

Mary Gourley

From: Kate Haug [REDACTED] >
Sent: Thursday, June 30, 2022 5:52 PM
To: Mary Gourley
Cc: Dante Del Prete; Kevin Kilgore; Bill Braga; Kathy Oetinger; Fernandez, Evert
Subject: \$4+ Million and Counting ...Total Tax Payer Expenses for Transient Services in Sebastopol ... Public Comment 7/5/22 - 22/23 Budget

Dear Council Members:

Why are you asking the residents of Sebastopol to spend precious local, City tax dollars when our California and Federal Income tax dollars are already funding a significant amount of transient services and housing?

Tonight, the Committee on the Unhoused wants to take away \$89,000 from our very tiny budget for transient services when we don't have enough to pay for basic services such as our fire department, our public works department and our City Staff. In addition, we don't have money to maintain our public parks and many of our public buildings need care.

In a recent FaceBook exchange, it became clear that Council Member Rich, was unaware of the \$3,451,100.63 tax funded budget for the Sebastopol Inn, even though she is one of the members on the Committee for the Unhoused. On FaceBook, she publicly questioned and doubted the \$3,451,100.63 taxpayer funded housing and services for the 45 Homekey residents. As Council Member Rich is in the process of asking for more money, one would assume she would have a firm grasp of what was already being spent.

Our tax dollars fund over \$680,000 for the SAVS RV Park on Gravenstein Highway.

The total annual spend on transients in Sebastopol is over \$4,100,000 in taxpayer money. This services around 65 individuals.

The key question is: Why is the Council asking for more when we are already paying for transient services through our state and federal tax dollars? For instance, through our state taxes we are paying over \$3 million for the Homekey hotel. Through COVID funding, we are funding the SAVS RV Parking.

The numbers for the Sebastopol Inn were obtained through a public records request dated March 22, 2022. The Sonoma County Community Development Commission was the responding agency.

The CDC Breakdown for Sebastopol Inn

Food: \$496,756.70

Medical: \$2,133,982.17

Security: \$820,361.77

Total: \$3,451,100.63

Their contact information is:

Telephone (707) 565-7500

Address: 1440 Guerneville Road, Santa Rosa, CA 95403-4107

If anyone wants to follow up, they have the document and contact information.

Diana Rich and Una Glass, both on the Committee for the Unhoused, should actually have these financials available to them, especially as they are asking the citizens of Sebastopol to fund even more transient services.

Our State and Federal tax payments fund Project Homekey. They use the term "grant" but it is not a grant from Jeff Bezos or some other private citizen. It is a "grant" from the State, which, of course, is tax money.

Before asking us to spend our very precious, local tax dollars on more transient services, Diana Rich and Una Glass should know how much tax money is already being spent by the County, the State and Federal Government.

It is shameless that they are requesting more money when what is the equivalent of 1/3 of Sebastopol's entire budget is being spent on the 45 residents of the Sebastopol Inn. The residents of the SAVS Village are receiving over \$680,000 of public tax money to live rent and utility free for 10 months. That comes out to around \$37,777 per resident in the 10 month period. Taxpayers can only hope that is enough so that all of them should be self-sufficient by the end of the contract.

In addition, the Committee on the Unhoused never gave a total amount for transient services for the last 5 years, even though I've requested it numerous times: Public Works, Outside Attorneys, Port-O-Potties, Police Service, Fire Services, Fires, Damage to the Community Center, Park Village Costs, Staff Costs, etc.

In addition, we have several parts of our town devoted to transient housing. Park Village, which is supposed to be a public park, and the Sebastopol Inn, which used to generate sales tax, Transient Occupancy Tax and tourist dollars.

Council made a grave financial error for the Citizens of Sebastopol when they did not protest the County's conversion of the Sebastopol Inn to transient housing. Barbie Robinson, who engineered this profit windfall for the owners who sold the Inn (the Inn received a sale price at 40% of above appraised value), now works and lives in Texas. The residents and business community are left with the results.

Because of this autocratic decision by the County, residents received less revenue for their City services and small, local business owners now have less tourist traffic. There are no hotel rooms in downtown Sebastopol. Healdsburg, by contrast, has over 9 hotels in their downtown alone. Occidental has two. This is a permanent loss for the residents of our town and our business community.

Since the transition of the Inn from a revenue generating business to permanent supportive housing, Sebastopol has spent even more on transient services, including a homeless outreach coordinator, increased public works and police time and on-going vandalism issues on public property.

Council has not been proactive in requesting that as part of the Inn's \$3,451,100.63 annual spend, the County budget at least 10% of its Homekey budget (equivalent to the missed 10% TOT) to go back into Sebastopol's general fund to make up for permanent lost revenue. This year, the citizens of Sebastopol should be receiving \$345,110 from the County to make up for our missed TOT and sales tax so that we can fund vital City services like our fire department.

All of the increased transient services have only increased transients in Sebastopol. We now have people regularly camping in the town square. We have people living in their vehicles in the High Street parking lot across from the arts center. Despite the fact that we fund a homeless outreach coordinator, we have persistent transients in our town who seem to refuse service in preference of living in the woods and other areas, even though its fire season and we last year we had several fires started by transients, including one that burnt down structures on Petaluma Avenue.

None of our very local sales taxes should go for funding more services when our state and federal tax dollars are already going towards significant transient expenses. Council needs to recognize that our City needs revenue in order to function

and we need to focus our scant tax dollars on improving City services and funding vital departments like police, fire and public works.

Council should not spend any more of our local revenue on transient services until there is a full audit and analysis of the money already spent by the County, State and Federal government. There needs to be a cohesive, comprehensive countywide plan in place before any more City generated tax revenue is spent. We need our local sales and property tax to fund City Services and infrastructure for residents and to help support our business community. Homeless Services budgets at the State level will exceed \$25,000,000,000 over a five year period. It is absolutely unnecessary for the citizens of Sebastopol to contribute any of our tiny City budget to this huge pool of money.

Please do not spend any more money on transient services. Please advocate for 10% of the Homekey Budget to go toward public services such as our fire department as reimbursement for our missing revenue. If the County can spend \$3,451,100.63 on 45 people, they certainly can spend \$345,110 on 7500 tax paying residents and business owners.

Best,
Kate Haug
Sebastopol