SUPPLEMENTAL MATERIAL

For the Meeting of: Tuesday, March 1, 2022, at 5:00 p.m.

Agenda Item: Consent Item 1

1. City Clerk’s Log of Councilmember Pending Requests
   File ID: 2022-00063
   Location: Citywide
   Recommendation: Pass a Motion approving the City Clerk’s Log of Councilmember Pending Requests.
   Contact: Mindy Cuppy, MMC, City Clerk, (916) 808-5442, mcuppy@cityofsacramento.org, Office of the City Clerk

   Description of Attached:
   1) Letter from Councilmember Jay Schenirer regarding the City Clerk’s Log of Councilmember Pending Requests
Date: March 1, 2022

To: Mindy Cuppy, City Clerk
    Howard Chan, City Manager
    John Colville, City Treasurer
    City of Sacramento Council Members

From: Councilmember Jay Schenirer

This memo clarifies my Council Member request from Tuesday, February 22, 2022 that is now on the March 1, 2022 Consent Agenda (Item 1).

My current request on the log states:

“Asked that staff present to council regarding potential so that we may have a policy and budget discussion if we want to move forward at some level regarding bonding for affordable housing development.”

I would like to add additional clarification and direction on this request for the record:

I would like to have a Council Workshop in April-May 2022 for Council discussion and direction on the following items related to housing project pipeline, potential funding sources, and prioritization of efforts:

1) Clarifying my ask that City Housing and Planning Staff, together with SHRA, develop a list of all affordable and workforce housing projects in the pipeline in the City – including those in predevelopment. The list should include projects that have requested/received funding by the City/SHRA or the State, and projects that may be less traditionally funded by the City/SHRA, but still have financial challenges or other subsidies required.

   The objective of this activity is to maximize the number of units developed in the least amount of time with the least amount of public subsidy into each project.

   I am asking that this be reported on twice a year – so the Council can understand the range of projects in consultation with staff, review progress and prioritize investments based on funding source, timing, availability, and Council goals – including equitable investments in a diversity of housing types and affordability levels, reinvestment in our aging corridors, access to transit, and climate.

   As part of this activity, I would also like to have City staff, in coordination with SHRA come forward with a way to prioritize this housing pipeline – we have to get in front of funding coming forward from the State and be ready to go when funding is available. I acknowledge the work and policies in place that we use to fund housing, and with the City Housing Trust Fund, we should continue to explore broader approaches to increase affordable supply beyond our traditional models.
2) Second is a question for the City Treasurer. Pre-pandemic, we were working on a City housing bond to fund some of our housing gaps, that involved looking at a "stress test" to ensure we weren't placing a strain on our City financials with this additional debt.

If we reduced our current city expenditures by a certain amount equal to the annual debt service of a housing bond, could we relieve that strain? Could we examine taking a small portion of outyear support and put it into affordable housing?

For the Council workshop, I would like a discussion to reconsider a City Housing Bond to leverage future state funds, using the current City Housing Trust Fund for the first two years of debt service (repaid at Midyear and stands at about $10M), to address our housing project pipeline.

3) Third question is for the City Manager. Please provide options to address the strain on the budget caused by an annual $5 million debt payment beginning 2024-25.