

TRANSMITTED VIA EMAIL

September 23, 2019

Honorable Mayor Sam Liccardo and Members of the City Council  
 City of San Jose  
 200 E. Santa Clara, 18th Floor  
 San Jose, CA 95113

Dear Mayor Liccardo, Vice Mayor Jones, and Councilmembers Arenas, Carrasco, Davis, Diep, Esparza, Foley, Jimenez, Khamis, and Peralez,

**Re: Item 4.8 Actions Related to the Revenue Capture Agreement with eBay Inc.**

We write to you today in support of the memo from Councilmembers Esparza, Carrasco, and Jimenez that would direct new revenue generated from the City's Revenue Capture Agreement with eBay to the City's Affordable Housing Fund.

A recent U.S. Supreme Court decision, followed by the passage of Assembly Bill 147, has created a tremendous opportunity for the City of San Jose. While the staff report notes that the City has historically collected less sales tax revenue than neighboring cities such as Palo Alto, Campbell, and Santa Clara, the passage of AB 147 will enable San Jose to collect significant new sales tax revenue from eBay, one of the largest marketplace providers in the nation, through a Revenue Capture Agreement. According to the staff report, it is estimated that this agreement could generate up to \$29.5 million in net new revenue for the City.

Not having planned for this significant injection of net new revenue, the City must now consider how it will direct these new funds. Given the housing crisis faced by the City and the challenges relating to the cost of new residential development (as will be discussed by the Council at today's meeting and at another scheduled for November 5<sup>th</sup>), **the City should act to immediately dedicate these new funds for the acquisition, preservation, and construction of affordable housing for lower-income families and individuals who are struggling to afford to live in San Jose.**

We appreciate San Jose's leadership in addressing its housing crisis. One thing is for certain--we need every tool in the toolbox and multiple revenue sources to begin to address the City's growing affordable housing needs.

Sincerely,



Ron Gonzales, Chair  
*Hispanic Foundation  
 of Silicon Valley*

Janice Jensen, Vice Chair  
*Habitat for Humanity  
 East Bay/Silicon Valley*

Kevin Zwick, Treasurer  
*Housing Trust Silicon Valley*

Kathy Thibodeaux, Secretary  
*KM Thibodeaux Consulting LLC*

Shiloh Ballard  
*Silicon Valley Bicycle Coalition*

Bob Brownstein  
*Working Partnerships USA*

Gina Dalma  
*Silicon Valley Community  
 Foundation*

Katie Ferrick  
*LinkedIn*

Amie Fishman  
*Non-Profit Housing Association of  
 Northern California*

Javier Gonzalez  
*Google*

Poncho Guevara  
*Sacred Heart Community Service*

Janikke Klem  
*Technology Credit Union*

Jan Lindenthal  
*MidPen Housing*

Jennifer Loving  
*Destination: Home*

Mary Murtagh  
*EAH Housing*

Chris Neale  
*The Core Companies*

Andrea Osgood  
*Eden Housing*

Kelly Snider  
*Kelly Snider Consulting*

Jennifer Van Every  
*The Van Every Group*

**Staff**

Leslye Corsiglia  
*Executive Director*

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**Leslye Corsiglia**  
**Executive Director**

