



October 2, 2023

Mayor Kevin McDonnell  
City of Petaluma  
11 English Street  
Petaluma, CA 94952

Dear Mayor McDonnell,

At your meeting tonight, the City Council will consider a rental agreement template to be used for year-round tenants at the Petaluma Fairgrounds property. Based on information in the agenda item materials, once you have approved this template, the staff is authorized to enter into agreements with the current tenants without Council review or approval of these agreements.

Once again, the City of Petaluma's leadership lacks transparency in its business dealings.

The property management transition from the 4th District Agricultural Association (4<sup>th</sup> DAA) to the City has been of primary interest to the Petaluma community for decades. The Sonoma-Marin Fair and Petaluma Fairgrounds are cherished county landmarks and a valued asset for 85 years. People care deeply about the fairgrounds and deserve transparency from their elected officials regarding the City's decisions related to the property. You and the council members may not be obliged to approve the specific terms of these leases, but ethically, council members should make comments and act on these leases publicly at a council meeting.

The City refused to consider an extended lease, nor was the City willing to collaborate with the 4<sup>th</sup> DAA on a modified lease to accomplish the unstated, specific long-term goals of the City Council while allowing the District to continue property management. With an interest in community healing, the 4<sup>th</sup> DAA set aside further legal or political action and agreed to transition from being the leaseholder of the entire fairgrounds to producing the annual Sonoma-Marin Fair and managing day-to-day facility rentals. During the lease termination process, City representatives committed to keeping the primary rental terms "status quo," including the production of the annual fair.

The templates subject to council approval do not mention tenants needing to modify their facility use to accommodate the annual fair. Granted, the longstanding terms related to meeting the space needs of the Fair vary from tenant to tenant. Still, the City Council's commitment to the needs of the annual fair should be memorialized in this template agreement. The city management staff has made several comments suggesting that tenants will not be required to vacate for the yearly fair, and this rhetoric has us wary of the City leaders' intent.

Further, in 90 days, the lease between the City of Petaluma and the 4<sup>th</sup> DAA terminates. A few days ago, we received agreement templates from city staff, but as of this date, there have yet to be any draft



agreements or even a term sheet provided to the District. Can the State of California and the City of Petaluma likely negotiate and execute a contract in less than three months? Also, land, structures, maintenance responsibilities, and utilities must be effectively transferred in this short period. Is City leadership purposely stalling to make this transition more difficult or to force the 4th DAA into ratifying a less-than-desirable agreement?

The City has hired a property management company as the primary contact for the long-term tenants at the fairground's property. Again, transparency is needed. There was no bidding or public request for proposals to provide this service. Regardless of professional service procurement policies, this particular service is connected to one of the most important projects undertaken by the City Council in this decade. Public communications about the City's desire to find a suitable partner to manage the leases should have been communicated several months ago with an opportunity for interested parties to submit a proposal.

The 4<sup>th</sup> DAA Board of Directors requests that all fairground property tenant agreements be presented, discussed, and acted upon publicly at a City Council meeting. All nine tenant agreements need to reference the standard change of business procedures required to accommodate the annual fair. You and the council members were elected to publicly represent the community's interests, not to hide behind the hired staff.

Most importantly, to guarantee a smooth transition that will not adversely affect our community, as our city leader, you should require staff to prioritize the agreements between the City and the 4<sup>th</sup> DAA.

Failure of the City to improve transparency and to meet the implied intent of the Council's actions regarding the annual fair and daily rental program will force the Fair Board and our Fair supporters to secure a permanent solution *via the ballot box* that will guarantee the future of the 4<sup>th</sup> DAA and Sonoma-Marin Fair. *The choice is yours.*

Sincerely,

Michael Parks, President  
4<sup>th</sup> DAA and Sonoma-Marin Fair Board

Cc: 4th DAA Board of Directors  
City of Petaluma, Council Members  
Peggy Flynn, City Manager  
The Press Democrat, Editor  
The Argus-Courier, Editor