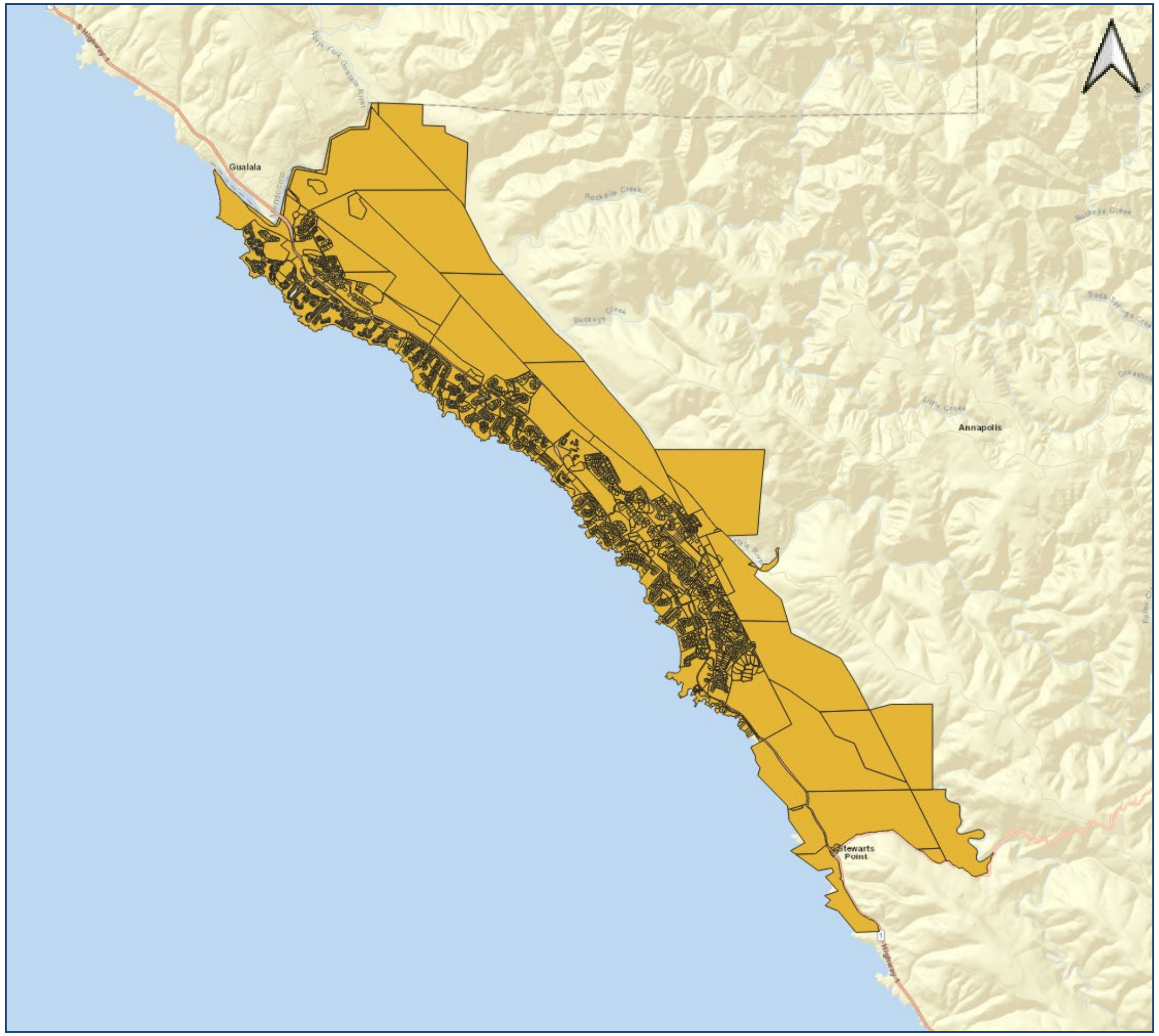
Discussions or descriptions of potential financial tools that may be available to the Client and public agencies are included for informational purposes only and are not intended to be to be “advice” within the context of this Analysis.

Municipal Advisory activities are conducted through Kosmont Companies’ affiliate, Kosmont Financial Services, which is Registered as a Municipal Advisor with the SEC and MSRB.

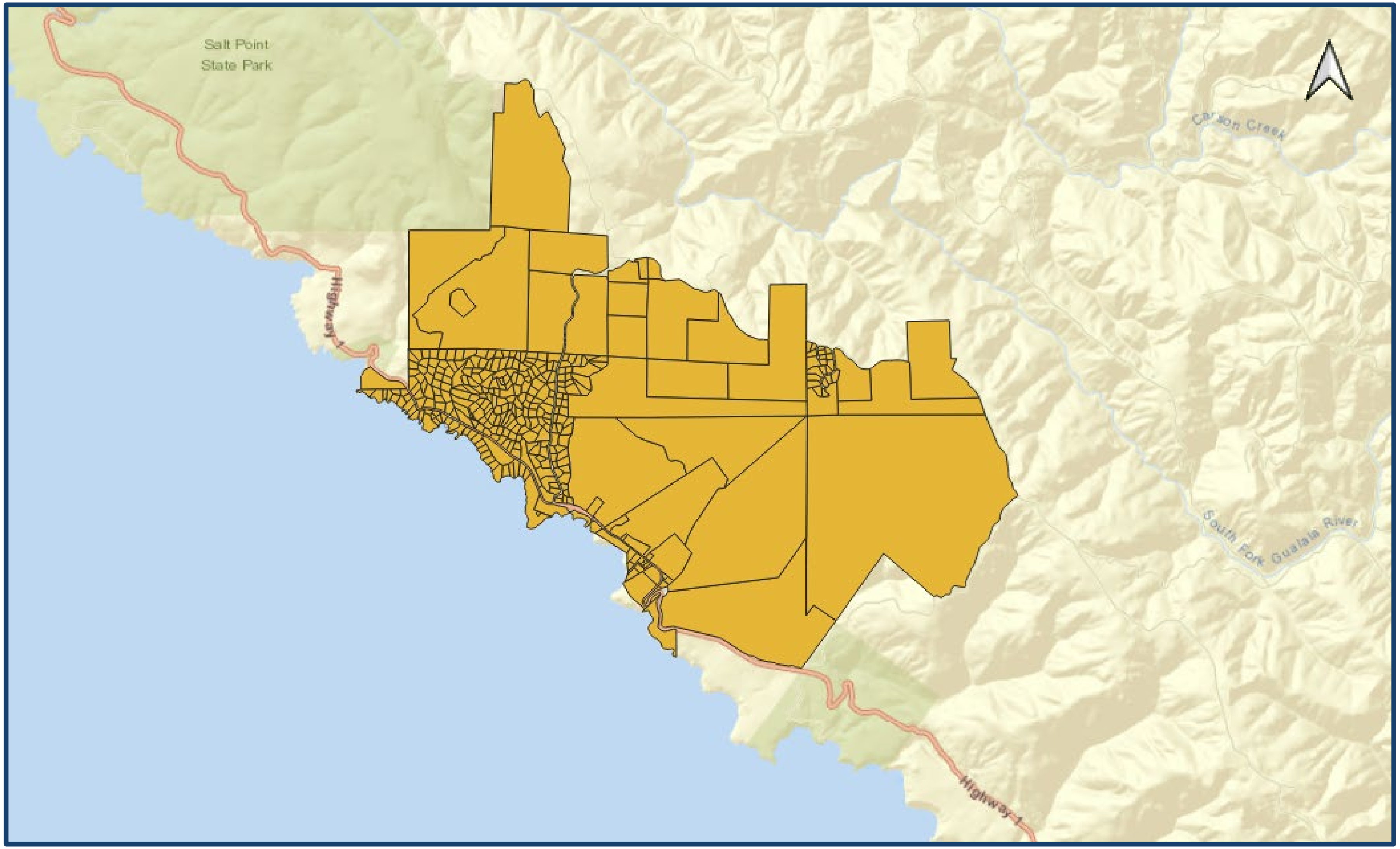
APPENDIX:
Subarea Maps

Real Estate
Finance/Economics
Development
Entitlements

Sea Ranch



Timber Cove



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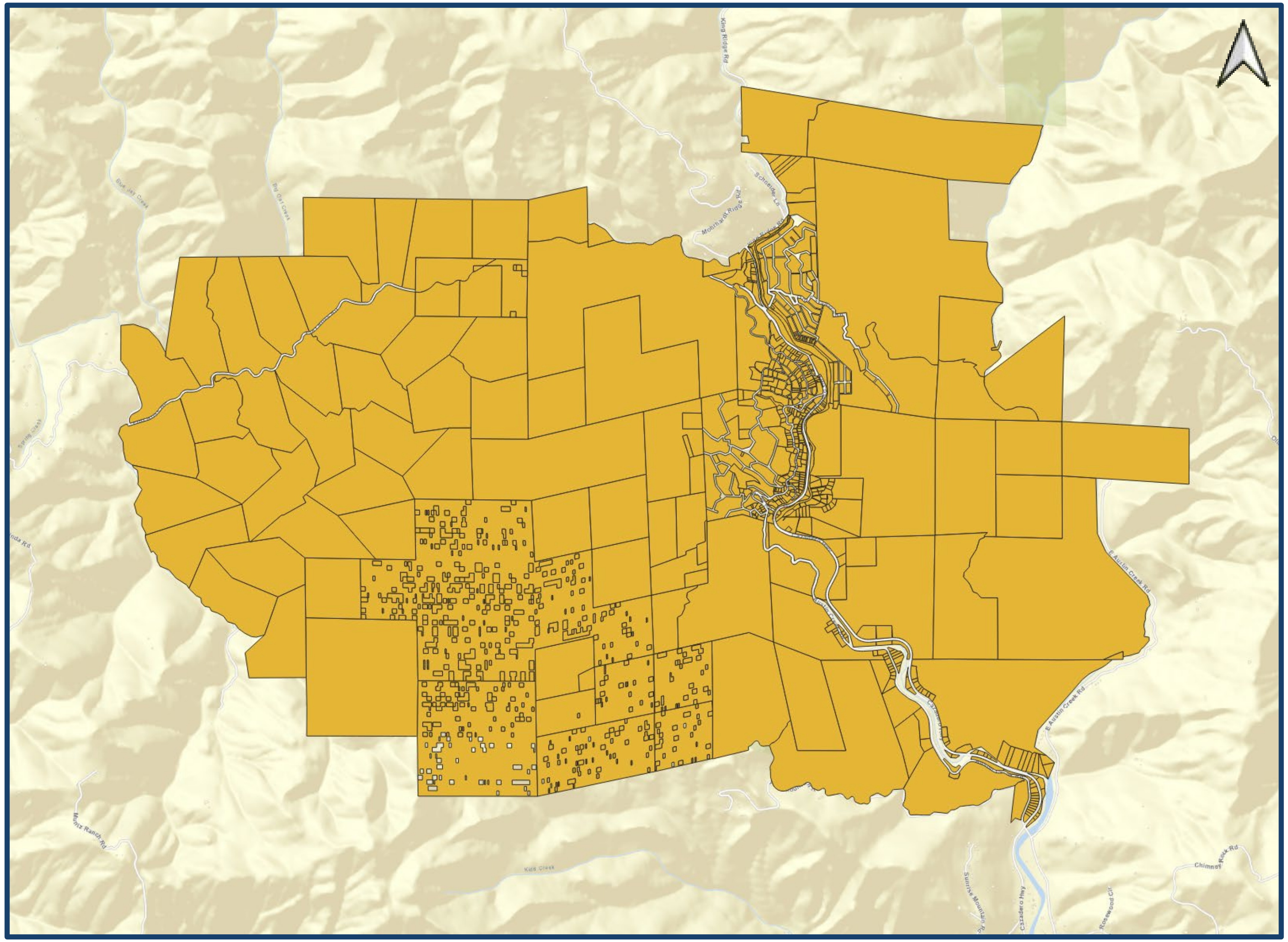
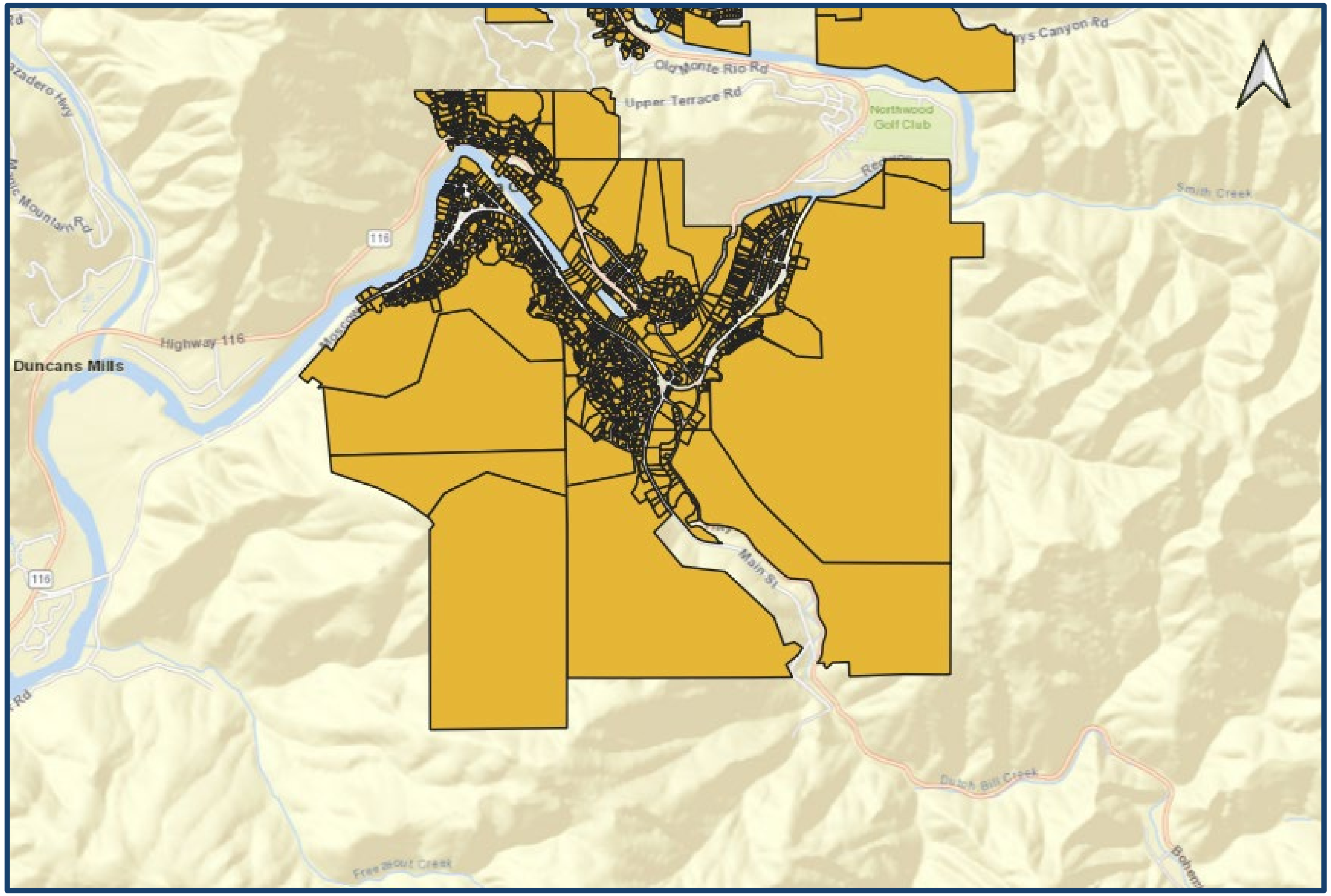
Cazadero


King Ridge Rd
Schneider Ln
Mohrhardt Ridge Rd
Blue Jay Creek
Big Oat Creek
Spring Creek
Muniz Ranch Rd
E Austin Creek Rd
Cazadero Hwy
Sunrise Mountain Rd
Rosewood Cir
Chimney Rock Rd

Monte Rio



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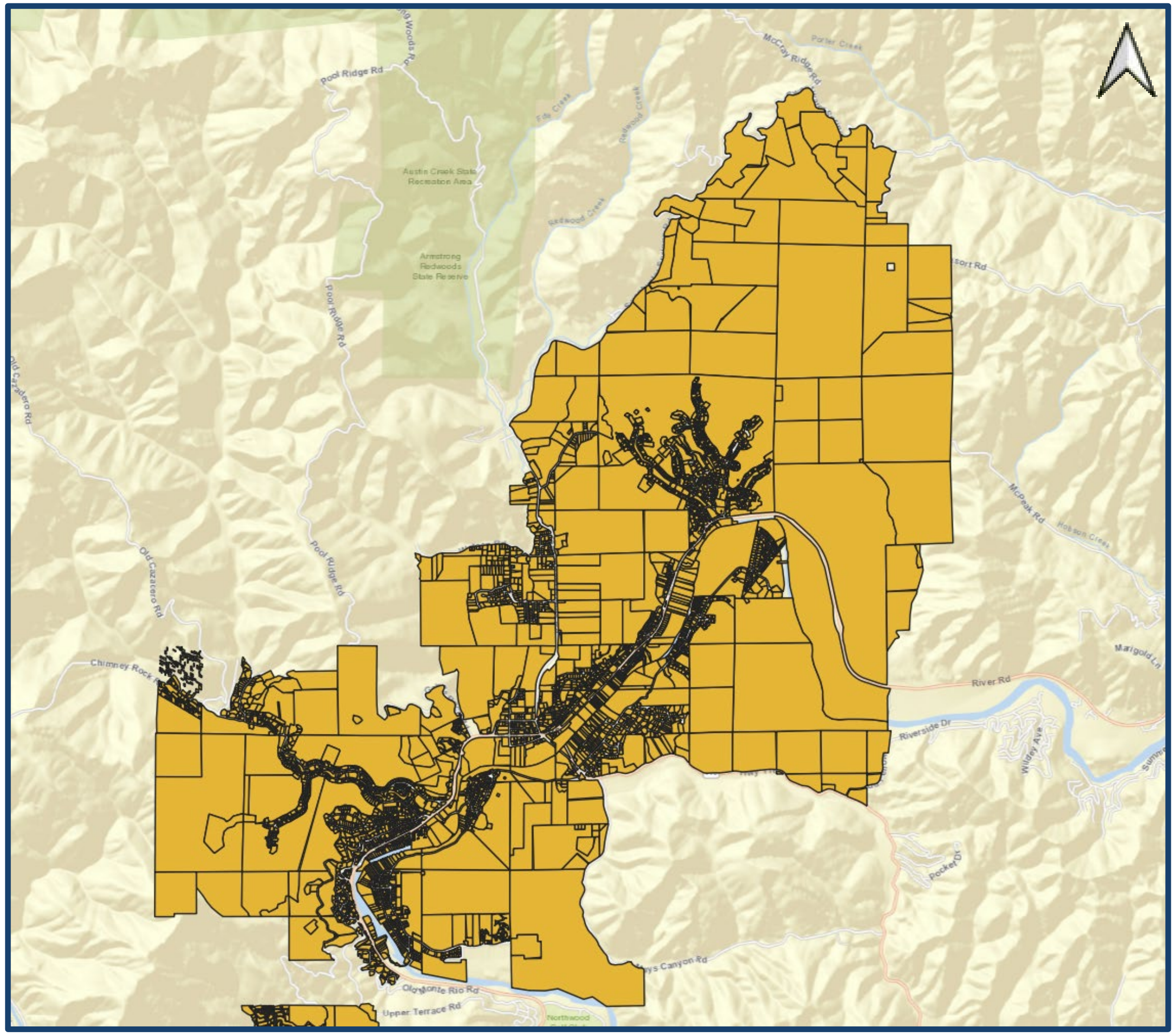
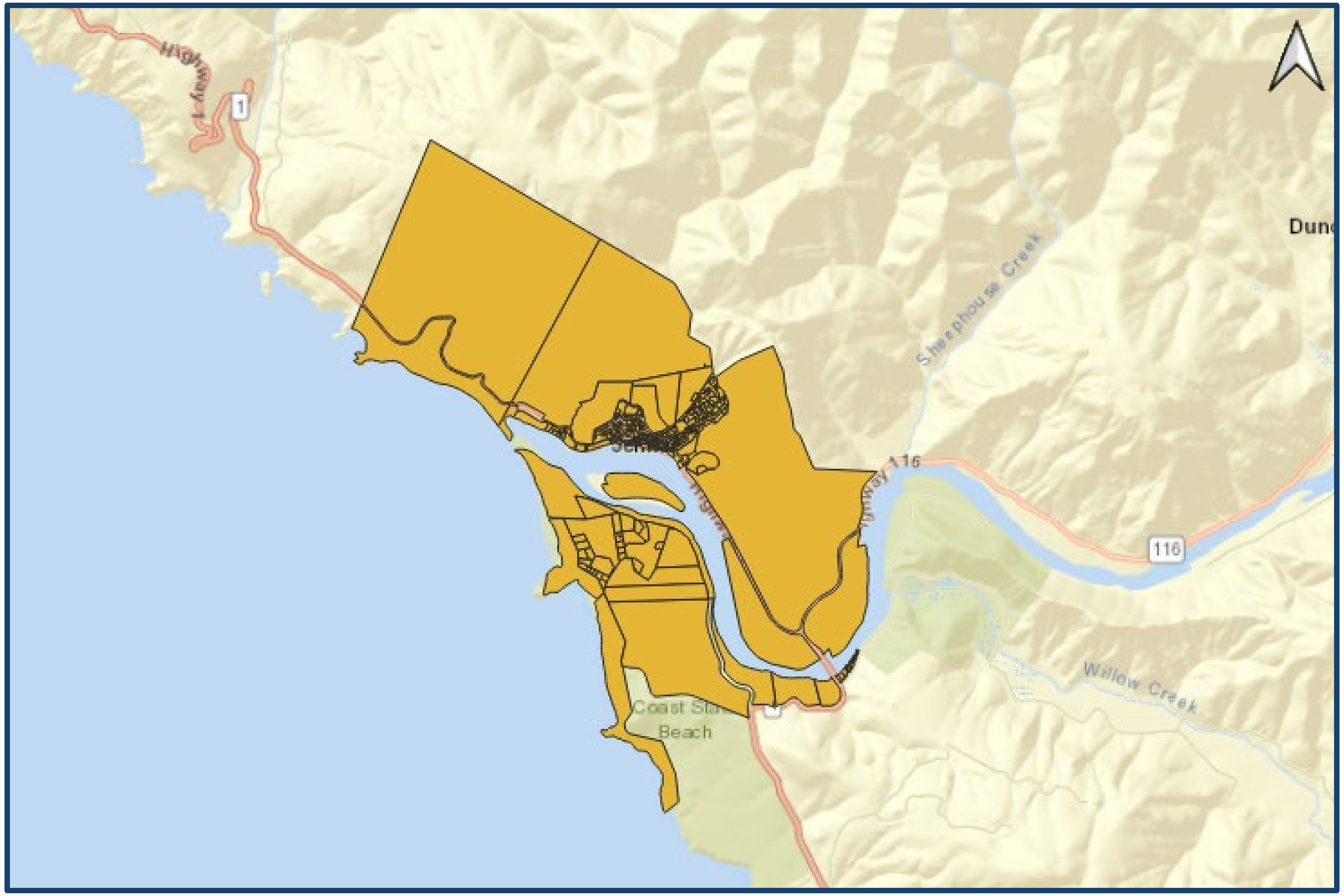
Guerneville

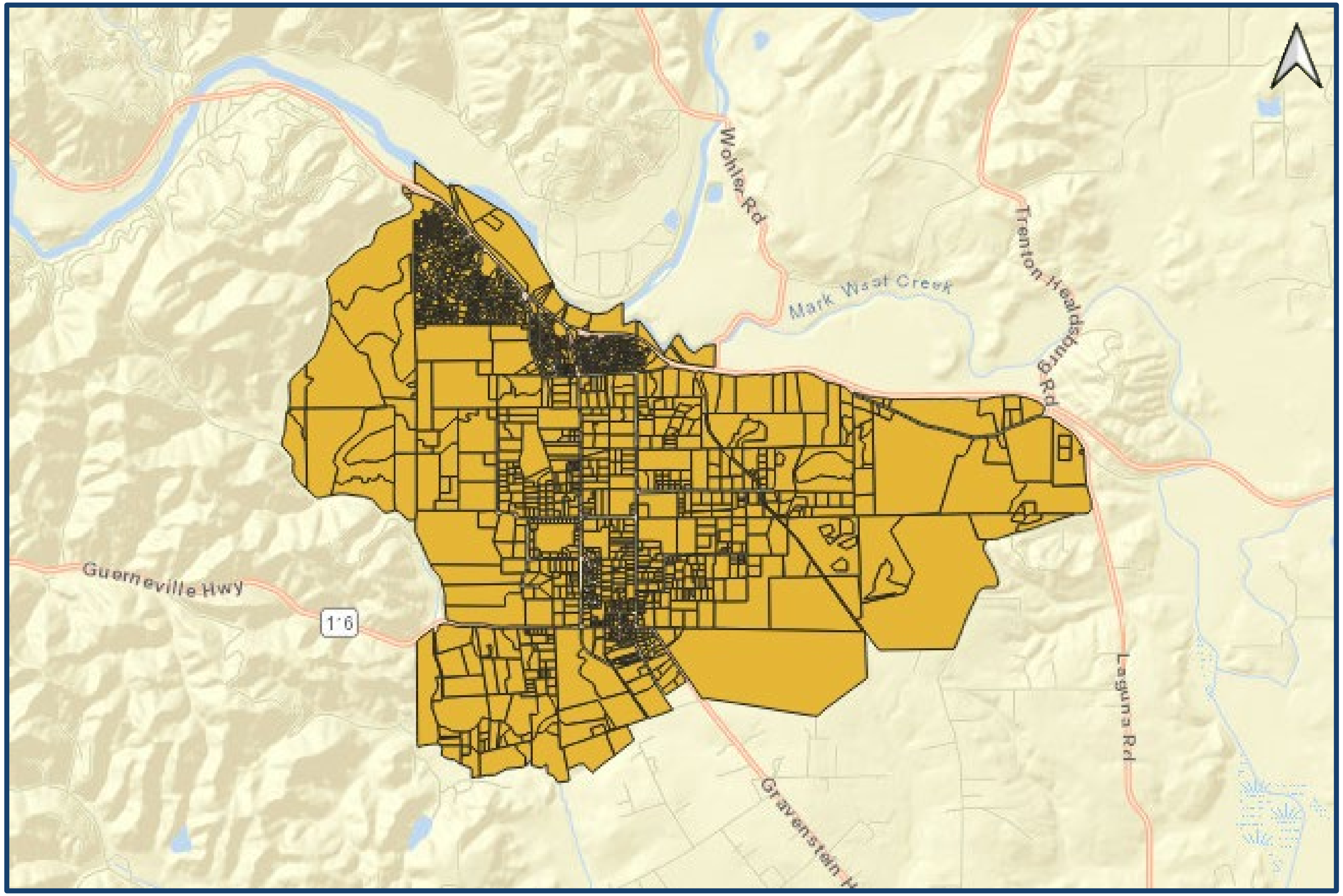


Jenner

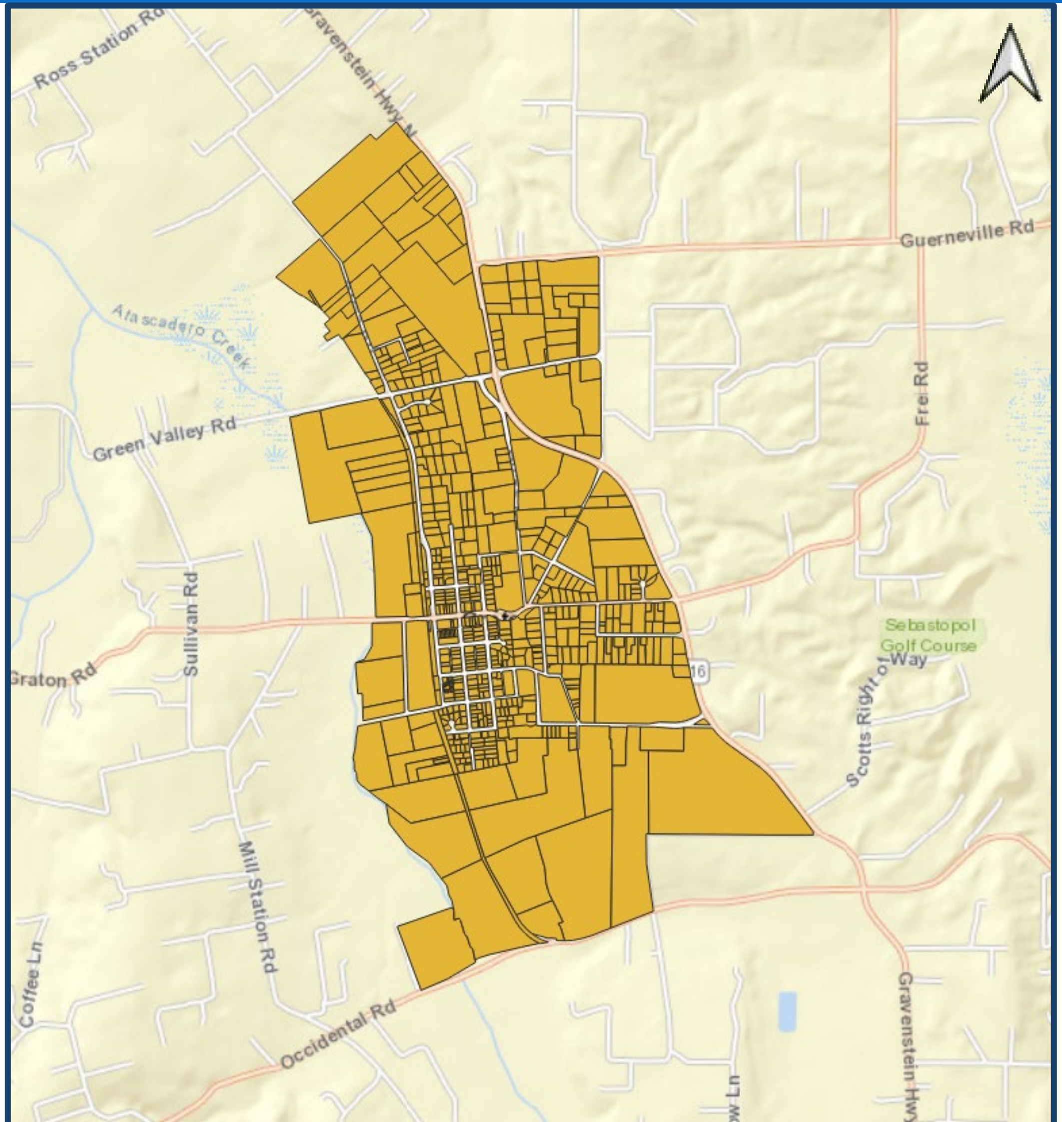


Highway 1
1
Dunc
Sheephouse Creek
Highway 116
116
Willow Creek
Coast Sta
Beach

Forestville



Graton



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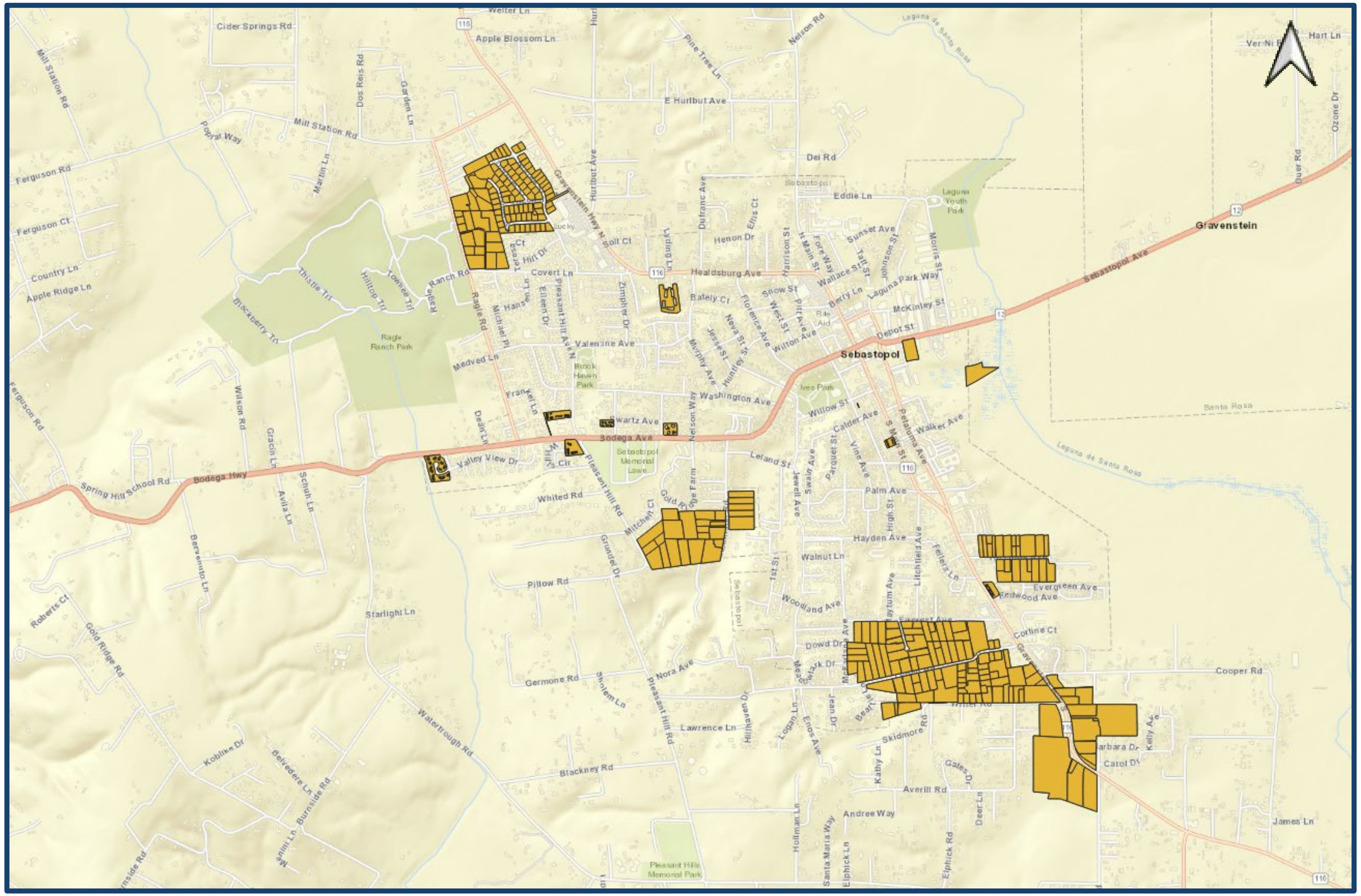
Unincorporated Sebastopol



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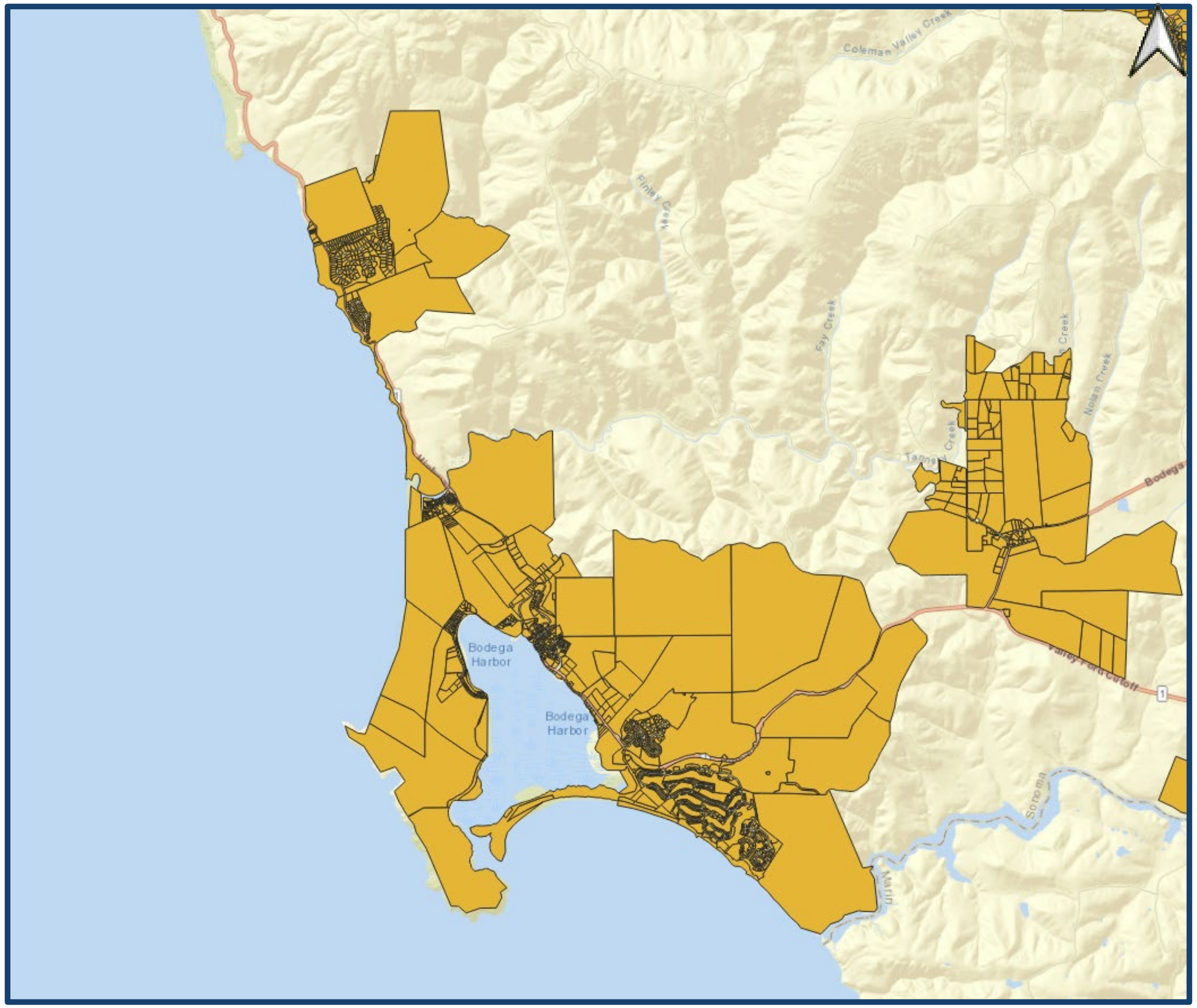
Sereno Del Mar, Carmet, Salmon Creek, Bodego Bay, Bodega



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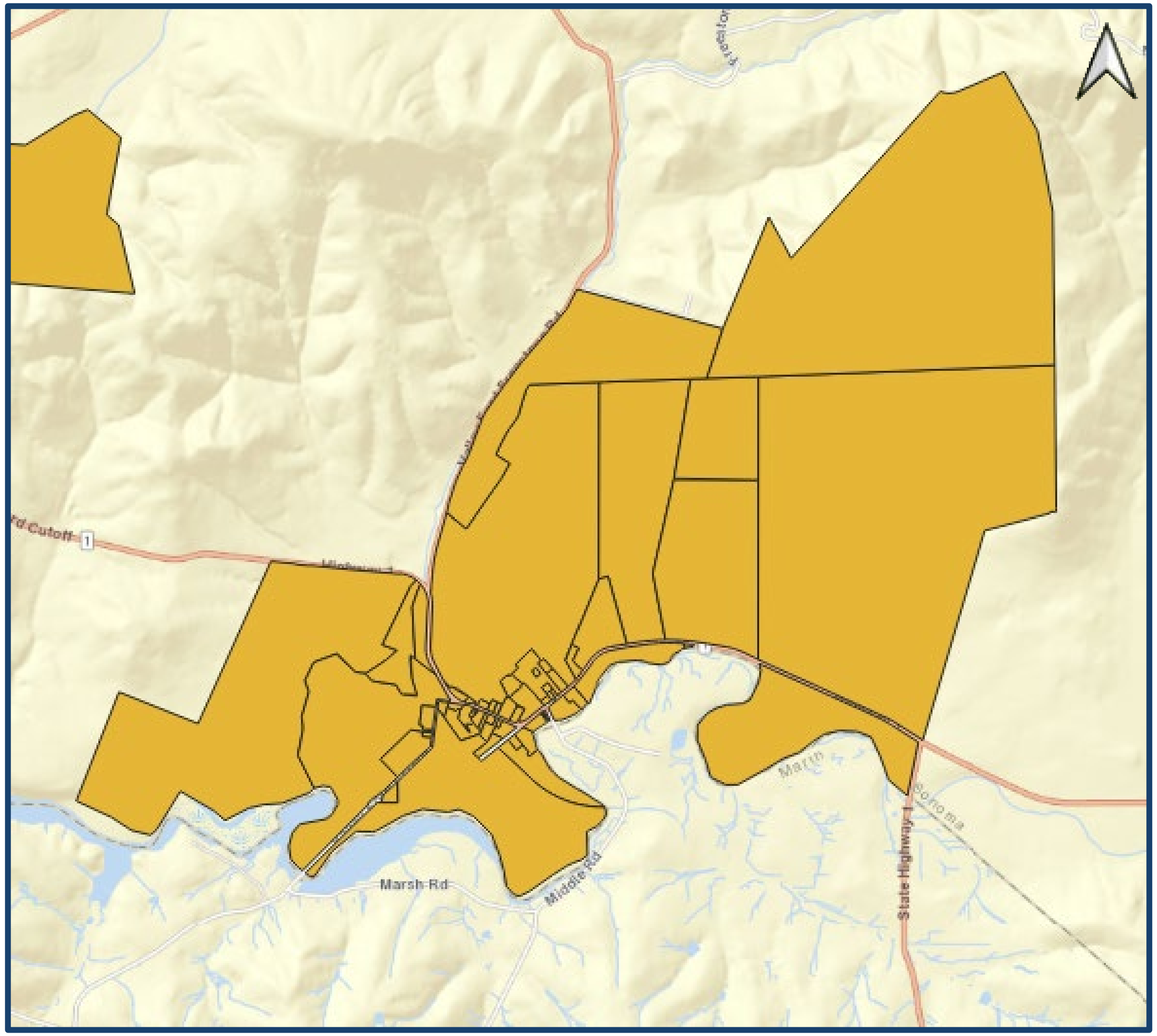
Valley Ford



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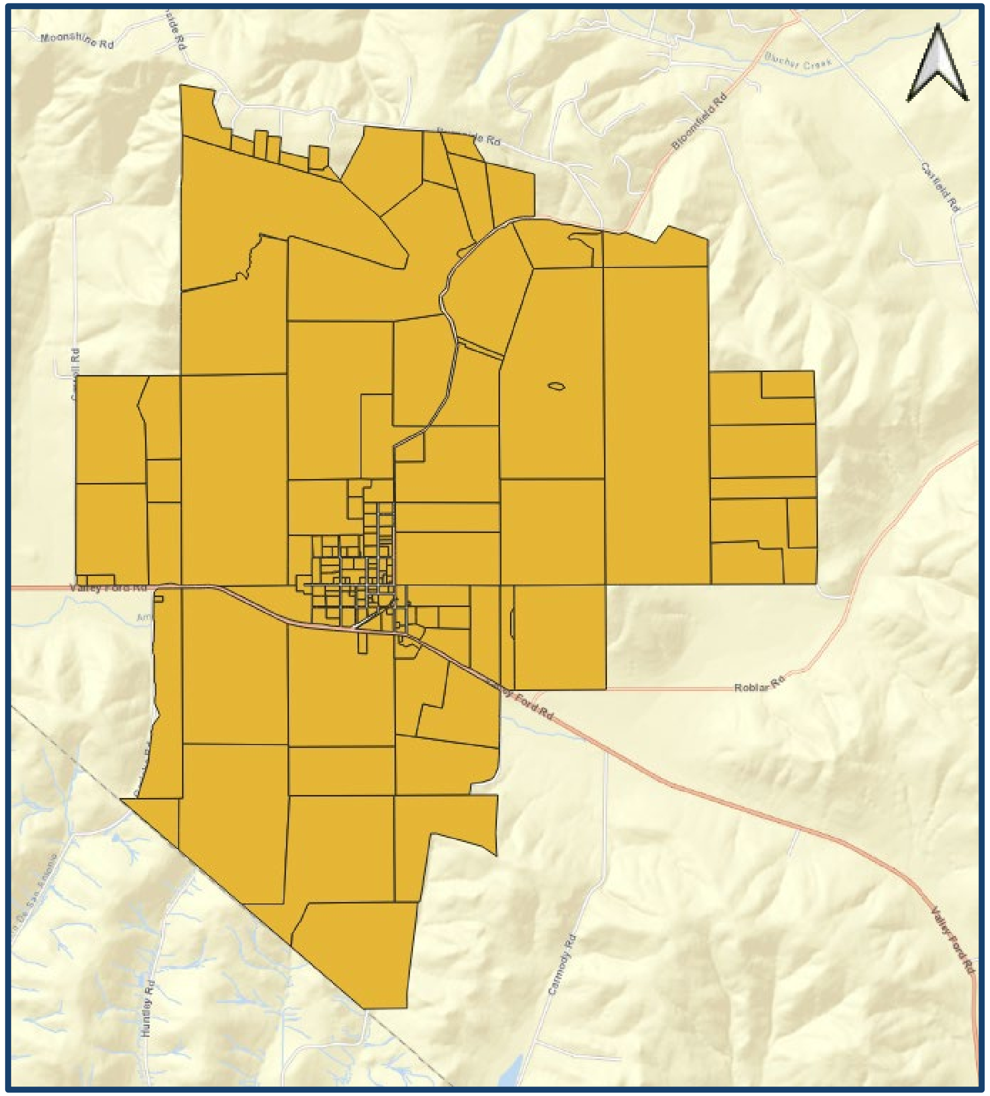
Bloomfield



Moonshine Rd
Bloomfield Rd
Canfield Rd
Valley Ford Rd
Roblar Rd
Carmody Rd
Huntley Rd