

2018-2019 BUDGET QUESTION
Response to Request for Information

DEPARTMENT: Neighborhood Housing & Community Development

REQUEST NO.: 109

REQUESTED BY: Tovo

DATE REQUESTED: 8/28/18

DATE POSTED: 8/30/18

REQUEST: Is financial assistance for residential cooperatives (Resolution No. 20180215-050) included in the proposed budget?

RESPONSE:

Resolution 20180215-050 directed the City Manager to research the successes and limitations of "right of first refusal" cooperative purchase policies that have been enacted in the US and to analyze any operational or legal issues associated with those policies if applied to a property subject to City Code Chapter 4-14 (Registration of Rental Property) (also known as "Repeat Offender Property"). The City Manager is directed to present findings to Council no later than August 15, 2018. If the City Manager determines that a "right of first refusal" cooperative policy is viable, the City Manager is directed to evaluate creative financing mechanisms that could be used to assist with "right of first refusal" policies for housing cooperatives and to present findings to Council not later than August 15, 2018. Using the research and analysis above, the City Manager is directed to explore the City's ability to facilitate the creation of a cooperative using community land trusts or other similar models & to report his findings to Council no later than September 1, 2018.

Neighborhood Housing and Community Development (NHCD) and Law staff are researching the operational issues and legal issues regarding "right of first refusal" cooperative purchase policies. Funding to support "right of first refusal" cooperative purchase policies would be an eligible use of the Housing Trust Fund, so the initiative could be funded if it is determined to be a viable model. NHCD will be distributing an extension memo regarding this resolution shortly.

