



July 28, 2021

Sheryl Bratton, CAO  
Sonoma County  
575 Administration Drive, Suite 104A  
Santa Rosa, CA 95403

Re: TOT Reimbursement for Project Roomkey

Dear Sheryl:

The cities of Sonoma County are aware that the County has leased several hotels in the County for the purpose of providing isolation and support services for individuals infected with COVID-19. We also recognize that an outbreak at the Samuel Jones Hall Homeless Shelter prompted a need for additional rooms on very short notice. We appreciate the work that you have done to facilitate improved communications with cities as part of the rollout of the most recent operations. We are also supportive of the need to provide these services and believe that all public entities have a role to play in responding to the ongoing needs of the pandemic.

We are, however, concerned that this program, even though temporary, will have a substantial and negative impact on transient-occupancy tax (TOT) revenues for cities where the hotels are located. These impacts are particularly challenging for cities that rely heavily on TOT and are still struggling to recover from the immense revenue losses of the past year. For example, the Town of Windsor and City of Healdsburg are experiencing TOT revenue losses from the County initiated projects located within their respective cities. With that in mind, we write to urge the County to explore whether it has sufficient COVID-related funding from either State or Federal sources to reimburse cities for lost revenue resulting from these operations. In addition, we request that the County explore whether revenue impacts associated with Project Roomkey are reimbursable through FEMA or CalOES. If they do prove to be reimbursable, we ask that the county pursue that funding in order to make affected cities whole.

We appreciate your ongoing partnership and attention to this matter.

Sincerely,

*David Kelley*  
David Kelley, 2021 Chair  
Sonoma Area City Managers

C: Darrin Jenkins, City of Rohnert Park  
Damien O'Bid, City of Cotati  
Susan Casey, City of Sonoma  
Jeff Kay, City of Healdsburg  
Ken MacNab, Town of Windsor  
Larry McLaughlin, City of Sebastopol  
Peggy Flynn, City of Petaluma  
Jeff Kolin, City of Santa Rosa