

The City has had several discussions regarding the potential of an EIFD in Sebastopol, including:

- **November 7, 2023:** City Council voiced support for the possibility of forming an EIFD
- **December 5, 2023:** Council formed an EIFD Ad Hoc Committee to collect the initial information needed for the City Council to decide whether pursuing the formation of an EIFD is a prudent decision.
- **December 19, 2023:** EIFD Ad Hoc provided an initial report, including an estimate of \$50,000 for consultant costs to cover the initial stages of EIFD formation and information that Sonoma County Supervisor Lynda Hopkins would pursue a \$50,000 funding request to support an EIFD evaluation if the EIFD under consideration were to include consideration of EIFD boundaries that extended beyond the City limits into unincorporated County jurisdiction. The Council confirmed its general interest in consideration of such an EIFD, but it did not take a formal vote.
- **January 16, 2024:** EIFD Ad Hoc provided an update that Supervisor Hopkins was able to secure the \$50,000 funding allocation to cover consultant costs for the initial stages of EIFD evaluation, with the understanding that receipt of this funding allocation will be conditioned on the City agreeing that the EIFD process will include evaluation of EIFD boundaries within District 5 including but not limited to, consideration of an EIFD to include unincorporated West Sonoma County (in addition to City jurisdiction). The agenda item included additional information on EIFD background, EIFD eligible projects broadly, information about current discussions between the City of Santa Rosa and County of Sonoma about the proposed Santa Rosa EIFD, preliminary projections from Sonoma County Auditor-Controller for hypothetical EIFD scenarios within the City of Sebastopol and unincorporated Supervisorial District #5, examples of potential EIFD infrastructure projects within the City of Sebastopol, and a targeted EIFD implementation timeline, culminating in EIFD formation by end of summer 2025.
- **September 3, 2024:** EIFD Ad Hoc provided an update to City Council in collaboration with Kosmont Companies, the EIFD advisory firm that was procured by the City in July 2024 (with County funding) through a competitive bidding process. Kosmont provided a review of TIF and EIFD fundamentals and facilitated a discussion with the City Council of potential infrastructure projects that could benefit from EIFD funding. Kosmont additionally shared perspective regarding alternative approaches to defining EIFD boundaries and

property tax increment revenue allocation scenarios.

### DISCUSSION:

Over the previous four months, Kosmont's feasibility analysis has focused on three primary considerations for potentially forming an EIFD in the City of Sebastopol (and unincorporated West Sonoma County):

- a) EIFD boundary alternatives: Evaluation of multiple potential EIFD boundary alternatives within the City, as well as portions of unincorporated County jurisdiction within the Fifth Supervisorial District;
- b) Revenue allocation scenarios: Multiple scenarios of City and County property tax increment allocation evaluated for each boundary alternative, along with corresponding funding and bonding capacity;
- c) Targeted infrastructure projects eligible for funding: Input solicited on potential projects to be considered for EIFD funding from EIFD Ad Hoc Committee, Sept 3rd City Council meeting, and Sept 25th West County joint Municipal Advisory Committee (MAC) meeting.

The attached City Council presentation and analysis detail appendix provide greater detail on boundary alternatives and revenue allocation scenarios evaluated, as well as the potential infrastructure projects to be eligible for funding based on outreach and input thus far.

Ultimately, the EIFD Feasibility Analysis concluded the following:

#### A. EIFD Boundary Alternatives

Kosmont is suggesting two different EIFDs for City and County consideration to support City and County general fund strength and equitable representation in the governing board composition:

1. Focused Corridor within the City (City and County financial participation for projects within City);
2. Larger unincorporated West County area (only County financial participation for projects outside of City).

Kosmont is suggesting two separate EIFDs, as opposed to a single EIFD, because community outreach thus far has indicated a clear need for transparency, balance, and equity in the future EIFD funding allocation and decision-making authority between the unincorporated County and the City. Kosmont received input from stakeholders to the effect that funding projects within the City should come from revenues generated within the City, and decision-making authority related to projects within the City should be more heavily weighted with City representation. Similarly, Kosmont received input from stakeholders to the effect that funding for projects in unincorporated West County should come from revenues generated in unincorporated West County, and decision-making authority related to projects in unincorporated West County should be more heavily weighted with unincorporated West County representation.

As it relates to a potential EIFD within the City, Kosmont is suggesting an EIFD boundary focused along the main transportation corridors within the City (Gravenstein Highway, Healdsburg Avenue, Bodega Avenue, Sebastopol Avenue), where future development is planned or proposed, which will provide the largest increases in assessed property values. This level of focus is suggested to balance the available funding capacity of an EIFD on the one hand, with the needs of the General Fund to provide ongoing municipal services for the community on the other hand. EIFD boundaries that are too large can over-encumber the future property tax revenues of the General Fund and prove fiscally unsustainable.

#### B. Revenue Allocation Scenarios

Feasibility Analysis findings suggest that the City should only consider an EIFD revenue allocation scenario where (1) the City receives a match from the County for every dollar allocated to the EIFD by the City (i.e., bringing in net

new dollars for projects in the City), and (2) the level of City allocation is fiscally sustainable for the City General Fund. An example of this scenario is the “25% City allocation and County Dollar Match” scenario evaluated by Kosmont.

The County can independently choose its revenue allocation outside of City limits for County projects.

The above considerations mirror the approach outlined in the County’s EIFD Participation Policy, where a finding that the EIFD will have a net positive general fund fiscal impact is required as a precondition to County participation in an EIFD. While it is not a part of the initial Feasibility Analysis scope of work approved thus far, a full City and County general fund fiscal impact analysis would be recommended prior to any binding actions by the City Council or County Board of Supervisors. Such analysis is actually required by the EIFD statute as part of the guiding Infrastructure Financing Plan preparation process.

It is important to note, that while an EIFD can be modified or dissolved in the future by City Council and Public Financing Authority action (e.g., Infrastructure Financing Plan amendment process), if/when dollars are pledged to an EIFD obligation such as an EIFD bond issuance, the dollars are “locked in” and no longer available to the General Fund.

#### C. Targeted Infrastructure Projects to be Eligible for Future EIFD Funding

At this early stage in the potential formation of 45-50 year financing district, Kosmont is suggesting that the list of infrastructure projects to be considered for future EIFD funding remain inclusive, encompassing outreach and feedback thus far, as well as potential future additional outreach. In the future (not necessarily for discussion at this meeting), if the City were to continue with EIFD formation, better practices to consider include contemplation of a framework for prioritization of projects for funding in the future, such as projects that catalyze private sector investment and/or deliver significant public benefit.

#### **Potential Next Steps**

Subject to City Council feedback on EIFD Feasibility Analysis findings, next steps could include consideration of a non-binding Resolution of Intention by the City Council at a future meeting (e.g., December 2024 or January 2025), expressing intention to continue down the path of potential EIFD formation. It is anticipated (and suggested) that any such Resolution of Intention be contingent upon certain conditions being met, as informed by City Council direction, such as achieving a County dollar match and net positive general fund fiscal impact.

Informed by City Council direction this evening, Kosmont would be working in parallel with County staff and Fifth District representatives toward bringing a non-binding Resolution of Intention before the County Board of Supervisors for consideration along a similar timeline. Pursuant to the County’s EIFD Participation Policy, it is expected that a County general fund net fiscal impact will need to be prepared prior to any binding actions by the County Board of Supervisors. It is suggested by Kosmont that a net fiscal impact analysis additionally be prepared for the City general fund prior to any binding actions by the City Council, in order to confirm whether EIFD implementation would be fiscally sustainable for the City. Pursuant to Kosmont’s approved scope of work and schedule, and subject to desire by the City and County to continue down the path of EIFD evaluation and potential formation, Kosmont would be expected to collaborate with City and County staff to bring non-binding Resolutions of Intention to the City Council and County Board of Supervisors before February 2025.

As part of the consideration by the City Council and County Board of Supervisors of their Resolutions of Intention, each agency would be appointing its representation on the governing Public Financing Authority, which would

include members of the City Council, at least one member of the County Board of Supervisors, and at least two members of the public appointed by the City Council or County Board of Supervisors.

Beyond consideration of City and County Resolutions of Intention, potential next steps for EIFD implementation would include preparation of the guiding Infrastructure Financing Plan (memorializes key terms such as tax increment allocation percentages, maximum dollar allocations, general fund impacts, and eligible projects for funding), a series of required public meetings and hearings on the draft Infrastructure Financing Plan, future independent approval by the City Council and County Board of Supervisors, and administrative filings with the State Board of Equalization. Any such tasks are beyond the currently approved consultant scope of work and subject to identification of funding from the City and/or County (reimbursable from future EIFD revenues). It is estimated that EIFD formation could be completed in calendar year 2025, subject to continued desire and support by the City Council and County Board of Supervisors. The one-time costs for these formation activities are estimated in the range of \$50,000 to \$75,000. Of this amount, approximately \$12,000 to \$15,000 would be dedicated to the General Fund Fiscal Impact Analysis required by the EIFD statute and County EIFD Participation Policy (costs would include analysis for both City and County). Such amounts would be reimbursable from future EIFD revenues.

Post district formation, it would be expected that City staff time continue to be dedicated to the annual reporting and administration requirements of the EIFD, potentially collaborating with County staff and a third-party financial consultant (payable from ongoing EIFD revenues).

In all cases, further evaluation and implementation of an EIFD (e.g., involving allocation percentages, Public Financing Authority Board composition, etc.) would require continued collaboration and coordination with the County, as the Feasibility Analysis has concluded that County partnership is a key factor for implementation feasibility.

#### **COMMUNITY OUTREACH:**

This item was noticed in accordance with the Ralph M. Brown Act and was available for public viewing and review at least 72 hours prior to the scheduled meeting date. EIFD Feasibility Analysis community outreach thus far was focused during the September 3<sup>rd</sup> meeting of the City Council and the September 25<sup>th</sup> joint Municipal Advisory Committee meeting in unincorporated West Sonoma County. If an EIFD is ultimately implemented, public information will continue to be an important part of the formation process. A dedicated web page would be developed that would serve as a resource to interested stakeholders. Landowners and residents within the EIFD boundaries would also receive mailed notifications of public meetings and hearings throughout the formation process, and public hearings would additionally be advertised via local newspaper. In the event of a majority protest by property owners or residents within the boundaries, the formation proceedings would be discontinued.

#### **PUBLIC COMMENT:**

As of the writing of this staff report, apart from feedback from community outreach efforts outlined above, the City has not received any public comment. However, if staff receives public comment from interested parties following the publication and distribution of this staff report such comments will be provided to the City Council as supplemental materials before or at the meeting. In addition, public comments may be offered during the public comment portion of this item.

#### **FISCAL IMPACT:**

Consultant work for the EIFD feasibility evaluation is being funded by the \$50,000 County allocation procured by Supervisor Hopkins. If an EIFD is ultimately established, there would be no decrease in the amount of property tax

revenue the General Fund receives; however, a portion of future City property tax increment from within the approved EIFD boundary would be restricted to fund targeted infrastructure investments in the City to catalyze economic development and provide public benefit. Further information regarding fiscal impacts is required to be analyzed as part of the preparation of the ultimate Infrastructure Financing Plan, which would be presented to the City Council, County Board of Supervisors, and EIFD Public financing Authority in future meetings for approval, prior to any binding actions for EIFD formation.

**RECOMMENDATION:**

The purpose of this item is to submit to the City Council a report out from the EIFD Ad Hoc Committee to the City Council. The action for consideration tonight is as follows:

- a) Receive the report of Kosmont EIFD Feasibility Analysis Findings
- b) Provide direction to continue EIFD formation process and bring back a non-binding Resolution of Intention for City Council consideration at a future meeting, subject to certain conditions being met

**OPTIONS:**

- c) Other direction as Council deems appropriate

**Staff Recommendation**

- d) Staff recommends that the conditions for continuing to proceed with an EIFD include (1) ensuring that the County is aware of the City’s expectation that the County will match City contributions to an EIFD focused on Sebastopol with a 1:1 match of future funding, and (2) that we complete a full analysis of the impact of an EIFD on the City’s General Fund before taking other steps that will require a significant amount of staff time.

**ATTACHMENTS:**

- Summary Presentation with Analysis Detail Appendix
- Draft / sample Resolution of Intention

**APPROVALS:**

Department Head Approval: Approval Date: 11/6/2024  
 CEQA Determination (Planning): Approval Date: 11/6/2024

The proposed action is exempt from the requirements of the California Environmental Quality Act (CEQA) under CEQA Guidelines Section 15061(b)(3) and 15378 in that there is no possibility that the implementation of this action may have significant effects on the environment, and no further environmental review is required.

Administrative Services/Financial Approval: Approval Date: 11/12/2024  
Costs authorized in City Approved Budget:  Yes  No  N/A  
 Account Code (f applicable) \_\_\_\_\_  
 City Attorney Approval: Approval Date: 11/12/2024  
 City Manager Approval: Approval Date: 11/12/2024

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

Agenda Item Number 13



*November 2024*



Kosmont Companies

El Segundo, CA

[www.kosmont.com](http://www.kosmont.com) | [@KosmontTweets](https://twitter.com/KosmontTweets)

# Background and Scope of EIFD Evaluation

- City Council expressed interest in forming an EIFD in Nov 2023 and formed EIFD Ad Hoc Committee
- County Fifth District Supervisor Hopkins procured funding for EIFD evaluation for City and West County
- Kosmont Companies selected as consultant through competitive procurement process
- **EIFD boundary alternatives** – Multiple scenarios of EIFD boundary evaluated within the City and in unincorporated West County jurisdiction
- **Revenue allocation scenarios (\$\$\$)** – Multiple scenarios of City and County property tax increment allocation evaluated for each boundary alternative, along with corresponding funding and bonding capacity
- **Targeted infrastructure projects eligible for funding** – Input solicited on potential projects to be considered for EIFD funding from EIFD Ad Hoc Committee, Sept 3<sup>rd</sup> City Council meeting, and Sept 25<sup>th</sup> West County joint Municipal Advisory Committee (MAC) meeting



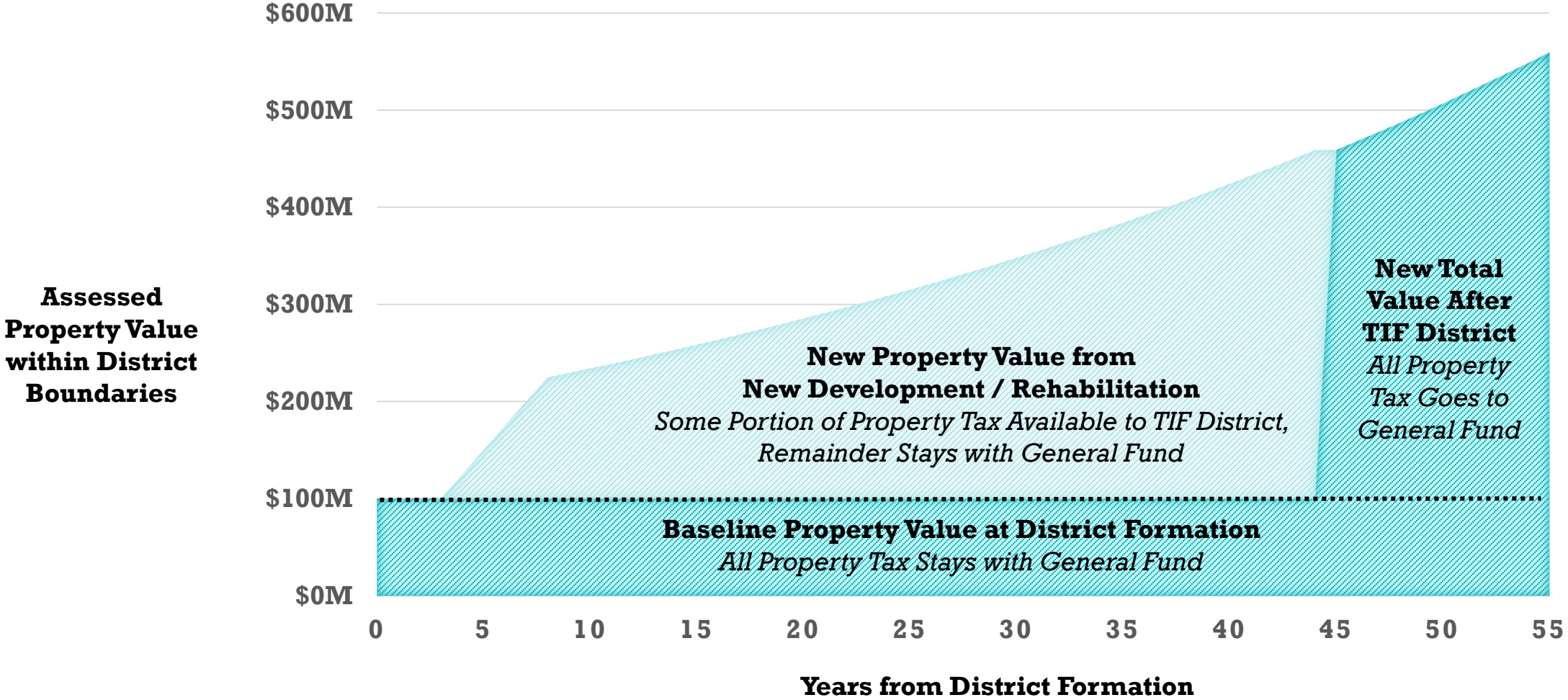
# Summary of Feasibility Analysis Findings

- a) **EIFD boundaries** – Ultimately suggesting two different EIFDs for City and County consideration to support equitable representation in the governing board composition:
  - 1. Focused Corridor within the City (City and County participation for projects within City)
  - 2. Larger unincorporated West County area (only County participation for projects outside of City)
  
- b) **Revenue allocation (\$\$\$)** – Suggesting City only considers a scenario with a County dollar match, and at a fiscally sustainable level for the City General Fund (e.g., 25% City allocation + County dollar match); County can independently choose its revenue allocation outside of City limits for County projects
  
- c) **Targeted infrastructure projects eligible for funding** – Suggesting to keep the list inclusive, encompassing outreach and feedback thus far, and potential future additional outreach, but contemplate a framework for prioritization in the future, such as projects that catalyze private sector investment and/or deliver significant public benefit

# Actions for City Council Consideration

- Feedback and questions on Feasibility Analysis findings
- Direction to continue EIFD formation process and bring back a non-binding Resolution of Intention for City Council consideration at a future meeting, subject to certain conditions being met (sample Resolution attached for reference), or
- Other direction as Council deems appropriate

# Tax Increment Financing Illustration – Not a New Tax



Note: Illustrative. Conservative 2% growth of existing assessed value (A/V) shown; does not include mark-to-market increases associated with property sales.

# Enhanced Infrastructure Financing District (EIFD) Fundamentals

<b>Long Term Districts</b>	45 years from first bond issuance
<b>Governance</b>	Public Financing Authority (PFA) implements Infrastructure Financing Plan (IFP)
<b>Approvals</b>	Mandatory public hearings for formation with protest opportunity; no public vote
<b>Non-contiguous Areas</b>	EIFD project areas <u>do not have to be contiguous</u>
<b>Eligible Projects</b>	Any property with useful life of 15+ years & of communitywide significance; purchase, construction, expansion, improvement, seismic retrofit, rehabilitation, and <u>maintenance</u>

**Does NOT increase property taxes**

# Public Financing Authority (PFA) Composition

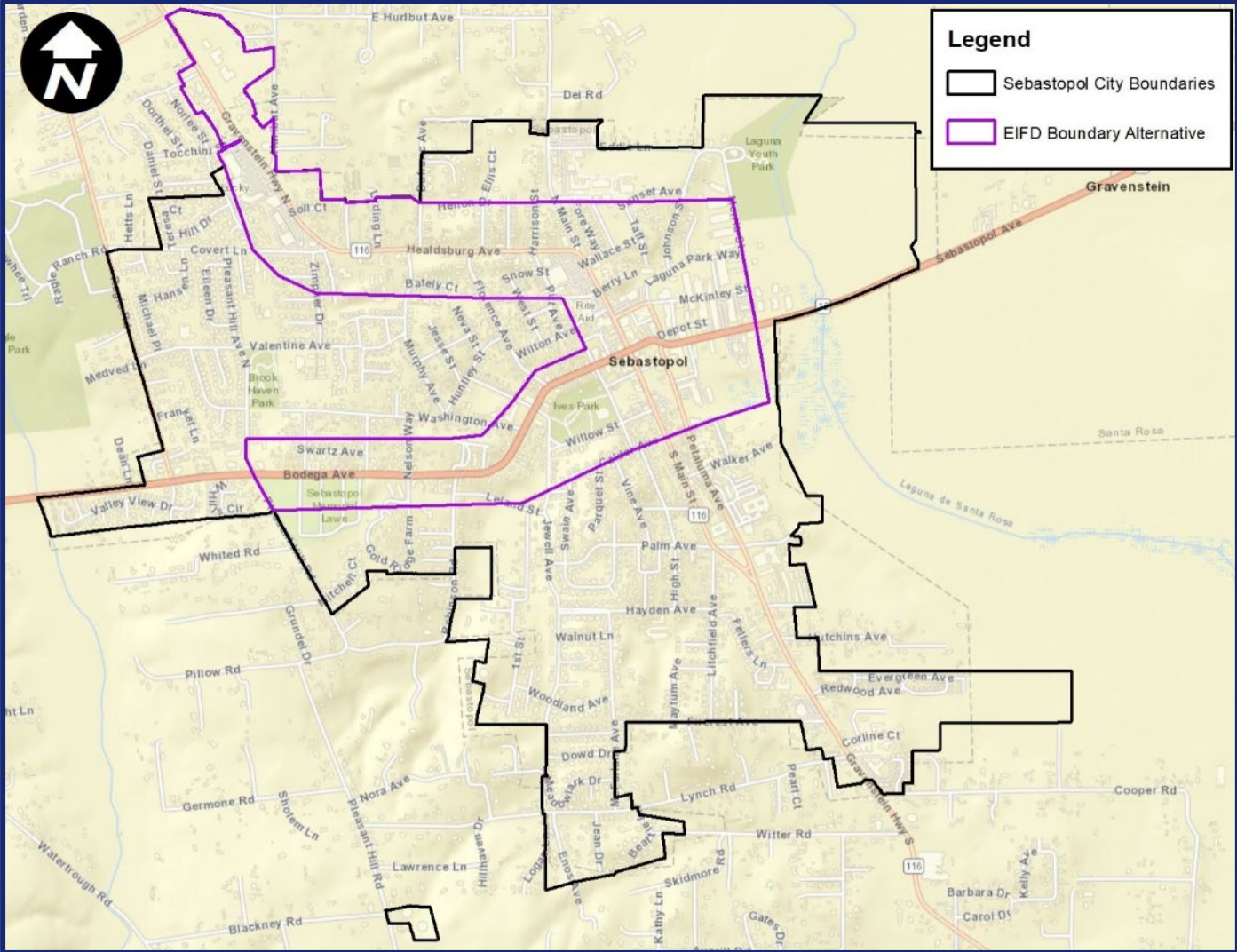
- Minimum of five (5) members for each PFA
- Majority must be either City Councilmember or County Supervisors
- At least two (2) members of the public appointed by the City Council of County Board of Supervisors
- While there is flexibility, PFA representation in other jurisdictions has mirrored the breakdown of EIFD area between incorporated and unincorporated areas, as well as levels of tax increment revenue allocation between participating taxing entities

# EIFD Boundary Considerations

- Capture as much future development as possible – EIFD is “value capture” tool
- Support continued flow of property taxes to City / County General Funds for day-to-day operations – target positive fiscal impact
- Public improvements funded do not need to be within EIFD boundary
- **Kosmont is suggesting a boundary alternative focused along main transportation corridors within the City, where future development is planned or proposed**

# Corridor-Focused EIFD Boundary Alternative

- Focus on development opportunity sites
- Approx. 290 acres (~24% of City)
- Approx. \$615M in existing assessed property value (~39% of City)



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

# Alternatives for Revenue Allocation Scenarios

- In Kosmont's experience, City and County tax increment revenue allocation percentages, similar to boundary definition, should balance (a) funding capacity for the EIFD on one hand, and (b) General Fund strength on the other
- For most of the approximately 29 EIFDs formed so far in California, cities and counties have ranged from 20% to 50% allocation, depending largely on the size of the EIFD and future development potential
- Important to note, while an EIFD can be modified or dissolved in the future by City Council and PFA action, if/when dollars are pledged to an EIFD obligation such as an EIFD bond issuance, the dollars are "locked in" and no longer available to the General Fund
- **Kosmont is suggesting that the City only move forward with formation EIFD if (a) the County matches the City allocation dollar-for-dollar, and (b) the City allocates a percentage that is fiscally sustainable for the General Fund (e.g., 25% of increment to EIFD, 75% of increment to General Fund)**



# Suggested EIFD Revenue Allocation Scenario

## Corridor-Focused Boundary

EIFD Year	City 25% Allocation	County Match	Total Allocation
Year 1	\$21,923	\$21,923	\$43,846
Year 2	\$44,870	\$44,870	\$89,739
Year 3	\$68,882	\$68,882	\$137,764
Year 4	\$94,004	\$94,004	\$188,007
Year 5	\$120,279	\$120,279	\$240,558
Year 6	\$133,599	\$133,599	\$267,198
Year 7	\$147,318	\$147,318	\$294,637
Year 8	\$161,449	\$161,449	\$322,899
Year 9	\$176,004	\$176,004	\$352,009
Year 10	\$190,996	\$190,996	\$381,992
<b>Year 1-50 Total</b>	<b>\$28,184,897</b>	<b>\$28,184,897</b>	<b>\$56,369,794</b>
<b>Year 1-50 Present Value</b>	<b>\$10,702,005</b>	<b>\$10,702,005</b>	<b>\$21,404,011</b>

Present value at 3% discount rate






# Kosmont Commentary Project Funding Prioritization

- While there is flexibility in the EIFD statute to allow for revenue generated within the City to fund projects outside of the City and vice versa, the equitable approach suggested is as follows:
  - a) Prioritize revenue generated within the City EIFD to fund projects within the City (for both City and County stakeholder benefit)
  - b) Prioritize revenue generated in unincorporated West County to fund projects in unincorporated West County (would not be under Sebastopol City Council purview)

# Sonoma County EIFD Participation Policy

*(Adopted February 2024 – Helpful Guide for Cities)*

<p><b>County Property Tax Contribution:</b></p> <ul style="list-style-type: none"> <li>• No more than City’s contribution</li> <li>• Less than 100% of County share</li> </ul>	
<p><b>Fiscal Impact:</b></p> <ul style="list-style-type: none"> <li>• Positive net impact to General Fund</li> </ul>	
<p><b>Strategic Priority Alignment:</b></p> <ul style="list-style-type: none"> <li>• Economic Development</li> <li>• Affordable housing</li> <li>• Climate adaptation and resilience</li> <li>• Transit-oriented development</li> <li>• Active transportation</li> <li>• Advancing racial and social equity</li> </ul>	

# Financing Districts work better with a Multi-Agency Partnership & Attract Other Funding

- Ideal strategy includes City and County partnership
- District which involve a City / County joint effort are more likely to win state grant funding sources
- 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 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)*
- *Statewide Community Infrastructure Program (SCIP) pooled financing*
- *Private investment*

# Potential EIFD Formation Schedule

Target Date	Task
<b>Sept-Dec 2024</b>	a) Conduct outreach / discussion among City staff and Council, County staff and Board of Supervisors, other relevant stakeholders, reports out from the EIFD Ad Hoc Committee b) Determination of potential EIFD boundaries, eligible projects, governing Public Financing Authority (PFA) Board composition
<b>Dec 2024 – Feb 2025</b>	c) City Council / County Board of Supervisors consider Resolution(s) of Intention (ROI) to form district and formally establish PFA Board
<b>March 2025</b>	d) PFA directs the drafting of the Infrastructure Financing Plan (IFP)
<b>April 2025</b>	e) Distribute draft IFP to property owners, affected taxing entities, City Council, County Board of Supervisors, planning commission
<b>May 2025</b>	f) PFA holds an initial public meeting to present the draft IFP to the public and property owners, hear written and oral comments, but take no action
<b>June 2025</b>	g) PFA holds first public hearing to hear written and oral comments and take action to modify or reject IFP, if appropriate (at least 30 days after “f”)
<b>June / July 2025</b>	h) City Council / County Board of Supervisors consider resolution(s) approving IFP
<b>July 2025</b>	i) PFA holds second public hearing to hear additional comments consider, oral and written protests, and take action to terminate proceedings or adopt IFP and form the district by resolution (at least 30 days after “g”)
<b>August 2025</b>	j) Administrative filings with State Board of Equalization

- Tax increment allocation begins fiscal year following district formation
- Debt issuance, if desired, would occur after a stabilized level of tax increment has been established (may be 3-5 years)

# Potential Next Steps / Action Items

- For City Council Consideration:
  - a) Feedback and questions on Feasibility Analysis findings
  - b) Direction to continue EIFD formation process and bring back a non-binding Resolution of Intention for City Council consideration at a future meeting, subject to certain conditions being met (sample Resolution attached for reference)
  - c) Other direction as Council deems appropriate
- County determination on boundary in unincorporated West County
- City and County General Fund fiscal impact analysis, determination of allocation percentages and max dollar caps, framework for project prioritization
- Potential implementation of EIFD formation in calendar year 2025, subject to required conditions being met



# kosmont companies

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*We achieve financial success for our public and private sector clients.*

*We are committed to community prosperity and quality of life.*

*Our professional standards are of the highest excellence.*

# APPENDIX



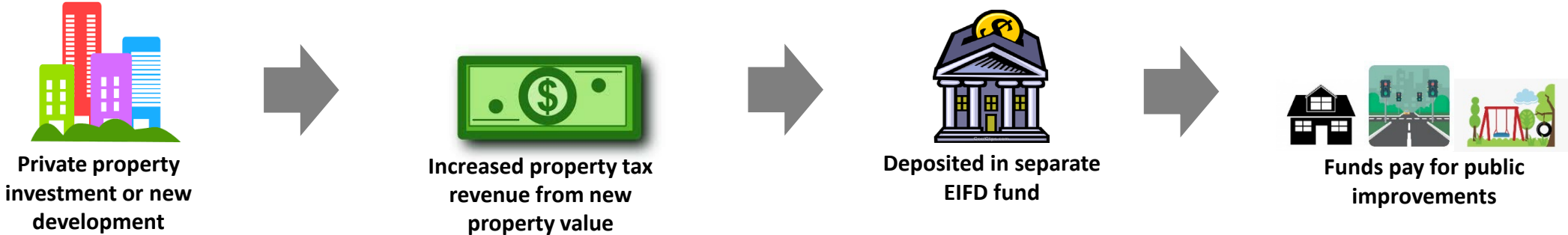
# Tax Increment Financing (TIF) Overview

## TIF in California

- Proposition 18 approved by California voters in 1952 creating Tax Increment Financing (TIF) – formerly Redevelopment Agencies
- Allows local governments to create “Districts” to finance improvements using TIF
- Infrastructure investments funded by increased property tax revenues from new development – no new taxes

## State has approved new special purpose financing districts

- Enhanced Infrastructure Financing District (EIFD)
- Address major infrastructure, sustainability, and housing needs
- Enables TIF
- Encourage joint ventures with cities, counties, special districts, and private developers



# Types of Projects EIFD Can Fund

*(Partial List)*



**Water / Sewer / Storm / Flood**



**Roadway / Parking / Transit**



**Parks / Open Space / Recreation**



**Childcare Facilities & Libraries**



**Brownfield Remediation**



**Affordable Housing**



**Broadband**



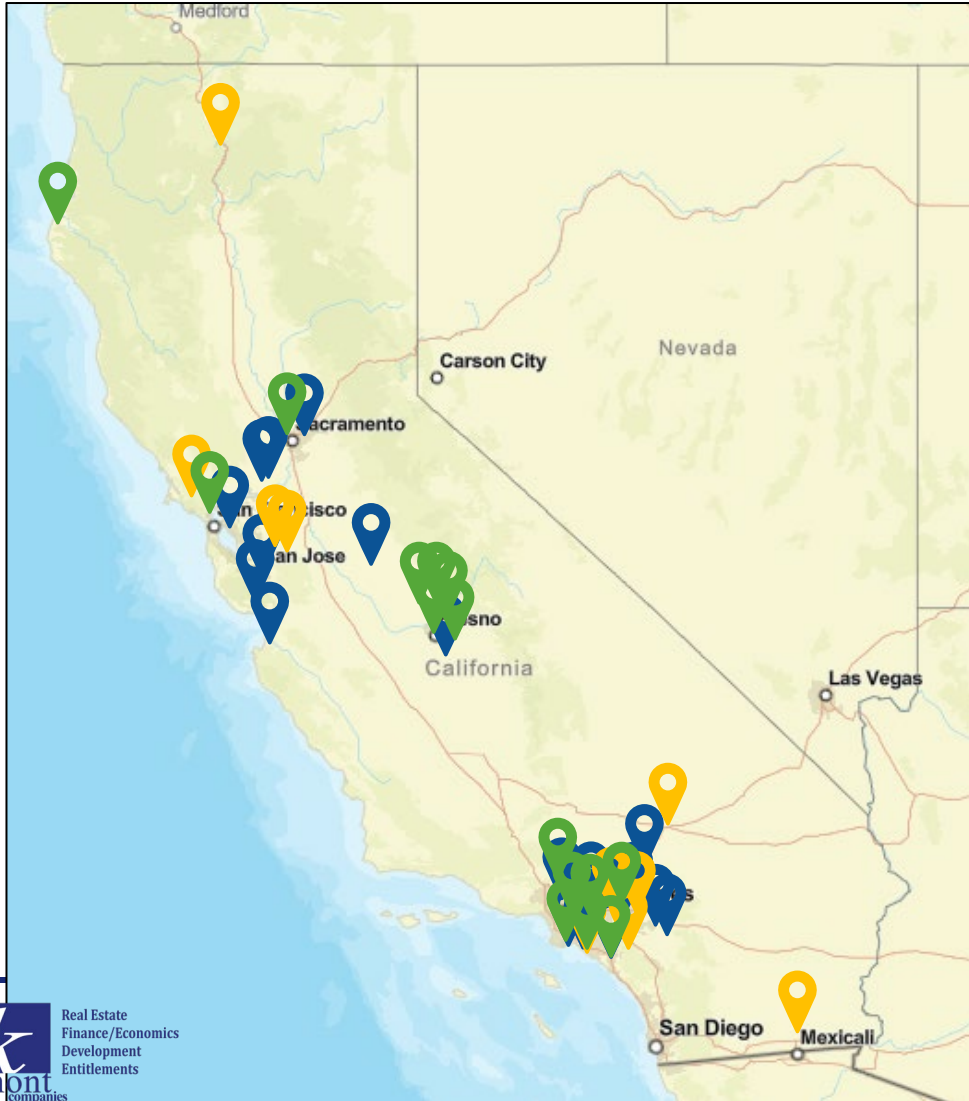
**Wildfire Prevention / Other  
Climate Change Response**



**Small Business /  
Nonprofit Facilities**

# TIF Districts in Progress Statewide

## (Partial List)



Jurisdiction	Purpose
Apple Valley	Industrial and housing supportive infrastructure
Banning (CRIA)	Downtown revitalization, industrial infrastructure
Barstow	Industrial and housing supportive infrastructure
Brentwood	Housing, employment, and transit-supportive infrastructure
Buena Park	Mall reimagination, housing-supportive infrastructure
Carson + L.A. County	Remediation, affordable housing, recreation
Citrus Heights	Mall reimagination
Covina	Downtown housing and blended use supportive infrastructure
Fairfield	Downtown, housing, and transit-supportive infrastructure
Fresno	Downtown, housing and transit-supportive infrastructure
Fresno County	Industrial and commercial supportive infrastructure
Humboldt County	Coastal mixed-use and energy supportive infrastructure
Inglewood	Transit-related infrastructure
Imperial County	Industrial, renewable energy, and housing and infrastructure
La Verne + L.A. County	Housing and transit-supportive infrastructure
Long Beach	Economic empowerment and affordable housing
Los Angeles (Downtown, San Pedro, other)	Affordable housing and transit-supportive infrastructure
Los Angeles County Uninc. West Carson	Housing / bio-science / tech infrastructure
Madera County (3 Districts)	Water, sewer, roads and other housing infrastructure
Modesto + Stanislaus County	Downtown, housing, and recreation infrastructure
Mount Shasta	Rural brownfield mixed-use infrastructure
Napa	Downtown, housing, tourism supportive infrastructure
Oakland	Affordable housing and infrastructure
Ontario	Industrial and housing infrastructure
Palmdale + L.A. County	Housing and commercial infrastructure
Pittsburg	Housing, commercial, and tech park infrastructure
Placentia + Orange County	Housing and TOD infrastructure
Rancho Cucamonga	Blended use and connectivity infrastructure
Redlands	Education related and blended use infrastructure
Redondo Beach + L.A. County	Parks / open space, recreation infrastructure
Riverside	Affordable housing and infrastructure
Sacramento County (Unincorporated)	Industrial / commercial supportive infrastructure
San Rafael	Blended-use and climate resilience infrastructure
Sanger	Housing and commercial supportive infrastructure
Santa Cruz	Downtown, blended use, and climate resilience infrastructure
Santa Rosa + County of Sonoma	Downtown investment, affordable housing, hospitality
Selma	Water, sewer, and other housing supportive infrastructure
Vacaville	Housing and business park infrastructure
Yucaipa	Housing and commercial infrastructure

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City Council Meeting Packet November 19, 2024

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Fully Formed	In Formation Process	Under Evaluation
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# Potential EIFD Infrastructure Projects within the City

*(Informed by Sept 3<sup>rd</sup> City Council Meeting)*

- City library expansion
- City Hall complex
- City Parks improvements
- Traffic / roadway improvements (e.g., roundabouts)
- Community pool
- 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

# Potential EIFD Infrastructure Projects in West County

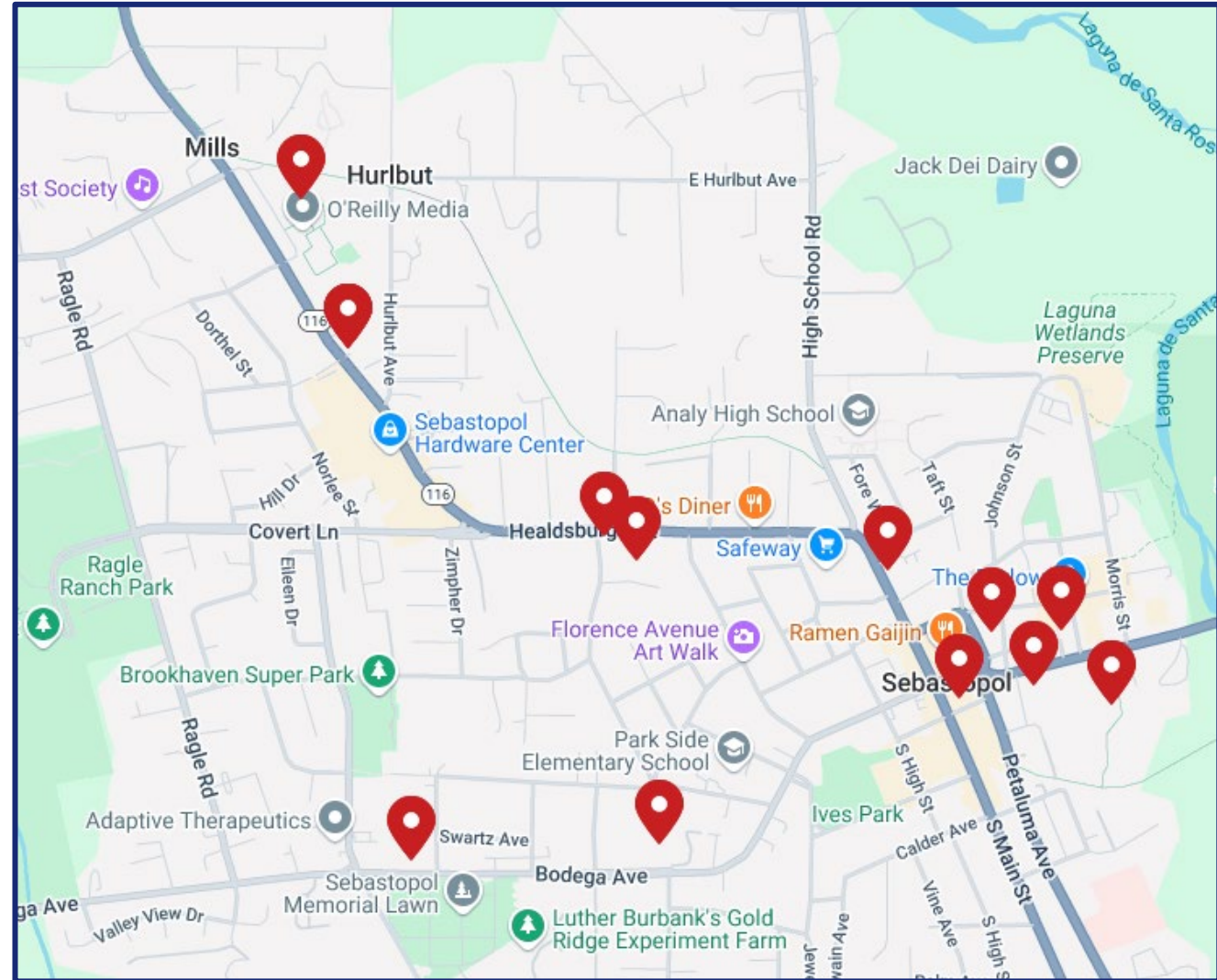
*(Informed by Sept 25<sup>th</sup> Joint MAC Meeting)*

- 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

# Potential Development Projects

~\$114M in New Value over 5-10 Years

- Canopy (80 townhomes)
- Horizon Shine (RV safe parking)
- 7631 Healdsburg Ave (mixed-use)
- Pacific Knolls (townhomes / apartments)
- Habitat for Humanity (townhomes)
- Piazza Hotel
- Barlow Hotel
- The Livery (upgrade and remodel)
- Benedetti Car Wash
- Elderberry Commons (permanent supportive housing)
- Woodmark Apartments (affordable)
- Huntley Square (“mini-townhomes”)



Source: City of Sebastopol Building and Development Projects (Sept 2024):

<https://www.cityofsebastopol.gov/our-community/buildingprojects/>

# Future Development Assumptions

*Absorption Assumed over 5-10 Years*

Area	# SF or Units	Estimated AV Factor	Estimated Total AV at Buildout
Residential (Rental)	12 units	\$325K per unit	\$3.9 million
Residential (For Sale)	106 units	\$550K per unit	\$58.3 million
Residential (Affordable)	134 units	<i>property tax-exempt</i>	\$0
Hotel	147 rooms	\$350K per room	\$51.5 million
<b>Total New Development Assumed within EIFD Study Area</b>			<b>\$113.7 million</b>

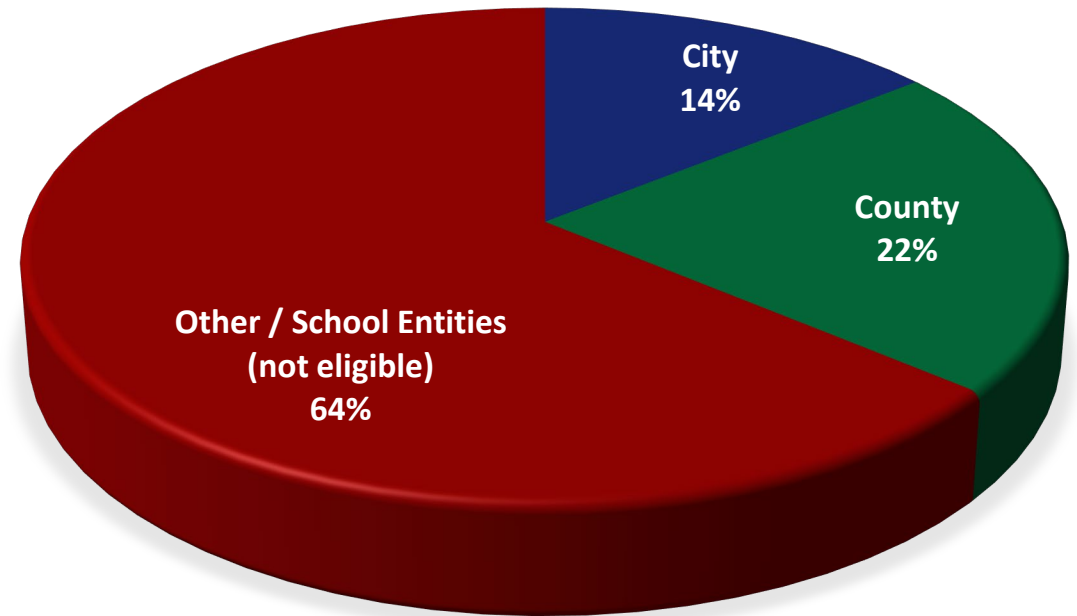
Note: AV at buildout values in current 2024 dollars  
 Sources: City of Sebastopol Building and Development Projects, CoStar (2024)



# Property Tax Revenues Available to EIFD

- Primary non-school recipients and potential contributors of property tax are **City of Sebastopol** and **County of Sonoma**
- City share varies by area and averages ~**14%** of every \$1 collected in property taxes within the EIFD Study Area
  - City additionally receives equivalent of ~**6.0%** of property tax in lieu of motor vehicle license fees (MVLFF), also available to EIFD
- County General Fund share varies by area and averages ~**22%**
  - County additionally receives property tax in lieu of MVLFF, also available to EIFD, but not incorporated into this analysis to be conservative
- School-related entities cannot participate

**Weighted Average Property Tax Distribution within EIFD Study Area**



As counties tend to rely more heavily on property tax revenue sources generated by new development within incorporated jurisdictions, it is Kosmont's experience that it is not reasonable to assume allocation of property tax in lieu of MVLFF by the County. As cities benefit from additional non-property tax revenue sources (e.g., sales tax, transient occupancy tax) from new development, it is Kosmont's experience that it is reasonable for cities to consider contributing property tax in lieu of MVLFF.

Tax Rate Area (TRA) weighted average distributions for EIFD Study Area shown. Post-ERAF (Education Revenue Augmentation Fund) distribution.

Source: Sonoma County Auditor Controller (2024), City of Sebastopol FY24-25 Budget



# 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.

# EIFD Revenue and Bonding Capacity Scenarios

## Citywide Boundary

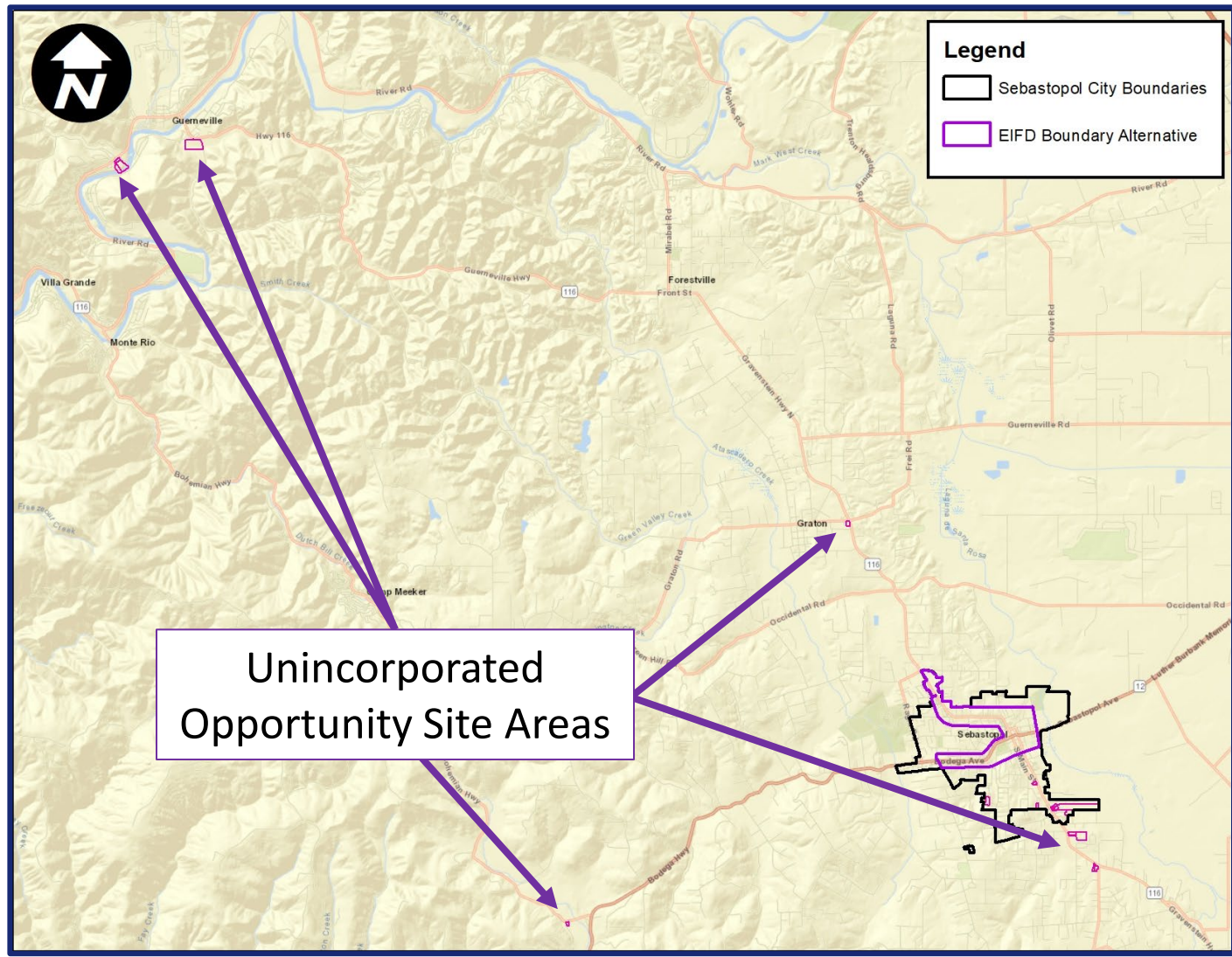
EIFD Revenue Allocation Scenario	Year 5 Accumulated Revenue + Bonding Capacity*	Year 10 Accumulated Revenue + Bonding Capacity*	50-Year Present-Value @ 3% Discount Rate	50-Year Nominal Total
A) City 25%	\$1,601,000	\$4,461,000	\$23,032,000	\$61,808,000
B) City 35%	\$2,506,000	\$6,510,000	\$32,245,000	\$86,531,000
C) City 25% + County Dollar Match (~23% of County Share)	\$3,864,000	\$9,584,000	\$46,065,000	\$123,615,000
D) City 35% + County Dollar Match (~32% of County Share)	\$5,675,000	\$13,682,000	\$64,490,000	\$173,061,000

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.

# Sample Opportunity Site Parcels in Unincorporated County Supervisorial District #5

- Potential economic development opportunity sites in unincorporated Supervisorial District #5
- Approx. 38 acres
- Approx. \$4.8M in existing assessed property value
- Potential \$46M+ in new development value (e.g., Guernewood Resort / The Lodge on Russian River, Hardware Store, Mobile Home Park, River Electric Camp, Freestone Hotel)



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

# EIFD Revenue and Bonding Capacity Scenarios

## Unincorporated County Supervisorial District #5 Opportunity Sites

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 50%	\$205,000	\$627,000	\$3,049,000	\$7,299,000
B) County 100%	\$930,000	\$1,917,000	\$6,099,000	\$14,597,000

County allocation does not include MVLFF 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.

# EIFD Revenue and Bonding Capacity Scenarios

*All of Unincorporated County Supervisorial District #5*

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 5%	\$2,143,000	\$6,562,000	\$37,167,000	\$101,247,000
B) County 10%	\$4,948,000	\$13,786,000	\$74,334,000	\$202,493,000
C) County 15%	\$7,754,000	\$21,010,000	\$111,501,000	\$303,740,000
D) County 20%	\$10,559,000	\$28,233,000	\$148,668,000	\$404,986,000

*County allocation does not include MVLFF 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.*



# Summary of Revenue Allocation Scenarios Evaluated

50-Year Present Value Funding Capacity	City Allocation	County Allocation	Total City + County Allocation
EIFD Area Within City	\$6M to \$32M	\$6M to \$32M	\$11M to \$64M
EIFD Area in Unincorporated West County	\$0	\$3M to \$149M	\$3M to \$149M
<b>Total EIFD Area</b>	<b>\$6M to \$32M</b>	<b>\$9M to \$181M</b>	<b>\$14M to \$213M</b>

# Kosmont Commentary on Revenue Allocation Scenarios

## *Within Sebastopol City Limits*

### **For City Council consideration:**

- For a more targeted boundary scenario, such as the corridor approach, a higher percentage allocation such as 25% to 50% could support both EIFD funding capacity and City General Fund health
- For a larger boundary scenario, such as the entire City limits, a smaller percentage allocation such as 10% to 15% would be more appropriate and fiscally sustainable

### **For County Board of Supervisors consideration:**

- A dollar-for-dollar match of the City's allocation within the City would entail a County allocation of between approximately 23% and 46% of the County share of property tax increment (varies with City allocation percentage)
- Previous County General Fund fiscal impact analysis suggests a maximum County allocation in the range of 25% to 30% to avoid over-exposure of the County General Fund

# Kosmont Commentary on Revenue Allocation Scenarios

## *Unincorporated West County*

### **For City Council consideration:**

- Only the County is able to allocate property tax increment in unincorporated jurisdiction
- If parcels are annexed into the City in the future, such parcels could be annexed into the EIFD by City Council and EIFD Public Financing Authority action

### **For County Board of Supervisors consideration:**

- For a more targeted boundary scenario, including specific opportunity sites in unincorporated areas, even a percentage allocation of 100% would likely not generate EIFD funding capacity of material scale
- For a larger boundary scenario, such as the entirety of unincorporated Supervisorial District #5, an allocation in the range of 5% to 15% provides significant EIFD funding capacity, while allocations at the higher end of this range and beyond would likely present significant risk of County General Fund fiscal exposure



# Potential Cash Flow / Debt Issuance Approaches

- Kosmont Financial Services is in active discussions with public finance underwriters regarding TIF debt issuances in other jurisdictions
- Underwriters have proposed several approaches for the leverage of tax increment for accelerated debt issuance (e.g., 2-3 years from district formation), for example:
  - a) Tax increment only
  - b) Overlapping TIF and CFD (CFD Backstop) – landowners / developers must be willing to pay CFD special taxes in the short term (e.g., 5-10 years) until tax increment reaches a level to cover debt service
  - c) Tax increment with City or County general fund backstop
- There are advantages and disadvantages with each approach (e.g., upfront proceeds available, public agency risk, cost of capital)
- Additional alternatives are available if private sector partners (e.g., landowners / developers are willing to advance infrastructure funding in exchange for reimbursement from TIF proceeds)

# Public Agency “Return on Investment”

- Housing, including affordable housing
- Revitalized Downtown, public amenities, quality of life
- Job creation and wages from construction activities and ongoing operation of new development
- City and County General Fund positive fiscal impacts (net of tax increment contribution to TIF district and net of new fiscal expenditures)
- Attract other funding (e.g., grants)

**RESOLUTION NO. 2024 - XXX**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEBASTOPOL DECLARING ITS INTENTION TO ESTABLISH THE SEBASTOPOL ENHANCED INFRASTRUCTURE FINANCING DISTRICT TO FINANCE THE CONSTRUCTION, REPAIR, ACQUISITION, AND/OR MAINTENANCE OF CAPITAL IMPROVEMENTS AND FACILITIES, INCLUDING THE ACQUISITION AND/OR REMEDIATION OF LAND FOR SUCH IMPROVEMENTS AND FACILITIES; ESTABLISHING A PUBLIC FINANCING AUTHORITY; AND AUTHORIZING CERTAIN OTHER ACTIONS RELATED THERETO**

**WHEREAS**, SB 628, effective as of January 1, 2015, allows a city or county to create a separate government entity known as an “Enhanced Infrastructure Financing District” (EIFD) within a defined area to finance certain infrastructure projects with community-wide benefits; and

**WHEREAS**, pursuant to Chapter 2.99 of Part 1 of Division 2 of Title 5 of the California Government Code (commencing with Section 53398.50) (the “EIFD Law”), the City Council of the City of Sebastopol (“Council”) is authorized to initiate the process to establish an EIFD; and,

**WHEREAS**, EIFDs are financed through tax increment generated from the growth in property taxes collected from within a designated district boundary. There are no new taxes or impacts to the property owner within an established EIFD; and,

**WHEREAS**, EIFD tax increment may be used to pay for a variety of public facilities and other projects authorized by the EIFD Law within the established EIFD boundaries or outside of the established EIFD boundaries if there is a tangible connection to the work of the EIFD, including but not limited to infrastructure such as roads, utilities, streetscapes, parks and public recreation, or other community facilities. Funding may also be used to facilitate public-private activities by enticing development with infrastructure development and expansion, including new industrial-manufacturing facility construction and repair, and brownfields remediation. Affordable housing, including affordable senior housing, is also an eligible activity; and,

**WHEREAS**, the City retained Kosmont & Associates, Inc. DBA Kosmont Companies through a competitive procurement process as a consultant to prepare an evaluation of EIFD implementation feasibility, paid for with County of Sonoma funding procured by Fifth District Supervisor Lynda Hopkins; and,

**WHEREAS**, the prerequisites set forth in Government Code Section 53398.54 have been complied with prior to the City initiating the creation of or participating in the governance of the EIFD, and the City will provide the required certification to the California Department of Finance (“DOF”) in accordance with the EIFD Law; and,

**WHEREAS**, the proposed boundaries of the Sebastopol EIFD are identified on Exhibit A entitled “Proposed Sebastopol EIFD Boundary”, a copy which is on file in the office of the City Clerk; and,

**WHEREAS**, the EIFD will be governed by a Public Financing Authority ("PFA") board which will be responsible for implementing the Infrastructure Financing Plan for the EIFD ("IFP"), and the PFA is required to be established by the City Council at the same time that the Council adopts its intention to form the proposed EIFD; and,

**WHEREAS**, this action is exempt from the California Environmental Quality Act ("CEQA") as an action solely related to financing and is not in-and-of itself a "project" (pursuant to CEQA Guidelines Section 15378) since it does not result in a physical change in the environment because the City has not committed itself to fund any specific projects through the EIFD. However, future actions (such as the funding and/or approval of infrastructure improvements using funding from the EIFD) will be subject to environmental review in accordance with CEQA.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SEBASTOPOL HEREBY RESOLVES AS FOLLOWS:**

- Section 1. The City Council of the City of Sebastopol proposes and intends to cause the establishment of an EIFD under the provisions of the EIFD Law.
- Section 2. The name proposed for the EIFD shall be the "Sebastopol Enhanced Infrastructure Financing District."
- Section 3. The proposed boundaries of the EIFD are as shown on Exhibit A attached hereto, which are preliminarily approved and on file in the office of the City Clerk and incorporated herein by reference.
- Section 4. The types of public facilities and development proposed to be financed or assisted by the EIFD pursuant to the EIFD Law are those listed on Exhibit B, attached hereto and incorporated herein by reference.
- Section 5. The City Council hereby finds that the EIFD is necessary for the area within the boundaries of the EIFD and the City. The City Council's stated goals for the EIFD are to create a means by which to assist in the provision of public facilities or other specified projects of communitywide significance that provide significant benefits to, promote economic development of, and enhance quality of life within, the boundaries of the EIFD or the surrounding community.
- Section 6. The City Council hereby declares that, pursuant to the EIFD Law and if approved by resolution pursuant to Government Code Section 53398.68, incremental property tax revenue from the City of Sebastopol and some or all other affected taxing entities within the EIFD may be used to finance the activities described in Section 4 and listed on Exhibit B. The incremental property tax financing will be described in an IFP to be prepared for approval by the PFA, the City Council, and the legislative bodies of all participating taxing entities under EIFD Law.
- Section 7. The City or County of Sonoma may allocate tax revenues derived from local sales and use taxes imposed pursuant to the Bradley-Burns Uniform Local Sales and Use Tax Law (Part 1.5 (commencing with Section 7200) of Division 2 of the Revenue and Taxation Code) or transactions and use taxes imposed in accordance with the

Transactions and Use Tax Law (Part 1.6 (commencing with Section 7251) of Division 2 of the Revenue and Taxation Code) to the EIFD pursuant to Government Code Section 53398.75.5, if applicable. The City Council does not intend to contribute sales and use taxes or transactions and use taxes to the EIFD.

Section 8. The City Council hereby establishes the “Public Financing Authority of the Sebastopol Enhanced Infrastructure Financing District” to serve as the governing board of the EIFD:

- A. The PFA membership shall be comprised initially of three members of the City Council appointed by the City Council and two public members selected by the City Council. Members shall serve at the pleasure of the City Council, as the case may be, and shall serve until their successor assumes office.
- B. The City Council further declares that, pursuant to Government Code Section 53398.51.1, should another taxing entity agree to participate as a taxing entity, then the PFA membership shall be modified in accordance with Government Code Section 53398.51.1. For example, if the County of Sonoma (“County”) agrees to participate as a taxing entity and the participating taxing entities consist of the City and the County, then the PFA membership shall be modified to be two members of the City Council, one member of the County Board of Supervisors (“Board of Supervisors”), one member of the public appointed by the City Council, and one member of the public appointed by the Board of Supervisors. Members shall serve at the pleasure of their respective appointing legislative bodies and shall serve until their successor assumes office.
- C. The legislative body of each participating taxing entity may appoint one of its members to be an alternate member of the PFA board who may serve and vote in place of a member who is absent or disqualifies themselves from participating in a meeting of the PFA.
- D. The members are subject to compliance with the EIFD Law and all applicable ethics laws, including Article 2.4 (commencing with Section 53234) of Chapter 2 of the Government Code.
- E. The City Council, and the governing bodies of any other participating entities shall comply with Government Code Section 54974.

Section 8. The City Council hereby sets the time and place for a public hearing of the PFA, the proposed EIFD and IFP, to be held on placeholder date, at X:X0 p.m., or as soon thereafter as the matter may be heard, at City Hall Council Chambers, 7120 Bodega Ave, Sebastopol, CA 95472.

Section 9. Pursuant to Government Code Section 53398.60, the City Clerk is hereby directed to mail a copy of this Resolution to the PFA and each owner of land (as defined in the EIFD Law), or alternatively with respect to the owners of land may mail a single-page notice of intention identified in Government Code Section

53398.60(b), within the EIFD and to each affected taxing entity (as defined in the EIFD Law). In addition, the City Clerk is hereby directed to cause notice of the public hearing to be published not less than once a week for four successive weeks in a newspaper of general circulation published in the City. The notice shall state that the EIFD will be used to finance public works, briefly describe the facilities, briefly describe the proposed financial arrangements, including the proposed commitment of incremental tax revenue, describe the boundaries of the proposed EIFD and state the day, hour, and place, when and where any persons having any objections to the proposed IFP, or the regularity of any of the prior proceedings, may appear before the PFA and object to the adoption of the proposed IFP.

- Section 10. As it pertains to EIFD formation prerequisites as stated in Government Code Section 53398.54, it is noted that the former Redevelopment Agency of the City of Sebastopol, designated as the Community Development Agency of the City of Sebastopol, was dissolved in accordance with Assembly Bill 26 (ABX1 26), and that the Successor Agency to the Redevelopment Agency is no longer in existence as of the effective date of this Resolution, after having received a finding of completion, as specified in California Health and Safety Code Section 34179.7.<sup>[JD1]</sup>
- Section 11. In accordance with Government Code Section 53398.54, the City certifies to the DOF and to the PFA that no former Redevelopment Agency of the City of Sebastopol (Former RDA) assets that are the subject of litigation involving the State of California, where the City or the Successor Agency are a named plaintiff, have been or will be used to benefit any efforts of the EIFD unless the litigation and all possible appeals have been resolved in a court of law. The City Clerk is authorized and directed on behalf of the City to provide or make this certification to the DOF within 10 days after the City Council's action to participate in the EIFD pursuant to Government Code Section 53398.68 or the City Council's action to form the EIFD pursuant to Government Code Section 53398.69, by delivery of a copy of the appropriate Resolution or signing a separate certification, if and as required by the DOF.
- Section 12. The State Controller has completed its review as specified in California Health and Safety Code Section 34167.5 of asset transfers between the Former RDA, the City or any other public agency. The Successor Agency and the City complied with all of the State Controller's findings and orders stemming from such review.
- Section 13. This Resolution in no way obligates the PFA to establish any EIFD.
- Section 14. If any section, subsection, phrase or clause of this Resolution is for any reason found to be invalid, such section, subsection, phrase or clause shall be severed from, and shall not affect the validity of, all remaining portions of this Resolution that can be given effect without the severed portion.
- Section 15. This Resolution shall take effect immediately upon its adoption.
- Section 16. The City Manager, or designee, are hereby authorized and directed to take all actions necessary or advisable to give effect to the transactions contemplated by this Resolution.

Section 17. The City Clerk of the City of Sebastopol shall certify as to the adoption of this Resolution.

ADOPTED AND APPROVED THIS X<sup>TH</sup> DAY OF MONTH, 2024.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

SAMPLE - DRAFT