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RESOLUTION NO. 6813-2026

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SEBASTOPOL APPROVING A DEFERRAL OF THE PARK IMPROVEMENT FEE AND TRAFFIC IMPACT FEE FOR THE GRAVENSTEIN COMMONS PROJECT, 845 GRAVENSTEIN HIGHWAY NORTH (APPLICATION NO. 2025-0037), AND AUTHORIZING THE CITY MANAGER TO EXECUTE A FEE DEFERRAL AGREEMENT WITH THE SOCIETY OF ST. VINCENT DE PAUL DISTRICT COUNCIL OF SONOMA, INC. AND TO RECORD A DEED OF TRUST SECURING PAYMENT

WHEREAS, the Society of St. Vincent de Paul District Council of Sonoma, Inc. ("SVDP") is developing Gravenstein Commons, a housing project located at 845 Gravenstein Highway North, Sebastopol, California (APN 060-261-030), under Application No. 2025-0037 (the "Project"); and

WHEREAS, the fees assessed on the Project total $543,666.83, of which SVDP has paid $183,376.83, leaving an outstanding balance of $360,290.00, consisting of the following:

Park Improvement Fee	$197,868.00
Traffic Impact Fee	$101,728.00
General Government Fee	$45,232.00
Fire Facilities Fee (Gold Ridge Fire Protection District)	$14,682.00
Strong Motion Instrumentation Fee (State of California)	$780.00; and

WHEREAS, by letter dated September 23, 2026, SVDP requested that the City accept the outstanding balance of $360,290.00 in three annual installments beginning October 1, 2027, and ending October 1, 2029; and

WHEREAS, the Fire Facilities Fee and the Strong Motion Instrumentation Fee are collected by the City on behalf of the Gold Ridge Fire Protection District and the State of California, respectively, and are not the City's to defer; and

WHEREAS, the Park Improvement Fee and Traffic Impact Fee fund park and transportation capital improvement projects, and a limited deferral of these fees, secured by a recorded deed of trust, would assist the Project while ensuring the City receives the full amount of the fees; and

WHEREAS, a deferral does not reduce the total fees owed to the City, but changes the timing of their receipt; and

WHEREAS, any deferral of fees beyond issuance of the Certificate of Occupancy requires approval of the City Council, a written agreement between the City and SVDP, and a deed of trust recorded against the property to secure payment; and

WHEREAS, on November 17, 2026, the City Council considered the staff report, SVDP's request, and all public comment received on this matter.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Sebastopol as follows:

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Section 1. Recitals. The foregoing recitals are true and correct and are incorporated into this Resolution.

Section 2. Fees Due Before Certificate of Occupancy. The General Government Fee, Fire Facilities Fee, and Strong Motion Instrumentation Fee, totaling $60,694.00, shall be paid in full before the City issues a Certificate of Occupancy for the Project.

Section 3. Deferral Approved. The City Council approves a deferral of the Park Improvement Fee and Traffic Impact Fee, totaling $299,596.00, to be paid in two annual installments of $149,798.00 each, due on July 1, 2027, and July 1, 2028. No interest shall accrue on the deferred balance.

Section 4. Conditions. The deferral approved in Section 3 is subject to the following conditions, which shall be included in a Fee Deferral Agreement between the City and SVDP:

a. The payment schedule set forth in Sections 2 and 3 of this Resolution;
b. Execution of the Fee Deferral Agreement and recordation of a deed of trust on the Project property securing SVDP's payment obligations, both before issuance of the Certificate of Occupancy;
c. Any unpaid balance shall become immediately due and payable upon the sale, transfer, or refinancing of the property, or upon SVDP's default under the Fee Deferral Agreement;
d. SVDP shall pay the City's costs of preparing and recording the Fee Deferral Agreement and deed of trust; and
e. If the Fee Deferral Agreement is not executed and the deed of trust is not recorded before issuance of the Certificate of Occupancy, the full outstanding balance of $360,290.00 shall be due before the Certificate of Occupancy is issued.

Section 5. Authorization. The City Manager is authorized to execute the Fee Deferral Agreement and to record a deed of trust securing SVDP's payment obligations, each in a form approved by the City Attorney, and to take all other actions reasonably necessary to carry out this Resolution.

Section 6. CEQA. This action is not a project under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15378(b)(4), as it involves a government funding mechanism or other fiscal activity that does not involve a commitment to any specific project that may result in a potentially significant physical impact on the environment.

Section 7. Effective Date. This Resolution shall take effect immediately upon its adoption.

The above and foregoing Resolution was duly passed, approved, and adopted at a meeting by the City Council on the 17th day of November 2026.

I, the undersigned, hereby certify that the foregoing Resolution was duly adopted by the City of Sebastopol City Council by the following vote:

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VOTE:

Ayes: Councilmembers Carter, Hinton, and Vice Mayor Maurer
Noes: Councilmember Zollman and Mayor McLewis
Abstain: None
Absent: None

APPROVED: Signed by: Jill McLewis 7C6BCED0A8914A1...
Mayor Jill McLewis

ATTEST: Signed by: Mary Gourley 44C0774260FE430...
Mary Gourley, City Manager

APPROVED AS TO FORM: Signed by: Alex Mog 66BDB79D572A4EB...
Alex Mog, City Attorney

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The Society of St. Vincent de Paul
District Council of Sonoma County, Inc.

Neighbors helping neighbors across Sonoma County ♦ Serving the poor regardless of race, creed, or origin since 1958
♦ An independent non-profit organization founded in 1833 by Blessed Fredric Ozanam

9/23/2026

Dear City Manager Gourley,

The Society of St. Vincent de Paul District Council of Sonoma, Inc. (SVDP) sends this formal request to you, your staff, the Mayor, and Council to seek a fee deferral agreement regarding the payment of fees on the Gravenstein Commons project, located at 845 Gravenstein Highway North. Our staff estimates the amount owed to the City is roughly $360,290. We have already paid $183,376.83.

We respectfully request the following:

1. Remit $120,097 on October 1st, 2027
2. Remit $120,097 on October 1st, 2028
3. Remit $120,096 on October 1st, 2029

Should the amount we have estimated be incorrect, our request is to amortize the payments to 33.33%, paid annually, on October 1st of each calendar year, commencing October 1st, 2027.

Granting this request would be a tremendous help to the long-term viability of the project. As our partner that is jointly and severably liable for the success of the project, we believe it would be in our shared interest. As noted above, SVDP has already remitted $183,376.83 in fee payments to the City, so the City has already benefitted from our investment, and will continue to under this proposal.

Moreover, early on in the development process, SVDP incurred $96,000 in unanticipated change orders (construction expenses) due to outdated water and sewer maps provided by City Staff. Our contractor, Holly Construction, had secured an encroachment permit, paid our engineering consultant to design the plans, blocked off the street, and dug a trench, only to find that the infrastructure identified by the city-provided map was an old abandoned line. We then had to re-engineer the plans, pay a remobilization expense to the subcontractor, pay for a new encroachment permit, and dig into the street again.

At the time, we discussed asking the City to pay for the added cost, but we are aware Sebastopol - and many cities - do not have hundreds of thousands of dollars at their disposal to pay for such oversights. Furthermore, even though this was the City's mistake, overall, our

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experience with your staff has been excellent. We find them to be capable, professional, reasonable, and supportive. We couldn't have asked for a better partner in your planning staff.

That said, however, instead of seeking direct cost recovery from the City for this error, this proposal to amortize the payments would still achieve our mutual goal of swift completion of the project, with funds available for its long-term success. Perhaps most important to the City and its taxpayers, this proposal will result in the City's ability to collect the full amount of fee revenue without compensating SVDP for the incorrect maps.

Thank you for your consideration of our request.

Sincerely,

Lauren Taylor

Executive Director
SVDP – Sonoma
ltaylor@svdp-sonoma.org
(707) 481-8206