

TOWN OF **ATHERTON**

PROPOSAL TO PREPARE A

FIRE SERVICES FISCAL REVIEW



March 30, 2017

Mr. George Rodericks
City Manager
Town of Atherton
91 Ashfield Road
Atherton, California 94027

Re: Technical Proposal for a Fire Services Fiscal Review for the Town of Atherton

Dear Mr. Rodericks:

Willdan Financial Services (“Willdan”) in response to the Town of Atherton’s (“Town”) Request for Proposal for a Fire Services Fiscal Review submits the following technical proposal. The purpose of this analysis is to define the Town’s cost of fire services. Willdan has assembled a highly qualified team of fiscal impact experts and has presented a comprehensive scope of services within the attached submission. We believe the Town will find the attached proposal responsive to the needs of this assignment for the following reasons:

Dedication to Public Agencies and Public Solutions — Willdan has conducted studies for public agencies throughout California. Our team understands the problems facing local government under the current economic climate, and we have oriented our practice to support an agency’s changed budget policies and public service priorities. Another advantage is our breadth of knowledge of local government finance and community development operations. Our public finance teams often draw on a broad base of finance, engineering, and building safety expertise that is not confined to project infrastructure and service funding plans. Over the past 50 years, Willdan’s services have become increasingly tied to the long-term success of cities and their management of proposed development.

Broad Expertise with Municipal Finance — The firm’s commitment to public agencies and public solutions has helped us develop the broad financial expertise that will be utilized for this engagement. Willdan has worked on virtually every aspect of municipal finance, including fiscal and economic impact studies related to development, annexation and re-organization, the financing of infrastructure and services through special districts or supplemental taxes, and even working under contract as a department of an entire municipality. This experience has provided Willdan team members with deep insight into the sources of municipal revenue and the costs of services.

Specific Expertise in Fiscal Impact Studies — In the role of project manager, Managing Principal James Edison will provide technical and policy guidance, as well as quality assurance to maintain quality client deliverables and high levels of integrity and outcomes throughout the project’s duration. Mr. Edison has prepared dozens of fiscal impact studies for a wide range of needs, including planning, development, incorporation and annexation. Senior Project Analyst Mike Medve will provide analytical support. With over 12 years of professional experience, his areas of expertise include fiscal analysis, cost allocation plans and formation of Community Facilities Districts, which are necessary to finance backbone infrastructure, public safety services and maintenance. To accurately define the costs associated with basic fire protection and emergency response, we have teamed with Former Fire Chief Dennis Michael. Chief Michael possesses over 19 years serving the City of Rancho Cucamonga.

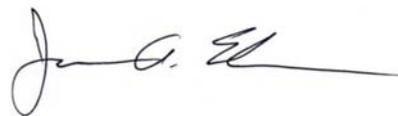
We appreciate this opportunity to present our qualifications and experience to the Town of Atherton. To discuss any aspect of our submittal, or arrange for an interview with the project team, please contact Mr. Edison at (510) 912-4687 or via email at jedison@willdan.com.

Sincerely,

WILLDAN FINANCIAL SERVICES

A handwritten signature in black ink, appearing to read 'Chris Fisher'.

Chris Fisher
Vice President, Group Manager

A handwritten signature in black ink, appearing to read 'James Edison'.

James Edison
Managing Principal



Table of Contents

| | |
|---------------------------------------------------------------|----|
| Firm Introduction | 1 |
| Willdan Financial Services | 1 |
| Approach..... | 2 |
| Project Overview/Approach | 2 |
| Project Management and Workload..... | 2 |
| Able to Work Effectively with the Town and Stakeholders | 3 |
| Project Experience | 4 |
| Sub-consultant..... | 4 |
| Work Plan..... | 5 |
| Project Team..... | 8 |
| Resumes/Biographies..... | 8 |
| References..... | 12 |
| Disclosure | 14 |



Firm Introduction

Willdan Financial Services is one of four operating divisions within Willdan Group, Inc. (WGI), which was founded in 1964 as an engineering firm working with local governments. Today, WGI is a publicly-traded company on NASDAQ (ticker: WLDN). WGI provides professional technical and consulting services that ensure the quality, value and security of our nation's infrastructure, systems, facilities, and environment. The firm has pursued two primary service objectives since its inception—ensuring the success of its clients and enhancing its surrounding communities. In doing so, Willdan has gained a notable reputation for technical excellence, cost-effectiveness, and client responsiveness in providing superior consulting services. The company's service offerings span a broad set of complementary disciplines that include engineering and planning, energy efficiency and sustainability, financial and economic consulting, and national preparedness. Willdan has crafted this set of integrated services so that, in the face of an evolving environment—whether economic, natural, or built—Willdan can continue to extend the reach and resources of its clients.



Willdan has hundreds of employees operating out of offices located throughout California, as well as in New York, New Jersey, Arizona, Nevada, Colorado, Florida, Illinois, Kansas, Arkansas, Ohio, Oregon, Texas, Washington and the District of Columbia. Through our wholly-owned subsidiaries—Willdan Engineering, Willdan Energy Solutions, Willdan Financial Services and Willdan Homeland Solutions—Willdan offers comprehensive services.

Willdan Financial Services

Founded in 1988, Willdan Financial Services (“Willdan”) is one of the largest public sector financial consulting firms in the United States. Since that time, we have helped over 800 public agencies successfully address a broad range of financial challenges, such as financing the costs of growth and generating revenues to fund desired services. Willdan assists local public agencies by providing the following services:

- Financial consulting;
- Utility rate and cost of service studies;
- Cost allocation studies;
- Real estate economic analysis;
- Economic development plans and strategies;
- Tax increment finance district formation and amendment;
- Housing development and implementation strategies;
- Real estate acquisition;
- Classification/compensation surveys and analysis;
- Development impact fee establishment and analysis;
- Feasibility studies;
- Debt issuance support;
- Long-term financial plans and cash flow modeling; and
- Property tax audits.

Our staff of over 70 full-time employees supports our clients by conducting year-round workshops and on-site training to assist them in keeping current with the latest developments in our areas of expertise. Willdan Financial Services' *division headquarters is in Temecula, California, with regional offices located in Oakland, Phoenix, Plano, Orlando and Washington, DC.*



Approach

Project Overview/Approach

For 27 years, Willdan has conducted studies for public agencies throughout California that have helped us develop the broad expertise that we will bring to this engagement for the Town of Atherton (“Town”). We have also completed fiscal and economic impact analysis for a wide range of projects and agencies, user fee studies and cost allocation plans that help public agencies ensure that they are properly recovering costs for services provided. This collective project experience, has given Willdan staff unique insight into municipal budgets and fee programs.

Willdan understands that the Town seeks the services of a professional consultant to prepare a Fire Services Fiscal Review to assist in defining the net fiscal impact of creating a local fire department to provide fire services to residents in lieu of contracting with the Menlo Fire Protection District (FPD). Per the 2010 Census, Atherton contains approximately 2,500 homes and 6,900 residents. The Town is predominately residential, with no commercial establishments. Per the Town’s Request for Proposals (RFP) the professional services associated with this engagement include the following:

- Validation of fiscal data identifying the revenues collected from local residents dedicated to the provision of fire services;
- Creation of a predictive model on the future of revenues received;
- Identification of the cost and services for basic fire protection and emergency response services currently provided within the Town by the Menlo FPD; and
- Identification of the cost and services for basic fire protection and emergency response if the Town were not part of the Menlo FPD.

Willdan will gather the necessary data to construct a model based on the Town’s budget and fire services plan to calculate projected fiscal impacts specific to the provision of fire services to residents. We will utilize existing Town budget and financial data, call data, Town overhead and long-term debt/liability to build the model.

Once a draft fiscal model is complete, we will present preliminary results in-person to staff and applicable stakeholders at the Town and make adjustments as necessary. Following this iterative process, we will present the results to City Council and be prepared to explain the results.

The work plan contained herein is intended to provide a moderate level of detail and macro level approach. Should the Town wish to explore any element of the analysis, or the whole analysis, in greater detail, we can adjust or add to our scope as necessary. Any such adjustments, and resulting changes in cost, will be thoroughly discussed with the Town, and no additional work commenced without Town approval.

Project Management and Workload

At Willdan, we utilize a project management process that ensures projects are completed on time, within budget and most importantly yield results that match our clients’ expectations. Our complete project management process has four primary principles common to successful projects:

1. **Define** the project to be completed. Mr. Edison will identify the project scope, set objectives, list potential constraints, document assumptions, choose a course of action and develop an effective communication plan.
2. **Plan** the project schedule. Mr. Edison, in collaboration with Town staff, will create an agreed upon timeline to meet the Town’s estimated project timeline. He will assign workload functions to appropriately qualified staff to ensure all milestones are met, on time.
3. **Manage** the execution of the project. Mr. Edison has been selected as project manager due to his strong project management skills. He will be responsible for controlling the work in progress, providing feedback to project team members and Town staff, and will be accountable to the Town for meeting the schedule, budget and technical requirements of the project. Most importantly, Mr. Edison will ensure constant collaboration and communication between Town staff and the project team through frequent progress memorandums, conference calls and in-person meetings.





- 4. Review** all work product and deliverables through a structured quality assurance process involving up to three levels of review at the peer level, project manager level, and if necessary executive officer level. We have designed a formal and structured quality assurance system that Mr. Edison will utilize throughout the course of the project. This review process ensures the Town is not burdened with unnecessary review, data confirmation or revisions.

We have utilized these guiding principles for each of our firm's projects. The Town can be assured that in utilizing these principles, Mr. Edison will implement active project management skills throughout the course of this project. He will also ensure the deliverables developed for this engagement will be of the highest quality and will be delivered on time and within the agreed upon budget.

Able to Work Effectively with the Town and Stakeholders

Willdan possesses direct experience with, and understands the importance of, working closely with Town staff and key stakeholders to develop an approach that is harmonized with Town policies and objectives as well as community sensitivities and characteristics. Willdan team members regularly attend stakeholder and council/board meetings to present our findings and answer questions. Specifically, Mr. Edison possesses extensive experience conducting study sessions for staff and governing bodies, along with facilitating and providing technical support for advisory committees and stakeholder workshops.



Project Experience

Willdan has completed fiscal impact analyses for a wide range of projects and municipal agencies. The project manager proposed for the Town' project, Mr. James Edison, has prepared dozens of fiscal impact studies for a wide range of needs, including planning, development, incorporation, and annexation. Following are several project examples.

- **Conceptual Plan Fiscal Impact Analysis, City of Alameda** – prepared an estimate of the fiscal impact of the development to provide guidance specific to the range of negotiation of incentives for development. Examined expected project revenues and expenditures required to provide municipal services.
- **Napa Pipe Specific Plan Analysis, County of Napa** – analyzed the fiscal and economic impact of the project on Napa County, and prepared an urban decay analysis.
- **Loma Rica Specific Plan, City of Grass Valley** – prepared a market study, fiscal impact study, and implementation plan for the Loma Rica Specific Plan.
- **Pomona Valley Hospital Medical Center Fiscal Impact Analysis, City of La Verne** – analysis included the identification of: current supply and demand for medical facilities in the area, impact on public services, and fiscal and economic impacts of the proposed project on the finances of the City and the City economy.
- **Monterey Downs Fiscal and Economic Impact Analysis, Monterey Downs, LLC** – prepared an analysis of the fiscal and economic impacts of the project, which included residential, retail, hotel and an equestrian facility, to the City of Seaside and the County of Monterey.
- **Temecula Creek Inn Fiscal Impact Analysis, City of Temecula** – prepared a fiscal impact analysis to identify whether the proposed development would negatively impact the City.
- **Solar Farm Fiscal and Economic Analysis, County of Imperial** – evaluated the fiscal and economic impacts of a series of proposed solarvoltaic facilities (or “solar farms”) on land near the Town of Calipatria within the County.
- **Crossroads Redevelopment Area Market Analysis & Tax Increment Financing Feasibility Strategy, City of Omaha, NE** – conducted a market feasibility study and an economic and fiscal impact analysis of the proposed Crossroads Mall Redevelopment Area within the City of Omaha.
- **Revenue Enhancement Options Study, City of Duarte** – examined options to seek additional revenue as well as realize savings on City services. Analyzed the feasibility and approximate revenue from a number of sources, including parcel taxes, special taxes, utility user fees, sales tax measures, as well as others.

Mr. Edison is well respected by our clients for his skills in proactively organizing a clear, consensus-based project approach.

Sub-consultant

As previously stated, Willdan has partnered with Former Fire Chief Dennis Michael. He will be responsible for defining costs associated with basic fire protection and emergency response. Chief Michael possesses over 19 years of experience as a Fire Chief serving the Southern California community of Rancho Cucamonga.



Work Plan

We want to ensure that our scope of services is responsive to the Town’s needs and specific local circumstances. We will work with the Town to revise our proposed work plan based on input prior to approval of a contract, and as needed during the course of the study.

Willdan’s scope of services and project approach incorporates the following:

- Periodic meetings, email communication, and telephone conversations with Town staff, as needed. The Town will provide background information and copies of any Town documents and reports relevant to the study such as annual budgets, demographic studies, other fiscal reports or planning documents. Willdan will also need data and information from Menlo FPD on the level of service and cost associated with the Town.
- Report on other matters that come to our attention during the course of the evaluation that in our professional opinion, the Town should consider.
- Consultation with Town staff should it become necessary as a result of any legal or other challenge.

Task 1: Gather Data and Refine Approach

Objective: Ensure analysis identifies: 1) revenue generated through Town property taxes and fees that is allocated to the Menlo FPD; 2) cost of providing basic fire protection services within the Town’s boundaries; and 3) possible future expenses and services associated with the provision of fire services.

Description: In this task, we will review and request data from the Town and/or Menlo FPD and then work with staff to investigate and resolve the following issues:

- Review existing documents, including Town and Menlo Park FPD budget data and other relevant information (such as revenue generated via property taxes and fees supporting fire services, Menlo Park FPD cost and call data, available fire and emergency response data from comparable/nearby jurisdictions, etc.);
- Menlo Park FPD internal organizational information (i.e. organizational charts, salary listings by position; detailed benefit information by position) and direct billing schedules;
- Determine land use and service population projections; and
- Identify fiscal data for the year to be used as a basis for estimating the cost impacts of growth, such as the Town’s most recent adopted budget or CAFR.

Deliverables: Information requests to Town staff, as needed, and the preliminary spreadsheet analysis.

Task 2: Design and Build Fiscal Impact Analysis

Objective: Construct fiscal model to illustrate the costs associated with the Town assuming responsibility for the provision of fire services.

Description: Willdan will construct a fiscal model based on the Town’s current adopted budget or the actual budget for the last fiscal year. The model will estimate the revenues and costs associated with the provision of fire services. The model will include the current population and employment in the Town.

Task 3: Develop Revenue and Cost Model Inputs

Objective: Develop revenue and cost inputs for the fiscal impact model.

Description: Each revenue and cost input will be developed using either existing information or the case study approach for this project. Revenue sources will include all taxes, assessments and fees that the City provides to Menlo FPD (to be determined based on initial discussions).



We will calculate per capita factors by dividing total annual revenues or costs by the appropriate service population. Service population will include the current residential and employment population. Employment will be weighted appropriately to reflect impacts relative to residents for each revenue or cost item. The model will multiply these per capita factors by the projected service population associated with fire protection.

Case study revenue and factors will be developed as follows:

- Property tax projections will rely on the current and anticipated zoning, and may include:
 - Estimated market values;
 - Turnover rates;
 - Property appreciation rates; and
 - Property tax shares.
- Sales tax projections may be considered as applicable, depending on the structure of the analysis, as determined in initial meetings.
- Service cost factors will rely on the Menlo Park FPD's call data, or other relevant demand data, and discussions with Town staff about service demands for the project.

We will work directly with Town and Menlo FPD staff to determine the service demand of the project.

Fire service cost factors may rely on the call data available from the Menlo Park FPD and/or the Town, or other relevant demand data, and discussions with Town staff about service demands for the project

Task 4: Produce, Test and Refine Model

Objective: Produce model using data gathered in previous tasks.

Description: We will produce a fiscal impact model using the assumptions and revenue and cost inputs previously developed. We will run the model to analyze the proposed project. We will present preliminary model results to Town staff for discussion of key issues and advice on model refinements.

Deliverables: Tables showing model assumptions and results for the meeting.

Task 5: Prepare and Present Report

Objective: Communicate results of the analysis.

Description: Prepare an administrative draft report explaining the results, description of approach and assumptions. Deliver draft report to Town staff for comment and modify as appropriate. Subsequent rounds of comments will precede a public review draft and a final draft. The report will contain the results of the fiscal analysis, as well as a qualitative evaluation of the impact of the project on the Town.

Deliverables: Administrative draft report, public review draft, and final draft report.

Task 6: Meetings

Description: Willdan will attend meetings with the Town and stakeholders, as specified below:

- One kick-off meeting to initiate the project; and
- Two public meetings.



Town Staff Responsibilities

To complete our tasks on schedule, we will need the cooperation of Town staff. We suggest that the Town assign a key individual as project manager. It is expected that the Town's appointed project manager will:

1. Help resolve policy issues;
2. Coordinate responses to informational requests; and
3. Coordinate review of work products.

Our proposed scope of services includes three on-site meetings. Teleconferences are not considered meetings for the purposes of this scope. We will work with Town staff to coordinate meetings to keep the project on schedule.

Willdan will endeavor to minimize the impact on Town staff in the completion of this project. Furthermore, Willdan will rely on the validity and accuracy of the Town's data and documentation to complete the services described herein. We will rely on the data as being accurate without performing an independent verification of accuracy, and that we will not be responsible for any errors that result from inaccurate data provided by the client or a third party.



Project Team

Willdan's management and supervision philosophy for the project team is very simple: staff every position with experienced, capable personnel in sufficient numbers to deliver increased responsiveness and a superior product to the Town. With that philosophy in mind, we have selected experienced professionals for this engagement. We are confident that our team possesses the depth of experience that will successfully fulfill your desired work performance.

Willdan proposes Mr. **James Edison** to serve as in the role of **project manager** due to his familiarity with municipal budgets and operations, innovative approaches to funding public facilities and services, and extensive experience completing fiscal and economic impact studies. He is well respected by our clients for his ability to proactively organize a clear, consensus-based project approach. As the Town's day-to-day contact, he will attend key meetings; make presentations; participate in identifying project issues and solutions; and track the project schedule, thereby ensuring the timely completion of project deliverables.

Mr. **Dennis Michael** will serve as **senior technical advisor** for the engagement. Mr. Michael will be responsible for determining the facilities, equipment and staff needed to provide fire services to the Town. He will also be responsible for coordinating with fire services personnel to collect cost estimate information related to the Town's needs. A synopsis of Mr. Michael's qualifications and experience is provided below.

Mr. **Mike Medve** will serve as **senior project analyst** for the Town's engagement. Mr. Medve will be responsible for data gathering and report writing. He will also be responsible for coordinating with the client to ensure that data gathering proceeds smoothly and minimizes the burden on client staff.

Resumes/Biographies

Resumes for Mr. Edison and Mr. Medve, which include applicable project experience, are provided on the following pages, while a biography for Former Fire Chief Michael has been included below.

Former Fire Chief L. Dennis Michael, Senior Technical Advisor

Former Fire Chief L. Dennis Michael began his career as a firefighter with Rancho Cucamonga Fire District in April of 1976; promoting through the ranks to Engineer, Captain, Battalion Chief, and Division Chief. He was appointed Fire Chief in 1984, and held that position for 19 years until his official retirement on December 29, 2003. During his career, Chief Michael led the development of the Rancho Cucamonga Fire Protection District, as well as guided the organization through the growth and development of a small town into a City of nearly 175,000 residents. At present, he serves as the Mayor of the City of Rancho Cucamonga.





James Edison

Project Manager

Education

*Juris Doctorate, Boalt
Hall School of Law,
University of California,
Berkeley*

*Master of Public Policy,
Richard and Rhoda
Goldman School of
Public Policy, University
of California, Berkeley*

*Bachelor of Arts, magna
cum laude, Harvard
University*

Professional Registrations

*Member of State Bar,
California*

*Licensed Real Estate
Broker, California*

Affiliations

*Council of Development
Finance Agencies*

*CFA Society of San
Francisco*

*Congress for the New
Urbanism*

Urban Land Institute

Seaside Institute

*International Economic
Development Council*

16 Years' Experience

Mr. Edison specializes in the nexus between public and private enterprises, with particular expertise in public-private partnerships, and the benefits of economic development to municipalities and state, provincial, regional and national governments. He has particularly deep expertise in land use economics with a specialty in finance and implementation, including fiscal impact and the public and private financing of infrastructure and development projects, both in the United States and internationally. He has worked for both public and private clients on the implementation of public-private transactions, providing market and fiscal analysis, finance strategies, and negotiation support. His public sector experience includes local and regional economic impact studies, fiscal impact evaluations, new government formation strategies, and the creation of impact fees, assessments, and special taxes to fund infrastructure and public facilities. Mr. Edison has conducted numerous evaluations of the economic and fiscal impact of specific plans, and consulted on a wide variety of land use planning topics related to community revitalization and the economic and fiscal impacts of development. He has evaluated markets for entire new towns as well as for individual proposed residential, retail, entertainment, office, R&D, hotel and mixed-use projects throughout the western United States and abroad.

As a former bond attorney, Mr. Edison understands the legal underpinnings and technical requirements of public financing instruments, and has advised both public and private clients on the use of individual instruments and the interaction between those instruments and the needs of developers and project finance. He has also conducted project feasibility studies for a wide range of development, often in connection with community revitalization or expansion efforts. He has conducted fiscal impact evaluations in a wide range of contexts, including specific plans, individual development projects, community revitalization programs, annexations and government reorganizations.

Project Experience

City of Alameda, CA — Alameda Point Financial Analysis: Prepared a fiscal impact analysis and infrastructure financing plan for the Alameda Point Specific Plan. Willdan is currently helping the City negotiate with a developer for the implementation of Site A, the first part of the Alameda Point Specific Plan.

County of Napa, CA — Napa Pipe Specific Plan: Evaluated infrastructure finance requirements for the Napa Pipe project in southern Napa County, consisting of approximately 500,000 square feet of commercial development, 3,000 residential units, and a hotel. Provided an infrastructure financing strategy, drawing on the resources of the project itself and other financing mechanisms such as special assessments. Mr. Edison also analyzed the fiscal and economic impact of the project on Napa County.

County of Imperial, CA — Solar Farm Fiscal and Economic Analysis: Mr. Edison was engaged by the County of Imperial to evaluate the fiscal and economic impacts of a series of proposed solarvoltaic facilities (or "solar farms") on land near the Town of Calipatria in Imperial County. For each, Mr. Edison calculated the tax revenues and service expenditures accruing to the County from development of the project, and estimated the economic impacts of the project using IMPLAN, including the impact of the construction and ongoing operation of the solar farm, along with the negative impact of the removal of the project site from agricultural production.

City of Foster City, CA — Pilgrim-Triton Area Economic and Fiscal Impact Analysis: The City of Foster City engaged Mr. Edison to provide an analysis of the fiscal impacts of the development of the proposed Pilgrim-Triton Specific Plan. He provided an examination of the fiscal implications of a range of project alternatives, including the effects on the City's General Plan and services needed for new development within the Specific Plan.

J. Edison
Resume Continued

City of Foster City, CA — Gilead, Chess Drive, and Mirabella Fiscal Impact Studies: The City of Foster City hired Mr. Edison to provide an evaluation of the fiscal impact of three specific plans in the City. He evaluated the impact on services of each plan, the anticipated new revenues and expenditures, and the necessity for new public facilities to serve the projects.

City of Murrieta, CA — Master Facilities Plan and Development Impact Fee Calculation Report Update: Mr. Edison served as the principal-in-charge of the City's study to update their Master Facilities Plan and Development Impact Fee Calculation Report, to ensure that new development pays the capital costs associated with growth. The existing fees were adopted in 1998.

County of Monterey, CA — East Garrison Specific Plan Financing and Implementation: East Garrison, located on the easternmost portion of the former Fort Ord in Monterey County, consisted of approximately 1,400 residential units, including single family detached, town homes, apartments, and affordable housing, a town commercial center, and arts facilities. Mr. Edison assisted the developer and the County with a wide range of financing issues, including the availability and structuring of public finance, fiscal mitigation measures, economic impacts, the implementation of affordable housing, and the negotiation of business terms between the developer and the County. He also assisted the developer in negotiations with the Fort Ord Reuse Authority over the base wide capital improvement program and the structuring of the payment of impact fees generated by the development.

City of Vallejo, CA — Service Island Annexation Fiscal Impact Analysis: The City of Vallejo engaged Mr. Edison to provide an analysis of the fiscal impact of the annexation of three unincorporated areas within the City's boundaries, areas commonly called "service islands." Solano County LAFCo requested the City examine the impact of annexation as part of a larger annexation proposal by the City. He provided an examination of the fiscal implications of the annexation of each area, including population, business activity, and the likely revenues and costs associated with adding each area to the City.

City of Vallejo, CA — Costco Expansion Urban Decay, Economic, and Fiscal Impact Analysis: At the request of the City of Vallejo, Mr. Edison examined the economic impact of a proposed expansion of an existing Costco. The analysis included projections of the impact on sales tax, employment, property tax, and the net impact to the City's budget. Based on the analysis, the City Planning Commission approved the Costco expansion.

City of Redding, CA — Oasis Towne Center Financing and Fiscal Analysis: Hired by the Levenson Development Company (LDC) to assist with an economic/fiscal impact study and a financing plan for the Oasis Towne Center, a retail development of approximately one million square feet in Redding, California. Mr. Edison advised LDC on how to structure the financing of the development in order to provide public benefits from the project and minimize the need for public resources. He prepared an economic and fiscal analysis and negotiated a series of service plans and fiscal mitigation measures with the City of Redding. Mr. Edison also prepared a financing plan for infrastructure needed not only for the immediate project but also for development within the entire Oasis Road Specific Plan area.

City of Anaheim, CA — Focused Site Analysis Peer Review: The Sun Cal Development Company sought to build homes on a parcel in the City of Anaheim located within the City's resort area. Mr. Edison reviewed a series of reports prepared for the City by its consultants that evaluated the likely impact on the City of developing homes on the Sun Cal parcel rather than resort uses. He evaluated tax revenue projections, hotel and resort market studies, and other data prepared for the City, and conducted an independent analysis of the impact of the proposed Sun Cal development on property tax and transient occupancy tax revenues that would be received by the City. Mr. Edison's analysis provided support to the Sun Cal residential proposal.

County of Placer, CA — Bohemia Lumber Site, Fiscal Impact and Urban Decay Analysis: The County of Placer engaged Mr. Edison to examine the fiscal impact and potential urban decay effects from the development of the former Bohemia Lumber site into a retail center. Mr. Edison prepared the analysis and presented the results to the County Board of Supervisors.



Mike Medve

Project Manager

Education

*Bachelor of Science
Information and
Computer Science,
Management and
Mathematics Minors,
Cum Laude
University of
California Irvine*

Areas of Expertise

Public Finance

Public Facility Financing

*Special District Formation
and Administration*

Proposition 218

Fiscal Analysis

Tax Increment Financing

12 Years' Experience

Mr. Medve is a project manager within Willdan's Financial Consulting Services group. He brings 12 years of consulting experience with expertise in public finance, including special district formation and administration, fiscal impact analysis, public facilities financing plans, integrated financing districts, Proposition 218, tax credit financing, state and federal grant and loan programs, sales tax revenue bonds, and infrastructure financing districts. He has acted as special tax consultant for over 50 Community Facilities District (CFD) formations, annexations and restructurings.

Mr. Medve has been a financing team member for over \$150 million in limited obligation bonds and over \$50 million in grant funds. He has served as the lead public finance consultant for over 30 clients, both public and private, throughout the country. His broad experience in nearly all aspects of public finance allows him to approach complex projects with confidence and ensure that the client has the information necessary to make informed decisions.

Project Experience

City of Los Angeles, CA – Fiscal Impact Report: Mr. Medve assisted the City of Los Angeles' Chief Administrative Officer (CAO) with the identification of the fiscal impact of the annexation of the Hidden Creeks Estates project to the City of Los Angeles. The analysis included a comparison of city and county costs of public services such as police, fire and public works. The report was approved by the City's Boundary Adjustment Board, the City Council, and County LAFCO.

County of San Diego, CA – Special Tax Consulting: Mr. Medve is currently assisting the County with their special tax consulting projects, specifically CFDs formed within unincorporated areas. To meet the demands of continued growth within the County, he is currently involved with the initial steps of forming three separate CFDs that will fund services and improvements ranging from flood control maintenance and fire protection services to necessary capital improvements. He is also helping to replace an existing Permanent Road Division special assessment with a special tax to fund street rehabilitation and maintenance.

City of Roseville, CA – Special Tax Consulting: In 2014, Mr. Medve prepared an Amended Notice of Special Tax Lien for the City's Fiddymont Ranch CFD No. 1 (facilities) and Fiddymont Ranch CFD No. 2 (services). The amendment was necessary to reconcile changes in project land use with the special tax revenues that were needed to pay debt service and administration on outstanding infrastructure bonds and fund the annual operations and maintenance of existing facilities. In 2015, Willdan was retained to act as Special Tax Consultant for the formation of an overlay CFD (Fiddymont Ranch CFD No. 5) that will refund a portion of the CFD No. 1 bonds and pay for additional infrastructure projects associated with the development. Facilities needed include streets, bridges, sewer improvements, storm drains, water infrastructure and landscaping. Willdan has also performed the annual administration for the City's CFDs for over a decade.

City of Yucaipa, CA – Tax Increment/Special Tax Consulting: Provides consulting services related to the formation of one of the State's first Enhanced Infrastructure Financing Districts (EIFD), including the development of a multi-agency fiscal impact report. Mr. Medve is also assisting the City with its Cost Allocation Plan and User Fee update.

References

Provided below are project descriptions, including contact information, that are similar in scope, size, and complexity to the services requested by the Town. We are proud of our reputation for customer service and encourage you to contact these past clients about our commitment to excellence.

County of Napa, CA | Napa Pipe Specific Plan Analysis

Mr. Edison assisted the County of Napa and the developer of Napa Pipe with the Napa Pipe Specific Plan, consisting of approximately 500,000 square feet of commercial development, 3,000 residential units, and a hotel. Willdan prepared a market assessment that evaluated the feasibility and value creation of the uses contemplated for the Plan. Willdan developed an infrastructure financing strategy that drew upon the resources of the project itself and other financing mechanisms such as special taxes and assessments. Willdan also analyzed the fiscal and economic impact of the project on Napa County, and prepared an urban decay analysis that evaluated the impact on retail businesses in the City of Napa. Mr. Edison presented the findings to the County Board of Supervisors and Napa's City Council.

Contact Information: Keith Rogal, President
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City of Alameda, CA | Alameda Point Financial Analysis

The City of Alameda hired Willdan to assist with a variety of tasks related to the planning and development of Alameda Point, a former naval air station. The City took title to approximately 1,400 acres of land and water from the Navy on June 4, 2013. They began the process of preparing a master development plan, master infrastructure plan, and an Environmental Impact Report for the development of Alameda Point and required assistance on a range of issues related to land economics, including a fiscal impact analysis of the planned development, an infrastructure financing plan, and a feasibility analysis to estimate whether the contemplated development could sustain the burden of infrastructure needed to rehabilitate the base. Currently Willdan is assisting the City with negotiations with developers of the first two parcels slated for development.

Willdan prepared a fiscal impact analysis examining the general fund revenues (such as property taxes, sales taxes, and a variety of general sources) and expenditures (such as public safety, maintenance, park services, and other items) that would be generated by the planned development at Alameda Point. Willdan prepared a model estimating the general overall impact, as well as a more detailed model examining an imagined phase 1. The effort included estimates of the assessed and market values of development, demographic forecasts, and estimated sales taxes generated by development. Willdan presented the analysis to the City Council at several public meetings.

Willdan also prepared a conceptual infrastructure financing plan for Alameda Point. Willdan worked with the City and engineering staff to estimate phases of development and prepared an analysis of the infrastructure financing revenue that would be available. The analysis included estimates of developer equity, as well as financing sources such as assessments and special taxes.

Finally, Willdan prepared a feasibility analysis that examined the burden of assessments and special taxes that would be required (based on the infrastructure financing plan) and estimated whether development would be able to bear the burden and what price the City could forecast for the land.

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City of Palm Desert, CA | Paramedic Services User Fee Development

The City of Palm Desert engaged Willdan to complete a fee study for paramedic services to help offset the cost of providing those services to the public. Although the City had been providing these services for free, they were concerned that the free paramedic service was being used primarily by a few property owners within the City. Mr. Medve compiled call data and cost information from the County of Riverside and the City of Palm Desert. Through collaboration with City staff, a fee was developed that could be used to curb abuse but did not place an undue burden on residents in need of emergency paramedic services.

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County of Monterey, CA | East Garrison Project Financing and Implementation

East Garrison, located on the easternmost portion of the former Fort Ord in Monterey County, California, consisted of approximately 1,400 residential units, including single family detached, townhomes, apartments and affordable housing, a town commercial center and arts facilities. Mr. Edison assisted the developer and the County with a wide range of economic issues, including the availability and structuring of public finance, fiscal mitigation measures, economic impacts, the implementation of affordable housing, and the negotiation of business terms between the developer and the County. He also assisted the developer in negotiations with the Fort Ord Reuse Authority (FORA) regarding the base wide capital improvement program and the structuring of the payment of impact fees generated by the development. Mr. Edison presented this information to the County Board of Supervisors, County staff, and the FORA Board on multiple occasions.

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County of Riverside, CA | Comprehensive Impact Fee Update

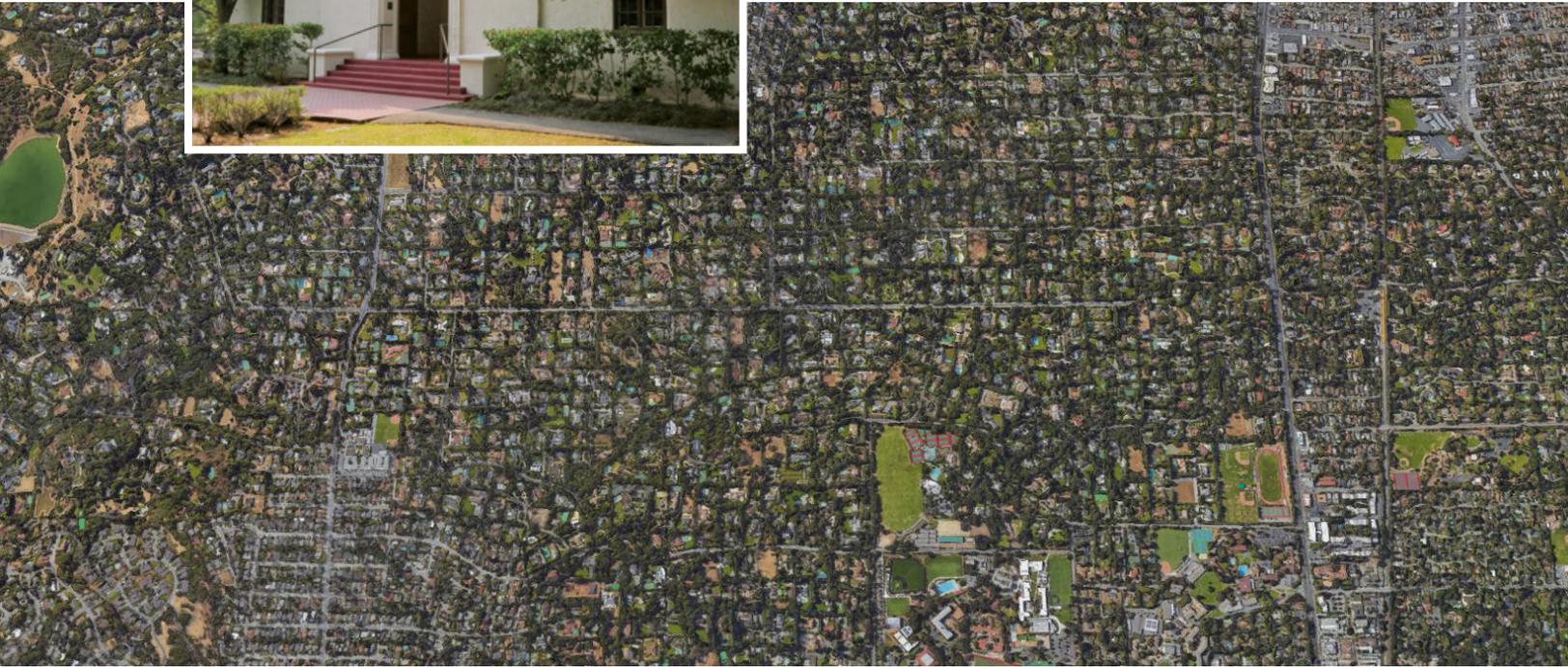
The County of Riverside engaged Willdan to perform an update of its comprehensive impact fee program. The fee categories were broad and diverse, including countywide facilities, such as: jail detention facilities and county parks and trails; unincorporated only facilities such as fire stations and libraries; and County planning area specific facilities including storm drains and traffic improvements. Other facilities needed to be differentiated between the Eastern and Western portions of the County, due to separation by distance as well as varying level of facilities by region. The process has been lengthy, involving significant efforts to inform staff of methodological differences between the Willdan methodology, and the methodology of the previous consultant.

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Disclosure

Willdan Financial Services is not aware of any past, ongoing, or potential conflicts of interest that the company or proposed personnel may have as a result of performing the scope of services associated with the preparation of the Fire Services Fiscal Review.



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