

CITY OF SANTA ROSA  
CITY COUNCIL

TO: MAYOR AND CITY COUNCIL  
FROM: RAISSA DE LA ROSA, DEPUTY DIRECTOR ECONOMIC  
DEVELOPMENT, PLANNING AND ECONOMIC DEVELOPMENT  
SUBJECT: FIRST AMENDMENT TO PROFESSIONAL SERVICES  
AGREEMENT F002578 WITH DAVID TAUSSIG AND  
ASSOCIATES, INC., DBA DTA

AGENDA ACTION: RESOLUTION

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RECOMMENDATION

It is recommended by the Planning and Economic Development Department that the Council, by resolution, approve the First Amendment to Professional Services Agreement Number F002578 with David Taussig and Associates, Inc., dba DTA, Newport Beach, California, to extend Enhanced Infrastructure Financing District services for the City of Santa Rosa through December 31, 2024, increase compensation in the amount of \$102,000 for a total amount not to exceed \$151,500, and update the original scope of work.

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EXECUTIVE SUMMARY

The First Amendment to the Professional Services Agreement with David Taussig and Associates, Inc., dba DTA (DTA) accommodates the extended timeline needed to form a Downtown Enhanced Infrastructure Financing District (EIFD) in coordination with the County of Sonoma, and adds additional funds for engineering and land surveying services required by the State Board of Equalization that was not requested in the City's original scope of work requirements. The total compensation for DTA services outlined in the updated scope of work increases from \$49,500 to an amount not to exceed \$151,500, and the time of performance changes from December 31, 2023, to December 31, 2024.

BACKGROUND

On February 15, 2022, Council passed Resolution No. RES-2022-029 allocating \$80,000.00 of PG&E Settlement Funds in support of pursuing an EIFD. In August 2022, the City released a Request for Proposals (RFP) seeking consultant services related to the evaluation of EIFDs in Santa Rosa, and the development of the required

Infrastructure Finance Plan. DTA, a public finance, assessment engineering, and development economics consulting firm, was selected to guide the City's efforts.

The formation of an EIFD provides a financing tool that is available to support infrastructure project development that in turn supports private development such as high-density housing and residential mixed-use projects. An EIFD is a type of special financing district that utilizes a portion of tax increment revenue from a specifically defined area to finance capital facilities or other specified projects of community-wide significance that provide benefits to the area within the EIFD or the surrounding community.

City Council has indicated support for the continued exploration and potential forming of an EIFD by passing a Resolution of Intention (RES-2023-076) and establishing a Public Financing Authority (PFA; RES-2023-077) on April 25, 2023, and by appointing Councilmembers Rogers and Fleming to serve on the PFA. The County of Sonoma has also indicated support for the continued exploration and potential forming of an EIFD by agreeing to participate in the PFA by appointing two members of the Board of Supervisors.

#### PRIOR CITY COUNCIL REVIEW

None.

#### ANALYSIS

The value and viability of an EIFD will be greatly enhanced by the participation of the County of Sonoma. To accommodate the coordination needed to ensure the EIFD formation process is conducted with enough time to allow for full transparency and public participation through both the City and County systems while meeting the timeframes outlined in State Code, and with an outcome that is mutually agreeable and beneficial, the timeline needed to be extended. The original goal was to perform all elements to establish the Downtown EIFD, including submitting the request for jurisdictional boundary change with the State Board of Equalization, by December 2023. So long as the City and County pass resolutions approving the Infrastructure Financing Plan developed by the Public Financing Authority (PFA), which has 2 members each from the City Council and the Sonoma County Board of Supervisors, as well as three members of the public appointed by the participating jurisdictions, and the PFA passes a Resolution of Formation by June 30, 2024, the base year for the EIFD will be 2023.

Other than being precluded from collecting the tax increment for 2023 and instead starting the collection in 2024, this has no lasting impact to the life of the EIFD.

Furthermore, State Code requires the preparation of, and submission to the State Board of Equalization legal and plats for the parcels included in the District. As City staff do not

FIRST AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT F002578 WITH  
DAVID TAUSSIG AND ASSOCIATES, INC, DBA DTA

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have the capacity to do this work and it was not requested in the City's original scope of work requirements with DTA, it must now be added.

FISCAL IMPACT

Funds for this expense are within the Economic Development Division's operating budget. Approval of this action does not have a fiscal impact on the General Fund.

ENVIRONMENTAL IMPACT

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

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not applicable.

NOTIFICATION

Not applicable.

ATTACHMENTS

- Resolution/Exhibit A – First Amendment to Professional Services Agreement Number F002578 with David Taussig and Associates Inc., dba DTA

PRESENTER

Raissa de la Rosa, Deputy Director  
Planning and Economic Development