

## **COPA's Effort on the Workforce Housing Solutions Act**

COPA institutions in Santa Cruz are urging passage of Measure C on the November 2025 ballot. THE WORKFORCE HOUSING SOLUTIONS ACT is a new tax measure that would raise \$5 million or more annually for the city of Santa Cruz's Affordable Housing Trust Fund to increase the supply of affordable workforce housing through public investments in new housing projects.

A new, additional property tax of \$96 per year per parcel, and a new, additional transfer tax on sales of real properties would be enacted. Exclusions from the parcel tax are provided for low-income homeowners. The transfer tax rate would be progressive and applied only on transactions valued at more than \$1.8 million. Rates would be graduated from 0.5% to 2.0% with a maximum tax of \$200,000 on a transaction value of more than \$13 million.

The annual revenue from these new taxes would be used for public-sector investments in non-profit development of new, truly affordable workforce housing (87%); and for homelessness prevention emergency rent subsidies (10%); just 3% would go for public administration. The taxes would sunset after 20 years. The tax revenue stream could be used to secure municipal bonds that could raise hundreds of millions of dollars over time for public housing.

When Mayor Fred Keeley was campaigning in November 2022, he committed to exploring solutions for affordable housing. Knowing that we had the backing of city leadership, a committee of community volunteers did the background research and the groundwork to develop the shape and scope of the ballot measure. Under the leadership of Elaine Johnson, Executive Director of the Housing Santa Cruz County non-governmental advocacy organization, our own COPA leaders Andrew Goldenkranz of Temple Beth El and Jim Weller and John Hall of Peace United Church of Christ, were instrumental in creating the final ballot measure.

Over more than two years, the committee engaged with many stakeholders in the community, including representatives of tenants, homeowners, landlords, business owners, affordable housing developers, and real estate agents, in the process of shaping a tax proposition with broad support. In the spring, COPA helped gather the almost 6,000 signatures to qualify the measure for the ballot.

Because the measure was organized by a non-governmental community group, and not by city officials, YES votes of just one more than 50% will be required to pass it into law.

Unfortunately, despite the participation of real estate agents during the collaborative phase, the Santa Cruz County Board of Realtors created a copy-cat measure with the intent to deceive and confuse. Their Measure B is also on the ballot, and if passed, will have a negligible impact on the affordable housing crisis. Therefore, we encourage voting Yes on C AND No on B!