

Dear Council Members,

Thank you for presenting item #8, the Fiscal Sustainability Report.

There are a few corrections and additions to be addressed.

- 1) Pavement projects do not reflect the costs that were presented with the Pavement Report on April 18, 2023 to bring all of our roads back to “Good” condition. See report here: <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>
- 2) The report does not include legal expenses associated with the current ACLU lawsuit;
- 3) The report does not reflect staffing increases, which were presented in the Staffing Study to have optimum efficiency and service levels for citizens. See report here: <https://www.ci.sebastopol.ca.us/getattachment/Meeting-Event/City-Council/2023/City-Council-Meeting-February-21,-2023/Agenda-Item-Number-11-February-2023-Mid-Year-Budget-Adjustments-and-City-Wide-Staffing-Assessment-Study.pdf.aspx>

As these have not been included, would be it be possible to see how much additional revenue would be needed to give the citizens of Sebastopol good roads and an appropriately staffed City Government.

In addition, it appears that 71.6% of the budget go toward critical services such as fire, police, public works, storm water, engineering, building while the remaining 28.4% goes to City Management including the financing and planning departments.

As the previous Council appeared to let the financial viability and revenue streams be ones of chance, they 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's unfair to ask taxpayers clean-up after many, many economic mistakes made by previous Council.

At this point, I would like Council to ask the consultants what disbanding the City and merging with the County would look like, especially as we are in a time of transition regarding our fire service and City Manager. Sebastopol already has a major County project – Elderberry Commons – in our downtown. We are surrounded by the Joe Rodota Trail and CalTrans has domain over our main thoroughfares.

Council has been unsuccessful in supporting local businesses, attracting market rate development, filling commercial vacancies and attracting hotel construction. Given the lack of these basic sources of revenue generation, the City is most likely to deteriorate further and have strained and compromise City services, which puts the citizens in jeopardy.

We cannot give over our community to short term rentals to generate TOT as that would be detrimental to our neighborhoods and exasperate our housing crisis.

I hope the Council will ask the consultants what a merger with the County would look like in terms of increasing services to citizens, having more funds for infrastructure and less taxes on our property and small business owners.

Best,  
Kate Haug