Dear Council Members,

In regards to the recent transition of the Sebastopol Inn from a tourist hotel within the City of Sebastopol to a County run housing facility on County land, I encourage the City to seek full reimbursement of lost funds from this conversion which was autocratically imposed by the County without any community input.

1.

I would encourage the City to seek reimbursement for property tax and TOT from the County to cover the expenses associated with the (30-60) new residents they are housing in the Sebastopol Inn. While these residents will be living on County land, they will use City services such as water, sewer, parks, roads, police, fire, City administration, and other City funded amenities. As the Sebastopol Inn was purchased from the County for \$6,375,000, I calculate the property tax on that would be \$95,625 annually which would normally increase year over year. In addition, the County should pay the local parcel taxes which fund schools and other services. This tax would have been paid by any private entity if they would have purchased the property at that price and would have been included as a normal operating cost. There is no reason why the County should have the authority to remove this income from Sebastopol's City budget. It creates an unfair and undue burden on the City and its residents. The grant allowed the County to override our permitting process, it did not allow it to use City services for free.

2.

The County is proposing an annual reimbursement of \$84,686 for TOT. This figure should be higher as it is based on 2019 TOT. During 2019, there was a major floor, which shuttered the Barlow and the Kincaid fire which forced evacuation for most of Sonoma County. It is fair to say that room occupancy at the Sebastopol Inn would have been low that year and therefore, under normal circumstances, the TOT would have been higher, most likely at or above the 2018 figure.

3.

In terms of the money Supervisor Hopkins is giving to Sebastopol to compensate for some of the lost TOT funds (around \$350,000), I would suggest using this money to provide grants to small, locally owned businesses, rent subsidies to working people, grants to local nonprofits and grants to schools. With 300,000, I would suggest 25 \$5000 grants to small businesses, nonprofits and schools and 70 \$2500 grants to individuals who work in Sebastopol and need rent, child care or medical bill subsidies because their income has been impacted by the pandemic. The Sebastopol Center for the Arts is running a distance learning program that needs funding. I think this would help stabilize our business and working communities and thus help prevent future homelessness caused by the pandemic and also stabilize our future revenue.

4.

In terms of homelessness, I would encourage the City to enforce the laws we have regarding littering, camping on public land and public nuisance as this is at no cost to the City and any affiliated costs would be borne out by the County. I would not spend any of the money on more homeless programs as the County spends over \$100,000,000 per year and will receive more money from Measure O. There is no reason to spend more City money on homeless services when we have urgent need in our community to support our local businesses, nonprofits, schools and working people.

5.

I would encourage the City to look at permit parking for RV parking. These are local laws which many communities across the state have in place. When Barbie Robinson said that Sonoma County has the 4th highest suburban homeless population, part of this might be the fact that many communities have stricter rules around people living in areas which are not zoned as living areas.

San Diego

https://www.sandiego.gov/sites/default/files/legacy/parking/pdf/parkingrulesfactsheet.pdf

Dublin

https://dublin.ca.gov/DocumentCenter/View/20525/14-Residential-Recreational-Vehicle-Parking-Regulations-dd-reviewed

Novato

https://www.novato.org/government/police-department/temporary-rv-parking-permit

Mountain View - No RV parking on narrow streets...

https://www.losaltosonline.com/news/sections/news/297-news-features/63462-mtnview-s-parking-ban-on-rvs-finding-voter-approval

6.

I would encourage you, if you have not already, to read these articles regarding the Oakland's new laws regarding homeless encampments: https://www.sfchronicle.com/bayarea/article/Oakland-restricts-locations-wherehomeless-15663249.php

7) And this recent article in the Press Democrat regarding the County's management of the homeless crisis titled Sonoma County's Regional Homeless Agency Reboots: <u>www.pressdemocrat.com/article/news/sonoma-countys-regional-homeless-agencyreboots-after-governance-setbacks/?artslide=0</u>

Thank you for your continued work on this. I hope the City is receiving reimbursement for all the time that Council and staff will be putting toward the County's purchase of the Sebastopol Inn as this has taken and will continue to take a considerable amount of Council's and Staff's time and focus.

It does seem that there would be a legal case to be made if the City does not receive full reimbursement for its financial losses from this conversion of a revenue generating tourist hotel on City land to a county run housing facility sitting on County land with residents using City services. It seems that if the City is not reimbursed that the citizens of Sebastopol are at a net loss in terms of the City budget which has implications in terms of the City to provide adequate service in the near short term and in the long term. While the grant allowed the County to override our local permitting processes, I do not think it entitled the County to reduce our City budget nor to reduce City services to citizens who are still paying property taxes and parcel taxes.

Best, Kate Haug Sebastopol