

Bliss, Sandi

15.1

From: Eric Fraser <casabello432@gmail.com>
Sent: Tuesday, November 19, 2019 10:29 AM
To: De La Rosa, Raissa; Brad Calkins (bradc@visitsantarosa.com); rbecker@visitcalifornia.com; Claudia Vecchio; Sheba.Person@sonoma-county.org
Cc: CityCouncilListPublic; Rivero, Rafael
Subject: [EXTERNAL] Re: Verifying data regarding Santa Rosa's California Welcome Center

Hello All;

(To get to the bottom of this, we have expanded the discussion to include the Executive Director of the Sonoma County Economic Development Board, **Sheba Person-Whitley**. We have also included the Santa Rosa City Council as the visitor count data is being used within the context of a proposed CBD for the area around where the Railroad Square California Welcome Center.)

After approximately 6 months of being ignored by Mr. Caulkins about the question of the veracity of the visitor count for the California Welcome Center located in Santa Rosa's Railroad Square, we finally received a response on the morning of 11/18/19:

"Greetings Eric,

For the CWC count we use the following procedure.

There is only one entrance to the CWC at the front doors. The other doors are locked and emergency exits only so someone can't enter through them.

We have a digital counter at the door. Each day the count is taken and reset and the count is reported monthly to both the Economic Development Board and Visit California.

We did see a large increase for the year and this was due to SMART train operations and the number of visitors coming off of SMART at the Downtown SR station.

Brad Calkins

Executive Director

707.524.2116 | visitsantarosa.com"

We casually observed, and therefore find highly suspect the visitor counts that have been reported by Mr. Calkin's reports for Visit Santa Rosa. For instance, for an annual count of 61,177 the CWC would need to welcome around 168 visitors a day (assuming the CWC is open 365 days/yr.), implausible for a building that can only accommodate a dozen or two visitors at one time with only three or four parking spaces. During our visits to the CWC we only see one or two other

We've attached the 2019-2020 draft report as the final draft, although presented to the City Council and therefore the public, cannot be found on the City's website. We raised our concerns about this report and the data sets to Raissa and Brad, but have not received a response that answers our questions.

We have a client interested in participating in the literature distribution programs emulating from the Center, however we need to get to the point where we can trust that what has been reported actually is true prior to proceeding.

Link to the 2018-2019 work plan and report as found on the City's website (claims 58,610 walk in visitors on page 13)
<https://srcity.org/DocumentCenter/View/21481/2017-2018-Annual-Report-2018-2019-Work-Plan>

We are looking to finalize our client's plans for 2020, so your responses and assurances that the report is accurate as soon as possible is requested.

Thank you very much,

Eric Fraser
Teamworkx
Casa Bello
707.479-8247

Rec'd at Meeting	11/19/2019
Item No.	15.1
From:	Eric Fraser

Railroad Square Community Business District Formation (CBD)

Our conclusion is that the formulation of the Railroad Square is ill-advised at this time.

- 1) The Downtown Action Organization, a sister organization for the proposed RSCBD, to be administered by the same quasi-government organization, the Santa Rosa Metro Chamber, is only a few months old. Already problems have developed:
 - a. Spending in excess of 12% on administration. The actual spend on administration from all layers (City, Chamber, contractors) appears to be in excess of 30%, but may be as high as 50-60% as the accounting is not clear in separating out administrative expenses.
 - b. Data supporting the performance of the DAO is also highly suspect and does not appear to be accurate.
 - c. Therefore, the formation should be tabled until more qualitative and audited data is available.
- 2) The formation of CBD increases costs for tenants and their customers as the assessments are passed on by the property owners to their tenants, and their tenants to the consumer.
 - a. Because costs rise for the small businesses there is a chilling effect on customer visits and spend.
 - b. Rising costs for rent have a derogatory impact on employee compensation. Decreases in customer visits due to higher prices also impact employees.
- 3) The City is using the CBD process to subject property owners to pay for services they already pay for through the multiplicity of taxes and fees they pay to the City already.
- 4) The City is (potentially illegally) using the interpretation of its voting rights as a "property owner" to cast votes in support of the CBD.
 - a. There is evidence that the City is colluding with the Chamber to create new revenue-producing channels for both organizations. While the Chamber supports and campaigns for politicians who support this scheme, the City is able to "double bill" for services it should be providing anyways (see point #3).
 - b. Because of this financial interest, the City is willing to sacrifice property owners who do not support the CBD formulation, probably in violation of these owners' rights. The residents, and consumers (visitors) should also have an expectation of fair representation from their elected officials too.
 - c. The City should not be allowed to vote for or against CBD formation, and should only be involved as a facilitator.
- 5) The City is willing to use defective data to promote the formation of, or the performance of, CBDs and BIAs.
 - a. Incongruent and suspicious sales tax data has been propagated and used to promote the proposed CBD, and defend the existing DAO.
 - b. Located with the proposed Railroad Square CBD is an official California Welcome Center (CWC). The Metro Chamber, through their Visit Santa Rosa agency (in lockstep with City staff) claim that 61,177 unique visitors were "welcomed" into the CWC. This visitor count appears to include the comings and goings of staff

and volunteers multiple times during any given day. The actual count of visitors is estimated to be radically smaller, maybe around 3,500 - 5,000 per year in one worksheet.

- 6) The recent disasters, the PSPSes, and the threat of new disasters has dramatically changed operating conditions for small businesses and disposable incomes for consumers. Now is not the time for additional costs.
- 7) The costs for new services does not come close to actual value benefit creation.
 - a. In spite of the cooked books for the DAO and self-aggrandizement of DAO staff and City staff, there has been little if any positive impact. The cost is in no way relative to the evidence of performance.
 - b. This is indicative of a leadership vacuum found within the Council and City staff, and of a quid-pro-quo to create revenue for government and quasi-government agencies only.
- 8) People throughout all spheres of city life probably agree that their streets, sidewalks, and empty lots should be safe and clean. We can all agree that economic activity should be robust and fair. In theory, we could all agree that government should not be allowed to perpetuate schemes that include bribery, shake-downs, unrepresented taxation, and more – accept those that are here today to do exactly that!

Respectfully submitted by Eric Fraser, greatercherry@gmail.com, 11/19/19.