

Dear Council Members,

In May, I wrote the Council asking if Sebastopol was financially viable as a City. As the year has progressed, it seems the answer is no.

The myriad of proposals in Agenda Item 8 do not address our long term and vital infrastructure needs. The majority simply tax the residents more without addressing the roads, the water/sewer infrastructure, the fire station upgrades, the sidewalks or the parks.

Per the Council's own report, the roads will cost \$18,000,000. Here's a link to the report: <https://www.ci.sebastopol.ca.us/getattachment/Meeting-Event/City-Council/2023/City-Council-Meeting-April-18,-2023/Agenda-Item-Number-12-Pavement-Management-Program.pdf.aspx>

The link no longer works but the report is from April 2023.

Given the fact that the proposed parcel tax would only pay for the General Fund and not fire service and not infrastructure, I would oppose a parcel tax.

Can Council provide any reasons that the City should remain a separate entity from the County?

Does City autonomy provide any benefit to Citizens, especially when looking at higher taxes for no real benefit? More taxes for no improved services or infrastructure? More taxes for failing infrastructure into the foreseeable future?

Citizens are looking at huge increases in water rates due to extremely poor fiscal management by the City. Sebastopol sits on a huge aquifer; there is no reason why our water rates should be so high. They should be low.

The only way to increase TOT volume without a new hotel is to increase the amount of AirBnbs which remove housing stock and is unacceptable in our housing crisis.

At this point, I would suggest creating a fire district and a water district and dissolving the rest of the City functions. A parcel tax could be used for infrastructure for both fire and water. The parks would become County parks. The planning department would become part of the County.

Previous Council did not plan for the long-term viability of Sebastopol to operate as a City. Thus the question of whether or not it is worthwhile to spend over 25% of the total revenues on City administration is a valid question.

We cannot have taxation be our only revenue stream as it is unfair to property owners and business owners who did not create such a poor economic environment. Over the last decade the North Bay and Sonoma County have been in relative boom times. Sonoma County cities (except Santa Rosa) do not seem to have the significant fiscal problems that plague Sebastopol. This is a direct result of poor planning and poor financial management by previous Council. It is

unfair to ask taxpayers clean-up after many, many economic mistakes made by previous Council.

Please be fair to residents, citizens, business owners and your community. Don't make Sebastopol even more financially unaffordable through excessive taxes and exceptionally high water and sewer rates.

Unless Council can get a new hotel and more market rate and moderate rate family housing in the pipeline, Council needs to be responsible and look at disbanding the City; the City is financially failed. It is incredible that the City was so poorly managed that it was driven to bankruptcy while the rest of the area experienced a financial boom in the last decade.

Sadly, this Council is left to a spectacular financial mess, which should not be remedied on the pocket books of citizens, many of whom are on fixed incomes. Given the high rates of inflation, normal people cannot sustain more taxes and a doubling of water rates. We cannot turn more of our precious in town housing stock into AirBNBs. Unless Council can prove that Sebastopol status as an independent entity benefits its residents, then Council should look at creating a water district, a fire district and then disbanding the City and merging with the County.

Best,
Kate Haug