

RESOLUTION NO. RES-2023-076

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA ROSA DECLARING THE INTENTION TO ESTABLISH CITY OF SANTA ROSA ENHANCED INFRASTRUCTURE FINANCING DISTRICT (DOWNTOWN BUSINESS CORRIDOR) TO FINANCE PUBLIC CAPITAL FACILITIES AND PROJECTS OF COMMUNITYWIDE SIGNIFICANCE AND OTHER AUTHORIZED COSTS, AND DETERMINING OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, the City of Santa Rosa (the "City") wishes to further the development of quality infrastructure and amenities related to the Downtown Business Corridor; and

WHEREAS, the City Council is authorized to initiate the process to establish an enhanced infrastructure financing district pursuant to Chapter 2.99 of Part 1 of Division 2 of Title 5 of the California Government Code, commencing with Section 53398.50 ("EIFD Law"); and

WHEREAS, in accordance with Government Code Section 53398.54, the City has complied with the prerequisites to initiate the creation of, or participate in the governance or financing of, an enhanced infrastructure financing district and will provide the required certification to the Department of Finance and the Public Financing Authority (as defined below) in accordance with the EIFD Law; and

WHEREAS, the City Council intends to establish the City of Santa Rosa Enhanced Infrastructure Financing District (Downtown Business Corridor) ("EIFD") to finance (i) the purchase, construction, expansion, improvement, seismic retrofit or rehabilitation of certain real or other tangible property with an estimated useful life of 15 years or longer that are projects of communitywide significance that provide significant benefits to the EIFD or the surrounding community, including any directly-related planning and design work, (ii) the costs described in Government Code Sections 53398.56, 53398.57 and 53398.58 (as applicable) and (iii) the ongoing or capitalized costs to maintain public capital facilities financed in whole or in part by the EIFD, all as more fully described in Exhibit A attached hereto; and

WHEREAS, the EIFD shall be a legally constituted governmental entity separate and distinct from the City and its sole purpose shall be to finance public capital facilities and projects of communitywide significance; and

WHEREAS, the EIFD will be governed by a legislative body to be known as the Downtown Business Corridor EIFD Public Financing Authority ("Public Financing Authority"), and the Public Financing Authority will be established by a resolution of the City Council to be considered for approval concurrently with this resolution; and

WHEREAS, the Public Financing Authority will be responsible for causing preparation of the infrastructure financing plan for the EIFD ("IFP"), which will describe, among other things, the allocation by the City to the EIFD of certain incremental property tax revenue for the purpose of funding public capital facilities and other specified projects of communitywide significance that provide significant benefits to the EIFD or the surrounding community and the issuance by the

EIFD of bonds and other debt; and

WHEREAS, the IFP will be subject to the review and approval by resolution of the City Council following a public hearing, review and approval by resolution of the Board of Supervisors of Sonoma County (“County”), and adoption and implementation by the Public Financing Authority following three public hearings.

NOW, THEREFORE, BE IT RESOLVED that the Council of the City of Santa Rosa orders as follows:

1. Recitals. The foregoing recitals are true and correct.
2. Intention to Establish EIFD. That the City Council hereby proposes and intends to cause the establishment of the EIFD to be known as the “City of Santa Rosa Enhanced Infrastructure Financing District (Downtown Business Corridor)”, under the provisions of the EIFD Law.
3. Proposed Boundaries of the EIFD. The City Council hereby determines that the proposed boundaries of the EIFD are as shown on the map of the EIFD on file with the City Clerk and attached hereto as Exhibit B, which boundaries are hereby preliminarily approved and to which map reference is hereby made for further particulars.

The City Council hereby determines and finds that the boundaries of the proposed EIFD include a portion of a former redevelopment project area that was created pursuant to Part 1 (commencing with Section 33000) of Division 24 of the California Health and Safety Code.

4. Type of Public Facilities and Other Projects of Communitywide Significance. The City Council hereby determines and finds that the types of public capital facilities and other projects of communitywide significance to be financed by the EIFD shall consist of those described on Exhibit A hereto and hereby incorporated herein (the “Facilities”), that the Facilities are authorized to be financed by the EIFD under Government Code Sections 53398.52 and 53398.55(b), and that each of the Facilities (a) constitutes real or other tangible property with an estimated useful life of 15 years or longer that is of communitywide significance and provides significant benefits to the EIFD or the surrounding community, (b) is in addition to those facilities provided in the territory of the EIFD before the EIFD was created, (c) will not supplant facilities already available within the proposed boundaries of the EIFD, although the Facilities may supplement, rehabilitate or upgrade such facilities or make such facilities more sustainable and (d) if it is located outside the boundaries of the proposed EIFD, it has a tangible connection to the work of the EIFD

5. Need for the EIFD; EIFD Goals. The City Council hereby declares that the City’s goal in proposing establishment of the EIFD is to help address a shortfall in funding for the provision of public capital facilities and other projects of communitywide significance that provide significant benefits and promote economic development within the boundaries of the EIFD or the surrounding community and, for those facilities located outside the EIFD boundaries which also have a tangible connection to the work of the properties within the EIFD. The

City Council hereby finds that the EIFD will advance the City's goal by providing dedicated funding for such purposes.

6. Use of Incremental Property Tax Revenue. The City Council hereby declares that, pursuant to the EIFD Law, if the EIFD is approved by the Public Financing Authority in accordance with the EIFD Law, and if the IFP is approved by resolution of the City Council and by resolution of the Board of Supervisors of the County pursuant to Government Code Section 53398.68, in each case after any public hearings required by the EIFD Law, the incremental property tax revenue that is allocated by the City and the County to the EIFD may be used to finance Facilities and other authorized costs and to pay debt service on bonds and other debt of the EIFD.

7. Public Hearing. That the City Council hereby authorizes the City Manager (or their designee) to establish the time and date for a public hearing of the City Council on the proposed IFP and to cause the City Clerk to provide notice of such public hearing in accordance with the EIFD Law.

8. Distribution of Resolution of Intention. Pursuant to Government Code Section 53398.60, the City Council hereby directs the City Clerk to mail a copy of this Resolution to (a) each owner of land within the proposed EIFD (although the Director of the Office of Public Finance is hereby authorized to instead mail a notice of intention to create the EIFD in accordance with Government Code Section 53398.60(b)), (b) each affected taxing entity and (c) the Public Financing Authority.

9. California Environmental Quality Act. The adoption of this Resolution 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.

10. Additional Authorization. That the Mayor, the City Manager, the Chief Financial Officer, the Planning and Economic Development Director, the City Clerk and any and all other officers of the City are hereby authorized, for and in the name of and on behalf of the City, to do any and all things and take any and all actions, including execution and delivery of any and all documents, assignments, certificates, requisitions, agreements, notices, consents, instruments of conveyance, warrants and documents, which they, or any of them, may deem necessary or advisable in order to effectuate the purposes of this Resolution; provided however that any such actions be solely intended to further the purposes of this Resolution, and are subject in all respects to the terms of the Resolution.

11. No Obligation. This Resolution in no way obligates the City Council or the Public Financing Authority to form the EIFD. The establishment of the EIFD is subject to all requirements of the EIFD Law, including: (a) the City Council's approval of a proposed IFP following a public hearing, to the extent required by the EIFD Law; (b) the Board of Supervisors' approval of a proposed IFP; and (c) the Public Financing Authority's approval of the IFP following three public hearings conducted pursuant to EIFD Law.

12. Effective Date. This Resolution shall take effect from and after the date of approval and adoption thereof.

IN COUNCIL DULY PASSED this 25th day of April, 2023.

AYES: (7) Mayor N. Rogers, Vice Mayor MacDonald, Council Members Alvarez, Fleming, Okrepkie, C. Rogers, Stapp

NOES: (0)

ABSENT: (0)

ABSTAIN: (0)

ATTEST: _____ APPROVED: _____
Deputy City Clerk Mayor

APPROVED AS TO FORM: _____
City Attorney

Exhibit A – Description of Facilities
Exhibit B – Downtown SR EIFD Map