EBHO Budget Talking Points

These talking points cover EBHO and our members' budget priorities related to the production and preservation of affordable housing.

To review the People's Budget Coalition's full list of talking points, please click here.

Talking Points

The lack of affordable housing is one of the biggest issues facing our Oakland community. Building more affordable housing and preserving the affordable housing we already have should be a priority in our city budget.

In order to ensure these priorities are met, we have the following demands:

1) Do not cut funds to the Department of Housing and Community Development (HCD).

We know that the City has to make tough choices this year to cut the budget, but we ask that funds not be cut from HCD. Spending on affordable housing is a key issue for Oaklanders, and very little of HCD's budget comes from the City's General Fund.

2) All proceeds raised from selling or leasing public land must go towards affordable housing.

Public land should be used for public good. In December 2018, City Council passed a Public Land for Public Good ordinance that requires all funds raised from selling or leasing public land must be allocated to the Affordable Housing Trust Fund (AHTF). This must be honored in the budget.

Additionally, proceeds from the East 12th St. and Barcelona St. projects were mistakenly appropriated to Misc Capital Projects Fund, and they should be reappropriated to the AHTF.

3) The money raised through the transient occupancy tax (TOT) paid by short-term rentals should go towards affordable housing.

Short term rentals like Airbnb decrease the availability and affordability of housing in Oakland. The City should determine and make public the amount of money raised through the TOT on short-term rentals and allocate 100% of this revenue to the AHTF.

4) Spend affordable housing money as soon as possible.

Affordable housing is an urgent need, so we should spend funds allocated for affordable housing as quickly as possible.

One way we can do this is by preallocating impact fee payments to the AHTF. Private developers who choose not to build affordable housing on-site pay an "impact fee" in two installments – one when they are first issued a building permit and another closer to completion of the project.

Upon receipt of the first installment of an impact fee payment, the City should allocate the *full impact fee* to the AHTF, which will allow affordable housing developers to secure matching funds and prepare to break ground on their projects sooner. We have seen through recent action on Measure U funds that it is possible to commit funds on a conditional basis in advance of their receipt, particularly when disbursement of funds won't be needed until long after the commitment is made.

5) Maximize the money raised for affordable housing from private developers.

Private developers have a responsibility to give back to the community through supporting affordable housing.

The City can and should collect significantly more for affordable housing development from the Jobs & Housing Fee and Housing Impact Fee. The City should finish the Impact Fee study it has started and restructure the Jobs/Housing Impact Fee and Affordable Housing Impact Fee based on these results.