



October 22, 2021

Tim Ewell
Chief Assistant County Administrator
1025 Escobar Street, 4th Floor
Martinez, CA 94553
Timothy.Ewell@cao.cccounty.us

Mr. Ewell:

Thank you for the opportunity to provide feedback regarding the proposed County Board Policy on Participation in Enhanced Infrastructure Financing Districts (EIFDs).

The City of Walnut Creek is home to approximately 7 million square feet of commercial space specifically zoned for office and light industrial space. These spaces are home to medical uses and Fortune 500 companies, providing over 30,000 jobs throughout the city. These employees travel from throughout the county to Walnut Creek as one of the region's major employment centers. As such, we see a great opportunity to participate in an EIFD to further job creation in the region, if the conditions are feasible and conducive to development.

Following are our comments and feedback on the proposed Policy, with suggestions on how this program can best help Contra Costa communities attract and retain large employers.

Term of County Participation in EIFD

- 1. Maximum Term.** The maximum term of 25 years seems to be shorter than normal, as most commercial financing requires a 30-year horizon. Maintaining a 30-year timeframe would achieve consistency across the usual financing platforms. Additionally, cursory research has shown other EIFD terms to exceed this timeframe, largely due to the scale and nature of the projects. This restrictive timeframe could potentially limit the effectiveness of the project itself.
- 2. Procedures for Extension.** Is the extension to occur in advance of the project or near the end of the currently proposed 25-year horizon? It would be helpful to have this pre-approved so appropriate parties can plan as needed.
- 3. Termination Prior to End of Term.** The 2- to 3-year deadline on start of projects would need to be further defined, as land acquisition, entitlements, coordination with other agencies, and other factors would need to be considered and will affect the actual start of the project.



Required Elements for City Proposals

1. **Demonstration of Social Benefits.** While the list of requirements for employment are objectives any city would strive to achieve for the benefit of the community, meeting all of the conditions may preclude otherwise beneficial projects. We would suggest removing the "and" to allow for meeting some or most of the conditions. Additionally, further clarification on the following phrase would be helpful: "proposed projects should contribute significantly toward addressing the County's overall jobs-housing balance". As you know, certain projects may provide a lower number of jobs but with high wages, vs. companies that employ a greater number of people but possibly at just above minimum wage.

County Analysis of City Proposal

We would suggest an agreed upon not-to-exceed amount for outside consultants, perhaps as a percentage of total estimated County benefit.

Miscellaneous Provisions

As the County knows, each city has the increased RHNA requirements recently stipulated by the State. This provision will be difficult to accommodate given the need to meet the State's requirements as a city.

While we appreciate the County's consideration of a policy, we would also point out that each city's property tax distribution is obviously less than that of the County's, yet the proposed policy expects equal contribution from cities that participate. We would suggest a more balanced approach to contributions to any established EIFDs.

Thank you again for the opportunity to provide feedback. We are available for further discussion in exploring how this policy can be beneficial for the Contra Costa region.

Sincerely,

Dan Buckshi, City Manager
City of Walnut Creek

CC: Supervisor Candace Andersen
Supervisor Karen Mitchoff
Mayor Kevin Wilk
Mayor Pro Tem Matthew Francois
Councilmember Cindy Darling
Councilmember Loella Haskew
Councilmember Cindy Silva
Teri Killgore, Assistant City Manager