

Mayor Dukes, Members of the Council, thank you for your time this evening.
I am Larry Ozeran, living in northwest Yuba City.

This is a great project! I want to see it built. But that is not the question before you tonight. It will happen no matter what you decide. The jobs and tax revenues will still come. The fees we had in 2007 were artificially low and should no longer be offered. Do you really want them in 2012, five years later?

You know me well enough to know that I speak against adoption of this item 9 and ask you to direct the City Manager to stop future requests before they come to the Council.

I am strongly pro business. I dedicate many hours of my time to support businesses in this community through the Chamber of Commerce and a City commission. It is for that reason that I speak against political favors which supersede market forces. Any time you make an exception to our rules or laws which benefit one business, you are granting a political favor. You heard it tonight. This applicant does not want to subsidize other businesses either. Our impact fees are blended. If you accept that their fees should be on the low end, are you going to raise the fees of the other businesses who are higher to make up the loss?

There are only two possible situations in regards to our impact fees:
either they are fair and equitable to all businesses and the taxpayers or they are not.

If the impact fees **are not** fair, do not make an exception for one business, because you do not know the fair number. Are you going to slice each business category into multiple components? Instead, start an open process with the public, including the impacted businesses, and reassess new rates for all businesses, so that they are fair and equitable for all businesses and for all Yuba City Taxpayers. You apparently did this in July, though I never saw any meetings publicized.

If the impact fees **are** fair and equitable to all businesses and the taxpayers, then each time you reduce the fees for one business you create 3 bad outcomes:
you grant a political favor to one business,
you financially benefit one business over other businesses, and
you harm the taxpayers financially.

No business that wants to have customers in Yuba City should so boldly ask the taxpayers to fund their profits. It's not good PR. I know Pete. I like him. But I must disagree with him that this is not a handout. When he asks for a variance in the rules which gives him money, it is a handout. This Council has granted over \$1.5 million [*\$1.7 million***] in similar political favors. Please stop. If this is an over \$20 Million project, the fee reduction amounts to less than 1%. The small financial benefit for the business is not worth the overwhelming harm that comes in every other aspect of this transaction. I ask you once again, please do not authorize a variance in calculating impact fees tonight.

Thank you

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*** I should have said \$1.7 million, but I forgot to include the \$200,000 that the Council gave to the federal government for the VA clinic.*

It is also worth noting that had more time been allotted for testimony, I could have mentioned what should have been obvious to all. When presented with a rule with which you disagree, you can a) follow it anyway, b) work with the rule maker to change the rule, or c) break the rule. Of the three options, one is best avoided. Asking for an exception is like getting permission to break the rule, compromising both the requestor and the grantor. If the Club did not want to pay the current impact fee rate because they felt it was unfair, instead of asking for a favor, they could have worked with the City to craft new rules in public so that all sides could be heard. In asking for a 12 month extension, it is not like they are pulling their permits next week. If they have a strong rationale for their case, they should not be afraid to work with other businesses who would have to pay more so that they can pay less, and the taxpayers do not have to pay the difference. This option is still open to the Club and would not harm our community like the \$218,000 grant will.