

Sonia E. Taylor
306 Lomitas Lane
Santa Rosa, California 95404
707-579-8875
great6@sonic.net

10 July 2017

Shirlee Zane, Chair
James Gore
Susan Gorin
Lynda Hopkins
David Rabbitt
Sonoma County Board of Supervisors
575 Administration Drive, Room 100 A
Santa Rosa, CA 95403

Via email

Re: Chanate Complex, Approval of the Disposition and Development Agreement
Item 9 on the July 11, 2017 Board Agenda, Consent Calendar

Chair Zane and Members of the Board of Supervisors:

I find that I must again correspond with you on this matter.

Before I address the specific assertions you make in the Staff Report for this item, I must correct my June 19th letter to you: You have essentially given your chosen developer a 3 year option (with one 365 day extension, at least) on this 82 acre site for a total of \$50,100, not the \$100 I previously stated. I must apologize. I had forgotten about the \$50,000 non-refundable payment the developer made to the County in consideration for the Agreement to Negotiate Exclusively you approved in February of this year.

I certainly do not fault the developer for negotiating the within Disposition and Development Agreement (DDA) – as a businessman, his job is to get the best deal he can for himself. And he got a good one.

I do, however, fault the County for not negotiating a good deal for County taxpayers. As stated in my June 19th letter, there is no question in my mind that this is a gift of public funds and assets in violation of our Constitution.

Additionally, since I was finally able to review a copy of the October 26, 2016 Appraisal Addendum (not provided to the public until I demanded to see it in my June 19th letter), I see that the County, through its appraiser, is now asserting that there are no earthquake faults on the site, based on a series of letters dated in 1992. This is clearly a difference of opinion between experts, but the result of this assumption of no fault traces is that the value of the property increases by only 5%! This is an astonishingly tiny increase in value, considering that the 2014 appraisal by the same firm considered the value of the property without earthquake faults to be almost **50% more valuable** than with fault traces.

With regard to the assertions made in the current Staff Report, following are my comments, for the record:

1. **CEQA Review.** My letter of June 14, 2017 stands.

2. **Entitlement Process.** This entire section of the Staff Report is disingenuous. The County has so far pre-designed this project entirely behind closed doors – and, in fact, the County and developer have another 180+ days to finalize the Concept Project Plans required by the DDA, which will also be done in secret. These Concept Project Plans will be the basis for everything submitted to the City of Santa Rosa, and, in the County’s own words, will “serve as a vehicle for the County to **ensure that certain components proposed by the Gallaher proposal are included in any development approved by the City.**”

The County can’t have it both ways. If the City of Santa Rosa truly can entirely ignore everything the County has done to date, and approve a project that is completely different than what is proposed in the yet to be seen Concept Project Plans, then how can the County “ensure” any components of what they have preplanned for this site behind closed doors? And, if these “certain components” are somehow required to be included in whatever development Santa Rosa approves, then those “certain components” necessarily must have been open to public discussion at the County level, and should not have been designed and planned behind closed doors.

3. **Alleged “Savings Clause.”** This is an interesting new “definition” for Section 3.4’s threat to the City of Santa Rosa that if Santa Rosa doesn’t approve a minimum of 650 units of housing on the site, the County will “claw back” the entitlement process.

The County is stating that this clause will: **“allow the parties to explore if there is a mutually acceptable path forward for the project before the parties can terminate the Disposition and Development Agreement.”**

It appears to me that the truth is finally emerging about this DDA and proposed development. It appears that the County’s selected developer must have entitlements for at least 650 units of housing (I believe not including the Veteran’s housing), and/or that the County must have payment for 650 units of housing, or else he or the County will terminate the sale. The entire discussion of 400 units appears to be a smokescreen. The most disturbing part of this entire process is that this project will absolutely require the completion of an Environmental Impact Report (as well as a seismic, geotechnical and other possible studies), and until the EIR and other studies are completed, no one knows how much housing or any other development is possible on the site.

The County and/or the developer appear to be entering the entitlement process with Santa Rosa under false pretenses, and that is why there is no question about the fact that this section is a threat to Santa Rosa – nothing more and nothing less.

4. **Integrity of Process.** There is no question, again, that the developer did his job and that the DDA favors the developer. Whatever the process of drafting the DDA was, it is clear that the County did not do its job and get the best deal for the taxpayers.

5. **Surplus Land Process.** First, it is not clear that the County conducted the Surplus Property process correctly. Second, the Surplus Property offering stated:

“Any proposal that offers less than \$15 million for the purchase of the property will not be considered.”

There is no question that this requirement was significantly different than that for the sale of the property contemplated in the within DDA. The County required anyone responding to the Surplus Property offering to pay \$15 million for the property.

If a nonprofit housing developer had known that they could have an 3-4 year option on this property for \$50,100, and could pay \$6 million for the property to construct 400 units of housing, I would speculate that we would have had multiple offers on the property, with all 400 units being legally affordable housing.

We'll never know, since the County changed the rules of the game.

6. Independent Consideration to the County. Whatever you want to call it, the fact is that the County's selected developer has invested a total of \$50,100 for a 3-4 year option on this property.

I hope that you all have read and thoroughly comprehended the DDA that is in front of you for approval. I hope that you all also have read all of the correspondence you have received about this DDA and this project.

If you have, I believe you will conclude that the speed and secrecy with which you have been conducting this property sale and project is not serving the County, the County taxpayers, or the public.

You have already had to endure one embarrassing situation surrounding the proposed development of Parcel J; I would hope that you now realize that there are enough other problems with the within DDA that you are willing to demand more time to educate yourself and the public about this project.

Please continue the finalization of this DDA for a minimum of 30 days, if not longer.

Thank you for your consideration.

Of course, please do not hesitate to contact me if you have any questions or require additional information.

Very truly yours,

Sonia E. Taylor

Cc: Caroline Judy, Sonoma County Director of General Services
Santa Rosa City Council
Santa Rosa Planning Commission
David Guhin, Santa Rosa Director of Planning & Economic Development
David Gouin, Santa Rosa Director of Housing & Community Services

Sonoma County Housing Advocacy Group
Accountable Development Coalition
Sonoma County Transportation and Land Use Coalition
J.D. Morris
Kevin McCallum
Paul Gullixson