

From: Bianca Blomquist, Government Affairs [REDACTED]
Sent: Tuesday, August 4, 2026 5:50 PM
To: City Council <citycouncil@cityofsebastopol.gov>
Cc: Mary Gourley <mgourley@cityofsebastopol.gov>
Subject: Request to Pull Consent Item 3 for Discussion

Dear Mayor McLewis, Councilmembers, and City Manager Gourley,

Thank you for your service to our wonderful city.

I plan to speak briefly during tonight's meeting regarding Consent Item 3, and I respectfully request that the Council pull the item from the Consent Calendar for separate discussion. Given the significance of the proposed amendment and the public investment involved, I hope the Council will take the opportunity to discuss it publicly before voting.

I also wanted to share a few questions that I hope the Council or staff can address.

- According to the Sebastopol Times, the developer indicated at the recent Planning Commission meeting that the project was no longer financially feasible without rebating 50% of the City's 12% Transient Occupancy Tax (TOT) for ten years. **Did the City prepare or receive an updated fiscal analysis and revenue projections based on the revised proposal?**
- The proposed rebate represents approximately \$445,000 to \$775,000 in forgone Transient Occupancy Tax revenue each year (or roughly \$4.5 million to \$7.7 million over ten years). This is approximately 4% to 7% of Sebastopol's current General Fund. **Did the City consider alternative incentive structures, such as guaranteeing that Sebastopol receives a minimum amount of hotel tax revenue each year before any rebate is paid, or placing a cap on the total rebate, to better protect the City's long-term finances while still supporting the project?**
- **Because this is a significant public investment, has the City considered *requiring* annual public reporting?**
- **Has the City considered collecting additional data from the Hotel, not only on how the rebated funds are spent but also on anonymized visitor data such as where visitors come from, how long they stay, what brings them to Sebastopol, how they found the hotel, seasonal occupancy, and whether visitors are spending time and money throughout the rest of the city?** Those data could become an invaluable public resource for future economic development planning.

Sebastopol's General Plan calls for supporting existing businesses, encouraging new ones, diversifying the local economy, strengthening all of the City's commercial districts, and maintaining long-term fiscal sustainability.

I hope the City will use this partnership with the Hotel not only to build a successful hotel, but also to create an invaluable public asset through better data, stronger accountability, and measurable benefits for small and local businesses and their workers all throughout the City of Sebastopol.

Thank you for your consideration. I look forward to tonight's discussion.

Sincerely,

Bianca Blomquist

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