



# Memorandum

**TO:** HONORABLE MAYOR  
AND CITY COUNCIL

**FROM:** Jacky Morales-Ferrand

**SUBJECT:** SEE BELOW

**DATE:** December 3, 2021

Approved

Date

12/6/2021

## SUPPLEMENTAL

**SUBJECT: MEASURE E REAL PROPERTY TRANSFER TAX REFUND PILOT PROGRAM FOR QUALIFYING NONPROFIT REAL PROPERTY TRANSFERS**

### REASON FOR SUPPLEMENTAL

After meeting with key stakeholders, staff is proposing a broadened definition for “Human Services” nonprofits, as outlined below.

### BACKGROUND

In a letter to the City Council dated November 29, 2021, the Silicon Valley Council of Nonprofits raised concerns that the proposed definition for nonprofits providing Human Services was too narrow. The draft ordinance contains the following definition:

*“Human Services” means services provided to help Extremely Low-Income residents in the areas of homelessness prevention and accessing permanent housing; services for survivors of gender-based violence or sexual assault; or services for seniors or individuals with disabilities, where at least fifty-one percent (51%) of the clients served are Extremely Low-Income San José residents.*

### ANALYSIS

Staff met with the Silicon Valley Council of Nonprofits on December 2, 2021, and they shared with us the [definition of Human Services](#) used by the national organization Charity Navigator. After reviewing the Charity Navigator definition, staff recommends that the Human Services definition in the proposed ordinance be expanded to include the following categories:

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- Supportive and social services for children, youth, and families;
- Services for the unhoused;
- Food banks, food pantries, and food distribution; and
- Multi-service human and social service agencies.

As with the programs already in the draft ordinance, these programs would be required to serve extremely low-income San José residents to be eligible for the Measure E rebate when they sell property subject to the real property transfer tax.

The City Attorney's Office will be posting a redlined revised draft ordinance incorporating these changes.

/s/

JACKY MORALES-FERRAND  
Director, Housing Department

The primary author of this memorandum is Michelle McGurk, City Manager's Office. For questions, please contact Rachel VanderVeen, Deputy Director, Housing Department, at (408) 535-8231.