

Dear Councilmembers,

I encourage a no vote on #12.

As stated in the City Council Meeting packet of May 16, 2023, “There is no fiscal impact associated with adopting the resolution or submitting the application as a partner.” It does not say there is no fiscal impact on the City of Sebastopol at all. Thankfully, we had our City Manager’s power point presentation to give us a more accurate view.

The City of Sebastopol is the entity applying for the Homekey Project not SVdP.

Article II – Program Requirements

Section 200. Eligible Applicants

- i. Cities, counties, cities and counties, and all other state, regional, and Local Public Entities, including councils of government, metropolitan planning organizations, and regional transportation planning agencies designated in Section 29532.1 of the Government Code.**

Each of the foregoing entities may apply independently, or each entity may apply jointly with a nonprofit or for-profit corporation, a limited liability company (LLC), and/or a limited partnership (LP) as a Co-Applicant.

California Department of Housing and Community Development 2023 Homekey NOFA 8

So, if SVdP fails to meet the terms of the Standard Agreement from the state, the City of Sebastopol is left holding the bag for the entire project over 6 million dollars.

Therefore, it would be fiscally irresponsible for any council member to vote yes on #12. Our Vice-Mayor brought up some persuasive points at the April 2nd meeting saying, “why would a city that is already in trouble get into a situation that incurs more risk?” He then joined Councilperson McLewis and Maurer in voting no.

It is shocking that a couple of the council members don’t understand the issue.

I have known many lawyers in the 45 years I was married to one and not one of them would encourage a client to enter into any kind of legal agreement with an entity who has withheld information, threatened to sue, bullied and has played on sympathies by saying he will lose his job if this doesn’t go through.

This council has no choice other than to vote no because of their fiduciary responsibility to the citizens of Sebastopol.

This isn’t about whether the project would be good for extremely low-income people, it may be. It is about the type of organization the City would be partnering with and if that partner can be trusted 100%. More importantly, it is about the millions of dollars the city would be on the hook for if SVdP fails to meet the requirements of the Standard Agreement.

Talk about a fiscal emergency – Sebastopol would be bankrupt.