FAQs from Public Comment

Item 14. Building the Commons Final Report Out

1. What rent would the Library and Senior Center be expected to pay if they relocated to the O'Reilly site?

   The amount of rent, if any, that the Library and Senior Center would pay at the O'Reilly site has not yet been determined. This is one of the key items that would be further developed as part of the financial viability analysis requested for consideration by the City Council on Tuesday.

2. What organizations or businesses have expressed interest in leasing space at the O'Reilly site, and are those commitments currently confirmed?

   There have been preliminary conversations with potential organizations and businesses regarding possible use or lease of space at the O'Reilly site. These discussions are not currently firm commitments. Additional information regarding the cost of acquiring and improving the building, potential rents, operating costs, and the overall financial structure would need to be developed before potential tenant commitments could be considered firm.

3. How financially dependent is the proposed project on the future sale or redevelopment of the existing Library, Senior Center, and other City-owned properties?

   The extent to which the project would rely on the sale, lease, or redevelopment of existing City-owned properties has not yet been finalized. The next financial viability analysis would evaluate the assumptions regarding these properties, including whether they would need to be sold or could instead be retained or redeveloped for other uses.

4. What financial risks would the City assume if projected tenants, donations, property values, or other anticipated revenues do not materialize?

   The financial risks would depend on the final project structure, including the City's costs, financing, operating expenses, tenant commitments, donations, and the potential revenue from existing City-owned properties. These assumptions and potential risks would be evaluated through the next financial viability analysis. The analysis should also identify potential scenarios if projected revenues or tenant commitments are lower than anticipated.

5. How much would it cost the City to operate and maintain the O'Reilly property?

   The full operating and maintenance costs have not yet been established. These costs would need to include items such as utilities, insurance, maintenance, repairs, property management, custodial services, and other ongoing building expenses. These assumptions should be included in the next financial viability analysis.

6. Is the City assuming that additional office or commercial tenants will lease space at O'Reilly, and how realistic are those assumptions given current office-market conditions?

   Potential rental income from additional tenants is one component of the financial concept, but the level of tenant demand, achievable rents, vacancy assumptions, and operating costs have not yet been established. These assumptions should be tested as part of the next financial viability analysis rather than treated as confirmed revenue.

7. Would relocating the Library, Senior Center, and other civic uses from downtown affect pedestrian activity and the vitality of existing downtown businesses?

   Relocating civic uses would change the way those facilities contribute to activity in the downtown area. Several public comments have raised concerns that the Library and other civic facilities currently serve as downtown destinations that bring people to nearby businesses.

   At the same time, redevelopment or reuse of the existing City-owned downtown property could create other opportunities for downtown activity. What those opportunities could be, and how they would compare with the existing civic uses, would need to be evaluated before any decision is made regarding relocation.

8. Would the O'Reilly location provide the same opportunities for residents to combine visits to civic facilities with visits to downtown businesses and other destinations?

   No. The O'Reilly site is in a different part of the City and would provide a different pattern of trips than the current downtown locations. Residents could potentially combine visits to the Library, Senior Center, Community Center, and other uses at the O'Reilly site, while residents currently have the opportunity to combine civic visits with downtown businesses and other downtown destinations.

   The relative benefits of these different patterns of activity should be considered as part of the City's evaluation of the proposal.

9. Is the O'Reilly site considered part of downtown, and how would relocation relate to the City's goals for downtown?

   The O'Reilly site is outside the City's traditional downtown area, although it is within the City of Sebastopol. Moving civic uses to O'Reilly would therefore represent a change in the location of several important community facilities.

   The City would continue to have a goal of maintaining a vibrant downtown. If existing civic properties were no longer needed for their current uses, their future use or redevelopment would also be an important part of evaluating the overall community and downtown impacts of the proposal.

10. How would relocating civic facilities to the O'Reilly site affect walking and biking access, particularly for children, seniors, and residents coming from nearby neighborhoods and schools?

    The O'Reilly site is accessible by walking and bicycling and is adjacent to residential areas and near schools and community destinations. However, it is located in a different part of the City than the existing downtown civic facilities.

    Public comments have raised concerns that some children, seniors, and other residents would have a longer or less convenient trip to O'Reilly than to the existing Library and Senior Center. The City should evaluate these differences, including actual walking and bicycling routes, distances, crossings, accessibility, and the needs of different users.

11. Would the O'Reilly site be as accessible by walking, biking, and transit as the existing downtown locations?

    The O'Reilly site is accessible by walking, biking, and transit, but it does not provide the same geographic location or travel patterns as the existing downtown facilities. Accessibility should therefore be evaluated based on where residents live, where schools are located, available transit service, pedestrian and bicycle routes, and the specific needs of Library and Senior Center users.

12. What are the safety and accessibility considerations for pedestrians and bicyclists traveling to the O'Reilly site, including the route along Highway 116 and the Joe Rodota Trail?

    The site has pedestrian and bicycle connections, including a sidewalk along Highway 116 and access to the Joe Rodota Trail.

13. What is the scope of the committee?

    The Committee proposes the creation of the Sebastopol Commons, a multi-use civic space envisioned as a hub for education, arts, health, senior services, and community engagement. The concept would co-locate or coordinate community services and organizations to maximize shared resources and long-term sustainability. To advance this work, the Committee proposes expanding its membership, developing a detailed project concept and funding plan, exploring grant, foundation, and public-private funding partnerships, and continuing to provide quarterly progress reports to the City Council.

14. Who funded the Library LANTERN feasibility study?

    Records located to date show that LANTERN applied for Community Benefit Grant funding from the City of Sebastopol in FY 2017-18 for a 'Sebastopol Library Assessment and Initial Design' project. The application proposed using Community Benefit Grant funds to pay for consultant, engineering, and architectural services related to a library assessment and initial schematic design work. The Lantern appears to have received City funding through the community benefit grant program and approved grant amounts were:

    - FY 2014-15: $5,000
    - FY 2015-16: $5,000
    - FY 2016-17: $5,000
    - FY 2017-18: $10,000
    - FY 2018-19: $9,860
    - FY 2019-20: $7,200

    Total: $42,060

    The Lantern did not request CBG funding in FY 2020-21, FY 2021-22, FY 2022-23, or FY 2023-24. The Community Benefit Grant Program was suspended in FY 2024-25.

15. How many meetings have been held for building the commons?

    There have been 17 meetings of the Building the Commons Committee.

16. Any cost to use of O Reilly Bldg for town halls?

    There is no cost other than staff time.

17. Any staff time for town halls?

    Yes, as part of supporting the City Council approved committee, staff set up the building with tables, chairs, handouts, display items, and the monitor. Hourly staff only attended the event that was during business hours.

18. Why disband the Committee now, before due diligence is even done?

    The Committee was only tasked for a one year duration.

19. Does this commit us to a bond or ballot measure?

    No

20. Can the city take out a traditional loan?

    The City cannot incur debt secured by the General Fund without voter approval. However, there are other financing options frequently used by cities for large purchases or projects.

    This will be evaluated as part of the due diligence.

21. Is the $40,000–$50,000 consultant estimate firm or a guess?

    This is an estimate. Staff would return to the City Council and Budget Committee with a final contract amount.

22. Does the Library have to move? Can the County even say no? What if the Library says no or wants a different site?

    The City would move forward in collaboration with the Sonoma County Library.

23. Has there already been discussion or negotiations with the owner? Is this a done deal — has the City already decided to buy O'Reilly?

    No, the City Council is being ask to authorize further due diligence to negotiation a potential purchase or lease agreement with the owners so that more firm financial numbers can be analyzed.

24. Will the Library really leave downtown? What about kids who walk there after school?

    The Library could potentially move to the O'Reilly site. As part of the project transportation options for schools located further away from O'Reilly will be evaluated.

25. Was picking this location a fair and open process

Yes, the Committee has held 18 public meetings as part of this process. The Council is also not making a final decision today; it is simply being asked to authorize the opportunity to investigate the options further.

26. City buildings/leases/how much has been budgeted in past/current budget that City pays?

Location / Branch	Landlord	Address	Lease Date / Term	Rent	Utilities/Janitorial
Cloverdale	City of Cloverdale	401 N. Cloverdale Blvd	Oct 20, 1987; year-to-year, 18 mo. notice to cancel	$0 — library service is consideration	Library pays gas/electric/water/janitorial
Sonoma	City of Sonoma	755 W. Napa St	Feb 5, 1998; year-to-year, 18 mo. notice	$0	Library pays utilities/janitorial
Sebastopol	City of Sebastopol	7140 Bodega Ave	Jan 1, 2023 – Dec 31, 2036 (13 yrs), 18 mo. notice to cancel	$0	Library pays utilities/janitorial
Rohnert Park	City of Rohnert Park	Parcel Map 170, Lot 3 (~1.05 acres)	Apr 8/14, 2003; year-to-year, 18 mo. notice	$0 — "rent free"	Tenant responsible for utilities/interior maint.
Windsor	Town of Windsor	9291 Old Redwood Hwy, Bldg 100	Oct 1, 2020; orig. term to 6/30/2023 + up to four 1-yr renewals (now on 4th renewal, through 6/30/2027)	$0 — "free of any rent"	Library pays water/wastewater/janitorial
Healdsburg	City of Healdsburg	139 Piper St	2023; 20 years from Effective Date	$1/year	
Guerneville (GV Library)	County of Sonoma (not a city)	14107 Armstrong Woods Rd	Feb 29, 2024; 10-yr initial term + two 5-yr options	$0 — "free of any rent"	
Petaluma	City of Petaluma	Petaluma Branch Library	Feb 8, 2024 (Amended & Restated); 40-year term + 10-yr renewal option	$0 base rent — service is consideration ("additional rent" only for pass-through charges)	
Santa Rosa	City of Santa Rosa	Multiple SR branch properties (Master Lease)	Effective 2026; 10-yr term + one 10-yr extension option	$0 base rent (same "additional rent" carve-out as Petaluma)	
Forestville (Laguna / El Molino HS)	West Sonoma County Union High School District (not a city)	7050 Covey Rd, Forestville	2025 Amendment; expires June 30, 2029	Real rent, 3%/yr escalation: $533.89 → $600.93/mo (FY24-25 to FY28-29)	District provides utilities free; Library pays $80/mo custodial + $640/yr deep clean
Roseland	Private commercial landlord (not a public entity)	470 Sebastopol Rd, Santa Rosa	June 2019	Real commercial rent: $5,642.60/mo base ($1.90/sf × 2,954 sf), subject to contractual rent adjustments	

27. What does County pay for other leases for cities

Spreadsheet attached as Attachment 1.

28. What if due diligence shows this doesn't pencil out — will the City still move forward?

The Ad-Hoc will return to City Council for further guidance with the results of this due diligence.

29. Who was interviewed

    The interviews are anonymous

30. The Community Needs Assessment Subcommittee said its focus would "shift toward broader community outreach and engagement," including "public education and outreach efforts related to the potential locations, gathering community feedback, and helping facilitate conversations with community organizations, residents, and stakeholders." This is broad language — it does not specify a Town Hall format. Will there be additional town halls for the community at a location other than O Reilly?

    Yes, the intention is to continue having this conversation with the Community as we gain more information.

31. What would it cost to provide an ASL interpreter for outreach meetings?

    The hourly rate is $105

32. Will nonprofits that currently lease City buildings for zero dollars be charged rent at O'Reilly?

    This will be assessed as part of the next phase of the due diligence and financial analysis.

33. Does the City lose any funding by participating in an EIFD?

    No, certain property tax revenue is just directed toward specific infrastructure projects.

34. How would the EIFD actually pay for the loan if the O'Reilly site was purchased?

    If the Commons is identified as an eligible project in EIFD's Infrastructure Financing Plan, EIFD funds could be used to purchase the property.

35. Does this financing model work without selling the downtown City properties?

    This will be evaluated as part of the fiscal analysis.

36. Is the Commons project now a Council priority given it does not appear in the adopted FY 2026-27 priorities or budget, and what existing work will be deferred, cut, or otherwise funded to make room for it?

    The City Council has authorized the Committee for Building the Commons to explore and develop the concept, including evaluating potential locations, occupants, costs, and potential funding sources. The Committee was established to give more specific and actionable definition to the Commons concept; it was not authorized as part of the FY 2026-27 budget to acquire property, construct a facility, or commit City funding to a particular project.

37. Is the Council prepared to shift City resources and staff capacity from public safety, streets, and water/wastewater operations toward managing a large commercial rental property?

    The management and operational structure would be determined during future phases of the project and would likely require additional staffing if the facility were managed and operated solely by the City.

The following are all questions that would be covered under our due diligence process.

38. What is a lease revenue financing structure?
39. What happens if we can't hit the $1.75/sq ft rent or 50% occupancy?
40. What's the bond counsel input on tax-exempt financing?
41. Can the City purchase O'Reilly and then rent it at market rate to make a profit, or are there legal restrictions?
42. The Senior Center building was reportedly a gift to the City to be used as a Senior Center. Are there deed or other restrictions on selling it or using it for anything else?
43. Can the City legally use General Fund tax revenue and municipal borrowing to acquire and renovate property substantially larger than needed for municipal purposes, with the excess space operated as commercial rental property to generate revenue?
44. What would the City's actual net financial return be from the commercial rental operation after accounting for vacancy, management costs, utilities, insurance, maintenance, tenant improvements, leasing commissions, capital replacements, and debt service?
45. What property is actually being contemplated for purchase — one, two, or all three buildings .

46. Which organizations will be permanent occupants of the Commons, how much space does each require, and what financial participation is expected from each?
47. Will binding space and financial participation agreements with each core civic occupant be in place before the City commits to a purchase?
48. What would architectural programming/test-fit work cost, and will it be completed before the final purchase decision?
49. Does the rental-income projection still work once space is set aside for City Hall and Library back-of-house use, and how does the resulting rent compare to projected annual debt service?
50. Is the assumed 4.39% interest rate realistic given the amount of commercial leasing planned, and how would that leasing affect eligibility for tax-exempt financing and the applicable rate?
51. How does the financing plan hold up if donations come in below $3 million, City property-sale proceeds come in below $4 million, or renovation and transaction costs increase?
52. What would it cost to operate and maintain the property annually — utilities, cleaning, landscaping, security, insurance, tenant improvements, telecom, electrical and HVAC capacity, and capital reserves — modeled over at least 10 years with low/base/high scenarios?
53. What are the City's month-by-month cash-flow needs from closing through stabilized occupancy, and who funds debt service and operating costs before rental income begins?
54. How would City ownership affect the property's tax-roll status, City property tax revenue, and EIFD increment, and would private tenants owe property tax in addition to rent?
55. Is the building suitable for the proposed uses — including the Library's space needs and the Community Center's noise/adjacency concerns — and what does a building-condition assessment show about near- and long-term capital needs?
56. Is this project politically acceptable to taxpayers, given expectations that City resources fund core services such as public safety, streets, parks, and storm drains?
57. Does the $208,018 current General Fund operating expense figure for the Library, Community Center, and Senior Center capture all relevant cost categories, or only routine operating and maintenance expenses?
58. Is the approximately $2.5M ten-year cost projection based solely on inflating current operating costs, or does it also include anticipated major maintenance and capital repairs for the three buildings over that period?
59. What's the O'Reilly building's actual condition — any red flags?
60. Is it appropriate to count the Community Center's $0.5M flood-repair CIP as a cost avoided by the Commons project, given that decision could be made independently of whether the City purchases O'Reilly?
61. What is the basis for assuming the O'Reilly down payment and development costs could be financed for under $3M, and has that assumption been reviewed by a financial advisor or bond counsel?
62. Does the cost comparison account for the full cost of owning and operating the O'Reilly property — not just debt service — including the ongoing operating costs and capital reserves described elsewhere in this due diligence process?
63. What buildings and time frame define "current buildings" in this comparison — only the Library, Community Center, and Senior Center, or also City Hall and other City-owned facilities — and does the comparison period match the term of the proposed financing?

Follow-Up Questions: Cost Comparison of Current Buildings vs. O'Reilly Purchase

64. **Has Sonoma County approved participation in Sebastopol's EIFD, and has the City already committed the EIFD to funding a "Commons" building, or are the possibilities still broad?**

    No, the County has not yet approved participation in Sebastopol's EIFD, and no project list or funding priorities have been approved. The Infrastructure Financing Plan will need to be approved by both the City Council and the Board of Supervisors, assuming the County participates.

65. What specific data substantiates the claim made at the Commons meeting that it will cost more to maintain the City's current buildings over the next ten years than it would to purchase and own the O'Reilly building, and what is the full scope of that comparison — does it include all City-owned buildings, only those in the Commons discussion, and over what time frame?

    Based on the Building the Commons Finance Subcommittee's current understanding (to be vetted by a financial advisor): current General Fund operating expenses for the City-owned Library, Community Center, and Senior Center total approximately $208,018 for this budget year. Projected over 10 years with inflation, that is approximately $2.5M. Adding the Community Center CIP for flood repairs (~$0.5M), which may not be needed if the Community Center relocates, brings the total to approximately $3M. The current financial model assumes the O'Reilly down payment and development costs could be financed for less than $3M, with several scenarios showing a lower amount and annual debt service potentially below current operating costs for the three buildings.

ATTACHMENT A

City-Owned Properties

Property / Site	Property Description	Address	Tenant / Operator	Annual Rent Received ($)	FY 2026-27 Budget ($)	FY 2026-27 Contracted Services ($)	Total City Cost ($)	Net Annual City Impact ($)	Notes / Comment
Senior Center	Senior Center	167 North High Street	SC	-	$57,655		$57,655	($57,655)	No rent. Tenant pays utilities, janitorial, and interior maintenance; City covers major systems, exterior, garbage, and property insurance.
Museum	Museum	261 South Main Street	Western SoCo Historical Society	-	$1,500		$1,500	($1,500)	
Community Center	Community Center	390 Morris Avenue	SCCC	-	$147,059		$147,059	($147,059)	No rent. SCCC manages operations and interior upkeep; City pays utilities, exterior maintenance, landscaping, garbage, and property insurance. Additionally $550,000 Flood Repair CIP
Laguna Park	Restroom/Storage Building	390 Morris Street	Sebastopol Little League	-	$3,600		$3,600	($3,600)	No rent. Little League maintains and operates the facilities; City pays reasonable water and sewer costs.
Laguna Park	Concessions and Restroom	390 Morris Street	Sebastopol Little League	-			-	-	No rent. Little League operates and maintains the facilities and pays concession-stand electricity.
Youth Center	Youth Center Building	425 Morris Street	SCCC	-			-	-	No rent. Covered under the SCCC lease; SCCC manages operations and interior upkeep, while City covers utilities and exterior costs.
Wischemann Hall	Wischemann Hall	465 Morris Street	Redwood Rainbows Square Dance Club	-			-	-	Operator manages, maintains, and rents Wischemann Hall. Annual report provided; lease payment terms were not included.
Village Park MHP	Mobile Home Park	6665 & 6685 Sebastopol Avenue	WCCS	-	$12,000	$75,000	$87,000	($87,000)	
Village Park MHP	Vacant Apartment Units	6665 Sebastopol Avenue	WCCS	-			-	-	
Park Village MHP	Manager Unit and Office	6665 Sebastopol Avenue	WCCS	-			-	-	
Skate Garden	Restroom	6700 Laguna Parkway	City	-			-	-	
Police Station	Police Station	6850 Laguna Parkway	City	-			-	-	
Police Station	Garage Building	6850 Laguna Parkway	City	-			-	-	
Town Plaza	Plaza Pavilion	6901 McKinley Street	City	-			-	-	
Town Plaza	Plaza Restroom	6902 McKinley Street	City	-			-	-	
Downtown Plaza	Restroom	6911 Weeks Way	City	-			-	-	
Palm Avenue Rental Property	Rental Property	6901 Palm Avenue	Leff Construction	$3,000			-	$3,000	
City Hall	City Hall	7120 Bodega Avenue	City	-			-	-	
City Hall	Cell Tower	7120 Bodega Avenue	Crown Castle	$49,572				$49,572	
Corporation Yard	Main Building	714 Johnson Avenue	City	-			-	-	
Corporation Yard	Storage/Equipment Building	714 Johnson Avenue	City	-			-	-	
Corporation Yard	Garage Building	714 Johnson Avenue	City	-			-	-	
Library	Library	7140 Bodega Avenue	SoCo Library	-	$3,000		$3,000	($3,000)	No monetary rent; library services are the consideration. Tenant pays utilities, janitorial, and routine maintenance.
Ives Park	Bath House	7400 Willow Street	West County Swimmers	-			-	-	No rent stated. Operator manages the pool, pays utilities except water, and reimburses the City for pool chemicals.
Ives Park	Restroom	7400 Willow Street	West County Swimmers	-			-	-	
Ives Park	Main Swimming Pool	7400 Willow Street	West County Swimmers	-	$259,483		$259,483	($259,483)	
Ives Park	Training Swimming Pool	7400 Willow Street	West County Swimmers	-			-	-	
Ives Park	Pool Building	7400 Willow Street	West County Swimmers	-			-	-	
Ives Park	Shed Building	7400 Willow Street	West County Swimmers	-			-	-	
Burbank Experimental Farm	Cottage	7777 Bodega Avenue	Western SoCo Historical Society	-	$1,500		$1,500	($1,500)	
Burbank Experimental Farm	Barn	7777 Bodega Avenue	Western SoCo Historical Society	-			-	-	
Burbank Experimental Farm	Greenhouse	7777 Bodega Avenue	Western SoCo Historical Society	-			-	-	
Burbank Experimental Farm	ADA Restrooms	7777 Bodega Avenue	Western SoCo Historical Society	-			-	-	
Willard Libby Park	Garzot Building	7985 Valentine Avenue	SCCC	-			-	-	No rent. Covered under the SCCC lease; SCCC manages operations and interior upkeep, while City covers utilities and exterior costs.
TOTAL				**$52,572**	**$485,797**	**$75,000**	**$560,797**	**($508,225)**	