

From: Ashley Baldwin [REDACTED]
Sent: Wednesday, February 25, 2026 6:38 PM
To: City Council <citycouncil@cityofsebastopol.gov>
Subject: Grocery Outlet

Dear Mayor and Members of the City Council,

As a local business owner in Sebastopol, I am writing to express concern about the proposal to bring Grocery Outlet into our downtown.

Running an independent business in a small town is challenging. We operate with narrow margins, rising insurance costs, increasing payroll expenses, and significant regulatory requirements.

Sebastopol already has multiple grocery stores serving a population of roughly 7,500 residents, along with surrounding rural customers. Grocery spending here is not unlimited. It is based on population and household income. Adding another store of similar size does not create new demand — it reallocates existing dollars. Additionally, in the grocery category specifically, net profit margins average just 1–3%. That leaves very little cushion when new competition enters a finite market.

When revenue shifts away from locally owned stores to a national chain, the impact extends beyond sales figures. Independent businesses:

- Employ local residents long term
- Purchase services from other local vendors
- Donate consistently to schools, youth sports, and nonprofits
- Keep ownership profits circulating within the community

National chains, by design, distribute a significant portion of profits outside the community to corporate headquarters and shareholders.

Small businesses rely on stability and predictability. When a market becomes oversaturated, closures are not theoretical — they are mathematical. If one established grocery store closes due to sustained revenue loss, it would represent not only job displacement but a permanent loss of local ownership and civic investment.

As business owners, we understand competition. But competition in a small, saturated trade area must be weighed against community-scale economic sustainability.

I respectfully ask the Council to consider whether this proposal strengthens Sebastopol's independent business ecosystem or increases the risk of losing businesses that have supported this town for decades.

Thank you for your leadership and careful consideration.

Sincerely,

Ashley Baldwin