

INITIATIVE MEASURE TO BE SUBMITTED DIRECTLY TO THE VOTERS

The City Attorney has prepared the following title and summary of the chief purpose and points of the proposed measure:

BALLOT TITLE AND SUMMARY PREPARED BY THE CITY ATTORNEY

AN INITIATIVE MEASURE TO ESTABLISH ADDED FUNDING FOR HOMELESSNESS PREVENTION, AFFORDABLE HOUSING, AND SCHOOLS BY AMENDING SANTA MONICA MUNICIPAL CODE CHAPTER 6.96 TO PROVIDE A THIRD TIER TRANSFER TAX RATE FOR PROPERTY TRANSFERS OF \$8,000,000 OR MORE WITH AN ELEVEN-MEMBER RESIDENT OVERSIGHT COMMITTEE

Santa Monica Municipal Code Chapter 6.96 sets the City's real estate transfer tax. Currently, there are two tax rates. The First Tier Tax Rate (\$3.00 per \$1000 of value transferred) applies to transfers under \$5,000,000. The Second Tier Tax Rate (\$6.00 per \$1000 of value transferred) applies to transfers of \$5,000,000 or more. This measure would amend Santa Monica Municipal Code Chapter 6.96 to establish a new Third Tier Tax Rate for transfers of \$8,000,000 or more. The proposed Third Tier Tax Rate would be \$56.00 per \$1000 of value transferred.

This measure would add Chapter 4.90 to the Santa Monica Municipal Code to establish: (1) a Homelessness Prevention and Affordable Housing Fund; and (2) a new School Fund. These funds would be funded by the Third Tier Tax Rate. Out of the Third Tier Tax rate of 5.6%, 5% would be allocated to the School Fund and the Homelessness Prevention and Affordable Housing Fund ("Allocated Funds") and the remaining .6% would go to the General Fund.

The measure contains a specific annual distribution of the Allocated Funds. The first \$10,000,000 of Allocated Funds must be deposited into the School Fund. The next \$40,000,000 of Allocated Funds collected each year must be deposited into the Homelessness Prevention and Affordable Housing Fund. Any Allocated Funds collected above \$50,000,000 each year would be deposited 20% into the School Fund and 80% into the Homelessness Prevention and Affordable Housing Fund.

The measure would require the City to provide the Santa Monica Malibu Unified School District the Allocated Funds in the School Fund each year. In the event of a unification of Malibu schools, the school district serving residents of Santa Monica would be entitled to receive the School Funds. Any school district that is located outside of Santa Monica would not be entitled to any of the School Funds.

The measure allows the Homelessness Prevention and Affordable Housing Fund to be used to provide ongoing or emergency income assistance, acquire and rehabilitate existing rental properties as deed-restricted affordable housing, create new deed-restricted housing, and fund programs and services designed to preserve and improve affordable housing for lower income households.

The measure would establish an eleven-member Resident Oversight Committee to provide recommendations to the City Council regarding guidelines for eligible expenditures, local priorities and preferences, award procedures, budgeting, program evaluation, and public reporting procedures. The City's auditors will audit the Homelessness Prevention and Affordable Housing Fund annually and publicly provide the results to the Resident Oversight Committee and the Audit Subcommittee.

The School Fund and the Homelessness Prevention and Affordable Housing Fund are intended to provide additional support and not replace any existing funding under current agreements or prior advisory measures.

NOTICE OF INTENT TO CIRCULATE PETITION

Notice is hereby given by the persons whose names appear hereon of their intention to circulate the petition within the City of Santa Monica for the purpose of creating funds for homelessness prevention, affordable housing and the schools by the enactment of an additional real estate transfer tax on property sales greater than or equal to \$8 million. A statement of reasons of the proposed action as contemplated in the petition is as follows:

Fellow Santa Monica voters:

Do you believe Santa Monica should tax high-end real estate sales and wealthy developer interests to fund:

- (1) rent subsidy and other homelessness prevention programs to help our severely rent burdened low income neighbors remain in their current Santa Monica homes with dignity, rather than be forced into the streets, especially our Santa Monica seniors, children and persons facing physical or mental challenges;
- (2) programs to acquire and rehabilitate existing housing as deed-restricted affordable housing, and to build new deed-restricted affordable housing, in order to keep Santa Monica from becoming an economically gated community where only the wealthiest can live; and
- (3) programs to ensure the continued excellence of our public schools for all of Santa Monica's children?

We—Santa Monica Mayor Sue Himmelrich, Co-Chair of Santa Monicans for Renters Rights Michael Soloff, and President of the Santa Monica Democratic Club Jon Katz—believe Santa Monica should tax high-end real estate sales and developers to fund these programs. **If you do too, you need to sign this petition** so Santa Monica voters can choose in November to require those who sell properties worth \$8 million or more to pay five percent of the sale proceeds to the City for homelessness prevention, affordable housing and public schools. This tax will be largely paid by real estate investors selling high-end properties and developer interests—and will not be paid by ordinary homeowners or mom and pop landlords who sell their property for less than \$8 million. And we believe it is fair that such real estate investors and developer interests pay this tax because they can sell their properties for so much money only because the quality of our community and taxpayer funded City services—including public education—create high real estate values in Santa Monica.

An eleven-member Citizens Oversight Board will be created to advise the City Council on how to spend the homeless prevention and affordable housing funds on the most important and cost-effective programs, and the City's independent auditors will review and publicly report on annual receipts and expenditures from the fund. We believe this tax will allow the City to spend annually at least three times the amount for homelessness prevention and affordable housing as the Santa Monica Housing Trust Fund spent each year on average before the State eliminated the main source of affordable housing funding to the City during the Financial Crisis. The measure also requires that the City provide at least \$10 million of this tax annually to our public schools.

Join us and help qualify this measure to support homelessness prevention, affordable housing and the schools by signing this petition to put this measure on the ballot.

Original signed by: Sue Himmelrich, Mayor; Michael Soloff, Co-Chair, Santa Monicans for Renters Rights; Jon Katz, President, Santa Monica Democratic Club

Text of Proposed Initiative Measure

To the Honorable Mayor, City Council, City Clerk, and People of the City of Santa Monica:

We, the undersigned, registered, qualified voters and residents of the City of Santa Monica, Los Angeles County, hereby propose an initiative ordinance to the City and people of Santa Monica, and request that the City Council adopt the ordinance or submit the same immediately to the voters of Santa Monica for their adoption at an election as provided by law.

The proposed municipal code amendment reads as follows:

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SECTION I: TITLE

This measure may be known and referred to as the “Funding for Homelessness Prevention, Affordable Housing, and Schools” Ballot Measure.

SECTION II: FINDINGS AND PURPOSE

The People of the City of Santa Monica find as follows:

The U.S. Department of Housing and Urban Development (“HUD”) estimates in its Community Housing Assessment Data that nearly one out of every five Santa Monica renter households—our neighbors in our City—are both low income and suffer “severe cost burden.” This means they pay more than half of their limited incomes as rent and utilities. HUD further estimates that an additional close to one out of every ten Santa Monica renter households are both low income and “rent burdened”—that is, pay more than 30 percent and up to 50 percent of their incomes as rent and utilities.

The extreme rent burdens faced by so many of our low income neighbors exacerbates the homelessness crisis facing Santa Monica. Low income household members who are severely rent burdened are potentially just one financial shock away from homelessness. The most recent pre-pandemic homeless count for Los Angeles County, conducted in January 2020, found that roughly two out of every five unsheltered adults were both homeless for the first time and cited economic hardship as the cause.

Even when homelessness is averted, the extreme rent burdens faced by so many of our low income neighbors forces them to spend much less on food, on health care, and on their children’s development than they would if they had affordable rents. This in turn contributes to the educational achievement gap experienced by some of our community’s children.

It is inconsistent with our values as Santa Monicans to allow so many of our neighbors to live in these extremely difficult and precarious conditions, especially when they are seniors, children, and persons facing physical and mental challenges.

The Santa Monica Preserve Our Diversity pilot programs have demonstrated that a local rent subsidy to low income seniors in rent-controlled apartments is a highly cost-effective way to eliminate rent burden, prevent homelessness, and allow our low income senior neighbors to age in place with dignity. Extension of these pilot programs to other rent-burdened low income households—including those with members who are seniors, children, or persons facing physical and mental challenges—would also be a cost-effective way to eliminate rent burden, prevent homelessness, and to allow all of our low income neighbors to live in dignity.

Temporary emergency rent subsidies, legal assistance, and code enforcement also are cost-effective interventions to prevent homelessness or displacement of our low income neighbors.

Economically stable housing of physical quality and excellent public educational programs are critical for children living in low income Santa Monica households to thrive now and later as adults.

Assuring economically stable housing of physical quality and high quality public educational programs are a cost-effective way to help all of Santa Monica’s children have the economic means when they form their own households as adults to avoid extreme rent burden and associated problems.

Santa Monicans support affordable housing. Our City’s voters previously approved an amendment to the City’s Charter that calls for at least 30 percent of all new housing to be permanently occupied by and affordable to households earning the Los Angeles County median income or less.

At present day rent levels, even moderate income households, which are those who earn up to 120 percent of the Los Angeles County area median income, would have to pay more than 30 percent their income to rent a large portion of the apartments in Santa Monica, and so would suffer “cost burden” as that term is defined by HUD.

Newly deed-restricted affordable housing—including the acquisition and rehabilitation of existing units and new construction—is needed to address rent burden, to address the over-crowding faced by many lower income Santa Monicans, including both those who are rent-burdened and those who are not, and to carry out the will of the people as expressed in the City Charter and otherwise that Santa Monica remain an economically diverse community where members of households of all income levels can live and thrive.

New revenues are needed to allow Santa Monica to expand its local rent subsidy, affordable housing, and public educational programs in order to ensure that Santa Monica is a community in which members of low and moderate income households now and in the future can live and thrive.

It is fair, equitable, and right that, having enjoyed the benefits of City services and programs and having achieved such high property values due to the ongoing quality of the community and taxpayer funded services in Santa Monica, including public educational programs, those who sell or transfer Santa Monica properties valued at \$8 million dollars or more should leave a small portion of the proceeds with the City to help fund expansion of its homelessness prevention, affordable housing, and public educational programs.

Now, therefore, the People of the City of Santa Monica do ordain as follows:

SECTION III: ADDITION OF CHAPTER 4.90 TO THE SANTA MONICA MUNICIPAL CODE

The following is added to the Santa Monica Municipal Code as Chapter 4.90 (all underlined text new):

4.90.10 Creation of Homelessness Prevention and Affordable Housing Fund and School Fund.

(a) The City shall create within the Housing Trust Fund a new Homelessness Prevention and Affordable Housing Fund.

(b) The City shall also create a new School Fund.

(c) On an annual basis, the City shall deposit into the Homelessness and Affordable Housing Fund and the School Fund all funds collected pursuant to the Third Tier Tax Rate imposed by Section 6.96.020(c) that are in excess of six dollars for each one thousand dollars of consideration or property value, or fractional part thereof as follows:

(i) The first \$10 million of funds to the School Fund;

(ii) The next \$40 million of funds to the Homelessness Prevention and Affordable Housing Fund; and

(iii) Any funds above \$50 million shall be deposited 20 percent to the Schools Fund and 80 percent to the Homelessness Prevention and Affordable Housing Fund.

4.90.20 School Fund.

(a) The City shall provide annually to the Santa Monica Malibu Unified School District (SMMUSD), the funds in the School Fund. The City is authorized to establish an agreement with SMMUSD to provide for this contribution for use for school purposes by the SMMUSD.

(b) In the event of a unification of Malibu schools, the school district that serves residents of the City of Santa Monica shall receive all of the funds referenced in subdivision (a) of this section. In the event of a unification of Malibu schools, any school district that is located outside of Santa Monica is not entitled to any portion of these funds, regardless whether that district offers enrollment to any students that reside in Santa Monica. The City is authorized to modify any agreement(s) regarding the distribution of the funds under subdivision (a) of this section to direct the funds to the appropriate Santa Monica school district.

(c) In enacting this Initiative, it is the intent of the voters that any funds allocated to the SMMUSD or any future school district pursuant to this section should be additional to, and not a replacement of any funds the City otherwise provides to the school district, including any funds provided according to existing agreements or in accordance with prior advisory measures regarding city funding for public education.

4.90.30 Expenditure of Homelessness Prevention and Affordable Housing Funds.

(a) No more than six percent of the funds deposited into the Homelessness Prevention and Affordable Housing Fund annually may be used for compliance, implementation, and administration, including but not limited to enforcement of the City’s local system of priorities among potentially eligible recipients and support for the Resident Oversight Committee.

(b) No less than thirty percent, and no more than fifty percent, of all funds deposited into the Homelessness Prevention and Affordable Housing Fund annually that are not used pursuant to Section 4.90.030(a), shall be used to provide ongoing or emergency income assistance to Santa Monica households that are both rent burdened and either Extremely Low Income Households, Very Low Income Households or Low Income Households. Households with seniors, minor children or persons facing physical or mental challenges shall have priority in programs funded pursuant to the subsection.

(c) No less than fifty percent of all funds deposited into the Homelessness Prevention and Affordable Housing Fund annually that are not used pursuant to 4.90.030(a), shall be used to acquire and rehabilitate existing rental properties as deed-restricted affordable housing or to create new deed-restricted affordable housing for Extremely Low Income Households, Very Low Income Households, Low Income Households or Moderate Income Households. In addition, to the extent that funds allocated to ongoing or emergency income assistance pursuant to Section 4.90.030(b) for a particular fiscal year are not spent during that fiscal year due to undersubscription in the programs funded under that Section, those one-time unexpended funds shall be used in the next fiscal year for programs funded pursuant to this Section 4.90.030(c).

(d) To the extent funds are deposited into the Homelessness Prevention and Affordable Housing Fund annually that are not used pursuant to Sections 4.90.030(a)-(c) above, they may be used to fund: (1) programs and services designed to preserve the tenancies of or units serving Extremely Low Income Households, Very Low Income Households, Low Income Households or Moderate Income Households, including but not limited to code compliance enforcement, legal services or loans or grants for landlord earthquake retrofit or other unit improvements; or (2) a reserve fund for future funding of programs serving the purposes set forth in Sections 4.90.030(b)-(d).

(e) In enacting this Initiative, it is the intent of the voters that any funds allocated to the Homelessness Prevention and Affordable Housing Fund should be additional to, and not a replacement of any funds the City otherwise provides for the purposes described above, including any funds provided in accordance with prior advisory measures regarding city funding for affordable housing.

4.90.40 Resident Oversight Committee.

(a) The City Council shall appoint a Resident Oversight Committee to make recommendations to the City Council for: (1) guidelines to govern the Homelessness Prevention and Affordable Housing Fund, including but not limited to guidelines regarding eligible expenditures, local priorities and preferences, funding award procedures, budgeting procedures, program evaluation procedures, and public reporting procedures; and (2) the allocation of annual funding among programs, consistent with Section 4.090.030. In making its recommendations, the Resident Oversight Committee shall consider, among other factors, the cost-effectiveness of programs.

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(b) The Resident Oversight Committee shall consist of eleven members as follows:

(1) Four members shall be members of Lower Income Households in Santa Monica, at least one of whom is a participant in a locally funded rent subsidy program (such as the Preserve Our Diversity programs), at least one of whom is a senior, at least one of whom has minor children, at least one of whom faces mental or physical challenges, and at least one of whom is formerly homeless. At least two of these individuals must live in units that are not deed-restricted, and at least one must live in a unit that is deed restricted.

(2) Seven members of any income level, including at least one member with expertise in affordable housing financing, at least one member with expertise in affordable housing development, at least one member with expertise in the legal field, at least one member with accounting expertise, and at least one member with expertise in homelessness prevention. If, after the City Council undertakes its best efforts, there is no candidate with expertise in one of the required fields, the Council may, at its discretion, appoint a resident with a different expertise.

(3) All members of the Resident Oversight Committee, regardless of income level or category above, shall be residents of Santa Monica. Registered lobbyists, and persons working for organizations seeking funding from the Homelessness Prevention and Affordable Housing Fund, are ineligible to serve on the Resident Oversight Committee.

(4) Two of the Lower Income Household members and three of the other members shall be appointed to an initial two-year term upon formation of the Resident Oversight Committee. All other members shall be appointed to an initial four-year term upon formation of the Resident Oversight Committee. Appointments and re-appointments after these initial terms expire shall be for four-year terms.

(c) The Resident Oversight Committee shall meet no less than six times annually.

4.90.050 Auditing of the Homelessness Prevention and Affordable Housing Fund.

The City of Santa Monica's auditors shall audit the Homelessness Prevention and Affordable Housing Fund on an annual basis, and publicly provide the results of that audit to both the Audit Subcommittee of the City Council and to the Resident Oversight Committee.

4.90.060 No Amendment Without Vote of the People.

The provisions of Chapter 4.90 may not be amended absent a vote of the people of the City of Santa Monica.

4.90.070 Compliance with Article XXXIV of the California Constitution.

To the extent the expenditure of any monies from the Homelessness Prevention and Affordable Housing Fund results in, or contributes to, the development, construction, or acquisition of low rent housing projects in the City of Santa Monica by public agencies, that development, construction, or acquisition is hereby deemed authorized by the People of Santa Monica, having been duly approved by a majority of qualified electors of the City of Santa Monica, and with such authorization constituting the approval required by Article XXXIV of the California Constitution. The development, construction, and/or acquisition of low rent housing units authorized by this section shall be in addition to any other authorization of the development, construction, and/or acquisition of such housing by the voters of the City of Santa Monica before or after adoption of this section. This Section in no way restricts or limits the City's authority to develop or assist in the development of housing that is not subject to Article XXXIV. This Section 4.90.070 shall be interpreted to maximize affordable housing production and acquisition. As used in this Section 4.90.070, the terms "public entity," "develop," "construct," "acquire," and "low rent housing projects" shall be interpreted in accordance with Article XXXIV of the California Constitution, California Health and Safety Code Section 37000 et seq., and any successor legislation thereto.

4.90.80 Definitions.

(a) "Extremely Low Income Households" shall have the same meaning as in Section 50106 of the California Health and Safety Code.

(b) "Very Low Income Households" shall have the same meaning as in Section 50105 of the California Health and Safety Code.

(c) "Low Income Households" shall mean Lower Income Households whose gross incomes exceed the maximum for Very Low Income Households.

(d) "Lower Income Households" shall have the same meaning as in Section 50079.5 of the California Health and Safety Code.

(e) "Moderate Income Households" shall have the same meaning as the term "Persons and families of moderate income" as defined in Section 50093(b) of the California Health and Safety Code.

4.90.90 Severability.

If any section, subsection, subdivision, paragraph, sentence, clause or phrase of this Chapter or any part thereof is for any reason held to be invalid, unlawful or unconstitutional, such decision shall not affect the validity of the remaining portions of this Chapter or any part thereof. The voters of the City of Santa Monica hereby declare that they would have passed each section, subsection, subdivision, paragraph, sentence, clause or phrase thereof, irrespective of the fact that any one or more sections, subsections, subdivisions, paragraphs, sentences, clauses or phrases be declared unconstitutional.

SECTION IV: AMENDMENT OF SANTA MONICA MUNICIPAL CODE, CHAPTER 6.96

Chapter 6.96 of the Santa Monica Municipal Code is amended to read (new text is shown by underlining and deleted text is shown by ~~strikeout~~; text that is neither underlined, nor stricken out is shown for information and context only and is not amended or adopted by this initiative):

6.96.010 Title.

This Chapter shall be known as the "Real Property Transfer Tax Ordinance of the City of Santa Monica." It is adopted pursuant to the authority contained in Part 6.7 (commencing with Section 11901) of Division 2 of the Revenue and Taxation Code of the State of California and other authority held as a charter city.

6.96.15 Definitions.

For purposes of this Chapter, the following terms shall have the following meanings:

(a) "Affordable Housing Transfer" shall mean a transfer of property to: (1) a nonprofit corporation; (2) a limited partnership or limited liability company in which a nonprofit corporation is the managing general partner or managing member; or (3) a community land trust (as defined by Revenue and Taxation Code Section 402.1) and operated in accordance with Revenue and Taxation Code Section 214.18, if the property is subject to a binding agreement or covenant recorded on the real property and enforceable by the City to provide all residential units on the property (other than units reserved for on-site property managers) at an affordable rent or affordable housing cost to lower income households as defined in California Health and Safety Code Section 50079.5;

(b) "City" shall mean the City of Santa Monica;

(c) "City Collected Portion" shall mean, with respect to any Second Tier Tax owed, one-half of that Second Tier Tax;

(d) "County" shall mean the County of Los Angeles;

(e) "County Collected Portion" shall mean, with respect to any Second Tier Tax owed, one-half of that Second Tier Tax;

(f) "First Tier Tax" shall mean the City-imposed tax pursuant to this Chapter to be paid at the First Tier Tax Rate on any sale or transfer within the City;

(g) "First Tier Tax Rate" shall mean the tax rate of three dollars for each one thousand dollars of consideration or property value, or fractional part thereof, which tax rate is equivalent to the tax rate that shall remain in effect prior to March 1, 2021;

(h) "Second Tier Tax" shall mean the City-imposed tax pursuant to this Chapter to be paid at the Second Tier Tax Rate on any sale or transfer within the City;

(i) "Second Tier Tax Agreement" shall mean a fully executed and binding agreement between City and County that requires the County to administer the entirety of the Second Tier Tax;

(j) "Second Tier Tax Rate" shall mean the tax rate of six dollars for each one thousand dollars of consideration or property value, or fractional part thereof.

(k) "Third Tier Tax" shall mean the City-imposed tax pursuant to this Chapter to be paid at the Third Tier Tax Rate on any sale or transfer within the City;

(l) "Third Tier Tax Agreement" shall mean a fully executed and binding agreement between City and County that requires the County to administer the entirety of the Third Tier Tax;

(m) "Third Tier Tax Rate" shall mean the tax rate of fifty-six dollars for each one thousand dollars of consideration or property value, or fractional part thereof.

(n) "City Imposed Portion of the Third Tier Tax" shall mean fifty-three dollars for each one thousand dollars of consideration or property value, or fractional part thereof.

6.96.20 Transfers affected and amount of tax.

Effective March 1, ~~2021~~2023, there is hereby imposed on each deed, instrument, or writing by which any lands, tenements, or other realty sold within the City shall be granted, assigned, transferred or otherwise conveyed to, or vested in, the purchaser or purchasers, or any other person or persons, by his, her or their direction, when the consideration or value of the interest or property conveyed (exclusive of the value of any lien or encumbrance remaining thereon at the time of sale) exceeds one hundred dollars, a tax at the rates set forth below:

(a) For sales or transfers when the consideration or value of the interest or property conveyed is less than five million dollars, the First Tier Tax Rate; ~~and~~

(b) For sales or transfers when the consideration or value of the interest or property conveyed is greater than or equal to five million dollars but less than eight million dollars, the Second Tier Tax Rate; ~~and~~

(c) For sales or transfers when the consideration or value of the interest or property conveyed is greater than or equal to eight million dollars, the Third Tier Tax Rate.

Prior to March 1, 2021, the tax at the rate of three dollars for each one thousand dollars of consideration or property value, or fractional part thereof, shall remain in effect.

From on and after March 1, 2021, and prior to March 1, 2023, the tax rate of three dollars for each one thousand dollars of consideration or property value, or fractional part thereof, shall remain in effect for sales or transfers when the consideration or value of the interest or property conveyed is less than five million

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dollars, and the tax rate of six dollars for each one thousand dollars of consideration or property value, or fractional part thereof, shall remain in effect for sales or transfers when the consideration or value of the interest or property conveyed is greater than or equal to five million dollars.

6.96.030 Taxpayer designated.

Any tax imposed pursuant to Section 6.96.020 hereof shall be paid by: (1) any person who makes, signs or issues any document or instrument subject to the tax; (2) any person for whose use or benefit any document or instrument subject to the tax is made, signed or issued; or (3) any combination thereof. The obligation to pay any tax imposed pursuant to Section 6.96.020 shall be a joint and several liability of the taxpayers identified in this Section.

6.96.35 Payment of First Tier Tax to County, payment of Second Tier Tax and Third Tier Tax to County and City.

Any taxes due under this Chapter shall be paid prior to recording any deed, instrument, or writing subject to the tax. Payment shall be made as follows:

(a) Any First Tier Tax owed shall be paid directly to the County on behalf of the City;

(b) Unless the County enters into a Second Tier Tax Agreement, any Second Tier Tax owed shall be paid in two equal parts:

(1) The County Collected Portion (three dollars for each one thousand dollars of consideration or property value, or fractional part thereof) shall be paid to the County on behalf of the City; and

(2) The City Collected Portion (three dollars for each one thousand dollars of consideration or property value, or fractional part thereof) shall be paid directly to City;

(c) Unless the County enters into a Third Tier Tax Agreement, any Third Tier Tax owed shall be paid in part to the County and in part to the City as follows:

(1) If the County entered into a Second Tier Tax Agreement prior to March 1, 2023:

(i) Six dollars for each one thousand dollars of consideration or property value, or fractional part thereof shall be paid to the County on behalf of the City; and

(ii) Fifty dollars for each one thousand dollars of consideration or property value, or fractional part thereof shall be paid directly to the City; and

(2) If the County has not entered into a Second Tier Tax Agreement prior to March 1, 2023:

(i) Three dollars for each one thousand dollars of consideration or property value, or fractional part thereof shall be paid to the County on behalf of the City; and

(ii) Fifty-three dollars for each one thousand dollars of consideration or property value, or fractional part thereof shall be paid directly to the City.

6.96.36 Payment of entire Second Tier Tax and entire Third Tier Tax to County upon execution of binding agreement—Notice.

(a) In the event that the City and County enter into a Second Tier Tax Agreement, the County is authorized to collect the entirety of the Second Tier Tax as if Section 6.96.035(b) did not exist. The City shall provide at least ninety days' notice of the effective date of any Second Tier Tax Agreement on its website;

(b) In the event that the City and County enter into a Third Tier Tax Agreement, the County is authorized to collect the entirety of the Third Tier Tax as if Section 6.96.035(c) did not exist. The City shall provide at least ninety days' notice of the effective date of any Third Tier Tax Agreement on its website.

6.96.040 Debt-securing instrument exempted.

Any tax imposed pursuant to this Chapter shall not apply to any instrument in writing given to secure a debt.

6.96.50 Certain governmental units exempted.

The United States or any agency or instrumentality thereof, any State or territory, or political subdivision thereof, including any City or County, or the District of Columbia shall not be liable for any tax imposed pursuant to this Chapter with respect to any deed, instrument, or writing to which it is a party, but the tax may be collected by assessment from any other party liable therefor.

6.96.51 Partial exemption for certain affordable housing developments by non-profit corporations and community land trusts.

For an Affordable Housing Transfer in which the consideration or value of the interest or property conveyed is greater than or equal to five million dollars:

(a) If prior to the time an obligation to collect the City Collected Portion of the Second Tier Tax arises under Section 6.96.095 of this Chapter, or if prior to the time an obligation to collect all or part of the City Imposed Portion of the Third Tier Tax arises under Section 6.96.096 of this Chapter, a taxpayer with respect to the transfer, as defined in Section 6.96.030 of this Chapter, obtains from the Director of Finance a certification that the transfer is an Affordable Housing Transfer, no taxpayer with respect to the Affordable Housing Transfer shall be required to pay the City collected portion of the Second Tier Tax, or the City Imposed Portion of the Third Tier Tax subject to Section 6.96.096 of this Chapter, on the Affordable Housing Transfer;

(b) If the City collected portion of the Second Tier Tax is paid on an Affordable Housing Transfer, or if all or part of the City Imposed Portion of the Third Tier Tax is paid on an Affordable Housing Transfer, any taxpayer with respect to the transfer, as defined in Section 6.96.030 of this Chapter, may apply

to the Director of Finance for a refund of that portion of the City collected portion of the Second Tier Tax or the City Imposed Portion of the Third Tier Tax paid by the taxpayer on the Affordable Housing Transfer; any such application for a refund must be submitted within one hundred twenty days of the transfer subject to the Second Tier Tax or the Third Tier Tax.

6.96.60 Plans of reorganization or adjustment.

Any tax imposed pursuant to this Chapter shall not apply to the making, delivering, or filing of conveyances to make effective any plan of reorganization or adjustment:

(a) Confirmed under the Federal Bankruptcy Act, as amended;

(b) Approved in an equity receivership proceeding in a court involving a railroad corporation, as defined in Section 101 of Title 11 of the United States Code, as amended;

(c) Approved in an equity receivership proceeding in a court involving a corporation, as defined in Section 101 of Title 11 of the United States Code, as amended; or

(d) Whereby a mere change in identity, form or place of organization is effected.

Subsections (a) to (d), inclusive, of this Section shall only apply if the making, delivery or filing of instruments of transfer or conveyances occurs within five years from the date of such confirmation, approval or change.

6.96.70 Securities and Exchange Commission orders.

Any tax imposed pursuant to this Chapter shall not apply to the making or delivery of conveyances to make effective any order of the Securities and Exchange Commission, as defined in subdivision (a) of Section 1083 of the Internal Revenue Code of 1986, but only if:

(a) The order of the Securities and Exchange Commission in obedience to which such conveyance is made recites that such conveyance is necessary or appropriate to effectuate the provisions of Section 79k of Title 15 of the United States Code relating to the Public Utility Holding Company Act of 1935;

(b) Such order specifies the property which is ordered to be conveyed; and

(c) Such conveyance is made in obedience to such order.

6.96.80 Partnerships.

(a) In the case of any realty held by a partnership, no levy shall be imposed pursuant to this Chapter by reason of any transfer of an interest in a partnership or otherwise, if:

(1) Such partnership (of another partnership) is considered a continuing partnership within the meaning of Section 708 of the Internal Revenue Code of 1986; and

(2) Such continuing partnership continues to hold the realty concerned.

(b) If there is a termination of any partnership within the meaning of Section 708 of the Internal Revenue Code of 1986, for purposes of this Chapter, such partnership shall be treated as having executed an instrument whereby there was conveyed, for fair market value (exclusive of the value of any lien or encumbrance remaining thereon), all realty held by such partnership at the time of such termination.

(c) Not more than one tax shall be imposed pursuant to this Chapter by reason of a termination described in subsection (b), and any transfer pursuant thereto, with respect to the realty held by such partnership at the time of such termination.

6.96.90 Administration by County Recorder as to First Tier Tax, and County collected portion of Second Tier Tax absent Second Tier Tax Agreement, and County collected portion of Third Tier Tax absent Third Tier Tax Agreement.

(a) The County Recorder shall administer this Chapter in conformity with the provisions of Part 6.7 of Division 2 of the Revenue and Taxation Code and the provisions of any County ordinance adopted pursuant thereto.

(b) Until the effective date of a Second Tier Tax Agreement, the County shall administer and collect: (1) the entirety of any First Tier Tax; and (2) the County collected portion of any Second Tier Tax. Following the effective date of a Second Tier Tax Agreement, the County will collect: (1) the entirety of any First Tier Tax; and (2) the entirety of any Second Tier Tax as provided in the Second Tier Tax Agreement.

(c) With respect to any Third Tier Tax:

(1) If no Second Tier Tax Agreement or Third Tier Tax Agreement is effective, then the County shall administer and collect three dollars for each one thousand dollars of property value, or fractional part thereof, of any Third Tier Tax.

(2) If a Second Tier Tax Agreement is effective but no Third Tier Tax Agreement is effective, then the County shall administer and collect six dollars for each one thousand dollars of property value, or fractional part thereof, of any Third Tier Tax, as provided in the Second Tier Tax Agreement.

(3) Following the effective date of a Third Tier Tax Agreement, the County will collect the entirety of any Third Tier Tax as provided in the Third Tier Tax Agreement.

(d) The City Manager is authorized to negotiate, modify, and enter into a contract with the County or one of its officials for the administration of this Chapter and payment to the County for its costs of administration.

INITIATIVE MEASURE TO BE SUBMITTED DIRECTLY TO THE VOTERS

6.96.95 Administration of City collected portion of Second Tier Tax by recording party or agent.

Unless a Second Tier Tax Agreement has been executed and the City has provided at least ninety days' notice on its website of the effective date of said agreement in accordance with Section 6.96.036, the City collected portion of any Second Tier Tax shall be administered as follows:

- (a) Any entity (including any escrow company, title company, or taxpayer as defined in Section 6.96.030, or agent thereof) that records any deed or written instrument subject to the Second Tier Tax Rate set forth by Section 6.96.020(b) shall be responsible for ensuring that the City collected portion of the Second Tier Tax is collected and paid prior to said recording.
- (b) Escrow companies that are involved in a property sale or transfer to which the Second Tier Tax Rate applies shall ensure that either:
 - (1) The City collected portion of the Second Tier Tax has been paid to the City prior to recording any deed or written instrument subject to the Second Tier Tax Rate; or
 - (2) Funds sufficient to cover the City collected portion of the Second Tier Tax have been set aside to be distributed to City at the time of recording.
- (c) The Director of Finance is authorized to promulgate any rules or regulations reasonably necessary to administer the City collected portion of the Second Tier Tax, as well as necessary forms and receipts.

Following the effective date of a Second Tier Tax Agreement, the obligations imposed by subsections (a) and (b) of this Section 6.96.095 will cease to exist.

6.96.96 Administration of City collected portion of Third Tier Tax by recording party or agent.

Unless a Third Tier Tax Agreement has been executed and the City has provided at least ninety days' notice on its website of the effective date of said agreement in accordance with Section 6.96.036, the portion of any Third Tier Tax to be paid to the City pursuant to Section 6.96.035(c) shall be administered as follows:

- (a) Any entity (including any escrow company, title company, or taxpayer as defined in Section 6.96.030, or agent thereof) that records any deed or written instrument subject to the Third Tier Tax Rate set forth by Section 6.96.020(c) shall be responsible for ensuring that the City collected portion of the Third Tier Tax is collected and paid prior to said recording.
- (b) Escrow companies that are involved in a property sale or transfer to which the Third Tier Tax Rate applies shall ensure that either:
 - (1) The City collected portion of the Third Tier Tax has been paid to the City prior to recording any deed or written instrument subject to the Third Tier Tax Rate; or
 - (2) Funds sufficient to cover the City collected portion of the Third Tier Tax have been set aside to be distributed to City at the time of recording.
- (c) The Director of Finance is authorized to promulgate any rules or regulations reasonably necessary to administer the City collected portion of the Third Tier Tax, as well as necessary forms and receipts.

Following the effective date of a Third Tier Tax Agreement, the obligations imposed by subsections (a) and (b) of this Section 6.96.096 will cease to exist.

6.96.100 Refunds.

Claims for refund of taxes imposed pursuant to this Chapter shall be governed by the provisions of Chapter 5 (commencing with Section 5096), of Part 9 Division 1 of the Revenue and Taxation Code of the State of California. The Director of Finance may issue rules or regulations reasonably necessary to establish and administer a refund application process (including any necessary forms or declarations) to issue any refunds due pursuant to the partial exemptions in Section 6.96.051.

6.96.110 Authority of Finance Director.

- (a) The Director of Finance is hereby designated as the officer of the City responsible for maintaining relations with the County for the purpose of administering the tax imposed under this Chapter and receiving and accounting for the funds collected thereunder.
- (b) If the County or the entities identified in Sections 6.96.095 and 6.96.096 do not collect or administer the tax due under this Chapter, or if any tax owed is otherwise unpaid, then the Director of Finance shall have the power and duty to enforce all of the provisions of this Chapter. The Director of Finance, designee, or any third-party agent authorized by the Director of Finance may collect any unpaid tax through any lawful means.
- (c) The Director of Finance is authorized to issue any rules and regulations reasonably necessary to implement and administer this Chapter.

6.96.120 Due dates, delinquencies, penalties, interest, and administrative charges.

The tax imposed under this Chapter is due and payable at the time the deed, instrument, or writing effecting a transfer subject to the tax is delivered to the County Recorder. Any such tax is delinquent if unpaid at the time of recordation. In cases where a transfer is effected but not recorded with the County Recorder within ninety days of acceptance, all statutes of limitation regarding liability for this tax will be tolled until the City has actual knowledge of the transfer or recording, at which time the tax, penalties, and interest on the unrecorded transfer will relate back to the actual transfer date of such unrecorded transfer. Any unpaid tax pursuant to this Chapter will be a joint and several liability of all taxpayers, as designated by Section 6.96.030 of this Chapter.

If any tax is not paid prior to becoming delinquent, the Director of Finance may impose a delinquency penalty of up to ten percent of the amount of the tax due. To the extent permitted by law, the Director of Finance may establish rules and regulations that establish an applicable interest rate. The Director of Finance shall have the power to reduce or waive any penalty or interest applicable under this Chapter so long as such reduction or waiver is in writing and in compliance with any City-issued rules or regulations concerning this Chapter. Any request for reduction or waiver of any penalty or interest assessed pursuant to this Chapter shall be made in writing no later than thirty days following the assessment of such penalty or interest.

6.96.130 Declaration or additional records may be required.

The tax imposed by this Chapter shall be paid to the City by the taxpayers referred to in Section 6.96.030. The Director of Finance shall have the authority as part of any rules and regulations promulgated by him or her as provided for herein to require that the payment shall be accompanied by a declaration of the amount of tax due signed by the person paying the tax or by his or her agent. The declaration shall include a statement of the value of the consideration on which the tax due was computed. The declaration also shall identify the property address and deed, instrument or writing effecting the transfer for which the tax is being paid. The Director of Finance, or designee, may require delivery of a copy of such deed, instrument or writing whenever reasonably necessary to adequately identify such writing or to administer the provisions of this Chapter. The Director of Finance, or designee, may rely on the declaration as to the amount of the tax due; provided, he or she has no reason to believe that the full amount of the tax due is not shown on the declaration.

Whenever the Director of Finance, or designee, has reason to believe that the full amount of tax due is not shown on the declaration or has not been paid, he or she may, by notice served upon any person liable for the tax, require him or her to furnish a true copy of his or her records relevant to the value of the consideration or fair market value of the property transferred. Such notice may be served at any time within three years after recordation of the deed, instrument or writing which transfers such property.

6.96.140 Determination of deficiency.

If on the basis of such information as the Director of Finance receives pursuant to the last paragraph of Section 6.96.130 and/or on the basis of such other relevant information that comes into his or her possession, he or she determines that the amount of tax due as set forth in the declaration, or as paid, is insufficient, he or she may recompute the tax due on the basis of such information.

If the declaration required by Section 6.96.130 is not submitted, the Director of Finance may make an estimate of the value of the consideration for the property conveyed and determine the amount of tax to be paid on the basis of any information in his or her possession or that may come into his or her possession.

One or more deficiency determinations may be made of the amount due with respect to any transfer.

6.96.150 Notice of determination.

The Director of Finance, or designee, shall give written notice to a person liable for payment of the tax imposed under this Chapter of his or her determination made under Section 6.96.140. Such notice shall be given within three years after the recordation of the deed, instrument or writing effecting the transfer on which the tax deficiency determination was made.

6.96.160 Manner of giving notice.

Any notice required under this Chapter may be served personally or by mail; if by mail, service shall be made by depositing the notice in the United States mail, in a sealed envelope with postage paid, addressed to the person on whom it is to be served at his or her address as it appears in the records of City or as ascertained by the Director of Finance, or designee. The service is complete at the time of the deposit of the notice in the United States mail, without extension of time for any reason.

6.96.170 Petition for redetermination.

Any person against whom a determination is made under this Chapter or any person directly interested may petition the Director of Finance for a redetermination within sixty days after service upon the person of notice thereof. If a petition for redetermination is not filed in writing with the Director of Finance within the sixty-day period, the determination becomes final at the expiration of the period.

6.96.180 Consideration of petition for redetermination—Hearing.

If a petition for redetermination is filed within the sixty-day period, the Director of Finance, or designee, shall reconsider the determination and, if the person has so requested in his or her petition, shall grant the person an oral hearing, and shall give him or her ten days' notice of the time and place of hearing. The Director of Finance may designate one or more deputies for the purpose of conducting hearings and may continue a hearing from time to time as may be necessary.

6.96.190 Determination of petition.

The Director of Finance, or designee, may decrease or increase the amount of the determination before it becomes final, but the amount may be increased only if a claim for the increase is asserted by the Director of Finance, or designee, at or before the hearing.

6.96.200 Finality of determination.

The order or decision of the Director of Finance, or designee, upon a petition for redetermination becomes final thirty days after service of notice thereof upon the petitioner or at the time of hearing of redetermination. There is no appeal of the Director of Finance's (or designee's) decision to the City Council; writs challenging the Director's decision conveyed by his or her

INITIATIVE MEASURE TO BE SUBMITTED DIRECTLY TO THE VOTERS

deputies at an administrative hearing must be filed with the appropriate court within ninety days of the final date of such redetermination.

6.96.210 Tax a debt.

The amount of any tax, penalties, and interest imposed under the provisions of this Chapter shall be deemed a debt to the City. Any person owing money to the City under the provisions of this Chapter shall be liable to an action brought in the City's name for the recovery of such amount.

6.96.220 Tax a lien.

The amount of tax, penalties and interest imposed under the provisions of this Chapter is assessed against the property upon the transfer of which the tax is imposed, and if not paid when due, such tax shall constitute an assessment against such property and shall be a lien on the property for the amount thereof, which lien shall continue until the amount thereof including all penalties and interest are paid, or until it is discharged of record. Any person owing money to the City under the provisions of this Chapter shall be liable to an action brought in the name of the City for the recovery of such amount.

6.96.230 Notice of hearing on lien.

The Director of Finance shall file with the City Manager a written notice of those persons on whom the City will file liens. Upon the receipt of such notice the City Manager shall present same to the City Council, and the City Council shall forthwith, by resolution, fix a time and place for a public hearing to confirm such liens.

The Director of Finance shall cause a copy of such resolution and notice to be served upon the transferor or transferee of property not less than ten days prior to the time fixed for such hearing. Such service shall be by mailing a copy of such resolution and notice to the transferor or transferee of property at his or her last known address. Service shall be deemed complete at the time of deposit in the United States mail.

6.96.240 Collection of delinquent taxes by special tax roll assessment.

With the confirmation of the lien by the City Council pursuant to the hearing set forth in Section 6.96.220, the delinquent tax charges contained therein which remain unpaid by the transferor or transferee shall constitute a special assessment against said property, and shall be collected at such time as is established by the County Auditor-Controller for inclusion in the next property tax assessment.

The Director of Finance shall turn over to the County Auditor-Controller for inclusion in the next property tax assessment the total sum of unpaid delinquent charges consisting of the delinquent transfer taxes, penalties and interest at the rate of twelve percent per annum from the date of recordation to the date of lien.

Thereafter, said assessment may be collected at the same time and in the same manner as ordinary municipal taxes are collected, and shall be subject to the same penalties and the same procedure of sale as provided for delinquent, ordinary, municipal taxes. The assessment lien previously imposed upon the property are paramount to all other liens except for those of State, County, and municipal taxes with which it shall be upon parity. The lien shall continue until the assessment and all interest and charges due and payable thereon are paid. All taxes applicable to the levy, collection and enforcement of municipal taxes shall be applicable to said special assessments.

6.96.250 Administrative penalties.

Any person violating or failing to comply with any provision of this Chapter may be subject to any of the penalties set forth in Section 1.08.010 of the Santa Monica Municipal Code. Each such violation or failure shall constitute a separate offense. Neither the City's pursuit of any such penalties nor the imposition of any such penalties shall excuse any person from the payment, collection or remittance of any tax provided for in this Chapter.

6.96.260 Authority of City Council to establish rules and amend Chapter.

The City Council is authorized to establish by resolution any rules that are necessary and desirable for implementation of this Chapter. The City Council is authorized to amend ~~any aspect of this Chapter 6.96~~ as long as the amendment does not result in an increase in the authorized tax rate or a decrease in either the authorized Third Tier Tax rate or collections of the Third Tier Tax.

6.96.270 Severability.

If any section, subsection, subdivision, paragraph, sentence, clause or phrase of this Chapter or any part thereof is for any reason held to be invalid, unlawful or unconstitutional, such decision shall not affect the validity of the remaining portions of this Chapter or any part thereof. The City Council hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause or phrase thereof, irrespective of the fact that any one or more sections, subsections, subdivisions, paragraphs, sentences, clauses or phrases be declared unconstitutional.

SECTION V: EFFECT OF COMPETING OR ALTERNATIVE MEASURE ON THE SAME BALLOT

This Initiative adopts a comprehensive real property transfer tax scheme for the purpose of funding specific programs. By voting for this Initiative, the voters expressly declare their intent that any other City of Santa Monica measure that appears on the same ballot as this Initiative and addresses real property transfer taxes, or conflicts with any provision of this Initiative, shall be deemed to conflict with the scheme adopted by this Initiative. Because of this conflict, if this Initiative and any such other City of Santa Monica measure receive a majority of votes by the voters voting thereon at the same election, then the measure receiving the most votes in favor shall prevail and no provision of the other measure shall take effect.

SECTION VI: INTERPRETATION AND SEVERABILITY

This Initiative shall be broadly construed in order to achieve its purpose. It is the intent of the voters that the provisions of this Initiative be interpreted or implemented by the City in a manner that facilitates the purposes set forth in this Initiative.

This Initiative shall be interpreted so as to be consistent with all applicable Federal, State, and County and City laws, rules, and regulations.

If any section, subsection, subdivision, paragraph, sentence, clause or phrase of this initiative or any part thereof is for any reason held to be invalid, unlawful or unconstitutional, such decision shall not affect the validity of the remaining portions of this initiative or any part thereof. The voters of the City of Santa Monica hereby declare that they would have passed each section, subsection, subdivision, paragraph, sentence, clause or phrase thereof, irrespective of the fact that any one or more sections, subsections, subdivisions, paragraphs, sentences, clauses or phrases be declared unconstitutional.

If any portion of this Initiative is held by a court of competent jurisdiction to be invalid, we the People of the City of Santa Monica indicate our strong desire that: (1) the City Council use its best efforts to sustain and re-enact that portion, if possible; and (2) the City Council implement this Initiative by taking all steps possible to cure any inadequacies or deficiencies identified by the court in a manner consistent with the express intent of this Initiative, including adopting or reenacting any such portion in a manner consistent with this Initiative.

Any singular term shall include the plural and any plural term shall include the singular. The title and captions of the various sections in this Initiative are for convenience and organization only, and are not intended to be referred to in construing the provisions of this Initiative.

SECTION VII: AMENDMENT AND REPEAL

Except as otherwise provided herein, this Initiative may be amended or repealed only by a vote of the people of the City of Santa Monica.

INITIATIVE MEASURE TO BE SUBMITTED DIRECTLY TO THE VOTERS

The City Attorney has prepared the following title and summary of the chief purpose and points of the proposed measure:

BALLOT TITLE AND SUMMARY PREPARED BY THE CITY ATTORNEY

AN INITIATIVE MEASURE TO ESTABLISH ADDED FUNDING FOR HOMELESSNESS PREVENTION, AFFORDABLE HOUSING, AND SCHOOLS BY AMENDING SANTA MONICA MUNICIPAL CODE CHAPTER 6.96 TO PROVIDE A THIRD TIER TRANSFER TAX RATE FOR PROPERTY TRANSFERS OF \$8,000,000 OR MORE WITH AN ELEVEN-MEMBER RESIDENT OVERSIGHT COMMITTEE

Santa Monica Municipal Code Chapter 6.96 sets the City’s real estate transfer tax. Currently, there are two tax rates. The First Tier Tax Rate (\$3.00 per \$1000 of value transferred) applies to transfers under \$5,000,000. The Second Tier Tax Rate (\$6.00 per \$1000 of value transferred) applies to transfers of \$5,000,000 or more. This measure would amend Santa Monica Municipal Code Chapter 6.96 to establish a new Third Tier Tax Rate for transfers of \$8,000,000 or more. The proposed Third Tier Tax Rate would be \$56.00 per \$1000 of value transferred.

This measure would add Chapter 4.90 to the Santa Monica Municipal Code to establish: (1) a Homelessness Prevention and Affordable Housing Fund; and (2) a new School Fund. These funds would be funded by the Third Tier Tax Rate. Out of the Third Tier Tax rate of 5.6%, 5% would be allocated to the School Fund and the Homelessness Prevention and Affordable Housing Fund (“Allocated Funds”) and the remaining .6% would go to the General Fund.

The measure contains a specific annual distribution of the Allocated Funds. The first \$10,000,000 of Allocated Funds must be deposited into the School Fund. The next \$40,000,000 of Allocated Funds collected each year must be deposited into the Homelessness Prevention and Affordable Housing Fund. Any Allocated Funds collected above \$50,000,000 each year would be deposited 20% into the School Fund and 80% into the Homelessness Prevention and Affordable Housing Fund.

The measure would require the City to provide the Santa Monica Malibu Unified School District the Allocated Funds in the School Fund each year. In the event of a unification of Malibu schools, the school district serving residents of Santa Monica would be entitled to receive the School Funds. Any school district that is located outside of Santa Monica would not be entitled to any of the School Funds.

The measure allows the Homelessness Prevention and Affordable Housing Fund to be used to provide ongoing or emergency income assistance, acquire and rehabilitate existing rental properties as deed-restricted affordable housing, create new deed-restricted housing, and fund programs and services designed to preserve and improve affordable housing for lower income households.

The measure would establish an eleven-member Resident Oversight Committee to provide recommendations to the City Council regarding guidelines for eligible expenditures, local priorities and preferences, award procedures, budgeting, program evaluation, and public reporting procedures. The City’s auditors will audit the Homelessness Prevention and Affordable Housing Fund annually and publicly provide the results to the Resident Oversight Committee and the Audit Subcommittee.

The School Fund and the Homelessness Prevention and Affordable Housing Fund are intended to provide additional support and not replace any existing funding under current agreements or prior advisory measures.

If the initiative is adopted by a simple majority of the voters of the City, its provisions may only be repealed or amended by a vote of the people.

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<p>Declaration of Circulator (to be completed in the circulator’s own hand after all signatures on this and the foregoing pages of this section of the petition have been obtained): I, _____, circulated this section of the petition and witnessed each of _____</p> <p style="text-align: center; font-size: small;">print full name here</p> <p>the appended signatures being written. Each signature on this petition is, to the best of my information and belief, the genuine signature of the person whose name it purports to be. All signatures on this document were obtained between the dates of ____/____/____ and ____/____/____.</p> <p style="text-align: center; font-size: small;">month / day / year month / day / year</p> <p>I am 18 year of age or older. My residence address is _____.</p> <p style="text-align: center; font-size: small;">No. & Street City State/ Zip</p> <p>I showed each signer a valid and unfalsified “Official Top Funders” sheet, as required by Elections Code section 107.</p> <p>I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed on ____/____/____, at _____, California. Signed: _____</p> <p style="text-align: center; font-size: small;">month / day / year</p> <p style="font-size: x-small;">City where signing Complete Signature of circulator, including middle name or initial</p>						

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Petition circulation paid for by
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Committee major funding from:

Michael Soloff
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