



REAL PROPERTY TRANSFER TAX/ AFFORDABLE HOUSING ALLOCATION PLAN

**JACK TIBBETTS, VICE MAYOR
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Summary

- City is facing an unprecedented housing crisis
- Reasons?
 - Inadequate funding for affordable construction
 - Complex regulations
 - Economic recession
- Solution?
 - Make incentive funding (subsidies) available

- Affordable Housing Incentive Fund Pilot Program (AHIFPP) targets:
 - Contain the most affordable housing;
 - Requires the least amount of City funds;
 - Target the lowest income levels;
 - Have affordability covenants that last the longest period of time.

Background

- \$3 million available through AHIFFP
 - 8 applications received
 - 4 received AHIFFP funds as a loan or grant
- Pilot program results:
 - 56 new units
 - \$250k to emerging housing & homeless needs

- General Fund receives \$3 million annually from Real Property Transfer Tax (RPTT)
- Currently 25% of RPTT monies allocated to homelessness & affordable housing

- Increase RPTT funds being allocated towards housing until 100% of RPTT is dedicated to housing:
 - Maintain 25% of RPTT as homeless services
 - 5% increase in RPTT each year
 - Each 5% increase is allocated to Housing Trust
 - From FY 2032/33 forward the allocation will be 75% Housing trust & 25% to homeless services

- Total cumulative transfers to each fund (*between FY 2018/19 and FY 2032/33*):
 - Housing: \$26.5 million
 - Homelessness: \$16.5 million

Questions?

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