

From: Erin Axelrod [REDACTED] >

Date: July 18, 2023 at 9:55:47 AM PDT

To: "Flynn, Peggy" <PFlynn@cityofpetaluma.org>

Subject: Re: Regarding outsourcing our entire Planning function to a for-profit consultancy

---Warning: Use caution before clicking any attachments. THIS EMAIL IS FROM OUTSIDE OUR EMAIL SYSTEM.---

Peggy,

My comments about your tenure in Novato were out of line, I apologize for that. Thank you for your service to this community and I strongly hope you will consider taking to heart the grand jury's recommendations so we can have the transparency required for a vibrant community and engaged, educated public!

Erin Axelrod

Partner / Worker Owner, [LIFT Economy](#)

I acknowledge that my home office sits within the xučyun-‘awwašte land today that is the unceded traditional ancestral homelands of the xučyun, an Ohlone people.

On Tue, Jul 18, 2023 at 8:16 AM Flynn, Peggy <PFlynn@cityofpetaluma.org> wrote:

Erin—while you are entitled to your opinion and we encourage that in public comments, you are not entitled to your own facts.

I left my 7-year career in the City of Novato in 2019 for the honor to serve the community I live in—Petaluma. I am incredibly proud of my work and accomplishments in Novato and I continue to be connected to that community to support where and when I can.

I am equally proud of what we are accomplishing in Petaluma—as a City and a community. While you may not agree with some of the policy decisions or outcomes, attacking people rather than helping to solve the issues we face is counterproductive and flies in the face of being ‘in community.’

Let’s elevate the conversation and create a Petaluma for all.

Peggy Flynn

City Manager

City of Petaluma | City Manager's Office

Phone. (707) 778-4345 |

PFlynn@cityofpetaluma.org

11 English St, Petaluma, CA 94952



Curious about what is happening with the Petaluma Fair and Fairgrounds? [Click to learn more.](#)

From: Erin Axelrod <[REDACTED]>
Sent: Monday, July 17, 2023 4:03 PM
To: -- City Council <--CityCouncil@cityofpetaluma.org>
Subject: Regarding outsourcing our entire Planning function to a for-profit consultancy

Hello,

I am writing to express my concern about outsourcing Petaluma planning services to a for-profit consultancy.

- We want an ethics oversight committee like other cities have comprised of community members.
- City Council needs to hire 3rd party auditor to assess cost benefit analysis of what trade-offs have been over 14 years. For example: why do we have no design standards, inadequate ordinances and very poor codes? Will City Council secure unbiased and proper cost-benefit analysis?
 - We want transparency.
 - **Cost analysis is not cost-benefit analysis.** Not the same thing at all!
 - How is City Council going to ensure accurate cost-benefit analysis is conducted for our City? That's what citizens want
- We want formal Open Government Program like other cities have adopted to make a holistic change to our city's long-standing transparency and trust problems.
 - Petaluma wants real, measurable improvement.
 - Ethics and fiduciary responsibility must be audited and overhauled. This now must be a top priority.
- M Group cost recovery is a conflict of interest because it has served as a gravy train because it has no accountability or fairness protections. M Group can ramp up their work, hours, fees as they like.
- What is all the work for which M Group doesn't receive 40% extra pay? What are all the costs of that work having been neglected for 14 years What are all of the associated the negative impacts?
- Why did City Manager not provide the Grand Jury the documents it required? Grand Jury Report said no cost benefit analysis for 14 years was provided.

- Will City Council reprimand those who neglected to do proper diligence for years (because none was provided to Grand Jury)?
- How does City Council plan to ensure against the transparency problems called out in 2018 for Novato when Peggy Flynn was in charge of public communications in that city -- as Asst. City Manager in Novato. She quit her position there at the time when that came out.

Thank you for considering,

Erin Axelrod

Partner / Worker Owner, [LIFT Economy](#)

I acknowledge that my home office sits within the unceded traditional ancestral homelands of the Coast Miwok.

From: Erin Axelrod [REDACTED]
Sent: Tuesday, July 18, 2023 9:53 AM
To: -- City Council <CityCouncil@cityofpetaluma.org>
Subject: Re: Regarding outsourcing our entire Planning function to a for-profit consultancy

---Warning: Use caution before clicking any attachments. THIS EMAIL IS FROM OUTSIDE OUR EMAIL SYSTEM.---

Hello all,

Apologies if my comments came off as aggressive and attacking, and thank you so much for the response from so many of you.

I know you all are doing the best you can to support this vibrant community. My main point is that I would like to strongly encourage the City and Council to take to heart the recommendations made by the Grand Jury to ensure that a proper evaluation is done on M Group to ensure we are making the most cost-effective decision for our community on whether to continue with them. This analysis has not yet been done, the Grand Jury report has recommended it be done, and the public deserves this transparency.

Thank you for taking this seriously.

Erin Axelrod
Partner / Worker Owner, [LIFT Economy](#)

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On Mon, Jul 17, 2023 at 4:03 PM Erin Axelrod [REDACTED] wrote:
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- How does City Council plan to ensure against the transparency problems called out in 2018 for Novato when Peggy Flynn was in charge of public communications in that city -- as Asst. City Manager in Novato. She quit her position there at the time when that came out.

Thank you for considering,

Erin Axelrod
 Partner / Worker Owner, [LIFT Economy](#)

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From: Calandria Atkinson [REDACTED]
Sent: Monday, July 24, 2023 3:34 PM
To: -- City Council <--CityCouncil@cityofpetaluma.org>
Subject: M GROUP MUST GO. NO MORE PLANNING BY DEVELOPERS!

---Warning: Use caution before clicking any attachments. THIS EMAIL IS FROM OUTSIDE OUR EMAIL SYSTEM.---

NO MORE M GROUP OR ANY OTHER DEVELOPER WORKING ON ANY PLANNING OR PROJECTS FOR THIS TOWN. NO M GROUP EMPLOYEES BEING PRESENTED AS CITY STAFF. THEY ARE HERE FOR THEIR FINANCIAL PROFIT ONLY – NOT PRESERVING OUR WONDERFUL TOWN. NO SIX STORY BUILDINGS & NO ZONE OVERLAY! SHENANIGANS ABOUND! M GROUP OUT!!!


Sent from [Mail](#) for Windows

From: Calandria Atkinson [REDACTED] >
Sent: Monday, July 24, 2023 3:28 PM
To: -- City Council <CityCouncil@cityofpetaluma.org>
Subject: ABSURD ZONING OVERLAY PROPOSAL

---Warning: Use caution before clicking any attachments. THIS EMAIL IS FROM OUTSIDE OUR EMAIL SYSTEM.---

We are done with having outside developers and those wishing financial profit locally to try and dictate to the citizens how they want to RUIN OUR TOWN. NO SIX STORY BUILDING! WHAT A RIDICULOUS IDEA! Petaluma has historic charm and uniqueness that brings travelers (and their \$) to town. We are not a large city and do not want to be. That's why we are here. Sonoma & Healdsburg have 2-3 story height limits. They are renowned for their charm and continuously draw visitors globally, and their economies are robust. WE NEED TO HAVE OUR OWN EMPLOYEES IN OUR PLANNING DEPARTMENT, NOT DEVELOPER EMPLOYEES WHO DIRECT COUNCIL TO DO THEIR BIDDING. Peggy Flynn and the Mayor may think these folks are "staff," but they are NOT! NO! NO! NO ZONE OVERLAY CHANGES. TAKE THESE UNWANTED IDEAS TO SOUTHERN CALIFORNIA WHERE THEY MIGHT FLY. NOT HERE!!! M. Brazil

Sent from [Mail](#) for Windows

From: [Constance](#) 
To: [-- City Clerk](#); [-- City Council](#)
Subject: Proposed zoning changes for downtown
Date: Saturday, July 29, 2023 8:59:15 AM

---Warning: Use caution before clicking any attachments. THIS EMAIL IS FROM OUTSIDE OUR EMAIL SYSTEM.---

City council,

I am very concerned about the continued contract with the M group and the possibility of a zoning change for downtown Petaluma. I don't like the idea of a developer presenting a plan, which does not conform to our current general plan or zoning, and the city cannot just say no. Instead, an investigation and consideration is being given to changing the zoning to our downtown area. What is the purpose of a general plan if the city of Petaluma is required to investigate and consider changing the general plan whenever a developer wants to build outside of the plan?

Downtown Petaluma is a unique attribute of our town, which promotes tourism. A change in zoning, such as the one being considered would open a can of worms so to speak for our historic downtown area. Help me understand why this new zoning is even being considered? Do you want us to lose our historic status? Do we really need more hotel rooms? Do we really need the added income and is the cost worth it? In my opinion it is a definite No, No, No! Perhaps a smaller hotel at this location keeping in mind that "all new buildings must be harmonious with each other, and within the character of Petaluma" per our current general plan would be a better alternative.

When is the city Council going to initiate an evaluation of the M group? Who will be doing this evaluation and when will it be completed? What about holding off on any changes to zoning until this is completed. There is definitely a conflict of interest with the M group. How were they able to operate for the last 14 years without any evaluation's done?

Thank you for all the work you do and I hope to hear back from you soon.

Constance Bay

From: Craig Benson [REDACTED]
Sent: Monday, July 24, 2023 9:08 PM
To: -- City Council <CityCouncil@cityofpetaluma.org>
Subject: Subject: EKN Hotel Proposal and the Opportunity Overlay

---Warning: Use caution before clicking any attachments. THIS EMAIL IS FROM OUTSIDE OUR EMAIL SYSTEM.---

Dear Council Members,

Please do not change our current City zoning ordinance restricting building heights to <45 feet within the historic downtown area.


Upon reading the June 2023 Grand Jury Report regarding the M Group as well as attending the 13Jun23 City Planning meeting, it has become apparent that any changes to the City zoning ordinance to allow construction of buildings over 45 feet in height within the historical downtown area should be denied for the following reasons:

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-
- Changes to the City zoning ordinance
- of this magnitude should not be performed to "accommodate" developer desires
-
-
-
- New buildings greater than 45 feet
- will dwarf the historic buildings that give Petaluma it's character
-
-
-
- Taller buildings will make the streets
- feel closed-in
-
-
-
- Neighboring residences may feel that
- their privacy will be encroached upon
-
-
-
- An overlay allowing greater building
- heights will open a Pandora's box that we may not be able to close
-

A "Downtown Housing & Economic Opportunity Overlay" to change our current City zone ordinance for historic areas that is funded, staffed and implemented by a

development firm (EKN Development Group) and overseen by an out-sourced planning consulting firm (M Group) is definitely not in the interest of our fine City.

Concerned Long Term Citizens of Petaluma,
Craig Benson and Andrea Larrecq

From: [Greg](#) 
To: [-- City Council](#)
Cc: [-- City Clerk](#)
Subject: Zoning Amendment & M Group
Date: Saturday, July 29, 2023 11:01:38 PM

---Warning: Use caution before clicking any attachments. THIS EMAIL IS FROM OUTSIDE OUR EMAIL SYSTEM.---

City Council:

In light of the Grand Jury investigation of M Group don't you think it would be prudent to hold off something as critical as the proposed overlay of downtown Petaluma? And for that matter, any major planning decisions, until after the grand jury investigation is complete.

I feel that our entire planning department should not be run by a private for-profit company. We should not renew the M Group contract but move to a hybrid system, where major planning decisions are made by city employees who have a vested interest to the people who live here. The fact that the M Group are proposing an overlay to increase building height in the downtown, shows just how out of step they are with what makes this town so appealing to citizens and tourist. The rich architectural history that is so abundant here will be relegated to a side show if we allow five and six story buildings to encroach on what makes this place special. New buildings should add to the ambience by fitting in not set a precedence to replan our town.

Thank you,

Greg Miller

From: Heather Kratt [REDACTED]
Sent: Monday, July 24, 2023 12:04 PM
To: -- City Council <CityCouncil@cityofpetaluma.org>
Subject: Grand Jury Report

---Warning: Use caution before clicking any attachments. THIS EMAIL IS FROM OUTSIDE OUR EMAIL SYSTEM.---

City Council:

As a small business and commercial property owner in Petaluma, I am very concerned about the recent Grand Jury report regarding the outsourcing of the entire Planning Department to the for-profit M-Group. We have faced unnecessary challenges in obtaining the required use permit to put our property to use, but our attempts to escalate those issues and the clear conflicts of interest with the M-Group have been dismissed or ignored.

Please take this Grand Jury report seriously and ensure that an external, independent audit is performed on the city's contract with the M-Group, a 14-year relationship that has gone unchecked with no cost-benefit analyses or performance reviews. There seems to be a clear bias toward rich developers and landowners while the city has allowed the M-Group to dismiss small business owners outright.

Please bring the Planning Department back in-house so that small business owners can receive the same level of respect and consideration granted to rich developers and landowners. Small business owners contribute more to the overall economy and culture of Petaluma and deserve much better treatment and appreciation for our efforts.

Thank you,

Heather Kratt
[REDACTED]

From: Holly Manzano [REDACTED]
Sent: Monday, July 24, 2023 11:12:29 AM
To: -- City Council <CityCouncil@cityofpetaluma.org>
Subject: Grand Jury Report

---Warning: Use caution before clicking any attachments. THIS EMAIL IS FROM OUTSIDE OUR EMAIL SYSTEM.---

City Council:

I am a commercial property owner in Petaluma and very concerned about the recent Grand Jury report regarding the outsourcing of the entire Planning Department to the for-profit M-Group. We have had unnecessary challenges in obtaining the required use permit to put our property to use and have repeatedly reported the M-Group conflicts of interest to the city over the last year, all to no avail.

Please take this Grand Jury report seriously and ensure that an external, independent audit is performed on the city's contract with the M-Group, a 14-year relationship that has gone unchecked with no cost-benefit analyses or performance reviews. Please bring the Planning Department back in-house so that small business owners can receive the same level of respect and consideration granted to rich developers and landowners.

Thank you,

Holly Manzano
[REDACTED]

From: [Lori \[REDACTED\]](#)
To: [-- City Council; McDonnell, Kevin](#)
Cc: [-- City Clerk](#)
Subject: Outsourced Planning Department
Date: Friday, July 28, 2023 2:28:24 PM

---Warning: Use caution before clicking any attachments. THIS EMAIL IS FROM OUTSIDE OUR EMAIL SYSTEM.---

City Council:

I am writing to you to let you know that I am concerned that 99% of our Planning Department is outsourced to the for-profit M-Group. Planning decisions should be made by city employees and not an outsourced for-profit firm where their employees put profits above the best interests of our community. I hope that you will move forward with hiring city employees to work within our city Planning Department and begin phasing out M-Group.

Thank you,
Lorraine Pratt
Petaluma Resident

From: Michael Brazis [REDACTED]
Sent: Tuesday, July 25, 2023 3:07 PM
To: -- City Council <--CityCouncil@cityofpetaluma.org>
Subject:

---Warning: Use caution before clicking any attachments. THIS EMAIL IS FROM OUTSIDE OUR EMAIL SYSTEM.---

I am VERY DISAPPOINTED by the continued efforts by Petaluma City Council in connection with the M Group and other developers to turn this small, quaint TOWN into another San Francisco. Your plans to build 6 STORY BUILDINGS on Petaluma Boulevard and change the zone overlay for profit alone is extremely short sighted. There are many unoccupied retail spaces now, and with increased rents with new construction there would only be more. The added congestion of the already overly-crowded traffic would be a nightmare. LISTEN TO THE PEOPLE AND STOP THIS ABSURD PROJECT AND OTHERS LIKE IT DETERMINED RUIN OUR BELOVED TOWN.

Sent from [Mail](#) for Windows

From: niki jelks [REDACTED]

Sent: Monday, July 24, 2023 2:40 PM

To: -- City Council <CityCouncil@cityofpetaluma.org>

Subject: RE:Community concerns, and clarification of 07/25 Overlay meeting taking place or changing the date of the overlay mtg.

---Warning: Use caution before clicking any attachments. THIS EMAIL IS FROM OUTSIDE OUR EMAIL SYSTEM.---

Hello,

After attending the July 12 community meeting regarding the proposed “building form overlay”, I was disappointed by the city’s clear bias toward approving it. This overlay will allow the EKN Appellation / Hotel Weaver to build bigger and taller than existing zoning laws permit but will also grant developers the same rights in 14 blocks of our historic downtown. Why must this hotel dictate an overlay of these 14 blocks when a variance is all the hotel needs? This is a red flag!

Whether people support the idea of a new hotel or not, I believe everybody should be aware of the future consequences of this overlay and how it came about. Included in the hotel’s permit application is a slide deck (attachment E found at <https://cityofpetaluma.org/ekn-appellation/>) that states “this study is a result of a collaborative effort in partnership with the Petaluma Planning City Staff.”

Looking further into this topic, I’m finding that Petaluma doesn’t have its own planning staff, as the entire department is outsourced to the for-profit Metropolitan Planning Group (M-Group). So, this proposed overlay was a collaborative effort between an out-of-town developer and an out-of-town planning firm that are both driven by profit and have no vested interest in the future of Petaluma. This appears to be a very clear conflict of interest.

What is even more disturbing is that the Sonoma County Grand Jury released a report in June that called out issues with the city and its lack of transparency and accountability and potential conflicts of interest in its outsourcing of the entire planning department to the M-Group. It seems odd to follow up that shocking report with a community meeting that promotes an overlay that was created by this outsourced planning firm and a developer, another clear conflict of interest.

I ask that our City Council take the Grand Jury report seriously and insist on an independent audit of the contract between the city and the M-Group, a 14-year relationship that appears to have gone unchecked with no cost-benefit analysis or performance reviews.

Now I see the meeting to discuss the downtown overlay has a request for a continuance. Will the proposed downtown overlay be postponed from the Tuesday the 25th date? Is this true? If so, when will the meeting to discuss the Proposed Downtown Overlay occur ?

Signed, a very concerned citizen that is absolutely against the Downtown Petaluma 14 block overlay, and against the height and dimensions of the EKN Appellation / Hotel Weaver.

Niki Eldridge

From: [Peter](#) [REDACTED]
To: [McDonnell, Kevin](#); [Barnacle, Brian](#); [Cader-Thompson, Janice](#); [Healy, Mike](#); [Karen Nau](#); [Pocekay, Dennis](#); [Shribbs](#), [REDACTED]
Subject: Six story overlay.
Date: Monday, July 31, 2023 6:07:39 PM

---Warning: Use caution before clicking any attachments. THIS EMAIL IS FROM OUTSIDE OUR EMAIL SYSTEM.---

I would like to express my outrage that the city would consider applying a six story height limit to the heart of our downtown. The possibility of existing structures being designated 'underutilized' and subject to removal and replacement with six story buildings will change the look and feel of this historic section of our downtown area.

For the record, I am not opposed to the six story hotel at the corner of Petaluma Boulevard and B Street being treated as an exception to the current regulations, but that is a very different situation from designating our historic downtown as prime development property.

Might I also suggest that the City do a better job in explaining how the M Group is compensated, in particular with regard to fees earned from the development of property. Social media is teeming with claims of conflict of interest by the M Group, as a result of the recent Grand Jury report. Lack of transparency by the City regarding the M Group's compensation only exacerbates the public's sentiment that decisions are being made for the M Group's benefit and not for the benefit of our community.

Peter Williams

-----Original Message-----

From: Robert Gaustad [REDACTED]

Sent: Monday, July 24, 2023 11:32 AM

To: -- City Council <CityCouncil@cityofpetaluma.org>

Subject: Grand jury report

---Warning: Use caution before clicking any attachments. THIS EMAIL IS FROM
OUTSIDE OUR EMAIL SYSTEM.---

City Council:

I am concerned about the recent Grand Jury report regarding the outsourcing of the entire Planning Department to the for-profit M-Group and the city's defensive response to it. Please take this Grand Jury report seriously and ensure that an external, independent audit is performed on the city's contract with the M-Group. Please bring our Planning Department back in-house so that our tax dollars can be better utilized and the clear conflicts of interest can be eliminated.

Thank you,

Robert Gaustad

From: Robert Vedder [REDACTED]
Sent: Tuesday, August 1, 2023 12:29 PM
To: -- City Council <CityCouncil@cityofpetaluma.org>
Subject: grand jury / mgroup

---Warning: Use caution before clicking any attachments. THIS EMAIL IS FROM OUTSIDE OUR EMAIL SYSTEM.---

Hello, Council -

I'm concerned about the city's response to the grand jury report. I find it peculiar that the city would be so defensive and angry about the grand jury report when it was the city's lack of transparency, accountability, and refusal to correct the issue that led to the grand jury report in the first place. Own your problems and take responsibility for your mistakes.

I belong to community groups that are working to correct these grand jury issues. People are sharing their responses from the council and some of these jump out to me as red flags and possible systemic corruption:

- Janice Cader Thompson continues to call anybody interested in the grand jury report a bunch of conspiracy theorists. She also likes to copy the city attorney on those messages. Is Danly forcing the city council to attack citizens or is Janice trying to win points with him? What do the points buy her at the end of this game?

- Brian Barnacle is in full attack mode, attacking many members of the community. He seems willing to break the law and defame citizens in his overzealous effort to protect the mgroup. Why? He's an elected official. His loyalty should be to us taxpayers and the people who voted for him. Why on god's green earth is this man bending over backwards to protect a bunch of overpriced consultants?

It is these two council people who stand out as the worst of the bunch. The more we see of these two, the more ammo we have to recruit others to help us fight the council. I am simply gobsmacked at the actions of these two council persons. I hope they are the exceptions and the majority of our council is more grounded and supportive of the community as a whole.

Best,

Robert Vedder

From: Tom Bornheimer [REDACTED]
Sent: Monday, July 24, 2023 7:57 PM
To: -- City Council <--CityCouncil@cityofpetaluma.org>
Subject: Downtown Historic District Overlay - No Need to Increase Height and Density

---Warning: Use caution before clicking any attachments. THIS EMAIL IS FROM OUTSIDE OUR EMAIL SYSTEM.---

Hello Petaluma City Council,

I oppose the historic district overlay as there is no need to raise the height and density. The hotel, and all other builders, must abide by existing rules and regulations. We must maintain the character and look of Petaluma.

An alternative hotel location could be across from the Theatre District and Walnut Park on what I heard is a Petaluma-owned lot with the chain link fence.

The City Council and M-Group planning "staff" must avoid all development in the Petaluma flood plain. Alternatives exist including affordable housing development where City Hall is or the old K-mart. All development should be focused on affordable housing and filling all the empty retail spaces around town.

Thank you,

Tom Bornheimer
[REDACTED]