

Legislation Text

File #: ROGC 19-472, Version: 1

Spending Priorities for Potential General Fund Revenue from a Real Property Transfer Tax Measure. (Mayor, Peralez, Diep, Foley)

1. Place on the December 10, 2019 Council meeting agenda a budgeting discussion and consideration of spending priorities for potential General Fund revenue that may result from the passage of a real property transfer tax measure.
2. Direct staff to provide the necessary amendments to Council Policy 1-18, *Operating Budget and Capital Improvement Program Policy*, for the outcome of the Council's deliberations on this budgeting decision.
3. Include within the Council Policy the following spending priorities for General Fund revenue flowing from the potential real property transfer tax measure:
 - a. Up to 5% set-aside for City administration of funding related to increased workload resulting from more robust homeless prevention efforts and the creation of more affordable housing, and
 - b. Of the remaining revenue, allocate:
 - i. 10% for homelessness prevention and rental assistance for homeless college and school-engaged students, victims of domestic violence, seniors, and families,
 - ii. 45% for permanent supportive and affordable rental housing for extremely low-income (ELI) households-defined as earning less than 30% of area median income (AMI),
 - iii. 35% for affordable rental housing for 30%-80% AMI households, and
 - iv. 10% for below market-rate for-sale housing and moderate-income rental housing-up to and including 120% AMI-including rent-restricted ADU forgivable loans, down payment assistance, and first-time homeownership opportunities for households up to 120% AMI.
4. We also propose further transparency and accountability of the City Council's spending decisions relating to revenue from the real property transfer tax revenue, in addition to the already-directed requirement of a two-thirds Council vote amending any spending priorities and establishment of an Oversight Committee:
 - a. Requiring a 60-day notice and at least two public hearings prior to the Council taking action on any proposed change to the annual spending plan that could shift any funding, and
 - b. Creating a separate accounting for the revenues generated by the measure for the purposes of oversight by the Oversight Committee.