

CITY OF SEBASTOPOL CITY COUNCIL
AGENDA ITEM REPORT FOR MEETING OF: June 18, 2024

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To: Honorable Mayor and City Councilmembers
From: Ad Hoc Committee Enhanced Infrastructure Financing District and Planning Department
Subject: Enhanced Infrastructure Financing District contract award

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RECOMMENDATIONS:

Award the contract to the Consultant and Authorize the City Manager to execute an Agreement.

EXECUTIVE SUMMARY:

The Council authorized City Staff to develop a Request for Proposals (RFP) to analyze the feasibility of creating an Enhanced Infrastructure Financing District (EIFD) with the help of the County of Sonoma. Staff released the RFP for a consultant to assist with starting the feasibility of creating an EIFD. This agenda item is a request to Council approve the Consultant, Kosmont Companies, and authorize Staff to execute an Agreement with the firm to provide Planning Consultant Services as well as perform all work required for the project, as described in the proposal from Kosmont Companies (Kosmont Proposal).

BACKGROUND AND DISCUSSION:

The City has been exploring the possibility of forming an EIFD to pay for qualifying infrastructure projects that provide benefits to the greater community. Sonoma County is partnering with the City in this endeavor and is providing financial support of \$50,000. The City and County share the goal of financing capital facilities or other specified projects of community-wide significance that provide benefits to the area within the EIFD’s boundaries or the surrounding community.

The City and County are interested in exploring different potential boundaries for the EIFD. Any potential EIFD would include the City of Sebastopol, as well as certain unincorporated areas of Sonoma County’s 5th Supervisorial District. The 5th District encompasses the west county, including the entire Sonoma County coast, and the lower Russian River area. The infrastructure projects to be funded by the EIFD will likely differ depending on the boundaries of the EIFD. As outlined within the proposal Kosmont’s scheduled starting date would be June 2024 which would identify potential boundaries and initial screening area the feasibility study would then conclude with Resolutions of intentions in December of 2024. Please see the schedule of work chart below.

		2024						
Tasks		JUN	JUL	AUG	SEP	OCT	NOV	DEC
1	Identify Potential Boundaries and Initial Screening Criteria (assumes three weeks for City/County staff review)	X	X	X				
2	Tax Increment Analysis (assumes three weeks for City/County staff review)			X	X			
3	Identify Infrastructure Needs (assumes three weeks for City/County staff review)		X	X	X			
4	Next Steps for Implementation (assumes three weeks for City/County staff review)					X		
5	Public Outreach / Presentations (assumes three weeks for City/County staff review of presentation materials)					X	X	X
6	Resolutions of Intention (assumes two weeks for City Attorney / County Counsel review)							X

The proposal also includes a list of tasks and deliverables which will be reviewed by City and County Staff before a final Resolution of Intention is drafted and reviewed by City Council. A few key tasks include Identifying potential boundaries, Tax increment analysis, identification of infrastructure needs, and next steps for implementation. Lastly, Kosmont is prepared to engage with decision makers and the public on what the EIFD feasibility is how it could benefit the City of Sebastopol and County of Sonoma.

At the direction of City Council Staff released the RFP on April 15, 2024, and the consultant team interviewed. After the interview, the City/County interview team, which included City Attorney Larry McLaughlin, Vice Mayor Stephen Zollman, Mayor Diana Rich, Supervisor Lynda Hopkins and Associate Planner John Jay, recommended the firm interviewed, Kosmont Companies be selected to prepare the EIFD feasibility study. City staff has met with the preferred consultant to review some adjustment to the scope, now presented to Council for approval.

STAFF ANALYSIS:

After formal selection of the Consultant, the City will execute an agreement with the Consultant for the work to be performed.

COMMUNITY OUTREACH:

This item has been 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.

FISCAL IMPACT:

The study's funding comes from a \$50,000 contribution by the County of Sonoma, which the City has already received for the fiscal year 23-24. The consultant's total contract amount not to exceed \$49,970 will be allocated in the FY24-25 budget as a carryover in account 100-21-02-4210. No additional funding will be provided by the City.

OPTIONS:

If the Council does not approve the Consultant or scope of work, the Council has the option of:

1. Denying the Consultant and reopening the RFP
2. Providing additional direction to staff to modify the process; or current scope of work

ATTACHMENTS:

RFP
 Kosmont Proposal
 Draft Agreement

APPROVALS:

Department Head Approval: Approval Date: 6/3/2024

CEQA Determination (Planning): Approval Date: 6/3/2024

The proposed action is not a project under the California Environmental Quality Act (CEQA)

Administrative Services (Financial) Approval Date: 6/10/2024

Costs authorized in City Approved Budget: Yes No N/A

Account Code 100-21-02-4210

City Attorney Approval: Approval Date: 6/10/2024

City Manager Approval: Approval Date: 6/6/2024

CITY OF SEBASTOPOL



REQUEST FOR PROPOSALS FOR THE EVALUATION OF A POTENTIAL ENHANCED INFRASTRUCTURE FINANCING DISTRICT IN SEBASTOPOL AND WESTERN SONOMA COUNTY, AND THE DEVELOPMENT OF IMPLEMENTATION DOCUMENTS

ISSUED: April 15, 2024

PROPOSALS DUE: May 9 2024, 5:00 PM

All responses must be sent to:

jjay@cityofsebastopol.gov

**John Jay
7120 Bodega Avenue
Sebastopol CA 95472**

Phone: 707-823-6167

**REQUEST FOR PROPOSAL
FOR
FOR THE CITY OF SEBASTOPOL**

The City of Sebastopol, in collaboration with Sonoma County, is soliciting proposals for a qualified consultant to assist with the evaluation and implementation of an Enhanced Infrastructure Financing District.

The purpose of this Request for Proposal (RFP) is to define the City's minimum requirements, solicit proposals, and gain adequate information by which the City and Sonoma County may evaluate the services offered by Proposers.

The City of Sebastopol, hereinafter referred to as the "City", and Sonoma County, hereinafter referred to as the "County", are seeking proposals with the intention of securing a contract with a Vendor who will provide software as well as perform all work required for the preparation. While the City and County are partners in the issuance of this RFP, the City is responsible for all administrative aspects of this RFP.

BACKGROUND

The City of Sebastopol is a small semi-urban community located in California, on the western edge of the Santa Rosa plain. It is 50 miles north of San Francisco and 8 miles west of Santa Rosa. The City, incorporated in 1902, currently has a population of over 7,000 people and serves a trade area population in excess of 50,000 people. The City is located in Sonoma County, which has a population of over 475,000 people. The County is comprised of 9 incorporated cities and large areas of unincorporated territory. The County contains urban, semi-urban, and rural territory.

Sebastopol has a Council-Manager form of government, with five Council members elected at-large. The City has its own Police, Fire, Public Works, Planning, Building, Engineering Departments. The County is governed by a five member Board of Supervisors, who appoint the County Administrator, who is responsible for managing the operations of all county departments.

The City has been exploring the possibility of forming an Enhanced infrastructure Financing District ("EIFD") to pay for qualifying infrastructure projects that provide benefits to the greater community. Sonoma County is partnering with the City in this endeavor, and is providing financial support for the activities described in this RFP. The City and County share the goal of financing capital facilities or other specified projects of community-wide significance that provide benefits to the area within the EIFD's boundaries or the surrounding community.

The City and County are now seeking qualified professionals to assist the parties in evaluating a potential EIFD, including conducting necessary financial and economic analysis to determine the feasibility of a potential EIFD to pay for qualifying infrastructure projects. If the City and County determine that forming an EIFD is prudent and feasible, the Parties may also seek professional assistance on certain actions related to formation of the EIFD.

The City and County are interested in exploring different potential boundaries for the EIFD. Any potential EIFD would include the City of Sebastopol, as well as certain unincorporated

areas of Sonoma County's 5th Supervisorial District. The 5th District encompasses the west county, including the entire Sonoma County coast, and the lower Russian River area. The infrastructure projects to be funded by the EIFD will likely differ depending on the boundaries of the EIFD.

SCOPE OF SERVICES

TASK 1 – Identify Potential Boundaries and Initial Screening Criteria.

1.1 Kickoff meeting. Consultant will coordinate a kickoff meeting with City and County staff to discuss project objectives, schedule, and deliverables.

1.2 Determine boundary scenarios. Identify potential boundaries to study for preliminary screening of eligibility for an EIFD. Chosen boundaries should be easy to understand, either because they correspond with jurisdictional boundaries or significant monuments (such as major roads). Any potential EIFD analysis would include the City of Sebastopol, as well as certain unincorporated areas of Sonoma County's 5th Supervisorial District.

Deliverables: Maps and written descriptions of a variety of boundary scenarios for consideration of an EIFD and concise written explanation for development of boundaries.

1.3 Initial Screening. Using data available from Sonoma County GIS and/or other publicly available data sources, prepare a matrix of primary screening criteria, which may include such items as:

- Current zoning and density in proposed EIFD area (including consideration of anticipated zoning from land use planning updates underway)
- Potential infrastructure financing solutions (property tax capture rate, eligibility for grant funding, etc.)
- Economic Development potential (planned projects, existing parcel values, etc.)
- Technical screening; determine any former RDA project areas, existing ROPs obligations or other bond/financing obligations, EIFD Successor Agency Prerequisites, etc.

Deliverable: Matrix showing screening variables for each boundary scenario.

1.4 Strategic considerations. Identify quantitative and qualitative factors affecting feasibility, which may include:

- Market statistics
- Land ownership (public vs. private)
- Proposed developments
- Anticipated infrastructure investments (public transit, grant-funded projects, etc.)

Use the data to make final recommendations for which boundary scenario(s) should continue into the next phase of analysis as well as determining whether an EIFD district should be studied. Three scenarios will be selected by the City and County for further analysis during Task 2.

Deliverable: Market and future investment analysis

TASK 2- Tax Increment Analysis

This task is focused on determining a range of tax increment funds which could be generated upon formation of a district for the different boundary scenarios selected by the City and County after completion of Task 1.

2.1 Revenue Generation. Key assumptions for the revenue generation analysis include:

- Analysis of potential boundary scenarios.
- Taxing entity proportional shares should be current and come from County Auditor-Controller.
- Include one set of revenues projections with both County and City participation at 25%, 50%, 75%, and 100% of tax increment estimate.
- Project revenues at the 10, 20, 30 and 45-year timeframe.
- Identify the amount of project revenue growth attributable to anticipated new development

Revenue generation assumptions should also meet EIFD criteria and policies adopted by the Sonoma County Board of Supervisors (if any have been adopted). If no criteria or policies exist, assumption should conform to generally accepted practice.

2.2 Bonding capacity. For each scenario, determine the bonding capacity of the EIFD assuming that the governing authority bonds against the future proceeds.

Deliverables: Tax increment revenue and present value analysis.

TASK 3 – Identify Infrastructure Needs

3.1. Identify infrastructure and community development investments. Working with the City and County, the consultant shall determine a range of infrastructure and community development projects/programs, consistent with the regulations for any EIFD, which could make up the funding plan for the EIFD district(s). The projects shall include estimated funding needs and benefits – increased revenue or decreased costs – whenever available.

Deliverable: Summary of potential infrastructure and community investment projects, with an estimated range of costs.

3.2 Identify other funding sources. The consultant shall identify other funding sources that could be leveraged by the EIFD district(s), including grants, special district fees, development impact fees, and other public funding sources including incentive programs, funding sources (including regional, State, and Federal infrastructure funding sources), and/or financing structures and other strategies as may be applicable.

Deliverable: Summary memo providing a rough order of magnitude funding plan for the EIFD district(s), inclusive of projects, project costs and potential funding sources.

TASK 4 – Next Steps for Implementation

Consultant shall prepare a summary memo outlining next steps for implementation, a timeline, and a budget for the implementation activities. The memo should include recommendations for the make-up of a Public Financing Authority if districting is recommended and identify any

other relevant factors such as necessary CEQA review, if any, and community engagement. The memo should function as a realistic action plan for moving forward, and should include an estimated budget.

Deliverable: Next Steps Summary Memo

TASK 5 – Public Outreach

Consultant will assist with preparation and presentation of EIFD feasibility analysis to the public, which shall include attendance at and presentation of the findings at a minimum of four public meetings, such as meetings of the City Council or Board of Supervisors. In addition to providing a presentation, Consultant shall be prepared to engage in a discussion and answer questions from decisionmakers, as well as members of the public. Materials that will be made available to the public at such meetings should also be translated into Spanish.

Deliverable: PowerPoint Presentation.

TASK 6 – Public Outreach

6.1 Prepare Resolution of Formation.

Consultant will prepare draft resolutions of intention for participating agencies in the EIFD to formally establish PFA Board.

Deliverables: draft resolutions for each participating agency.

Final Deliverables:

One (1) electronic copy of all documents (PDF and Word/Excel Versions).
Ten (10) bound hard-copies of Study results.

1.0 PROPOSAL REQUIREMENTS

1.1 Cover Letter

The letter shall be on consultant letterhead and include the consultant's contact name, mailing address, telephone number, facsimile number, and email address. The letter will address the consultant's understanding of the services being requested and any other pertinent information the consultant believes should be included. All addendums received must be acknowledged in the transmittal letter. The letter shall be signed by the individual authorized to bind the consultant to the proposal, and shall contain a statement that the proposal is valid for ninety (90) days.

1.2 Executive Summary

1.3 Organization and Approach

- A. Describe your project and management approach to accomplish the Scope of Services of this RFP. Include a description of deliverable and implementation plan.

- B. The Parties will give preference to submittals from consultants that demonstrate they have successfully completed comparable projects regarding the formation of EIFDs. Submittals shall include a detailed description of a minimum of three (3) projects within the past five (5) years involving evaluation or formation of an EIFD, or similar types of projects. The proposal shall demonstrate the proposing consultant's compliance with these requirements, as well as general competence to perform the services of this RFP.
- C. Describe the roles and organization of your proposed team for this project, as well as the qualifications and experience of your team as it relates to this project. Describe the roles of key individuals on the team, as well as the length of employment with the proposing consultant. Key members, especially the Project Manager, shall have significant demonstrated experience with this type of project, and should be committed to stay with the project for the duration of the project.
- D. Provide references from at least three public agencies for which the proposing consultant provided similar services. Reference information should include:
- Agency name
 - Description of services provided
 - Contract start and end dates
 - Agency contract manager name, telephone number, and email address

1.4 Schedule of Work

Provide a detailed schedule for all phases of the project and the proposing consultant's services, including time for reviews and approvals. The Parties would like to begin this project immediately upon award. The City and County desire to complete all work on evaluating the EIFD as soon as possible, and ideally no later than December, 2024.

1.5 Cost Proposal / Estimated Fee

The proposal should contain all pricing information relative to performing the scope of services as described in this request for proposal. The proposed means of compensation, including hourly rates or fees to be charged must be listed. A schedule of rates or amounts for all fees, charges, expenses, and all other costs and/or approximate costs and time associated with the different phases of this project should be included, as well as the total all-inclusive maximum price to be proposed. The proposal should include a schedule of hourly rates for additional services, if applicable.

The cost proposal will be a part of the evaluation criteria, but is not the sole criterion for recommending a contract award.

1.6 Conflict of Interest Statement

The proposing consultant shall disclose any financial, business or other relationship with the City of Sebastopol or Sonoma County that may have an impact upon the outcome of the contract or the construction project. The consultant shall also list current clients who may

have a financial interest in the outcome of this contract or the construction project that will follow. The proposing consultant shall disclose any financial interest or relationship with any construction company that might submit a bid on the construction project.

1.7 Litigation

Indicate if the proposing consultant was involved with any litigation in connection with prior projects. If yes, briefly describe the nature of the litigation and the result.

1.8 Contract Agreement

Indicate if the proposing consultant has any issues or needed changes to the proposed Professional Services Agreement included as Attachment B. **No changes outside of those included in the RFP will be considered after consultant selection.**

2.0 SELECTION CRITERIA

The City and County's selection criteria for this work include, but may not be limited to, the following:

- Responsiveness to requirements, terms and conditions of RFP
- The quality of the consultant's response to the RFP and understanding of the scope of services.
- Proven ability to perform in a timely fashion.
- Timeline of implementation and ability to work with City staff
- Costs will be a consideration

Proposal Evaluation and Selection Process: Following the submission deadline, a selection committee will evaluate all responses and may develop a short-list of responders. Responders will be notified and finalists may be invited to present to our staff if necessary. After any/all presentations are completed, the selection committee shall reconvene to either make a decision or to request further information. The selection committee may include staff and/or elected officials from both the City and Sonoma County.

The selection committee will then make recommendations regarding the selection and request authorization to enter into a contract with the approved responder. The committee reserves the right to accept/reject any or all proposals. Submission of a proposal indicates acceptance of the conditions contained in the RFP and an agreement to negotiate a contract for services. An award can be made on the basis of greatest benefit to the Parties.

3.0 GENERAL INFORMATION

3.1 Proposal Due Date

Proposals will be received by the City of Sebastopol **until 5:00 p.m. PST on Thursday May 16, 2024**. All responses must be sent to John Jay in PDF format at jjay@cityofsebastopol.gov

The subject line of the email transmitting the proposal shall be: "Proposal for EIFD Services".

City of Sebastopol is not responsible for proposals that are delinquent, lost, mismarked, send to an address other than that given above, or sent by mail or courier service. The City of Sebastopol reserves the right, after opening the proposals, to reject any or all proposals, or to accept the proposal(s) that is, in its sole judgment, in the best interest of the City of Sebastopol.

3.2 Project Time Schedule

The following is the schedule for consultant selection and project initiation:

Release of RFP: April 15, 2024
Deadline for Questions: April 22, 2024
Final Response to Questions posted: May 2, 2024
Proposal due date: May 9, 2024 5:00 p.m. (PST),
Consultant interviews: May 15 and 16, 2024
City Council award of contract: June 4, 2024

Note, the City reserves the right to modify this schedule, any changes will be posted to the website as listed in Section 3.3.

3.3 Relevant Questions

Any relevant questions concerning the RFP or Scope of Services shall be directed to John Jay at (707) 823 6167 or jjay@cityofsebastol.gov. All communications should be in writing. Any oral communications will generally be considered nonbinding on the Parties. The City will respond in writing to written communications. Staff will post written answers to these questions at the website noted below.

If, in the City's opinion, any such response changes the intent of the RFP, or otherwise would provide an advantage to one proposer over another, an addendum to the RFP will be issued and posted on the City's website at:

<https://www.cityofsebastopol.gov/local-business/doing-business-with-the-city/>

3.4 Additional Information

The Parties reserves the right to change any aspect of, terminate, or delay this RFP, the RFP process and/or the program which is outlined within this RFP at any time, and notice shall be given in a timely manner thereafter.

4.0 CONTRACT TERMS / AGREEMENT

The successful proposer will be required to execute the City of Sebastopol Standard Agreement (see Attachments).

ATTACHMENT A - Standard Professional Services Agreement

5.0 NEGOTIATION OF CONTRACT

After selection of the consultant, the City and the consultant shall negotiate the contract under which the work shall be performed. All items submitted in the consultant's proposal shall be subject to negotiation.

Prepared For
CITY OF SEBASTOPOL

Agenda item Number:6



REVISED May 22, 2024

PROPOSAL FOR

EVALUATION OF A POTENTIAL ENHANCED INFRASTRUCTURE FINANCING DISTRICT (EIFD) IN SEBASTOPOL AND WESTERN SONOMA COUNTY, AND THE DEVELOPMENT OF IMPLEMENTATION DOCUMENTS



Photo Credit: www.facebook.com/CityofSebastopolCA/



Prepared By
Kosmont Companies
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Manhattan Beach, CA 90266
(424) 297-1070

Agenda item Number:6
City Council Packet of June 18, 2024
Page 13 of 73



May 22, 2024

City of Sebastopol
ATTN: John Jay
7120 Bodega Avenue
Sebastopol, CA 95472

Delivered electronically via email to JJay@CityOfSebastopol.Gov

Re: Request for Proposals (RFP) for the Evaluation of a Potential Enhanced Infrastructure Financing District (EIFD) in Sebastopol and Western Sonoma County, and the Development of Implementation Documents

Dear Mr. Jay and Selection Committee Team Members:

Kosmont & Associates, Inc. doing business as Kosmont Companies (“Kosmont” or “Consultant”) is pleased to present this proposal to the City of Sebastopol (“City”) for Enhanced Infrastructure Financing District (“EIFD”) Advisory Services.

Kosmont, a certified Minority Business Enterprise (“MBE”) and Small Business Enterprise (“SBE”), founded by Chairman and CEO Larry J. Kosmont, CRE® is a full-service local government, economics, and real estate advisory firm with a 38-year track record of working with cities and public agencies on economic development / strategies, real estate / retail market analyses, and public-private projects, as well as the management of real estate and public finance transactions exceeding \$10 billion.

Kosmont has provided hundreds of counties, cities, and other public agencies with economic development services since 1986. In that time, Kosmont senior staff have formulated and implemented infrastructure funding and financing plans involving every land use in urban, suburban, and rural locations, including tools such as tax increment financing (“TIF”), special tax districts (e.g., Community Facilities Districts, or “CFD”), grants, and others.

Kosmont is the State leader in financing district evaluation and formation. We are currently assisting over 40 communities with evaluation or formation of financing districts for the funding of infrastructure, housing, and other economic development activities. Special districts utilized include EIFDs, Community Revitalization and Investment Authorities (“CRIA”), Climate Resilience Districts (“CRD”), and Community Facilities Districts (“CFD”). **Kosmont has facilitated the formation of 16 EIFDs, which is more EIFDs across the State than any other firm has facilitated.** Kosmont Financial Services (registered municipal advisor) has successfully structured EIFD tax increment-related debt issuances, with more issuance activity underway.



Our extensive recent EIFD experience for cities and counties in the northern California Counties of Humboldt, Siskiyou, Napa, Marin, Solano, Sacramento, Alameda, Contra Costa, Santa Cruz, and other counties positions us as a valuable partner with substantial contextual knowledge. Kosmont has led the formation of **four (4) successful City-County EIFD partnerships** in the Cities of Placentia, La Verne, Palmdale, and Carson, with numerous additional City-County EIFD partnerships currently underway.

Our consulting team comprises former City Managers and Directors of Economic Development, Community Development, and Financial Services, investment bankers, real estate developers, and other professionals who possess extensive knowledge and expertise in their respective fields.

What sets Kosmont apart is our hands-on experience, practical perspective, industry relationships, and understanding of how current market trends affect the economic development landscape and investment in a community. We are aware of no other firm that possesses the combination of credentials and experience that Kosmont can deliver.

Lastly, we have read the RFP, the report from the City Council EIFD Ad Hoc Committee dated January 16, 2024, and media coverage surrounding this potential EIFD (e.g., Sebastopol Times: What the heck is an EIFD and why does Sebastopol need one?, January, 20, 2024). We believe we have a solid understanding of the background for this potential effort.

If we are selected for this engagement, Kosmont Senior Vice President Joseph (“Joe”) Dieguez would act as the Project Manager and Primary Contact. Joe has led all of Kosmont’s financing district evaluation and implementation engagements in communities across the State of California.

Kosmont believes that our proposal support the conclusion that we are exceptionally qualified to provide the City (and the County) with the requested consulting services. Kosmont is enthusiastic and available to provide the requested services. We are available to discuss our proposal further at your convenience.

This proposal is valid ninety (90) days from the date of this letter.

Sincerely,

Larry J. Kosmont, CRE®
Chairman and CEO
(213) 507-9000 / lkosmont@kosmont.com

Ken K. Hira
President
(949) 226-0288 / khira@kosmont.com

SUBMITTED BY: KOSMONT AND ASSOCIATES, INC., DBA KOSMONT COMPANIES

Physical/Main Office: 2301 Rosecrans Avenue, Suite 4140, El Segundo, CA 90245

Mailing: 1601 N. Sepulveda Blvd. #382, Manhattan Beach, CA 90266

Office: (424) 297-1070 / Fax: (424) 286-4632

Primary Contact / Project Manager: Joe Dieguez / (347) 731-5307 / JDieguez@Kosmont.com,

SECTION 1.	EXECUTIVE SUMMARY	PAGE 1 - 3
SECTION 2.	ORGANIZATION AND APPROACH	PAGE 4 - 29
SECTION 3.	SCHEDULE OF WORK	PAGE 30
SECTION 4.	COST PROPOSAL / ESTIMATED FEE	PAGE 31 - 32
SECTION 5.	CONFLICT OF INTEREST STATEMENT	PAGE 33
SECTION 6.	LITIGATION	PAGE 34
SECTION 7.	CONTRACT AGREEMENT	PAGE 35



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KOSMONT MISSION:

Pursuit of *four pillars of strength...*

Innovation, Integration, Intelligence, and Integrity

On the *cutting edge* of products and services

Achieve *financial success* for our public and private sector clients

Committed to *community prosperity* and quality of life

Professional standards of the *highest caliber*

SECTION 1.

EXECUTIVE SUMMARY



SECTION 1.

EXECUTIVE SUMMARY

KOSMONT COMPANIES FIRM OVERVIEW



KOSMONT AND ASSOCIATES, INC. DBA KOSMONT COMPANIES

Established 1986 – 38 years in Business - www.kosmont.com

Physical/Headquarters: 2301 Rosecrans Avenue, Suite 4140, El Segundo, CA 90245

Mailing: 1601 N. Sepulveda Blvd. #382, Manhattan Beach, CA 90266

Kosmont provides services to Clients virtually from satellite locations, in-person, and from the El Segundo headquarters across the Western U.S.

Kosmont Companies (“Kosmont”), a certified Minority Business Enterprise (“MBE”) and certified Small Business Enterprise (“SBE”), is a real estate and economic development services firm offering a full range of real estate and financial advisory, economic development strategies/plans, retail/business strategies, project finance, transaction structuring, negotiations, market analysis, feasibility studies, special district analysis, community outreach/project implementation services for both the public and private sectors. Kosmont Companies was founded in 1986 by Larry J. Kosmont, Chairman and CEO, and is nationally recognized. With decades of advisory services, Kosmont has assisted hundreds of public agencies in their quest for services and successful public private projects.

What sets Kosmont apart is our understanding of how economics relates to future project shaping, as well as our understanding of both the public and private sectors. Kosmont will integrate our established ability, strengths, seasoned experience, and hands-on approach to deliver the requested consulting services. Rather than just write reports, Kosmont believes in a comprehensive approach to advisory services that Analyzes, Strategizes, and Implements. A brief highlight of our services is as follows.

Economic Development Consulting Services

- Economic Development Strategies (EDSP/CEDS)
- Kosmont Retail NOW!® Platform
- Special Districts (EIFD, CFD, CRIA, IRFD, CRD)
- Downtown Revitalization
- Asset Management Plans
- Developer Selection RFQ/RFP & DDA/ENA
- Sustainable Economic Development
- ROPS & RDA Dissolution Advisory Services

Land Use/Zoning and Community Planning Services

- Development Opportunity Reserve (D.O.R.)®
- Sales Tax Assessment Revenue (STAR*)®
- Other Zoning & Implementation Strategies for Economic Development

Planning and Development Services

- Project Evaluation
- Project Financials & Pro-Forma Assessment
- Property Acquisition/Leasing
- Land Use/Entitlements
- Due Diligence Reports

Real Estate Economics & Financial Advisory Services

- Fiscal & Economic Impacts
- Project Economics, Highest & Best Use (HBU) & Market Studies
- Public & Private Financing Structures
- Affordable Housing (Pro Forma, Housing Element, Negotiations, Feasibility)

Kosmont’s Mission Statement is the pursuit of four pillars of strength: Innovation, Integration, Integrity and Intelligence. We are on the cutting edge of products and services, we achieve financial success for our public and private sector clients, we are committed to community prosperity and quality of life, and our professional standards are of the highest caliber.



KOSMONT COMPANIES

1601 N. Sepulveda Blvd., #382 | Manhattan Beach, CA 90266 | 424.297.1070




www.kosmont.com

SECTION 1. EXECUTIVE SUMMARY

Kosmont is a full-service firm which also provides various integrated services through Kosmont Realty (“KR”) and Kosmont Financial Services (“KFS”). KR is a full service and licensed real estate brokerage firm and KFS is a public finance firm providing financial advisory services, and is registered with the SEC.

In the aggregate, Kosmont Companies, KR, and KFS have extensive experience working with local and State government on real estate transactions between public agencies and private parties and structured project financing involving public and private funding sources. Collectively, Kosmont provides public agencies broad access to real estate consultants and brokers, public sector deal structure experts, and public-private financial advisors. **We know of no other integrated set of companies that can provide a full complement of Economic Development Services, Real Estate Brokerage, and Municipal Advisory.** Our diverse roles and experience in the real estate and financial industries have made us highly adaptable and skilled for this type of assignment. The chart below represents Kosmont’s wide-array of integrated services.

KOSMONT COMPANIES SERVICES OVERVIEW

 <p>KOSMONT ADVISORY SERVICES ADVISORY</p> <p>www.Kosmont.com / (424) 297-1070 Certified MBE & SBE</p>	 <p>KOSMONT REALTY BROKERAGE</p> <p>www.KosmontRealty.com / (424) 297-1076 Certified MBE</p>	 <p>KOSMONT FINANCIAL SERVICES PUBLIC FINANCE</p> <p>www.KosmontFinancial.com / (424) 297-1073 Certified MBE</p>
<p>← * Since 1986 * Full Service * Integrated * Experienced * →</p>		
<p>ECONOMIC DEVELOPMENT, HOUSING, PUBLIC-PRIVATE PROJECTS, PROJECT IMPLEMENTATION</p> <ul style="list-style-type: none"> Public / Private Transactions <i>Structuring / Project Shaping / Entitlements</i> Developer Selection RFQ/P & ENA/DDA Project Funding / Financing Strategies Housing Analysis & Strategies <i>Housing Element as Economic Development™</i> TIFs, EIFD, CRIA, Climate Districts (CRD) <i>Analysis and Formation</i> Kosmont Retail NOW!® <i>Analytics / Recruitment / Predictive A.I.</i> Market & Feasibility Analysis Economic Development Strategies / Plans Fiscal Impact / Economic Benefit Studies 	<p>PROPERTY SALES, LEASING, ASSET SERVICES, SURPLUS LAND ACT</p> <ul style="list-style-type: none"> Brokerage (CA DRE # 02058445) Surplus Land Act (SLA) <i>Advisory, Compliance, & Transactions</i> Real Estate Market Analysis and Negotiations Buy / Sell / Lease / Ground Lease Developer / Buyer Selection RFQ/P & ENA/DDA Negotiations Zoning & Implementation Valuation/Broker Opinion of Value (BOV) Asset Management Plans 	<p>PUBLIC FINANCE ADVISORY AND TRANSACTIONS SERVICES</p> <ul style="list-style-type: none"> SEC/MSRB Registered Municipal Advisor Lease Revenue Bonds Pension Advisory Services Tax Increment Financing (TIF) Funding <i>EIFD / CRIA / Housing / Climate Districts</i> Land-Secured Financings (CFDs & ADs) General Fund & Lease Financings Public/Private Partnerships (P3) Utility / Enterprise Lease Financings Private Placements Financial Scorecard / Financial Planning Energy, Sustainability, Infrastructure <i>Green Financing Programs</i>

SECTION 1. EXECUTIVE SUMMARY

KOSMONT COMPANIES & LARRY J. KOSMONT ARE PROUD RECIPIENTS OF THE FOLLOWING AWARDS:

- California Association for Local Economic Development (CALED) Awards of Excellence Program
“2024 Award of Excellence for Economic Development Partnerships – City of Pacifica Vision 2025 & Beyond”
- California City Management Foundation (CCMF) Kosmont Companies is the proud recipient of the **“2022 CCMF Corporate Sponsor of the Year Award”**
- Southern California Association of Governments (SCAG) **Sustainability Award “5/2019 – City of Placentia”**
- California Association for Local Economic Development (CALED) Awards of Excellence Program
“2017 Award of Excellence for Economic Development Partnerships – Redondo Beach Marine Ave Hotels Project ”
- Mr. Larry J. Kosmont, CRE® is the honored recipient of the **“2016 California Business Properties Association (CBPA) Champion of the Industry Award”** (for his service in real estate and economic development)
- L.A. Business Journal Latino Business of the Year Awards **“2015 Small Private Latino Business of the Year Award”**
- California Association for Local Economic Development (CALED) Awards of Excellence Program
“2014 Award of Excellence in Economic Development Partnerships South Gate azalea Project”
- Mr. Larry J. Kosmont, City of Seal Beach (1980) is a proud recipient of the **John H. Nail Memorial Award** (Awarded annually by the City Managers Dept of the League of CA Cities)



Larry J. Kosmont, Chairman and CEO of Kosmont Companies accepting the CBPA Champion of the Industry Award for his service in real estate and economic development. Pictured with Pat Donahue, Chairman and CEO of Donahue Schriber (left) and Rex Hime, President & CEO of CBPA (right).



SECTION 2. ORGANIZATION AND APPROACH

SECTION 2. ORGANIZATION AND APPROACH

PROJECT APPROACH

Kosmont understands that the City has been exploring the possibility of forming an EIFD to pay for qualifying infrastructure projects that provide benefits to the greater community. We understand that Sonoma County ("County") is partnering with the City in this endeavor and is providing financial support (\$50,000) for the activities described in this RFP. The City and County share the goal of financing capital facilities or other specified projects of community-wide significance that provide benefits to the area within the EIFD's boundaries or the surrounding community.

Kosmont understands that the City and County are now seeking qualified professionals to assist the parties in evaluating a potential EIFD, including conducting necessary financial and economic analysis to determine the feasibility of a potential EIFD to pay for qualifying infrastructure projects. If the City and County determine that forming an EIFD is prudent and feasible, the City and County may also seek professional assistance on certain actions related to formation of the EIFD.

We understand that the City and County are interested in exploring different potential boundaries for the EIFD, and that any potential EIFD would include the City of Sebastopol, as well as certain unincorporated areas of Sonoma County's 5th Supervisorial District, which encompasses the west County, including the entire Sonoma County coast, and the lower Russian River area. We understand and agree that the infrastructure projects to be funded by the EIFD will likely differ depending on the boundaries of the EIFD.

Kosmont proposes the following approach, consistent with the RFP Scope of Services.

Approach to Tasks: *The prospective assignment and consulting services that the Kosmont Team will provide will be of a relatively limited scope and duration, and advisory in nature. Team will be making recommendations only, which advise the Client and jurisdictions, including its elected officials, appointed officials and staff, which they can accept or reject. None of Kosmont Team's staff will act in a capacity as an elected official, nor appointed official, nor as staff, nor as serving in a "designated" position.*

TASK 1: Identify Potential Boundaries and Initial Screening Criteria

1.1 Kickoff Meeting: Kosmont will coordinate a kickoff meeting with City and County staff to discuss project objectives, schedule, and deliverables.

Deliverable: Updated work plan and schedule (updating Schedule of Work included in this RFP response Section 3)

1.2 Determine boundary scenarios: Working with City and County staff, Kosmont will identify up to three (3) financing district boundary scenarios to study for preliminary screening of eligibility for EIFD (or alternative financing district, such as Climate Resilience District, if desired and discussed in Task 1.1). Chosen boundaries will be easy to understand, and meet well-accepted, publicly available criteria. For simplicity, boundaries may correspond with jurisdictional boundaries or significant monuments, such as major roads.

SECTION 2. ORGANIZATION AND APPROACH

Potential EIFD analysis would include the City, as well as certain unincorporated areas of the County's 5th Supervisorial District. Kosmont will leverage its experience not only in the formation of EIFDs throughout the State, but also in developing screening tools such as the Southern California Association of Government (SCAG) EIFD/CRIA Screening Assistance Tool:

<https://scag.maps.arcgis.com/apps/MapSeries/index.html?appid=ca8e18588d2e47c59c79f23a4d927d8b>

Deliverables: Maps and written descriptions of up to three (3) boundary scenarios for consideration of an EIFD (or other financing district alternative if desired by City/County staff) and concise written explanation for development of boundaries.

1.3 Initial Screening: Using data available from County GIS and/or other publicly available data sources, Kosmont will prepare a matrix of primary screening criteria, which may include such items as:

- Current zoning and density in proposed EIFD area (including consideration of anticipated zoning from land use planning updates underway)
- Potential infrastructure financing solutions (property tax capture rate, eligibility for grant funding, etc.)
- Economic Development potential (planned projects, existing parcel values, etc.)
- Overlap with Federal Opportunity Zone (OZ) Census Tracts
- Technical screening: Determine any former RDA project areas, existing ROPs obligations or other bond/financing obligations, EIFD Successor Agency Prerequisites, etc.
- Public agency or consolidated private sector land ownership
- Level of City/County General Fund exposure (e.g., percentage of City/County jurisdiction-wide existing assessed value within boundaries)

Based on initial screening, Kosmont will use the data to make suggestions for which boundary scenario(s) should continue into the next phase of analysis, as well as determining whether an EIFD district should be studied, versus another type of district (or no district at all. Up to three (3) scenarios may be selected by the City and County for further analysis during Task 2.

Deliverable: Matrix showing screening variables for each boundary scenario, summary PowerPoint presentation outlining suggestions for which alternative(s) should continue with further analysis.

SECTION 2. ORGANIZATION AND APPROACH

TASK 2: Tax Increment Analysis

This task is focused on determining a range of tax increment funds that could be generated upon formation of a district for the different boundary scenarios selected by the City and County after completion of Task 1.

2.1 Revenue Generation: Kosmont will prepare revenue generation analysis reflecting the following key assumptions:

- Analysis of potential boundary scenarios (and potential types of districts)
- Taxing entity proportional shares (i.e., AB8 rates, property tax in-lieu of motor vehicle license fees [MVLFF], Redevelopment Property Tax Trust Fund [RPTTF] residual revenue distributions) will be current and come from County Auditor-Controller (and will net out distributions to the Educational Revenue Augmentation Fund [ERAF]).
- Include at least one set of revenue projections with both County and City participation (e.g., 25% allocation, 50% allocation, 75% allocation, 100% allocation, with and without MVLFF in-lieu allocation)
- Project revenues at the 10, 20, 30 and 45-year timeframe
- Identify the amount of project revenue growth attributable to anticipated new development (versus inflationary growth of existing assessed value)
- As related to potential overlap of proposed district boundaries with former redevelopment agency project areas, analysis of corresponding relevant outstanding enforceable obligations and available revenue implications.

Revenue generation assumptions will meet EIFD criteria and policies adopted by the County Board of Supervisors (“Sonoma County Administrator’s Office Financial Policy – Enhanced Infrastructure Financing District Policy” dated February 2024). Assumptions will additionally conform to generally-accepted practice, consistent with Kosmont’s extensive EIFD implementation experience.

2.2 Bonding Capacity: For each scenario, Kosmont Financial Services (Series 50/54 registered Municipal Advisor) will determine the bonding capacity of the EIFD, assuming that the governing authority bonds against the future proceeds. Bonding capacity will be estimated at relevant annual benchmarks (e.g., year 5, 10, 15, 20).

Deliverable: Tax increment revenue and present value analysis, including bonding capacity analysis, summarized in Microsoft PowerPoint format.

TASK 3 – Identify Infrastructure Needs

3.1. Identify Infrastructure and Community Development Investments: Working with the City and County, the consultant shall determine a range of infrastructure and community development projects/programs, consistent with the regulations for any EIFD, which could make up the funding plan for the EIFD district(s). The projects shall include estimated funding needs and benefits – increased revenue or decreased costs – whenever available, as well as range of potential timing, where available.

Deliverable: Summary of potential infrastructure and community investment projects, with an estimated range of costs and range of timing, as available.

SECTION 2. ORGANIZATION AND APPROACH

3.2 Identify Other Funding Sources: Kosmont will identify other funding sources that could be leveraged by the EIFD(s), including grants, special district fees / assessments/ special taxes, development impact fees, and other public funding sources, including incentive programs, funding sources (including regional, State, and Federal infrastructure funding sources), and/or financing structures and other strategies as may be applicable.

Deliverable: Summary in Microsoft PowerPoint format providing a rough order-of-magnitude funding plan for the EIFD(s), inclusive of targeted projects, estimated project costs, and potential funding sources.

TASK 4 – Next Steps for Implementation

Kosmont will prepare a summary of next steps for implementation, a timeline, and a budget for further implementation activities. The summary will include recommendations for the make-up of a governing Public Financing Authority (PFA) board, if districting or project areas are recommended, and identify any other relevant factors such as necessary CEQA review, if any, as well as additional community engagement. The summary will function as a realistic action plan for moving forward and will include an estimated budget.

Deliverable: Next Steps Summary in Microsoft PowerPoint format.

TASK 5 – Public Outreach / Presentations

Kosmont will assist with preparation and presentation of EIFD feasibility analysis to the public, which shall include attendance at and presentation of the findings at four (4) public meetings, such as meetings of the City Council or County Board of Supervisors. In addition to providing a presentation, Consultant shall be prepared to engage in a discussion and answer questions from decisionmakers, as well as members of the public. Materials that will be made available to the public at such meetings should also be translated into Spanish. Additional public meetings beyond the four mentioned above can be accommodated on an hourly, time and materials basis. Kosmont anticipates in-person participation for two (2) of the four (4) public meetings.

Deliverable: PowerPoint Presentation, attendance and participation in four (4) public meetings

TASK 6 – Resolutions of Intention

Kosmont will prepare Resolutions of Intention for the City and County for review by City Attorney and County Counsel, respectively, for participating agencies in the EIFD to formally establish the Public Financing Authority Board. Kosmont will additionally provide staff report content for City / County staff review.

Deliverables: Draft Resolutions of Intention for each participating agency, draft related staff report content.

Final Deliverables:

One (1) electronic copy of all documents (PDF and Word/Excel versions)

SECTION 2. ORGANIZATION AND APPROACH

MANAGEMENT APPROACH

Kosmont has served clients throughout California for 38 years and attributes its continued success and extensive track record to delivering value and completing projects on time. Kosmont's approach to providing consulting services is to understand each project and the unique opportunities and challenges they present and then to incorporate our expertise, knowledge, and services as appropriate.

Kosmont utilizes a system of controls and has an organized structure in place to effectively manage and ensure each project's success. We believe in maintaining regular communication with appropriate client staff / representatives / subcontractors to keep activities in alignment with the client's schedule. This could involve emails, conference calls, virtual meetings (Zoom or Teams), and in-person meetings (when necessary) with the appropriate parties working on a project. In addition to project meetings, Kosmont will provide an open channel of communication and understanding between client and the Consultant Team. To satisfy project management needs, Kosmont will make certain its staff and team is available to client as necessary to complete the assignment per requirements of client.

Kosmont allocates tasks and responsibilities to team members based on subject-matter expertise and available capacity to optimize efficiency, cost effectiveness, and on schedule delivery of work product to its clients. Tasks within the skill sets and responsibility of a Project Manager ("PM") are completed by that PM and remaining tasks are sent out to the appropriate parties (other team members, clients, subconsultants, etc.). The PM then actively monitors the progress of tasks distributed to confirm they are completed in a timely and accurate manner.

In order for projects to proceed smoothly and efficiently, Kosmont utilizes a series of comprehensive checklists based on years of project management experience and includes various aspects and milestones from proposal to close-out for detailed tasks on all types of projects to carefully manage schedule and cost, and to deliver work product. These checklists are utilized monthly to report potential challenges and keep the project on track to ensure the requested deadlines are met.

Additionally, the Kosmont team corresponds internally by utilizing SharePoint and Microsoft Office Teams. Specifically, Microsoft Office Teams allows the Kosmont project team to make and relay information in real time and keep everyone up to date on the latest project information. This streamlines our communication, saves time, and allows the entire project team access to current information keeping everyone on the same page and the project moving forward.

Finally, Kosmont staff members participate in staffing calls two to three times a week and monthly project meetings to discuss the progress of each project, confirm future tasks, and provide updates to the PM. This ensures efficiency in workload, reduces redundancy, and provides a forum for cross checking each team member's work and affords the PM the ability to confirm the predetermined checklists of each phase of the project are proceeding smoothly while being completed in the highest quality and most efficient manner possible. Mr. Ken K. Hira reviews work product for quality control purposes prior to submission to clients.

SECTION 2. ORGANIZATION AND APPROACH

OVERVIEW OF QUALIFICATIONS

Kosmont has provided hundreds of counties, cities, and other public agencies with economic development services since 1986. In that time, Kosmont senior staff have formulated and implemented infrastructure funding and financing plans involving every land use in urban, suburban, and rural locations, including tools such as tax increment financing (TIF), special tax districts (e.g., Community Facilities Districts, or “CFD”), grants, and others.

Kosmont is the State leader in financing district evaluation and formation. We are currently assisting over 40 communities with evaluation or formation of financing districts for the funding of infrastructure, housing, and other economic development activities. Special districts utilized include EIFDs, Community Revitalization and Investment Authorities (CRIA), Climate Resilience Districts (CRD), and Community Facilities Districts (CFD).

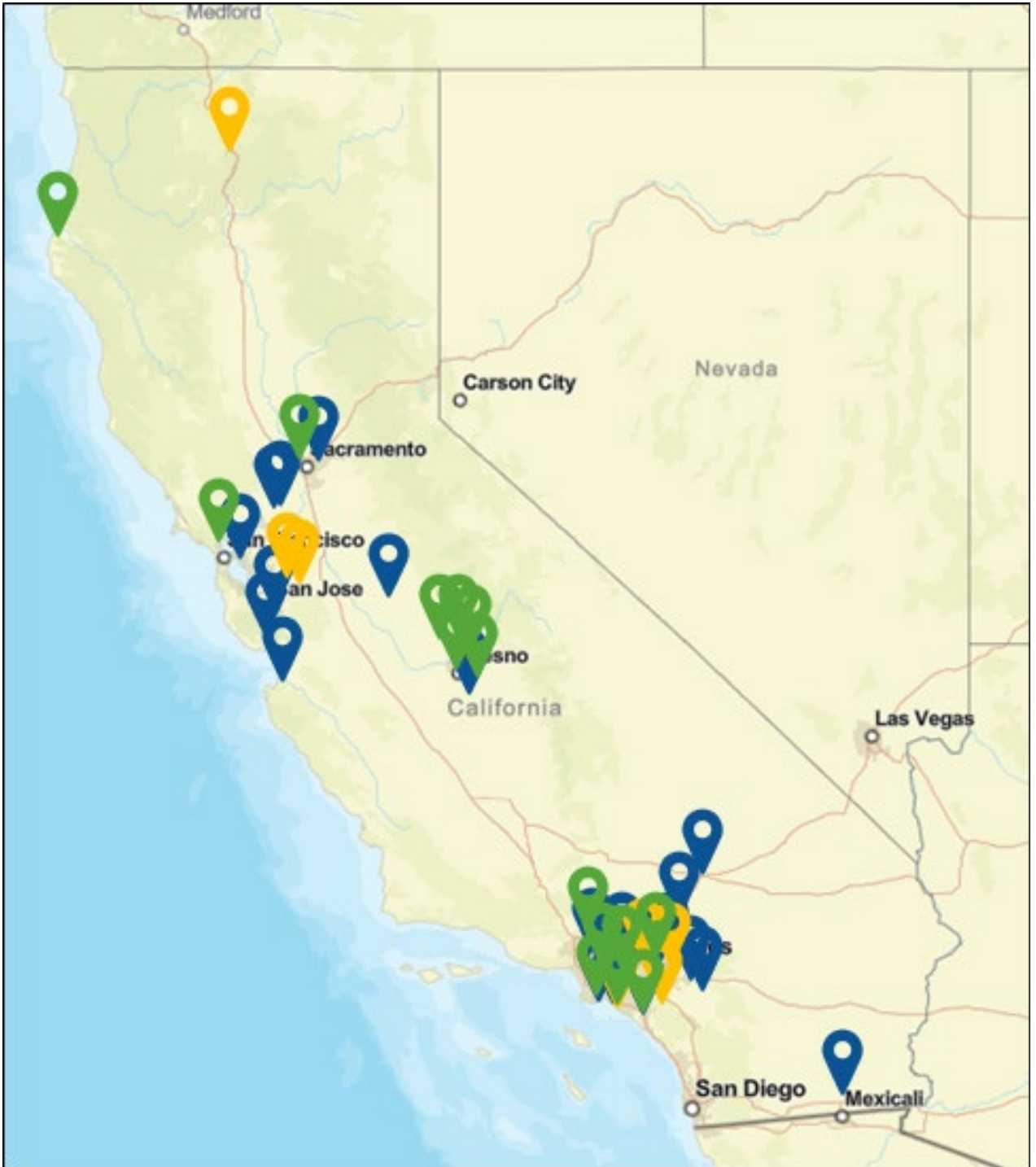
Kosmont has facilitated the formation of 16 EIFDs, which is more EIFDs across the State than any other firm has facilitated. Kosmont Financial Services (registered municipal advisor) has successfully structured EIFD tax increment-related debt issuances, with more issuance activity underway.

Our extensive recent EIFD experience for cities and counties in the northern California Counties of Humboldt, Siskiyou, Napa, Marin, Solano, Sacramento, Alameda, Contra Costa, Santa Cruz, and other counties positions us as a valuable partner with substantial contextual knowledge. Kosmont has led the formation of **four (4) successful City-County EIFD partnerships** in the Cities of Placentia, La Verne, Palmdale, and Carson, with numerous additional City-County EIFD partnerships currently underway.

On the following pages are greater detail on sample relevant projects, including narratives, additional work samples, letters of recommendation, and references with contact information.

SECTION 2. ORGANIZATION AND APPROACH

Exhibit 1: Kosmont Financing Districts in Progress Statewide (includes Market and Fiscal Impact Analysis)



SECTION 2. ORGANIZATION AND APPROACH

Exhibit 1 Continued: Sample of Kosmont-Led Financing District Progress by Stage of Implementation (Table and Legend Correspond to Map on Previous Page)

Jurisdiction	Purpose	
Apple Valley	Industrial and housing supportive infrastructure	
Banning	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	
Indian Wells	Housing and tourism-supportive 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 + Siskiyou County	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 Jose	Affordable housing and TOD infrastructure	
Sanger	Housing and commercial supportive infrastructure	
Santa Cruz	Downtown and blended use infrastructure	
Santa Fe Springs	Blended use infrastructure	
Selma	Water, sewer, and other housing supportive infrastructure	
Vacaville	Housing and business park infrastructure	
Yucaipa	Housing and commercial infrastructure	
Fully Formed	In Formation Process	Under Evaluation



SECTION 2. ORGANIZATION AND APPROACH

COUNTY OF HUMBOLDT: Samoa Peninsula Enhanced Infrastructure Financing District (EIFD) Formation

Kosmont was retained by the County of Humboldt for technical advisory related to the formation of the Samoa Peninsula Enhanced Infrastructure Financing District (EIFD) in unincorporated County jurisdiction. The EIFD is approximately 2,400 acres encompassing a mix of potential future land uses on significantly underutilized properties. Kosmont providing analysis and peer review of the guiding Infrastructure Financing Plan, tax increment revenue projections, fiscal impact and economic benefit analysis, staff reports, resolutions, and required public mailing, newspaper, and website notices.



WORK SAMPLE: [Samoa Peninsula EIFD](#)

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY (METRO): Systemwide Value Capture Support Advisory

CLIENT: LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY
CONTACT: **Craig Hoshijima**, Executive Officer, Strategic Financial Planning
(714) 307-9437 / HoshijimaC@metro.net
PROJECT DATES: February 2022 – Present



Kosmont is currently retained by Metro as part of a team with Morgner Construction Management to provide Value Capture Support advisory services to cities and the County of Los Angeles in connection with current and proposed Metro transit stations across the Metro's various transit corridors (e.g., WSAB, Foothill, ESP2).

Kosmont is providing station-area specific value capture analysis regarding the feasibility and magnitude of potential tax increment financing (TIF) mechanisms such as Enhanced Infrastructure Financing Districts (EIFDs) in order to assist cities and the County is meeting their respective local cost match requirements and to support their investment in first/last-mile infrastructure to support TOD adjacent to station areas. Kosmont is additionally leveraging its relationships and experience with the various affected municipalities across the County (and experience with municipalities across the state regarding transit value capture) to demonstrate and communicate the value of collaborating with Metro in station area Value Capture matters.

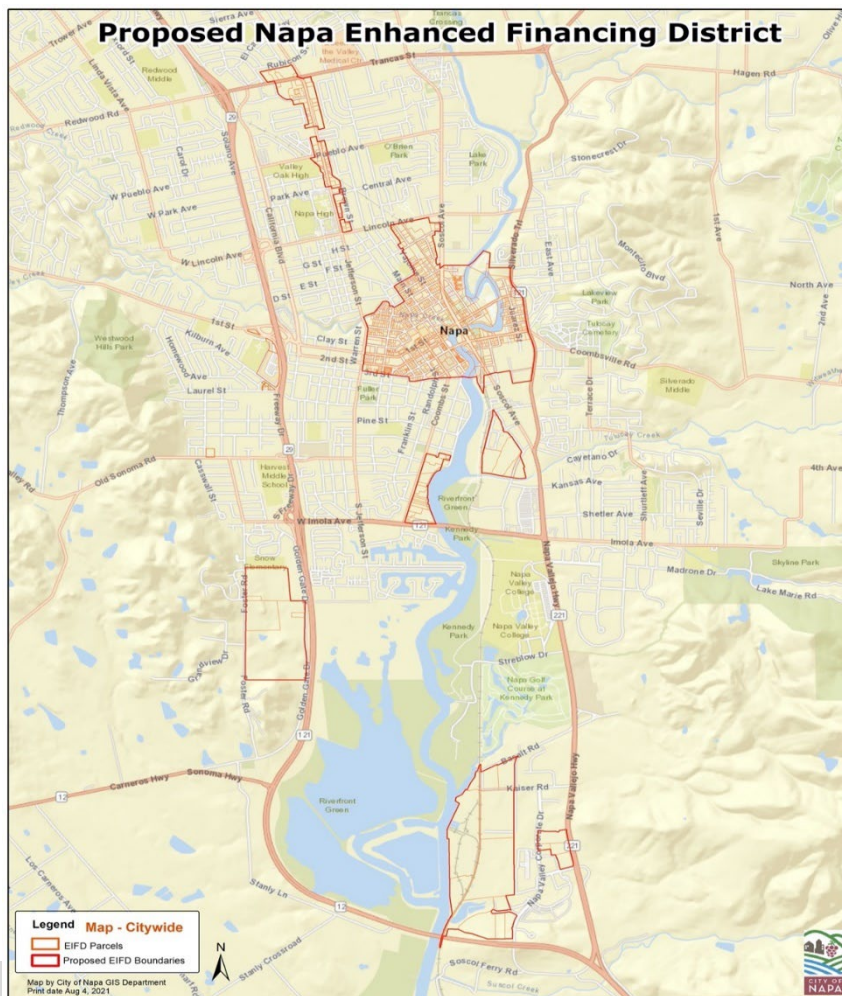
SECTION 2. ORGANIZATION AND APPROACH

CITY OF NAPA: Enhanced Infrastructure Financing District (EIFD) Formation

Kosmont was retained by the City of Napa for technical advisory related to the formation of the City of Napa Enhanced Infrastructure Financing District (EIFD). The EIFD encompasses approximately 840 acres including a mix of potential future land uses on significantly underutilized properties. Kosmont prepared the governing Infrastructure Financing Plan (IFP), tax increment revenue projections, fiscal impact and economic benefit analysis, staff reports, resolutions, and required public mailing, newspaper, and website notices. Kosmont lead presentations to the City Council, the EIFD Public Financing Authority (PFA), and County staff and elected officials regarding the proposed activities of the EIFD. The Napa EIFD was successfully formed as the first EIFD in Napa County on July 6, 2022.

Kosmont continues to serve the City of Napa in areas of EIFD implementation and Surplus Land Act evaluation.

SAMPLE WORK PRODUCT: Link to Napa EIFD website (*see Infrastructure Financing Plan and Appendices*)
<https://www.cityofnapa.org/1171/Enhanced-Infrastructure-Financing-Distri>



SECTION 2. ORGANIZATION AND APPROACH

LETTER OF RECOMMENDATION



August 8, 2022

To Whom it May Concern:

RE: Letter of Recommendation for Kosmont Companies

Kosmont Companies was engaged by the City of Napa in November 2020 to evaluate the feasibility of an Enhanced Infrastructure Financing District (EIFD) to assist in the funding of critical infrastructure through property tax increment and complementary funding sources as a way to facilitate future development and community amenities throughout the City.

Throughout the ensuing 18 months or so, Joe Dieguez and the Kosmont team provided critical analysis, strategic guidance, and outreach support for communications with our elected officials, staff across various City departments, our legal team, County of Napa representatives, landowners, residents, and other community stakeholders.

We are excited to report that our great work together culminated in the successful formation of our approximately 840-acre EIFD in July 2022 – the first EIFD in Napa County.

Kosmont was an essential partner along this journey, leveraging their extensive experience, creative thinking, and collaborative problem-solving abilities to keep our evaluation and implementation process moving forward smoothly at all times. They were always responsive and provided critical guidance throughout the process.

I am pleased to endorse Kosmont for their economic development, real estate, and public finance expertise. We could not have had a better partner. Please feel free to reach out with any questions regarding our experience with Kosmont at nharrison@cityofnapa.org.

Sincerely,

Handwritten signature of Vin Smith in blue ink.

Vin Smith, Community Development Director
City of Napa, 1600 First Street Napa, CA 94559
vsmith@cityofnapa.org

Handwritten signature of Neal Harrison in blue ink.

Neal Harrison, Economic Development Manager
City of Napa, 1600 First Street Napa, CA 94559
nharrison@cityofnapa.org

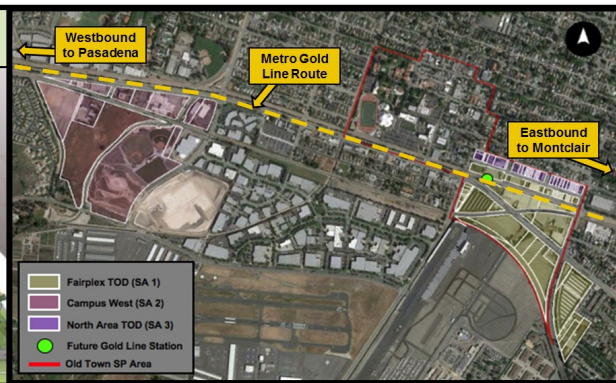
SECTION 2. ORGANIZATION AND APPROACH

CITY OF LA VERNE / COUNTY OF LOS ANGELES: Enhanced Infrastructure Financing District (EIFD) Feasibility Analysis and Formation

Work Sample: [City of La Verne / County of LA EIFD](#)

Kosmont was retained by the City of La Verne to initiate an EIFD feasibility study for a multi-agency proposed District that would help finance public infrastructure and encourage private investment for a variety of commercial and mixed-use projects. The proposed project area is in a transit-oriented development (TOD) area of the La Verne Old Town Specific Plan and surrounds a proposed Metro Gold Line Extension light rail station. Anticipated infrastructure improvements include a range of first mile / last mile, pedestrian and bicycle connectivity, roadway and other infrastructure projects. Kosmont's work resulted in EIFD formation by the City in October 2017 as the **first EIFD in the County of Los Angeles and the six-county SCAG region**. After lengthy negotiations, the County of Los Angeles formally joined the district as a partner in January 2020, committing 50% of its share of property tax increment to the district. La Verne represents the **second EIFD statewide involving a city and county partnership** (after Placentia / Orange County).

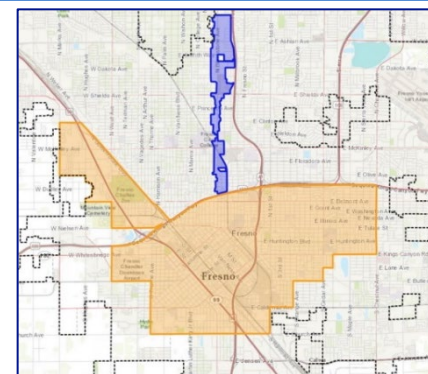
La Verne Crossings – Transit Oriented Development



CITY OF FRESNO: Downtown and Blackstone BRT Corridor Enhanced Infrastructure Financing District (EIFD) Evaluation and Formation

Kosmont evaluated and led the successful formation of an enhanced Infrastructure Financing District (EIFD) encompassing approximately 4,200 acres in the Downtown and Blackstone Avenue Bus Rapid Transit (BRT) Corridor areas of the City, an area almost entirely comprised of Opportunity Zone and Disadvantaged Community Census Tracts.

The district will generate approximately \$350 million in funding for transit and housing-supportive infrastructure to catalyze and support future growth and reinvestment into the local community. The Fresno City Council and the EIFD Public Financing Authority (PFA) approved the final Infrastructure Financing Plan (IFP) in September 2020, marking the first City-lead EIFD in the Central Valley.



Work sample: <https://www.fresno.gov/eifd>

SECTION 2. ORGANIZATION AND APPROACH

LETTER OF RECOMMENDATION



COUNCIL VICE PRESIDENT NELSON ESPARZA

May 25, 2021

To: Whom it May Concern

RE: Letter of Recommendation for Kosmont Companies

The City of Fresno retained Kosmont Companies in August of 2019 to evaluate the feasibility of a tax increment financing (TIF) district. The purpose of such a district was to assist in the funding of critical infrastructure and other public improvements, as a means of catalyzing the development of housing and other community amenities in historically underserved areas of the City.

With Kosmont's technical analysis and guidance, and after a great deal of coordination with City staff across Planning & Development, Public Works, Transportation, Finance, the City Attorney's Office, landowners, residents, and other community stakeholders, Fresno successfully formed its Enhanced Infrastructure Financing District (EIFD) in the Fall of 2020. The Fresno EIFD is approximately 4,200-acres encompassing Downtown Fresno and the Blackstone Avenue Corridor Enhanced. The EIFD is comprised almost entirely of Disadvantaged Community (DAC) and Federal Opportunity Zone (OZ) Census Tracts.

Following district formation, interest from the development and investment community has risen sharply (due to a number of factors). Kosmont is currently assisting the City in the evaluation of multiple proposed/potential uses of EIFD proceeds as funds become available.

Kosmont has my enthusiastic recommendation for their real estate, economic development, and public finance expertise. Please feel free to reach out with any questions regarding our experience with Kosmont via telephone at 621-8000 or via email at nelson.esparza@fresno.gov.

Sincerely,

Nelson Esparza
Council Vice President, District 7

SECTION 2. ORGANIZATION AND APPROACH

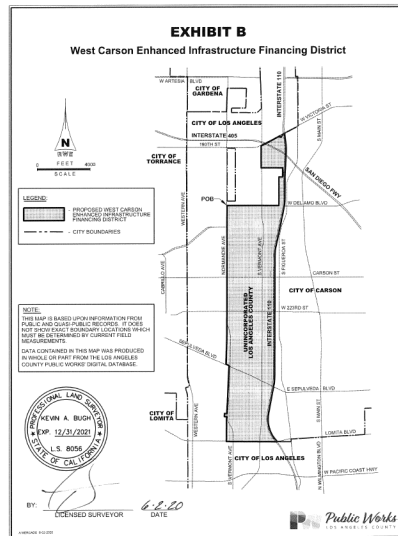
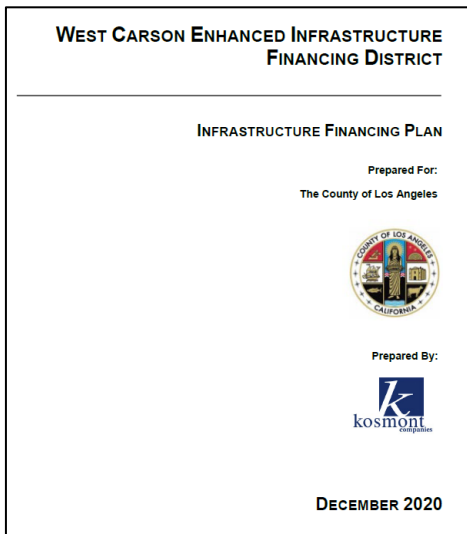
SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS (SCAG): Special District and Value Capture Technical Advisory

CLIENT: SCAG, 900 WILSHIRE BLVD., STE. 1700, LOS ANGELES, CA 90017
 CONTACT: **Kimberly Clark**, SCAG Program Manager, Resource Conservation & Resilient Communities
 (213) 236-1844 / clark@scag.ca.gov
 PROJECT DATES: August 2015 – Present
 WORK SAMPLE: [SCAG Application Link](#) / [City of Placentia](#) / [County of Orange EIFD](#) / [West Carson EIFD](#)



For many years, Kosmont has been engaged by the Southern California Association of Governments (SCAG) for special district and tax increment financing subject matter expertise and technical advisory, serving its 191 member cities and six member counties. Kosmont developed with SCAG a special district technical screening application and assists with ongoing training services for its member cities and counties.

Kosmont has additionally led over fifteen EIFD/CRIA "Pilot Projects" funded by SCAG throughout the SCAG region, involving district feasibility evaluation, stakeholder outreach, and actual district formation. One Pilot involves the City of Placentia, where Kosmont provided the initial EIFD feasibility study for an approximately 300-acre Transit-Oriented Development ("TOD") area surrounding their forthcoming Metrolink station. Kosmont assisted Placentia with drafting of the required Infrastructure Financing Plan ("IFP") and tax increment negotiations with the County of Orange. Kosmont worked with Placentia and Orange County to **form the first city and county cooperative EIFD in the State**, established on July 30, 2019. The EIFD is expected to approximately \$27 million in infrastructure funding capacity, and Kosmont is currently assisting the City and County in underwriting the EIFD's first debt issuance of approximately \$10 million. An additional Pilot involves the unincorporated community of West Carson in Los Angeles County, where Kosmont provided initial feasibility analysis and additionally provided technical advisory, stakeholder outreach, and other assistance to form the **first County-led EIFD in Southern California**. The West Carson EIFD is approximately 1,587 acres, encompassing the West Carson TOD Specific Plan and Harbor-UCLA Medical Center Campus Master Plan areas. Total tax increment revenues to be generated are estimated at \$625 million.

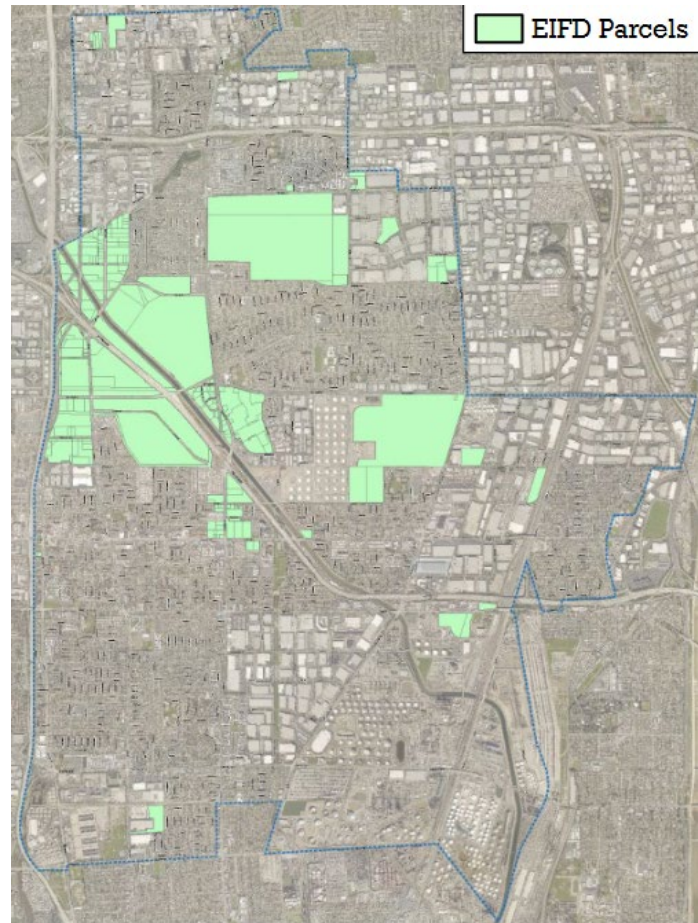


SECTION 2. ORGANIZATION AND APPROACH

CITY OF CARSON: Carson Enhanced Infrastructure Financing District (EIFD) Formation

Kosmont was retained by the City of Carson for technical advisory related to the evaluation and eventual formation of the City of Carson Enhanced Infrastructure Financing District (EIFD). The EIFD encompasses approximately 1,735 acres including a mix of potential future land uses on significantly underutilized properties. Kosmont prepared the governing Infrastructure Financing Plan (IFP), tax increment revenue projections, fiscal impact and economic benefit analysis, staff reports, resolutions, and required public mailing, newspaper, and website notices. Kosmont lead presentations to the City Council, the EIFD Public Financing Authority (PFA), and County staff and elected officials regarding the proposed activities of the EIFD. Kosmont additionally facilitated discussions with the County of Los Angeles to eventually establish the third successful City/County EIFD partnership in the County of Los Angeles. The Carson EIFD was officially formed in August 2022.

Click the links here to view the [Carson EIFD website](#) and the [Carson EIFD Infrastructure Financing Plan \(IFP\)](#).



SECTION 2. ORGANIZATION AND APPROACH

MEET THE TEAM

The Kosmont team brings a well-rounded and seasoned professional cohort with the required expertise and exemplary skillsets to provide the requested services. The majority of Kosmont’s senior-most staff have been with the firm for a decade or longer, providing hands-on seasoned experience and continuity on assignments. Kosmont has extensive experience, a proven track record, and the qualifications to provide the knowledge, guidance, and execution of those services necessary to assist the County.

If selected, the Project Manager will be **Kosmont Senior Vice President Joseph “Joe” Dieguez**. **Mr. Dieguez** brings over 16 years of experience serving public and private sector clients primarily through infrastructure funding and financing strategies, fiscal and economic impact analysis, market and economic analyses, and real estate development advisory. *Mr. Dieguez will oversee this project from start to completion, be responsible for day-to-day management of the engagement with the County, and coordination of the Kosmont Team to ensure the projects are completed on time and within budget.*

Mr. Dieguez will be supported by the following key team members:

- **Mr. Ken K. Hira, Kosmont President** has expertise in real estate and economic development. He brings over 30 years of varied experience in virtually every aspect of acquisition, entitlement, development, financing, asset management, disposition, downtown revitalization, and strategic plans. His strengths include a keen understanding of land use trends, business retention/attraction, negotiating public-private transactions and implementing blended-use projects. *He will provide project oversight, quality control, strategic advisory support and make public presentations as necessary as the Principal Advisor.*
- **Ms. Felicia Williams, Kosmont Senior Vice President** will provide policy analysis and related advisory concerning evaluation of EIFD proposals from cities within the County, as well as potential EIFD applications in unincorporated County jurisdiction.
- **Mr. Clark Whitten, Kosmont Senior Advisor** will provide real estate market analysis and advisory related to assumptions of future development projections and related growth of assessed property value assumed within potential financing district boundaries.
- **Mr. Fernando Sanchez, Kosmont Vice President** will provide GIS/mapping support and analysis of General Fund fiscal impacts, economic benefits, and other considerations related to potential EIFD implementation.
- **Ms. Stephanie Ontiveros, Kosmont Vice President** will provide parcel level research and analysis related to property tax rates, assessed values, taxing entity allocations, former redevelopment agency / successor agency encumbrances, and other details concerning property tax increment revenue projections.

Kosmont provides services to Clients virtually from satellite locations, in-person, and from the El Segundo headquarters across the Western U.S. Staff will be assigned as appropriate based on their skills and qualifications in order to adequately provide services to the City and stay within budget.

SECTION 2. ORGANIZATION AND APPROACH

CONSULTANT TEAM BREAKDOWN



PROJECT MANAGER

Joseph Dieguez
Senior Vice President



PRINCIPAL ADVISOR

Ken K. Hira
President

POLICY ANALYSIS,
STAKEHOLDER OUTREACH

Felicia Williams
Senior Vice President

REAL ESTATE
MARKET ANALYSIS

Clark Whitten
Senior Advisor

GIS/MAPPING,
FISCAL IMPACT ANALYSIS

Fernando Sanchez
Vice President

TAX ANALYSIS

Stephanie Ontiveros
Vice President

Our team is enthusiastic, ready, and will be available to provide services when called upon.

SECTION 2. ORGANIZATION AND APPROACH

Ken K. Hira

President



Project Role:
Principal Advisor

Years with Firm: 15+

Years of Experience: 30+

Education:
Bachelor of Economics
and Business, UCLA

Mr. Ken K. Hira serves as President for Kosmont Companies. An expert in real estate and economic development, Mr. Hira brings over 30 years of varied experience in virtually every aspect of acquisition, entitlement, development, financing, asset management, disposition, downtown revitalization, and strategic plans. His strengths include a keen understanding of retail trends, business retention/attraction, negotiating public-private transactions and implementing blended-use projects that revitalize communities and assist in economic development/tax generation programs.

A former Executive Vice President and mixed-use developer, Mr. Hira managed a portfolio of over \$100 million of retail sites, while operating the commercial division of the company. Prior to this, as Managing Director of Acquisitions for a development company and Vice President of Development at a development firm, he evaluated and underwrote hundreds of acres of land, successfully captured and negotiated anchor tenant commitments creating \$60 million of value in ground-up development and redevelopment and was responsible for 800,000 square feet of retail entitlement, design and development. As Vice President of a shopping center company based in San Diego (6 years), Mr. Hira entitled one million square feet of retail development projects, as well as led the acquisition of 24 neighborhood and community shopping centers, totaling 3.3 million square feet and valued at \$375 million, and organized a \$287 million recapitalization.

LICENSES/AFFILIATIONS: Mr. Hira is an active volunteer leader of the Innovating Commerce Serving Communities (ICSC) (formerly International Council of Shopping Centers). He was nominated and serves as the Co-Chair of the ICSC Community Advancement Board, nationally advocating public-private partnerships, while previously serving as the ICSC Western Division P3 Retail Co-Chair, Southern California State Director, Program Committee Chair and Alliance Co-Chair.

RELEVANT EXPERIENCE: Throughout his career, Mr. Hira has managed hundreds of public and private sector consulting assignments. A few of the more recent projects within the last 10 years are summarized below:

- City of San Rafael – Economic Development Strategic Plan and EIFD evaluation
- City of Napa – EIFD implementation advisory
- City of Pacifica – Economic Opportunities Study and implementation services
- Confidential Client, San Jose, CA – EIFD and CFD Evaluation
- City of Daly City – Market analysis, Public Private Transaction structuring for key opportunity sites
- City of Capitola – Mall Reimagination and developer negotiation assistance
- City of Seaside, CA – EIFD and Community Revitalization and Investment Authority (CRIA) Evaluation
- City of Santa Cruz, CA – EIFD and Climate Resilience District (CRD) Evaluation
- City of Fresno, CA – Downtown / Blackstone Bus Rapid Transit Corridor EIFD Formation
- City of Indian Wells, CA – EIFD Evaluation and County Partnership Negotiation assistance
- City of Laguna Hills – Mall Reimagination, fiscal impact analysis, development agreement
- City of Agoura Hills - Agoura Village Specific Plan Feasibility Analysis
- City of El Cajon, CA – EIFD Evaluation



KOSMONT COMPANIES

1601 N. Sepulveda Blvd., #382 | Manhattan Beach, CA 90266 | 424.297.1070

www.kosmont.com

Agenda Item Number 6

City Council Packet of June 18, 2024

Page 40 of 73

SECTION 2. ORGANIZATION AND APPROACH

Joseph Dieguez

Sr. Vice President



Project Role:
PROJECT MANAGER

Years with Firm: 13+

Years of Experience: 16+

Education:
Bachelors of Science,
Mechanical Engineering,
Massachusetts Institute
of Technology

Mr. Joseph Dieguez is a Senior Vice President with Kosmont Companies serving public and private sector clients primarily through market and economic analyses, strategic planning, and real estate development advisory. His recent work includes special / tax increment district implementation (including Enhanced Infrastructure Financing Districts and Community Revitalization and Investment Authorities), market supply and demand analysis, fiscal impact and economic benefit studies, financial feasibility and development pro forma evaluation, and property reuse strategies for municipalities, real estate investment and development firms, and multiple Fortune 500 clients.

Prior to joining Kosmont Companies, Mr. Dieguez served as a senior analyst at a real estate investment and development firm and as an analyst at a top management consulting firm, responsible for industry, market, portfolio and property-level analysis, negotiations, and transaction execution support for investment banks, private equity firms, and other financial institution clients. Joseph was previously an assistant project manager at a construction management firm, where he assisted with RFQ/P development and project implementation.

LICENSES/AFFILIATIONS:

Mr. Dieguez is a licensed Real Estate Salesperson, licensed by the State of California Department of Real Estate (No. 01893926). He is also a Municipal Advisor Representative having achieved the MSRB Series 50 professional qualification and is duly registered with the SEC/MSRB.

RELEVANT EXPERIENCE: Samples within the last 10 years are summarized below:

- County of Humboldt - Samoa Peninsula EIFD Formation
- County of Madera – EIFD Evaluation and EIFD Annual Report Preparation (three EIFDs)
- County of Sacramento – Unincorporated Metro Air Park EIFD Evaluation and Formation
- County of Los Angeles – EIFD Policy, Unincorporated West Carson EIFD Evaluation and Formation
- City of La Verne and County of L.A. – Enhanced Infrastructure Financing District (EIFD) Formation + Debt Issuance
- City of Placentia + County of Orange – County EIFD Policy, EIFD Formation and Debt Issuance, Annual Report Prep
- City of Napa – EIFD Evaluation and Formation, Annual Report Preparation
- City of San Rafael – EIFD evaluation
- City of Santa Cruz – EIFD and Climate Resilience District (CRD) Evaluation
- City of Seaside – EIFD and Community Revitalization and Investment Authority (CRIA) Evaluation
- City of Rancho Cucamonga – EIFD Evaluation and Formation, Annual Report Preparation
- Southern California Associated of Governments (SCAG) – Financing District Technical Advisor
- City of Fresno – Downtown / Blackstone Bus Rapid Transit Corridor EIFD Formation, Annual Report Preparation
- City of San Luis Obispo – Development Agreement Negotiation, Infrastructure Financing Plan Preparation, Community Facilities District Formation and Debt Issuance
- City of Brentwood – EIFD Evaluation
- City of Carson + L.A. County – EIFD Evaluation and Formation
- City of Los Angeles – Downtown EIFD Evaluation, San Pedro EIFD Evaluation and Formation
- City of Pittsburg – EIFD Evaluation and Formation
- City of Redondo Beach + L.A. County – EIFD Evaluation and Formation
- City of Riverside – EIFD and CRIA Evaluation

SECTION 2. ORGANIZATION AND APPROACH

Felicia Williams

Senior Vice President



Ms. Felicia Williams is a Senior Vice President at Kosmont Companies and assists municipal clients with a comprehensive approach to economic development and climate action, in addition to identifying funding sources for key projects. She has a background in public finance, economic development, and sustainability. Specifically for Kosmont clients, Ms. Williams provides financial feasibility analysis for various types of infrastructure and tax increment financing districts, fiscal impact analysis, Specific / General Plan land use analysis, and Climate Action Plan implementation and project financing.

Project Roles:

Policy Analysis,
Stakeholder Outreach

Years with Firm: 8+

Years of Experience: 25+

Education:

- M.B.A., Finance, University of Michigan Ross School of Business
- M.A., Urban Planning, UCLA
- B.A., Public Policy, Stanford University

Association:

Ms. Williams was elected as a Councilmember to the City of Pasadena in 2020 and represents District 2.

Ms. Williams has worked with local and State governments for 15 years in municipal finance. This experience includes individual cities throughout the SCAG territory, Los Angeles and Riverside Counties, as well as local Councils of Government in the South Bay, Western Riverside, Gateway Cities, and San Gabriel Valley. Additionally, Ms. Williams has worked with State of California agencies on environmental financing programs and has served on policy advisory committees for State Senators and Assemblymembers. With broad experience in finance, public policy, and environment, she understands the policy underlying the financing programs to provide comprehensive solutions in key areas of SCAG's focus.

RELEVANT EXPERIENCE:

Throughout her career, Ms. Williams has managed hundreds of public and private sector consulting and banking assignments, the majority of which in the SCAG region and many of which involving state and local housing policies and programs. A few samples within the last 10 years are summarized below:

- City of Azusa – EIFD Evaluation
- City of Brentwood – EIFD Evaluation and Formation
- City of Carson + L.A. County – EIFD Evaluation and Formation
- City of Duarte – EIFD Evaluation
- City of El Segundo + L.A. County – EIFD Evaluation
- City of Los Angeles – Downtown and San Pedro – EIFD Evaluation
- City of Pittsburg – EIFD Evaluation and Formation

- City of La Verne/County of Los Angeles - Enhanced Infrastructure Financing District Formation
- Southern California Associated of Governments (SCAG) - Housing and Sustainability District Technical Advisor
- County of Los Angeles, Chief Executive Office – Opportunity Zone Policy
- City of Redondo Beach - Enhanced Infrastructure Financing District for AES power plant regional park, including Prop 68 State Parks grant
- County of Los Angeles Second District / Southern California Association of Governments – West Carson Enhanced Infrastructure Financing District
- County of Los Angeles First District / Southern California Association of Governments – LA County / USC Medical Center Tax Increment Financing Feasibility Analysis
- Friends of the Hollywood Central Park – EIFD Revenue and Feasibility Analysis

SECTION 2. ORGANIZATION AND APPROACH

Clark Whitten

Senior Advisor



Project Role:

Real Estate Market
Supply and Demand
Analysis

Years with Kosmont: 1

Years of Experience: 30+

Education:

Bachelor of Arts,
University of Oklahoma

Mr. Clark Whitten is a Senior Advisor with Kosmont Companies **residing in Folsom**. Mr. Whitten brings a diverse background of more than 20 years of real estate consulting and economic development while working for Sacramento County in the Real Estate Division and Economic Development Department. As the Mather Program Manager, he was responsible for the redevelopment of the former Air Force base. Mr. Whitten negotiated with the Air Force for the complex transfer of several thousand acres, negotiated numerous real property sales and leases to private and public developers.

Mr. Whitten was part of the County team that partnered with LDK Development to redevelop McClellan Air Force base. Mr. Whitten provided expert real estate consulting and management for the P3 Purchase and Sale Agreement with LDK.

Mr. Whitten managed the County Asset Program that provided turnkey real estate consulting to approximately 20 internal and external clients and 80 projects/year that generated between \$9-20 million in annual revenue through property sales, leases and licenses.

LICENSES/AFFILIATIONS:

Mr. Whitten was an active member of ICSC from 2014-2021; he represented Sacramento County at GSEC meetings and events. In addition, Mr. Whitten is a former Sacramento Running Association board member and a current board member of Folsom American Little League.

RELEVANT EXPERIENCE:

- Mather South Development – Negotiated P3 Purchase and Sale Agreement of 800 acres to Lewis Companies to Master Plan and entitle 1,200 acres that will ultimately result in 2+ million Sq/Ft of Industrial, commercial/retail and 3,500 homes at build out. Additionally, negotiated with the feds and state to establish a 1,300-acre open space reserve that provided mitigation for the project.
- Negotiated and sold over 3,000,000 Sq/Ft of vacant Mather commercial property to McCuen Properties, Jackson Properties, Comstock Johnson Architects, Reynen & Bardis and others.
- Provided countless internal and external clients (Airports, Regional Sanitation, Water Agency, DOT, Special Districts and others turnkey real estate services in development planning, P3 Agreements, Purchase and Sale Agreements, lease negotiations and appraisal.

SECTION 2. ORGANIZATION AND APPROACH

Fernando Sanchez

Vice President



Project Role:

GIS/Mapping, Fiscal Impact Analysis

Years with Firm: 9+

Years of Experience: 10+

Education:

- Master of City Planning, Univ. of Pennsylvania, (focus: public and private real estate development)
- Bachelor of Arts, Princeton University

Mr. Fernando Sanchez is a Vice President with Kosmont Companies assisting public and private sector clients with market and economic analyses, strategic planning, and real estate development advisory. His recent work includes market supply and demand analysis, prioritization of strategic opportunity sites for retail and future development, analysis of potential development uses, and geospatial analysis of boundaries and funding and financing feasibility studies of new infrastructure financing districts, including Enhanced Infrastructure Financing Districts (EIFDs).

Prior to joining Kosmont Companies, Mr. Sanchez also worked as an Analyst for Entertainment and Culture Advisors, a Los Angeles-based economic consulting firm specializing in the entertainment and attractions industry. Other previous experience includes working as an Analyst and Project Manager for JDT International Inc., a residential real estate developer in Philadelphia, and working as a Transportation Planner with the City of Philadelphia Mayor's Office of Transportation and Utilities.

LICENSES/AFFILIATIONS:

Mr. Sanchez is a member of the American Planning Association and the Urban Land Institute. He also serves as the Treasurer of the Princeton Club of Southern California.

LANGUAGES:

Mr. Sanchez is fluent in English and Spanish.

RELEVANT EXPERIENCE:

Sample recent projects are summarized below:

- City of Napa (EIFD Evaluation and Formation; General Fund Fiscal Impact Analysis)
- City of Brentwood (Enhanced Infrastructure Financing District ("EIFD") Evaluation; Contra Costa County General Fund Fiscal Impact Analysis)
- City of St. Helena (Highest and Best Use Analysis; Asset Strategy; Downtown Revitalization)
- City of Seaside (EIFD and CRIA Evaluation)
- City of Watsonville (EIFD Evaluation)
- City of Riverside – EIFD and CRIA Evaluation
- City of Ontario (EIFD Evaluation)
- City of Agoura Hills (Agoura Village Specific Plan Feasibility Analysis)
- City of Norwalk (Economic Development Opportunities Plan)
- City of Santa Barbara (Retail Market Study and Economic Development Strategy; Downtown Revitalization)
- City of Thousand Oaks (Economic Development Specific Plan)

SECTION 2. ORGANIZATION AND APPROACH

Stephanie Ontiveros

Vice President



Project Role:
Tax Analysis Specialist

Years with Firm: 2+
Years of Experience: 26+

Education:
- Bachelor of Science,
Business Administration
– Finance, California
State University, Fresno

Ms. Stephanie Ontiveros is a Vice President with Kosmont Companies and has extensive public agency consulting experience in economic development, redevelopment and finance. Prior to joining Kosmont, Ms. Ontiveros served as a financial consultant to over 90 cities, agencies and special districts throughout California, specializing in Property Tax and Tax Increment analysis, revenue evaluation, forecasting and budgeting. Ms. Ontiveros has conducted numerous special analysis projects for various city specific needs.

LICENSES/AFFILIATIONS:

Ms. Ontiveros is a Municipal Advisor Representative having achieved the MSRB Series 50 professional qualification.

RELEVANT EXPERIENCE:

A few of her more recent projects are summarized below:

- City of Napa EIFD Evaluation and Formation
- City of Mount Shasta + County + Siskiyou EIFD Evaluation
- City of Fairfield EIFD Evaluation
- City of Fresno EIFD Evaluation and Formation
- City of Rancho Cucamonga EIFD Evaluation
- City of Sanger EIFD Formation
- County of Madera EIFD implementation and annual reporting, EIFD base year and tax increment audit
- City of Placentia and County of Orange EIFD implementation and annual reporting
- Menlo Park Fire Protection District – Tax Increment Projections
- City of Torrance – Tax Increment Projections
- City of Thousand Oaks – Tax Increment Projections
- City of Roseville – Tax Increment Projections
- City of Clovis – Annual Annexation Review and County Fire Transition Fee Calculations
- City of San Rafael – EIFD evaluation
- City of Los Angeles – Downtown EIFD Evaluation, San Pedro EIFD Evaluation and Formation
- City of Redondo Beach + L.A. County – EIFD Evaluation and Formation

SECTION 2. ORGANIZATION AND APPROACH

PRIMARY REFERENCES

1. City of Napa EIFD Evaluation, Formation, and City/County General Fund Fiscal Impact Analysis, November 2020 to July 2022 (Reference: Vincent Smith, Director of Community Development, City of Napa, 707-257-9530, vsmith@cityofnapa.org)
2. County of Humboldt EIFD Evaluation, Formation, and City/County General Fund Fiscal Impact Analysis, July 2021 to June 2022 (Reference: Scott Adair, Director of Economic Development County of Humboldt, 707-599-1205, sadair@co.humboldt.ca.us)
3. City of La Verne + County of Los Angeles EIFD Evaluation, Formation, and City/County General Fund Fiscal Impact Analysis, August 2016 to July 2020 (Reference: Eric Scherer, Director of Community Development, City of La Verne, 909-596-8706, eric@cityoflaverne.org)
4. City of Placentia + County of Orange EIFD Evaluation, Formation, and City/County General Fund Fiscal Impact Analysis, October 2018 to March 2021 (Reference: Damien Arrula, City Administrator, City of Placentia, 714-993-8171, darrula@placentia.org)
5. County of Los Angeles Unincorporated West Carson EIFD Evaluation, Formation, and General Fund Fiscal Impact Analysis, March 2019 to December 2020 (Reference: Robert Moran, Principal Analyst, Los Angeles County Chief Executive Office, (213) 974-1130, RMORAN@CEO.LACOUNTY.GOV)
6. City of Carson + County of Los Angeles EIFD Evaluation, Formation, and City/County General Fund Fiscal Impact Analysis, February 2018 through July 2022 (Reference: Saied Naaseh, Director of Community Development, City of Carson, 310-952-1770, SNaaseh@carsonca.gov)

SECTION 2. ORGANIZATION AND APPROACH

ADDITIONAL REFERENCES

1. City of Mount Shasta EIFD Evaluation and City/County General Fund Fiscal Impact Analysis (Reference: Tonya Dowse, Executive Director, Siskiyou County Economic Development Corporation, 530-842-1638, tonya@siskiyoucounty.org or Todd Juhasz, City Manager, City of Mount Shasta, 530-926-7519, tjuhasz@mtshastaca.gov)
2. City of Pittsburg EIFD Evaluation and City/County General Fund Fiscal Impact Analysis (Reference: Garrett Evans, City Manager, City of Pittsburg, 925-252-4850, gevans@pittsburgca.gov)
3. City of Fresno EIFD Evaluation, Formation, and City/County General Fund Fiscal Impact Analysis (Reference: Nelson Esparza, District 7 Councilmember, nelson.esparza@fresno.gov, (559) 621-8000)
4. County of Madera EIFD Evaluation and Annual Administration (Reference: Matthew Treber, Chief of Development Services, County of Madera, 559-675-7821, matthew.treber@maderacounty.com)
5. County of Imperial EIFD Evaluation and General Fund Fiscal Impact Analysis (Reference: Rebecca Terrazas-Baxter, Assistance County Executive Officer, County of Imperial, 442-265-1014, RebeccaTerrazas-Baxter@co.imperial.ca.us)
6. County of Fresno Unincorporated Business and Industrial Park EIFD Evaluation and General Fund Fiscal Impact Analysis (Reference: Will Oliver, President/CEO, Fresno County Economic Development Council, 559-476-2518, woliver@fresnoedc.com)
7. County of Los Angeles Metropolitan Transportation Authority (METRO) EIFD Feasibility Analysis (References: Craig Hoshijima, Executive Officer of Countywide Planning & Development, 213-418-3384, HoshijimaC@metro.net and Nick Saponara, Executive Officer of Transit Oriented Communities, 213-922-4313, SaponaraN@metro.net)
8. City of Los Angeles Downtown EIFD Evaluation and City/County General Fund Fiscal Impact Analysis (Reference: Blair Miller, Economic and Workforce Development Department, City of Los Angeles, 213-744-7232, blair.miller@lacity.org)
9. City of Los Angeles San Pedro EIFD Evaluation and City/County General Fund Fiscal Impact Analysis (Reference: Jenny Scanlin, Chief Development Officer, Housing Authority of the City of Los Angeles, 213-252-2680, Jenny.Scanlin@hacla.org)
10. City of Rancho Cucamonga EIFD Evaluation, Formation, and City/County General Fund Fiscal Impact Analysis (Reference: Noah Daniels, Director of Finance, City of Rancho Cucamonga, 909-774-2402, Noah.Daniels@cityofrc.us)
11. City of Covina EIFD Evaluation, Formation, and City/County General Fund Fiscal Impact Analysis (Reference: Chris Marcarello, City Manager, City of Covina, 626-384-5410, cmarcarello@covinaca.gov)

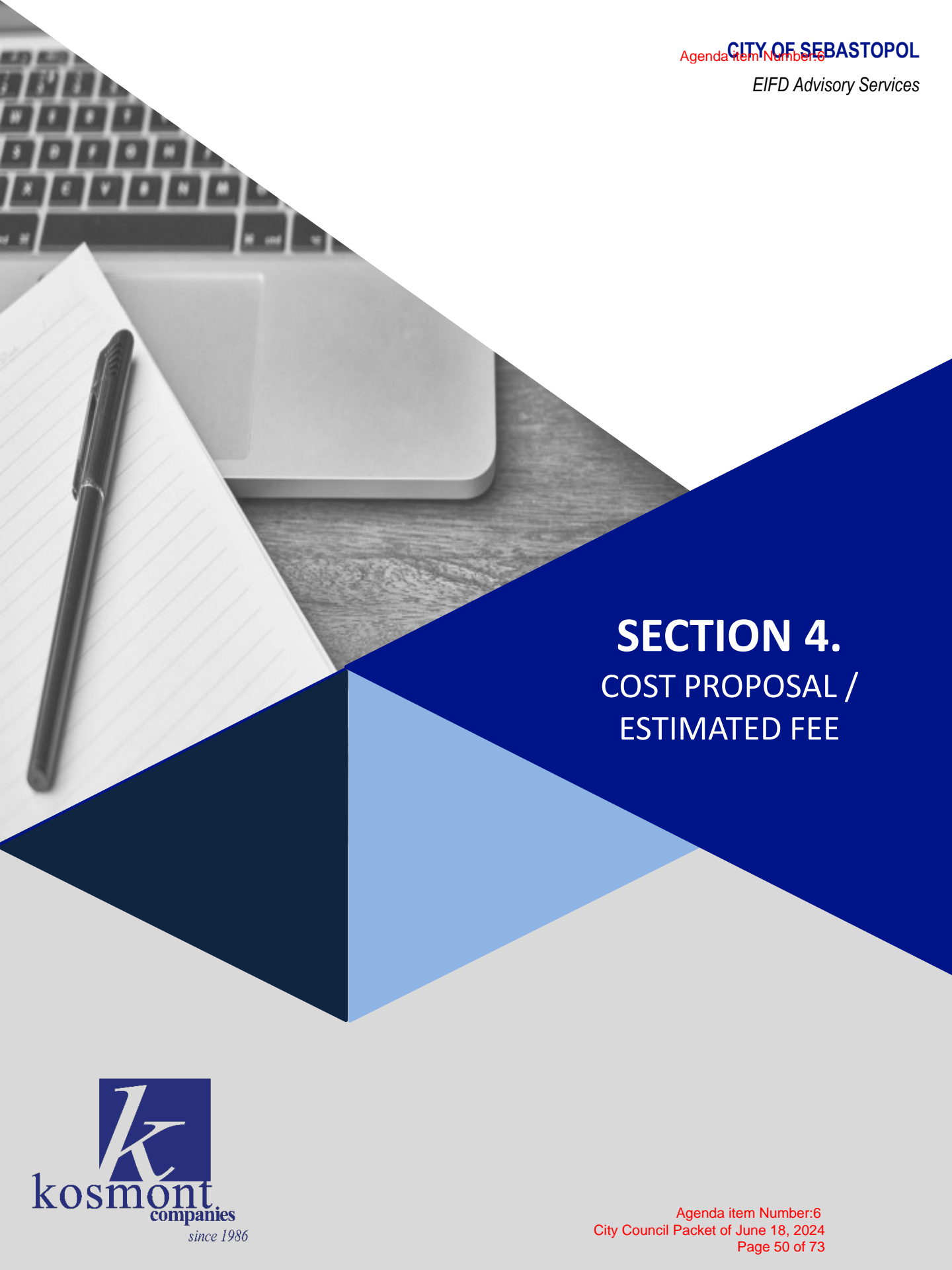


SECTION 3. SCHEDULE OF WORK

SECTION 3. SCHEDULE OF WORK

SCHEDULE OF WORK

TASKS		2024						
		Jun	Jul	Aug	Sep	Oct	Nov	Dec
1	Identify Potential Boundaries and Initial Screening Criteria <i>(assumes three weeks for City/County staff review)</i>	X	X	X				
2	Tax Increment Analysis <i>(assumes three weeks for City/County staff review)</i>			X	X			
3	Identify Infrastructure Needs <i>(assumes three weeks for City/County staff review)</i>		X	X	X			
4	Next Steps for Implementation <i>(assumes three weeks for City/County staff review)</i>					X		
5	Public Outreach / Presentations <i>(assumes three weeks for City/County staff review of presentation materials)</i>					X	X	X
6	Resolutions of Intention <i>(assumes two weeks for City Attorney / County Counsel review)</i>							X



SECTION 4. COST PROPOSAL / ESTIMATED FEE

SECTION 4. COST PROPOSAL / ESTIMATED FEE

COST PROPOSAL / ESTIMATED FEE

TASKS		Estimated Cost	Estimated Hours	President	SVP	VP	Analyst
				\$395	\$370	\$250	\$175
1	Identify Potential Boundaries and Initial Screening Criteria	\$9,910	32	2	16	10	4
2	Tax Increment Analysis	\$7,880	26	0	14	8	4
3	Identify Infrastructure Needs	\$5,160	18	0	8	6	4
4	Next Steps for Implementation	\$5,160	18	0	8	6	4
5	Public Outreach / Presentations	\$12,720	40	2	24	8	6
6	Resolutions of Intention	\$6,690	22	2	10	6	4
Professional Services Total		\$47,520	156	6	80	44	26
Reimbursable Expenses		\$2,450					
Estimated Grand Total / Max Price		\$49,970					

NOTE: Duties may be allocated between tasks and team members as deemed appropriate by Kosmont's Project Manager in order to adequately provide services to the Client and stay within budget. If needed, other team members not included herein may be assigned to work on this project in a support or research role.

SECTION 4. COST PROPOSAL / ESTIMATED FEE



KOSMONT HOURLY RATES (FOR ADDITIONAL SERVICES, IF APPLICABLE)

Professional Services

President	\$395.00 / hour
Senior Vice President/Sr. Advisor/Sr. Managing Director	\$370.00 / hour
Vice President/Project Advisor	\$250.00 / hour
Senior Project Analyst	\$195.00 / hour
Project Analyst/Project Research	\$175.00 / hour
Assistant Project Analyst/Assistant Project Manager	\$150.00 / hour
Project Promotion/Graphics/GIS Mapping Services	\$ 95.00 / hour
Clerical Support	\$ 80.00 / hour

Additional Expenses

In addition to professional services (labor fees):

- 1) An **administrative fee** for in-house copy, fax, phone, postage costs, digital/technological support and related administrative expenses will be charged, which will be computed at four percent (4.0 %) of monthly Kosmont Companies professional service fees incurred; **plus**
- 2) **Out-of-pocket expenditures**, such as travel and mileage, professional printing, and delivery charges for messenger and overnight packages will be charged at cost.
- 3) Project/Market data sources for support of evaluation and analysis e.g., ESRI, Placer.ai, CoStar/STR, IMPLAN, ParcelQuest and other based on quoted project cost.
- 4) If Kosmont retains **Third Party Vendor(s)** for Client (with Client's advance approval), fees and cost will be billed to Client at 1.1X (times) fees and costs.
- 5) Consultant's **attendance or participation at any public meeting**, whether such participation is in person, digital, video and/or telephonic (e.g., *County Board of Supervisors meeting, other public agency board, other*) requested by Client and are beyond those specifically identified in the Scope of Work will be billed at the professional services (hourly) fees as shown on this rate sheet.

Charges for Court/Deposition/Expert Witness-Related Appearances

Court-related (non-preparation) activities, such as court appearances, depositions, mediation, arbitration, dispute resolution and other expert witness activities, will be charged at a court rate of 1.5 times scheduled rates, with a 4-hour minimum.

Rates shall remain in effect until December 31, 2024.



SECTION 5.

CONFLICT OF INTEREST STATEMENT

SECTION 5. CONFLICT OF INTEREST STATEMENT

CONFLICT OF INTEREST STATEMENT

Kosmont Companies was recently (April 2024) selected by the County of Sonoma through a competitive Request for Proposals (RFP) process to advise the County on a limited, as-needed basis as it relates to reviewing and responding to enhanced infrastructure financing district (EIFD) proposals from other jurisdictions and evaluating EIFDs for potential pursuit in unincorporated areas of the County. It is Kosmont's understanding that Kosmont's role for the County will not conflict with evaluation or formation of a potential EIFD in the City of Sebastopol.





SECTION 6.

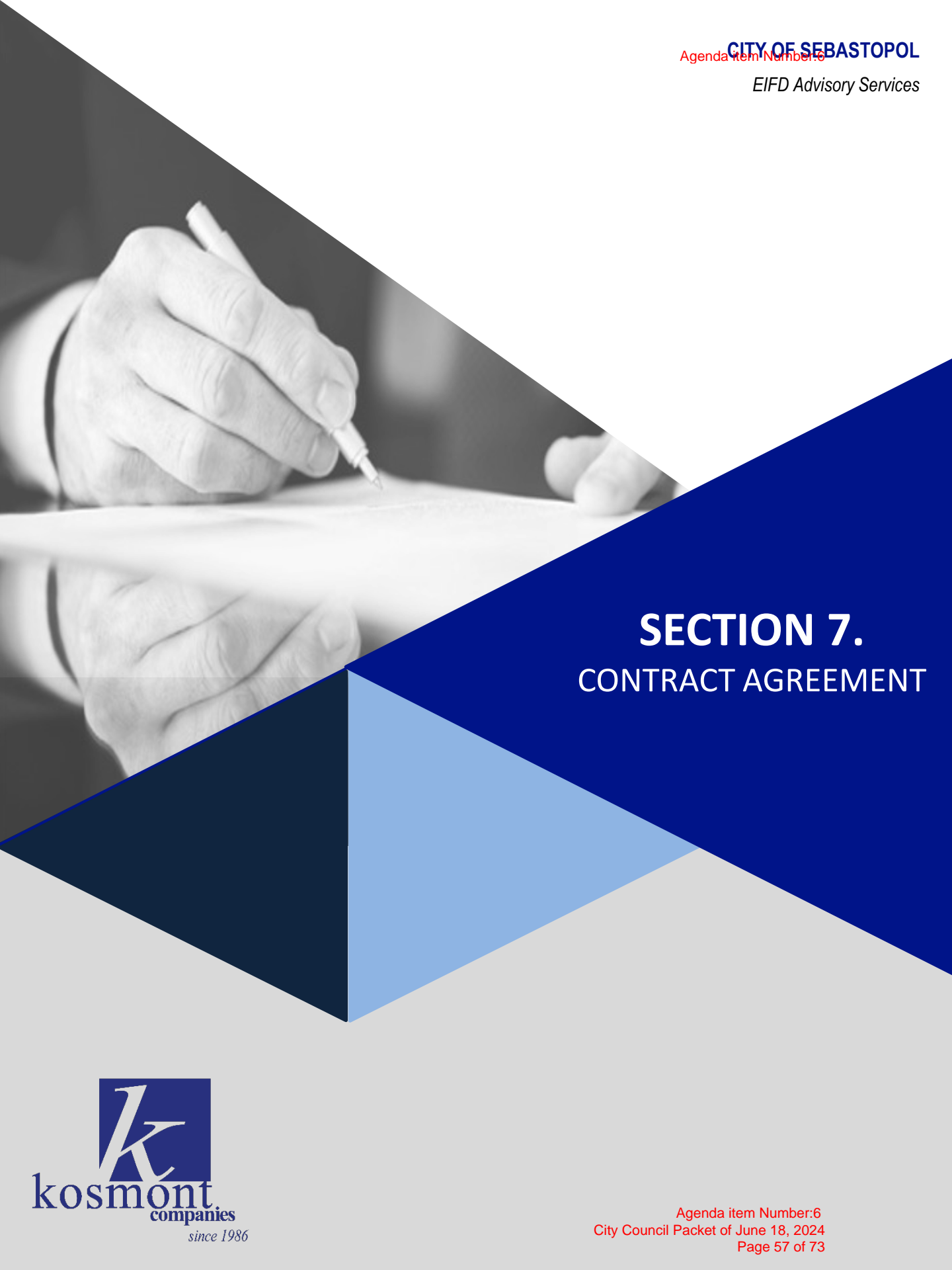
LITIGATION

LITIGATION STATEMENT

No litigation to disclose.



Photo Credit: Brent Reed - www.facebook.com/CityofSebastopolCA/



SECTION 7.

CONTRACT AGREEMENT

SECTION 7. CONTRACT AGREEMENT

CONTRACT EXCEPTION

The terms and conditions of the sample Agreement are acceptable to Kosmont & Associates, Inc., dba Kosmont Companies, except as noted below.

If awarded the contract, Kosmont (Consultant) respectfully asks for the following clarifications:

- Consultant would ask the City that the Professional Liability insurance maintenance requirement be limited to four (4) years after completion of contract work.
- Consultant would ask the City for clarifying language so that the duration of survival is not vague nor open-ended, by the addition of the phrase “not to exceed 4 years after completion of Consultant’s services”, which would be consistent with the Statute of Limitations for any cause of action related to Consultant’s services.



ATTACHMENT A – STANDARD PROFESSIONAL SERVICES AGREEMENT

AGREEMENT FOR PROFESSIONAL SERVICES

THIS AGREEMENT, made and entered into on _____ by and between the City of Sebastopol, located in the County of Sonoma, State of California (City), and Kosmont Companies. (Consultant).

RECITALS:

A. City desires to employ Consultant to furnish professional services in connection with the project described as feasibility of creating an Enhanced Infrastructure Financing District (EIFD).

B. Consultant has represented that Consultant has the necessary expertise, experience, and qualifications to perform the required duties.

NOW, THEREFORE, in consideration of the mutual premises, covenants, and conditions herein contained, the parties agree as follows:

SECTION 1 – BASIC SERVICES

Consultant agrees to perform the services set forth in **Exhibit A, “Scope of Services”** and made part of this Agreement.

SECTION 2 – ADDITIONAL SERVICES

Consultant shall not be compensated for any services rendered in connection with its performance of this Agreement which are in addition to or outside of those set forth in this Agreement or **Exhibit A, “Scope of Services”**, unless such additional services and compensation are authorized in advance and in writing by the City Council or City Manager of the City.

SECTION 3 – TIME FOR COMPLETION

The time for completion of services shall be as identified in **Exhibit A, “Scope of Services”**.

SECTION 4 – COMPENSATION AND METHOD OF PAYMENT

A. Subject to any limitations set forth in this Agreement, City agrees to pay consultant the amount specified in Exhibit A, “Proposed Pricing”, attached hereto and made a part hereof. Total compensation shall not exceed a total of \$49,970, unless additional compensation is approved in accordance with Section 2.

B. Consultant shall furnish to City an original invoice for all work performed and expenses incurred during the preceding month. The invoice shall detail charges by the following categories if applicable: labor (by sub-category), travel, materials, equipment, supplies, subconsultant contracts, and miscellaneous expenses. City shall independently review each invoice submitted to determine whether the work performed, and expenses incurred are in compliance with the provisions of this Agreement. If no charges or expenses are disputed, the invoice shall be approved and City will use its best efforts to cause Consultant to be paid within 30 days of receipt of invoice. If any charges or

expenses are disputed by City, the original invoice shall be returned by City to Consultant for correction and resubmission. If the City reasonably determines, in its sole judgment, that the invoiced charges and expenses exceed the value of the services performed to date and that it is probable that the Agreement will not be completed satisfactorily within the contract price, City may retain all or a portion of the invoiced charges and expenses. Within thirty (30) days of satisfactory completion of the project, City shall pay the retained amount, if any, to Consultant.

C. Payment to the Consultant for work performed pursuant to this Agreement shall not be deemed to waive any defects in work performed by Consultant.

SECTION 5 – STANDARD OF PERFORMANCE

Consultant represents and warrants that it has the qualifications, experience and facilities necessary to properly perform the services required under this Agreement in a thorough, competent and professional manner. Consultant shall at all times faithfully, competently and to the best of its ability, experience and talent, perform all services described herein. In meeting its obligations under this Agreement, Consultant shall employ, at a minimum, generally accepted standards and practices utilized by persons engaged in providing services similar to those required of Consultant under this Agreement.

SECTION 6 – INSPECTION AND FINAL ACCEPTANCE

City may inspect and accept or reject any of Consultant's work under this Agreement, either during performance or when completed. City shall reject or finally accept Consultant's work within sixty (60) days after submitted to City, unless the parties mutually agree to extend such deadline. City shall reject work by a timely written explanation, otherwise Consultant's work shall be deemed to have been accepted. City's acceptance shall be conclusive as to such work except with respect to latent defects and fraud. Acceptance of any of Consultant's work by City shall not constitute a waiver of any of the provisions of this Agreement including, but not limited to, the sections pertaining to indemnification and insurance.

SECTION 7 – INSURANCE REQUIRED

Consultant shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Consultant, its agents, representatives, or employees.

MINIMUM SCOPE AND LIMIT OF INSURANCE

Coverage shall be at least as broad as:

1. Commercial General Liability (CGL): Insurance Services Office Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed operations, property damage, bodily injury, and personal & advertising injury with limits no less than \$2,000,000 per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.
2. Automobile Liability: Insurance Services Office Form Number CA 0001 covering, Code 1 (any auto), or if Consultant has no owned autos, Code 8 (hired) and 9 (non-owned), with limit no less than \$1,000,000 per accident for bodily injury and property damage.

3. Workers' Compensation insurance, as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease.

(Not required if consultant provides written verification that it has no employees)

4. Professional Liability (Errors and Omissions) Insurance appropriate to the Consultant's profession, with limit no less than \$2,000,000 per occurrence or claim, \$2,000,000 aggregate. The Retroactive Date must be shown and must be before the date of the contract or the beginning of contract work. Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of the contract of work. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a Retroactive Date prior to the contract effective date, the Consultant must purchase "extended reporting" coverage for a minimum of five (5) years after completion of contract work. A copy of the claims reporting requirements must be submitted to the City of Sebastopol for review.

If the Consultant maintains broader coverage and/or higher limits than the minimums shown above, the City of Sebastopol requires, and shall be entitled to, the broader coverage and/or higher limits maintained by the Consultant. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City of Sebastopol.

Other Insurance Provisions

The insurance policies are to contain, or be endorsed to contain, the following provisions:

The City of Sebastopol, its officers, officials, employees, and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Consultant including materials, parts, or equipment furnished in connection with such work or operations.

General liability coverage can be provided in the form of an endorsement to the Consultant's insurance at least as broad as one of the following ISO ongoing operations Forms: CG 20 10 or CG 20 26 or CG 20 33 (not allowed from subcontractors), or CG 20 38; **and** one of the following ISO completed operations Forms: CG 20 37, 2039 (not allowed from subcontractors), or CG 20 40.

Primary Coverage

For any claims related to this contract, the Consultant's insurance coverage shall be primary insurance coverage at least as broad as ISO CG 20 01 04 13 as respects the City of Sebastopol, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the City of Sebastopol, its officers, officials, employees, or volunteers shall be excess of the Consultant's insurance and shall not contribute with it.

Notice of Cancellation

Consultant shall provide immediate written notice if (1) any of the required insurance policies is terminated; (2) the limits of any of the required policies are reduced; (3) or the deductible or self-insured retention is increased. In the event of any cancellation or reduction in coverage or limits of any insurance, Consultant shall forthwith obtain and submit proof of substitute insurance.

Waiver of Subrogation

Consultant hereby grants to the City of Sebastopol a waiver of any right to subrogation which any insurer of said Consultant may acquire against the City of Sebastopol by virtue of the payment of any loss under such insurance. Consultant agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the City of Sebastopol has received a waiver of subrogation endorsement from the insurer. However, the

Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the City of Sebastopol for all work performed by the Contractor, its employees, agents, and subcontractors.

Self-Insured Retentions

Self-insured retentions must be declared to and approved by the City of Sebastopol. The City of Sebastopol may require the Consultant to provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention. The policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or the City of Sebastopol.

Acceptability of Insurers

Insurance is to be placed with insurers authorized to conduct business in the state with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to the City of Sebastopol.

Verification of Coverage

Consultant shall furnish the City of Sebastopol with original Certificates of Insurance including all required amendatory endorsements (or copies of the applicable policy language effecting coverage required by this clause) and a copy of the Declarations and Endorsement Page of the CGL policy listing all policy endorsements to the City of Sebastopol before work begins. However, failure to obtain the required documents prior to the work beginning shall not waive the Consultant's obligation to provide them. The City of Sebastopol reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

Subcontractors

Consultant shall require and verify that all subcontractors maintain insurance, meeting all the requirements stated herein, and Contractor shall ensure that the City of Sebastopol is an additional insured on insurance required from subcontractors.

Special Risks or Circumstances

The City of Sebastopol reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

SECTION 8 – INDEMNIFICATION

A. Consultant shall indemnify and hold harmless City, its agents, officers, officials, employees, and volunteers from any and all claims, demands, suits, loss, damages, injury, and/or liability (including any and all costs and expenses in connection therewith), incurred by reason of any negligent or otherwise wrongful act or omission of Consultant, its officers, agents, employees and subcontractors, or any of them, under or in connection with this Agreement; and Consultant agrees at its own cost, expense and risk to defend any and all claims, actions, suits, or other legal proceedings brought or instituted against City, its agents, officers, officials, employees and volunteers, or any of them, arising out of such negligent or otherwise wrongful act or omission, and to pay and satisfy any resulting judgments.

B. When Consultant under this Agreement is duly licensed under California Business and Professions Code as an architect, landscape architect, professional engineer, or land surveyor ("design professional"), the provisions of this section regarding Consultant's duty to defend and indemnify apply only to claims that arise out of or relate to the negligence, recklessness, or willful misconduct of the design professional.

C. If any action or proceeding is brought against Indemnitees by reason of any of the matters against which Consultant has agreed to indemnify Indemnitees as provided above, Consultant, upon notice from City, shall defend Indemnitees at Consultant's expense by counsel acceptable to City, such

acceptance not to be unreasonably withheld. Indemnitees need not have first paid for any of the matters to which Indemnitees are entitled to Indemnification in order to be so indemnified. The insurance required to be maintained by Consultant shall ensure Consultant's obligations under this section, but the limits of such insurance shall not limit the liability of Consultant hereunder. The provisions of this section shall survive the expiration or earlier termination of this Agreement.

D. The provisions of this section do not apply to claims to the extent occurring as a result of the City's sole negligence or willful acts or misconduct.

SECTION 9 – INDEPENDENT CONTRACTOR STATUS

A. Consultant is and shall at all times remain a wholly independent contractor and not an officer, employee, or agent of City. Consultant shall have no authority to bind City in any manner, nor to incur an obligation, debt or liability of any kind on behalf of or against City, whether by contract or otherwise, unless such authority is expressly conferred under this Agreement or is otherwise expressly conferred in writing by City.

B. The personnel performing the services under this Agreement on behalf of Consultant shall at all times be under Consultant's exclusive direction and control. Neither City, nor any elected or appointed boards, officers, officials, employees or agents of City, shall have control over the conduct of Consultant or any of Consultant's officers, employees or agents, except as set forth in this Agreement. Consultant shall not at any time or in any manner represent that Consultant or any of Consultant's officers, employees or agents are in any manner officials, officers, employees or agents of City.

C. Neither Consultant, nor any of Consultant's officers, employees or agents, shall obtain any rights to retirement, health care or any other benefits which may otherwise accrue to City's employees. Consultant expressly waives any claim Consultant may have to any such rights.

SECTION 10 – CONFLICTS OF INTEREST

A. Consultant covenants that neither it, nor any officer or principal of its firm, has or shall acquire any interest, directly or indirectly, which would conflict in any manner with the interests of City or which would in any way hinder Consultant's performance of services under this Agreement. Consultant further covenants that in the performance of this Agreement, no person having any such interest shall be employed by it as an officer, employee, agent, or subcontractor without the express written consent of the City Manager. Consultant agrees to at all times avoid conflicts with the interests of City in the performance of this Agreement.

B. City understands and acknowledges that Consultant is, as of the date of execution of this Agreement, independently involved in the performance of non-related services for other governmental agencies and private parties. Consultant is aware of any stated position of City relative to such projects. Any future position of City on such projects shall not be considered a conflict of interest for purposes of this section.

SECTION 11 – OWNERSHIP OF DOCUMENTS

A. All original maps, models, designs, drawings, photographs, studies, surveys, reports, data, notes, computer files, files and other documents prepared, developed or discovered by Consultant in

the course of providing any services pursuant to this Agreement shall become the sole property of City and may be used, reused or otherwise disposed of by City without the permission of the Consultant. When requested by City, but no later than three years after project completion, Consultant shall deliver to City all such original maps, models, designs, drawings, photographs, studies, surveys, reports, data, notes, computer files, files and other documents.

B. All copyrights, patents, trade secrets, or other intellectual property rights associated with any ideas, concepts, techniques, inventions, processes, improvements, developments, works of authorship, or other products developed or created by Consultant during the course of providing services (collectively the “Work Product”) shall belong exclusively to City. The Work Product shall be considered a “work made for hire” within the meaning of Title 17 of the United States Code. Without reservation, limitation, or condition, Consultant hereby assigns, at the time of creation of the Work Products, without any requirement of further consideration, exclusively and perpetually, any and all right, title, and interest Consultant may have in the Work Product throughout the world, including without limitation any copyrights, patents, trade secrets, or other intellectual property rights, all rights of reproduction, all rights to create derivative works, and the right to secure registrations, renewals, reissues, and extensions thereof.

SECTION 12 – CONFIDENTIAL INFORMATION; RELEASE OF INFORMATION

A. All information gained or work product produced by Consultant in performance of this Agreement shall be considered confidential, unless such information is in the public domain or already known to Consultant. Consultant shall not release or disclose any such information or work product to persons or entities other than City without prior written authorization from the City Manager, except as may be required by law.

B. Consultant, its officers, employees, agents or subcontractors, shall not, without prior written authorization from the City Manager or unless requested by the City Attorney of City, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories or other information concerning the work performed under this Agreement. Response to a subpoena or court order shall not be considered “voluntary” provided consultant gives City notice of such court order or subpoena.

C. If Consultant, or any officer, employee, agent, or subcontractor of Consultant, provides any information or work product in violation of this Agreement, then City shall have the right to reimbursement and indemnity from Consultant for any damages, costs and fees, including attorney’s fees, caused by or incurred as a result of Consultant’s conduct.

D. Consultant shall promptly notify City should Consultant, its officers, employees, agents or subcontractors be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions or other discovery request, court order or subpoena from any party regarding this Agreement and the work performed thereunder. City retains the right, but has no obligation, to represent Consultant or be present at any deposition, hearing or similar proceeding. Consultant agrees to cooperate fully with City and to provide City with the opportunity to review any response to discovery requests provided by Consultant. However, this right to review any such response does not imply or mean the right by City to control, direct, or rewrite such response.

SECTION 13 – SUSPENSION OF WORK

City may, at any time, by ten (10) days written notice suspend further performance by Consultant. All suspensions shall extend the time schedule for performance in a mutually satisfactory manner and Consultant shall be paid for services performed and reimbursable expenses incurred prior to the suspension date.

SECTION 14 – COMPLIANCE WITH LAW

Consultant shall keep itself informed of and comply with all applicable federal, state and local laws, statutes, codes, ordinances, regulations and rules in effect during the term of this Agreement. Consultant shall obtain any and all licenses, permits and authorizations necessary to perform the services set forth in this Agreement. Neither City, nor any elected or appointed boards, officers, officials, employees or agents of City, shall be liable, at law or in equity, as a result of any failure of Consultant to comply with this section.

SECTION 15 – COMPLIANCE WITH CIVIL RIGHTS

During the performance of this contract, Consultant agrees as follows:

A. Equal Employment Opportunity. In connection with the execution of this Agreement, Consultant shall not discriminate against any employee or applicant for employment because of race, religion, color, ancestry, age, sexual orientation, physical handicap, medical condition, marital status, sex, or national origin. Such actions shall include, but not be limited to, the following: employment, promotion, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rate of pay or other forms of compensation; and selection for training including apprenticeship.

B. Nondiscrimination Civil Rights Act of 1964. Consultant will comply with all federal regulations relative to nondiscrimination to federally-assisted programs.

C. Solicitations for Subcontractors including Procurement of Materials and Equipment. In all solicitations, either by competitive bidding or negotiations, made by Consultant for work to be performed under a subcontract, including procurement of materials or leases of equipment, each potential subcontractor, supplier, or lessor shall be notified by Consultant of Consultant's obligations under this Agreement and the regulations relative to nondiscrimination.

SECTION 16 – RECORDS

A. Records of Consultant's direct labor costs, payroll costs, and reimbursable expenses pertaining to this project covered by this Agreement will be kept on a generally recognized accounting basis and made available to City if and when required for a period of up to 3 years from the date of Consultant's final invoice.

B. Consultant’s records and design calculations will be available for examination and audit if and as required. The cost of any reproductions shall be paid by City.

SECTION 17 – COOPERATION BY CITY

All public information, data, reports, records, and maps as are existing and available to City as public records, and which are necessary for carrying out the work as outlined in the Exhibit A, “Scope of Services”, shall be furnished to Consultant in every reasonable way to facilitate, without undue delay, the work to be performed under this Agreement.

SECTION 18 – NOTICES

All notices required or permitted to be given under this Agreement shall be in writing and shall be personally delivered, or sent by facsimile or first class mail, addressed as follows:

To City: City Manager
7120 Bodega Ave
Sebastopol, California 95472

To Consultant: Kosmont Companies
1601 N. Sepulveda Blvd. #382
Manhattan Beach, CA 90266

Notice shall be deemed effective on the date personally delivered or transmitted by facsimile, or, if mailed, three (3) days after deposit in the custody of the U.S. Postal Service.

SECTION 19 – TERMINATION

A. City may terminate this Agreement, with or without cause, at any time by giving ten (10) days written notice of termination to Consultant. If such notice is given, Consultant shall cease immediately all work in progress.

B. If either Consultant or City fail to perform any material obligation under this Agreement, then, in addition to any other remedies, either Consultant, or City may terminate this Agreement immediately upon written notice.

C. Upon termination of this Agreement by either Consultant or City, all property belonging to City which is in Consultant’s possession shall be delivered to City. Consultant shall furnish to City a final invoice for work performed and expenses incurred by Consultant, prepared as set forth in this Agreement.

SECTION 20 – ATTORNEY FEES

If litigation or other proceeding is required to enforce or interpret any provision of this Agreement, the prevailing party in such litigation or other proceeding shall be entitled to an award of reasonable attorneys’ fees, costs and expenses, in addition to any other relief to which it may be

entitled. In addition, any legal fees, costs and expenses incurred to enforce the provisions of this Agreement shall be reimbursed to the prevailing party.

SECTION 21 – ENTIRE AGREEMENT

This Agreement, including the attached Exhibits, is the entire, complete, final and exclusive expression of the parties with respect to the matters addressed therein and supersedes all other agreements or understandings, whether oral or written, or entered into between Consultant and City prior to the execution of this Agreement. No statements, representations or other agreements, whether oral or written, made by any party which are not embodied herein shall be valid and binding unless in writing duly executed by the parties or their authorized representatives.

SECTION 22 – SUCCESSORS AND ASSIGNS

This Agreement shall be binding on the heirs, executors, administrators, successors and assigns of the parties. However, this Agreement shall not be assigned by Consultant without written consent of the City.

SECTION 23 – CONTINUITY OF PERSONNEL

Consultant shall make every reasonable effort to maintain the stability and continuity of Consultant's staff assigned to perform the services required under this Agreement. Consultant shall notify City of any changes in Consultant's staff assigned to perform the services required under this Agreement, prior to any such performance.

SECTION 24 – DEFAULT

In the event that Consultant is in default under the terms of this Agreement, the City shall not have any obligation or duty to continue compensating Consultant for any work performed after the date of default and may terminate this Agreement immediately by written notice to Consultant.

SECTION 25 – WAIVER

Waiver by any party to this Agreement of any term, condition, or covenant of this Agreement shall not constitute a waiver of any other term, condition, or covenant. Waiver by any party of any breach of the provisions of this Agreement shall not constitute a waiver of any other provision, nor a waiver of any subsequent breach or violation of any provision of this Agreement. Acceptance by City of any work or services by Consultant shall not constitute a waiver of any of the provisions of this Agreement.

SECTION 26 – LAW TO GOVERN; VENUE

This Agreement shall be interpreted, construed and governed according to the laws of the State of California. In the event of litigation between the parties, venue in state trial courts shall lie exclusively in the County of Sonoma. In the event of litigation in a U.S. District Court, venue shall lie exclusively in the Northern District of California, in San Francisco.

SECTION 27 – SEVERABILITY

If any term, condition or covenant of this Agreement is declared or determined by any court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions of this Agreement shall not be affected thereby and the Agreement shall be read and construed without the invalid, void or unenforceable provision(s).

SECTION 28 – SPECIAL PROVISIONS

This Agreement is subject to the following special provisions: none.

IN WITNESS WHEREOF, the parties hereto have accepted, made, and executed this Agreement upon the terms, conditions, and provisions above stated, the day and year first above written.

Consultant:

City:

By: _____
Name: Ken Hira
Title: President

By: _____
Name: Don Schwartz
Title: City Manager

Approved as to Form:

By: _____
Name: Larry McLaughlin
Title: City Attorney



SECTION 2. ORGANIZATION AND APPROACH

SECTION 2. ORGANIZATION AND APPROACH

PROJECT APPROACH

Kosmont understands that the City has been exploring the possibility of forming an EIFD to pay for qualifying infrastructure projects that provide benefits to the greater community. We understand that Sonoma County ("County") is partnering with the City in this endeavor and is providing financial support (\$50,000) for the activities described in this RFP. The City and County share the goal of financing capital facilities or other specified projects of community-wide significance that provide benefits to the area within the EIFD's boundaries or the surrounding community.

Kosmont understands that the City and County are now seeking qualified professionals to assist the parties in evaluating a potential EIFD, including conducting necessary financial and economic analysis to determine the feasibility of a potential EIFD to pay for qualifying infrastructure projects. If the City and County determine that forming an EIFD is prudent and feasible, the City and County may also seek professional assistance on certain actions related to formation of the EIFD.

We understand that the City and County are interested in exploring different potential boundaries for the EIFD, and that any potential EIFD would include the City of Sebastopol, as well as certain unincorporated areas of Sonoma County's 5th Supervisorial District, which encompasses the west County, including the entire Sonoma County coast, and the lower Russian River area. We understand and agree that the infrastructure projects to be funded by the EIFD will likely differ depending on the boundaries of the EIFD.

Kosmont proposes the following approach, consistent with the RFP Scope of Services.

Approach to Tasks: *The prospective assignment and consulting services that the Kosmont Team will provide will be of a relatively limited scope and duration, and advisory in nature. Team will be making recommendations only, which advise the Client and jurisdictions, including its elected officials, appointed officials and staff, which they can accept or reject. None of Kosmont Team's staff will act in a capacity as an elected official, nor appointed official, nor as staff, nor as serving in a "designated" position.*

TASK 1: Identify Potential Boundaries and Initial Screening Criteria

1.1 Kickoff Meeting: Kosmont will coordinate a kickoff meeting with City and County staff to discuss project objectives, schedule, and deliverables.

Deliverable: Updated work plan and schedule (updating Schedule of Work included in this RFP response Section 3)

1.2 Determine boundary scenarios: Working with City and County staff, Kosmont will identify up to three (3) financing district boundary scenarios to study for preliminary screening of eligibility for EIFD (or alternative financing district, such as Climate Resilience District, if desired and discussed in Task 1.1). Chosen boundaries will be easy to understand, and meet well-accepted, publicly available criteria. For simplicity, boundaries may correspond with jurisdictional boundaries or significant monuments, such as major roads.

SECTION 2. ORGANIZATION AND APPROACH

Potential EIFD analysis would include the City, as well as certain unincorporated areas of the County's 5th Supervisorial District. Kosmont will leverage its experience not only in the formation of EIFDs throughout the State, but also in developing screening tools such as the Southern California Association of Government (SCAG) EIFD/CRIA Screening Assistance Tool:

<https://scag.maps.arcgis.com/apps/MapSeries/index.html?appid=ca8e18588d2e47c59c79f23a4d927d8b>

Deliverables: Maps and written descriptions of up to three (3) boundary scenarios for consideration of an EIFD (or other financing district alternative if desired by City/County staff) and concise written explanation for development of boundaries.

1.3 Initial Screening: Using data available from County GIS and/or other publicly available data sources, Kosmont will prepare a matrix of primary screening criteria, which may include such items as:

- Current zoning and density in proposed EIFD area (including consideration of anticipated zoning from land use planning updates underway)
- Potential infrastructure financing solutions (property tax capture rate, eligibility for grant funding, etc.)
- Economic Development potential (planned projects, existing parcel values, etc.)
- Overlap with Federal Opportunity Zone (OZ) Census Tracts
- Technical screening: Determine any former RDA project areas, existing ROPs obligations or other bond/financing obligations, EIFD Successor Agency Prerequisites, etc.
- Public agency or consolidated private sector land ownership
- Level of City/County General Fund exposure (e.g., percentage of City/County jurisdiction-wide existing assessed value within boundaries)

Based on initial screening, Kosmont will use the data to make suggestions for which boundary scenario(s) should continue into the next phase of analysis, as well as determining whether an EIFD district should be studied, versus another type of district (or no district at all). Up to three (3) scenarios may be selected by the City and County for further analysis during Task 2.

Deliverable: Matrix showing screening variables for each boundary scenario, summary PowerPoint presentation outlining suggestions for which alternative(s) should continue with further analysis.

SECTION 2. ORGANIZATION AND APPROACH

TASK 2: Tax Increment Analysis

This task is focused on determining a range of tax increment funds that could be generated upon formation of a district for the different boundary scenarios selected by the City and County after completion of Task 1.

2.1 Revenue Generation: Kosmont will prepare revenue generation analysis reflecting the following key assumptions:

- Analysis of potential boundary scenarios (and potential types of districts)
- Taxing entity proportional shares (i.e., AB8 rates, property tax in-lieu of motor vehicle license fees [MVLFF], Redevelopment Property Tax Trust Fund [RPTTF] residual revenue distributions) will be current and come from County Auditor-Controller (and will net out distributions to the Educational Revenue Augmentation Fund [ERAF]).
- Include at least one set of revenue projections with both County and City participation (e.g., 25% allocation, 50% allocation, 75% allocation, 100% allocation, with and without MVLFF in-lieu allocation)
- Project revenues at the 10, 20, 30 and 45-year timeframe
- Identify the amount of project revenue growth attributable to anticipated new development (versus inflationary growth of existing assessed value)
- As related to potential overlap of proposed district boundaries with former redevelopment agency project areas, analysis of corresponding relevant outstanding enforceable obligations and available revenue implications.

Revenue generation assumptions will meet EIFD criteria and policies adopted by the County Board of Supervisors (“Sonoma County Administrator’s Office Financial Policy – Enhanced Infrastructure Financing District Policy” dated February 2024). Assumptions will additionally conform to generally-accepted practice, consistent with Kosmont’s extensive EIFD implementation experience.

2.2 Bonding Capacity: For each scenario, Kosmont Financial Services (Series 50/54 registered Municipal Advisor) will determine the bonding capacity of the EIFD, assuming that the governing authority bonds against the future proceeds. Bonding capacity will be estimated at relevant annual benchmarks (e.g., year 5, 10, 15, 20).

Deliverable: Tax increment revenue and present value analysis, including bonding capacity analysis, summarized in Microsoft PowerPoint format.

TASK 3 – Identify Infrastructure Needs

3.1. Identify Infrastructure and Community Development Investments: Working with the City and County, the consultant shall determine a range of infrastructure and community development projects/programs, consistent with the regulations for any EIFD, which could make up the funding plan for the EIFD district(s). The projects shall include estimated funding needs and benefits – increased revenue or decreased costs – whenever available, as well as range of potential timing, where available.

Deliverable: Summary of potential infrastructure and community investment projects, with an estimated range of costs and range of timing, as available.

SECTION 2. ORGANIZATION AND APPROACH

3.2 Identify Other Funding Sources: Kosmont will identify other funding sources that could be leveraged by the EIFD(s), including grants, special district fees / assessments/ special taxes, development impact fees, and other public funding sources, including incentive programs, funding sources (including regional, State, and Federal infrastructure funding sources), and/or financing structures and other strategies as may be applicable.

Deliverable: Summary in Microsoft PowerPoint format providing a rough order-of-magnitude funding plan for the EIFD(s), inclusive of targeted projects, estimated project costs, and potential funding sources.

TASK 4 – Next Steps for Implementation

Kosmont will prepare a summary of next steps for implementation, a timeline, and a budget for further implementation activities. The summary will include recommendations for the make-up of a governing Public Financing Authority (PFA) board, if districting or project areas are recommended, and identify any other relevant factors such as necessary CEQA review, if any, as well as additional community engagement. The summary will function as a realistic action plan for moving forward and will include an estimated budget.

Deliverable: Next Steps Summary in Microsoft PowerPoint format.

TASK 5 – Public Outreach / Presentations

Kosmont will assist with preparation and presentation of EIFD feasibility analysis to the public, which shall include attendance at and presentation of the findings at four (4) public meetings, such as meetings of the City Council or County Board of Supervisors. In addition to providing a presentation, Consultant shall be prepared to engage in a discussion and answer questions from decisionmakers, as well as members of the public. Materials that will be made available to the public at such meetings should also be translated into Spanish. Additional public meetings beyond the four mentioned above can be accommodated on an hourly, time and materials basis. Kosmont anticipates in-person participation for two (2) of the four (4) public meetings.

Deliverable: PowerPoint Presentation, attendance and participation in four (4) public meetings

TASK 6 – Resolutions of Intention

Kosmont will prepare Resolutions of Intention for the City and County for review by City Attorney and County Counsel, respectively, for participating agencies in the EIFD to formally establish the Public Financing Authority Board. Kosmont will additionally provide staff report content for City / County staff review.

Deliverables: Draft Resolutions of Intention for each participating agency, draft related staff report content.

Final Deliverables:

One (1) electronic copy of all documents (PDF and Word/Excel versions)