

Dear Council Members,

I am writing in regards to the Matrix consultants recommendation that the Sebastopol Fire Department be annexed by the Gold Ridge Fire Department.

I ask that the Council reject this recommendation on the following grounds.

Sebastopol Will Have A Parcel Tax without Citizen/Voter Participation:

Page 83 of the document:

"Revenues are also outlined in detail in the proposal. The Gold Ridge Fire Protection District would annex the city into the district and apply the special taxes of the district to the city. The approval of the Sebastopol City Council, the Board of Directors of the Gold Ridge Fire Protection District, and the final approval of LAFCO is all that is needed to complete the annexation. There is no vote of the public required to assess the special taxes as that is considered a part of the annexation process."

Sebastopol Will Commit 11% of Its Budget to the Gold Ridge Fire District in Addition to the Parcel Tax Imposed By Gold Ridge:

Page 83 of the document:

"In addition to the application of property taxes, the proposal suggests the city would need to continue their contributions to the fire protection system. In the proposal, the city contribution would be a fixed percentage of the annual revenue. There is no percentage rate suggested, only that it will need to be negotiated. Using the 11% that is the current rate, this would generate approximately \$1,250,597 annually."

Sebastopol Will Lose Local Control: Instead the Money and Fire Service will Be Controlled by the Gold Ridge Fire District, not the Sebastopol City Council and Sebastopol Citizens:

Page 26:

"Governance of the fire district is through a seven-member Board of Directors that are elected to four -year terms as provided in California Health and Safety Code section 13842."

This means that the Board, not the City Council, will determine how the money is spent, how fire service is delivered and what resources are allocated to what projects. In effect, residents would have to go to the Gold Ridge Board to have problems heard. Members of the Board are not necessarily representative of Sebastopol or Sebastopol's needs as a small, dense town with schools, shopping district, multi-family houses, and one of the most busy intersections in Sonoma County - Highway 12 and Highway 16.

Can We Operate Our Fire Department for \$2,361,655 per Year?

If citizens are forced to pay a parcel tax and also devote 11% of our budget to fire service, why not keep it locally controlled? The report indicates these two revenue sources total \$2,361,655 per year.

Question for Council and Fire Chief: Can we run our fire department on \$2,361,655 per year?

Why Not Adopt Chief Braga's Plan?

Attached is Chief Braga's document from 2022, which outlines a plan that retains local control and achieves fire service goals similar to the Matrix document. Why not follow this recommendation as it is economical, retains excellent fire service and retains local control?

What Does Our Chief Say? What Do Our Firefighters Say?

The document does not contain any information on what our current fire chief or current firefighters say. Were they included in this discussion? What are their recommendations? Do they think this report is 100% accurate?

What Does Sebastopol Gain from Annexation?

In this annexation model, there seems to be zero positive benefit to the City of Sebastopol, its residents and its business owners. What does the City and its residents gain with consolidation?

Why Consolidation is Bad For Sebastopol

1. Giving up Control of Finances Means that We Do Not Determine How Money is Spent Locally and We Do Not Determine Tax Rates. This means we could come to a point where we need more service and we can't get it or that we need less service and are still funding at a high level. At this point, Gold Ridge is suggesting \$265 per single family home. What if they want to increase that amount without any increase in service?

Page 76: "Based on the above tax rates, a typical single-family home in Sebastopol would be assessed \$265.00 on an annual basis. According to the Gold Ridge Fire Protection District proposal the city would generate approximately \$1,111,058 in property tax revenue using the tax measures outlined in the previous table.

2. As Sebastopol's revenue increases, the amount of money we give to Gold Ridge increases. Gold Ridge's funding appears to be fixed. Sebastopol could end up subsidizing Gold Ridge. Sebastopol's budget is dynamic as it is funded by sales and hotel taxes, which are tied to the Consumer Price Index. Gold Ridge is funded by property taxes, which are fixed by Prop. 13. In the future, Sebastopol could be subsidizing Gold Ridge's current residents as our sales and TOT taxes increase and their fixed property tax remains static.
3. Sebastopol has many ways to increase revenue including increased sales tax, increased TOT tax, parcel tax, bonds, impact fees and special assessments. These are not available to the Gold Ridge fire district as it is a rural district without businesses and means to raise revenues. Gold Ridge's only means to raise revenue is parcel and property tax.
4. Sebastopol is a totally different fire protection area than the rest of Gold Ridge. Sebastopol is dense, it has multi-family buildings, it has many schools, it has shopping districts, it is the crossroads of Sonoma County. The majority of Sebastopol's new development proposals are dense, multi-family developments. This means that fire, medical emergency, evacuation, and other calls of service are responded to in a much different way than those in a rural, sparsely populated way.
5. Sebastopol is still paying for Capital Improvements and Vehicles. We would still need to raise substantial amounts of capital for an improved Fire Station and new vehicles.

How To Fund The Fire Department:

- 1) Move Forward with the Proposed Revenue Stream of a Parcel Tax and Commitment to 11% of the Budget. We know this will generate \$2,361,655 per year, almost doubling the current budget for the fire department. Can we commit more than 11% of our budget? Most communities commit 20% or more to fire service. Can we commit 13%, 15%, 18%?
- 2) Commit to Raising City Revenue and Commit to bringing more businesses into Sebastopol by:
 - a) Cleaning up downtown, removing graffiti, trash, removing sticker from posts and signs, and cleaning storefronts;
 - b) Sprucing up the town square, turning on the fountain, bringing in new benches - possibly commission benches via ArtStart that fun and attention grabbing like ones themed for Sebastopol or Northern California (quail, sea otters, redwood trees, apple trees, poppies, etc.) or Free Speech themed benches (in honor the the Square's name sake Mario Savio) with Martin Luther King, Mario Salvio, Dolores Huerta, Barbara Lee, Patsy Mink, Barbara Jordan. ArtStart is local and works with youth and did a very nice mural on the side of the Goodwill Building <https://www.artstart.us/benches>
 - c) Host free events for Pride, Halloween, Day of the Dead and the Winter Holidays that utilize our nonprofit and public spaces such as a costumed Halloween fun run or Halloween kids and dog costume parade and Holiday Singers in the town square and local shops;
 - d) See if the Barlow would partner with the City's nonprofit to promote nonprofit events in their advertising as the Barlow has an excellent marketing system already in place and do a great job advertising for Peacetown and other Barlow events;
 - e) Reach out to commercial landlords and ask them what is preventing them from renting their space and what the City can do to help. Ask them to be sure to keep their properties graffiti free, trash free, landscaped, well maintained and to enforce parking and loitering laws.

Why Consolidate Now?

There is no reason to rush consolidation. There is no economic advantage to rushing consolidation. Once we give up control, it will be impossible to reverse course. There are many options to try before consolidation.

As Chief Braga's plan shows, there are other options. There is absolutely no reason not to implement a plan that reflects committed funding by Council and a graduated approach as outlined in Chief Braga's approach.

I urge Council to try other options first, review annually and see if consolidation is necessary 5 years from now.

I urge Council to reject consolidation. Council should commit to funding our fire department, retain local control and use Chief Braga's plan to start restructuring. Voters should get to weigh in on additional parcel taxes after a plan to retain local control is developed and put forward.

Once we consolidate and give up control, we can't go back to local control.

In addition, I ask that the language used in the report be amended to be more accurate. The report uses "Gold Ridge Tax Revenue" in several areas when it should read Sebastopol Parcel

Tax. I feel that the obscuring of the true source of the funds - Sebastopol property owners - is duplicitous and misleading as it looks like the money is coming from Gold Ridge Funding when it is really coming from a parcel tax on Sebastopol property owners.

Best,

Kate Haug

Sources: Matrix Consulting Report

<https://www.ci.sebastopol.ca.us/getattachment/Meeting-Event/City-Council/2023/City-Council-Special-Meeting-January-31-2023/Final-Sebastopol-FR-01-03-23.pdf.aspx>