

City of San Leandro

Real Property Transfer Tax Measure

BUDGET FACT SHEET



Background: The City of San Leandro has a responsibility to provide municipal services and facilities essential to community safety and the quality of life of all residents, and to do so while maintaining a balanced budget. City Hall is committed to providing quality services to the community in a fiscally responsible manner.

The city has tightened its belt in a concerted effort to manage its finances responsibly. The City Council has taken various actions to reduce expenditures, including:

- Labor contracts requiring employees to contribute their maximum share towards employee pension costs;
- Implementing new pension tiers with reduced pension benefits;
- Holding the line on additional city staffing despite an increasing demand for services (City staffing levels are 15% lower than in 2008);
- Creation of PULL (Prioritizing Unfunded Liability Liquidation) program to address unfunded liabilities;
- City Council’s Finance and Facilities Committees identified several million dollars in savings through reductions or deferrals to capital projects.
- Adopting \$5.5M in expenditure reductions to the current FY 20-21 budget.

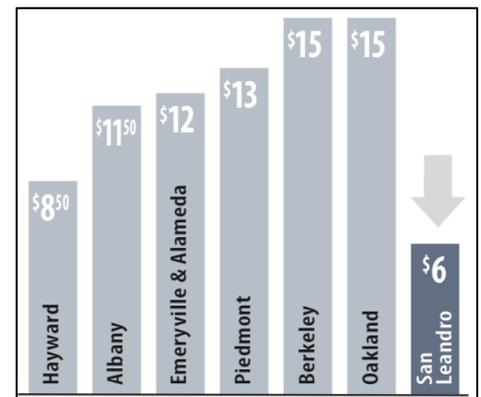
The reality is that COVID-19 has further detrimentally impacted the City of San Leandro’s finances. We project over \$7 million in revenue losses to our General Fund in the fiscal year that ended on June 30, 2020, and over \$8 million in losses in the current fiscal year that commenced on July 1, 2020. Further economic impacts are expected over the next few years. This is funding that is used to provide essential city services that local residents rely upon, including:

- **Repairing** potholes and city streets.
- **Supporting** seniors, families, and local small businesses through COVID-19 economic recovery.
- **Preserving** 911 emergency response.
- **Maintaining** city parks and library services.

To close a projected funding gap now and on the horizon, City leaders have been evaluating possible options for generating additional revenues. After a thorough evaluation and feasibility process, the City Council voted on July 20 to place a measure on the November ballot seeking authorization to increase San Leandro’s existing Real Property Transfer Tax (RPTT) by \$5 per \$1,000 of property value. The RPTT is **NOT** an ongoing tax – it is a one-time tax levied upon the purchase of residential and commercial real estate. The RPTT is collected **only** when real estate is bought or sold. **San Leandro currently has the lowest RPTT rate among eligible cities in Alameda County.**

ALL funds generated from a possible measure would be **locally controlled** and would **stay in San Leandro** to provide essential city services and facility improvements. By law, the State cannot take this funding away.

For more information: For additional information, please visit www.sanleandro.org/ or contact Paul Sanftner at psanftner@sanleandro.org or call **(510) 577-3372**.



Alameda County RPTT Rates*

* Rate for Oakland is for properties sold for between \$300,001 - \$2 million

* Rate for Berkeley is for properties sold under \$1.5 million