



VOTER INFORMATION PAMPHLET



COMPILED BY HOLLY L. WOLCOTT, CITY CLERK

★ **GENERAL MUNICIPAL ELECTION** ★
TUESDAY, NOVEMBER 8, 2022

**For Election Information,
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**The City of Los Angeles provides voter information
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Table of Contents

	Page
Ballot Summary.	3-5
Ballot Measures, Arguments, and Text	
Proposition LH	6
Proposition SP	11
Initiative Ordinance ULA	27

VOTER INFORMATION

The County of Los Angeles Registrar-Recorder/County Clerk is the administrator of the City of Los Angeles Municipal Elections.

This pamphlet only contains information on the City's ballot measures for the November 8, 2022 General Municipal Election.

For information concerning the Election such as Vote Centers, please contact LA County at (800) 815-2666 or visit their website at www.lavote.gov.

The next 3 pages contain the simplified version of the City's ballot measures. The full text of each measure, along with other information, is printed after the Ballot Summary (see TABLE OF CONTENTS Page).



CITY OF LOS ANGELES PROPOSITION LH

TITLE:

AUTHORIZATION FOR ADDITIONAL LOW-INCOME HOUSING

THE ISSUE:

Do you approve a measure authorizing public entities in the City of Los Angeles to develop, construct, or acquire up to 5,000 additional units of low-income rental housing in each Council District, for a total of up to 75,000 additional units of low-income housing within the City, to address homelessness and affordable housing needs, subject to availability of funding and City development requirements?

THE SITUATION:

Article 34 of the State Constitution requires a local government to obtain voter approval in order to develop, construct, or acquire low-income rental housing units. In 2008, the voters of the City of Los Angeles approved a ballot measure authorizing and maintaining a level of 3,500 units of low-income housing per Council District, for an aggregate total of 52,500 units of low-income housing within the City of Los Angeles. Several Council Districts are approaching their authorized limit.

According to the Housing Department, the current level is inadequate to address homelessness and affordable housing needs. Currently, the City's 2021-2029 Housing Element, as required by State law, sets a goal that the City provide 185,000 affordable housing units for low- and very low-income households by 2029.

THE PROPOSAL:

The measure would authorize public entities in the City to develop, construct, or acquire an additional 5,000 units of low-income rental housing in each Council District, for a total of 75,000 additional authorized units of low-income housing within the City.

A YES VOTE MEANS:

You want to authorize public entities in the City of Los Angeles to develop, construct, or acquire an additional 5,000 units of low-income rental housing in each Council District.

A NO VOTE MEANS:

You do not want to authorize public entities in the City of Los Angeles to develop, construct, or acquire an additional 5,000 units of low-income rental housing in each Council District.

THE FULL TEXT OF THIS PROPOSITION BEGINS ON PAGE 9.



CITY OF LOS ANGELES PROPOSITION SP

TITLE:

PARKS AND RECREATIONAL FACILITIES PARCEL TAX

THE ISSUE:

Do you approve an ordinance providing funding for parks, recreational centers, pools, playgrounds, waterways, beaches, green spaces, open spaces, childcare and other facilities, and increasing park equity in the City of Los Angeles, through a tax of approximately 8.4 cents per square foot on improved parcels, reduced to approximately 2.2 cents upon completion of certain programs or in 30 years, with citizen oversight and exemptions for low-income households?

THE SITUATION:

In 1996, voters adopted Proposition K: LA for Kids Program which created a citywide assessment district to fund the acquisition, development, improvement and restoration of parks and recreational facilities. Proposition K funding will expire in Fiscal Year 2026-27.

THE PROPOSAL:

The measure would authorize a new parcel tax of approximately 8.4 cents per square foot that would generate approximately \$227 million annually. The tax would be reduced to approximately 2.2 cents per square foot upon completion of capital programs or in 30 years, whichever occurs first. These funds would be dedicated to the rehabilitation, remediation, improvement, development, addition, acquisition, and operations and maintenance of open spaces and recreational venues and programs, including the Los Angeles Zoo and civic center green spaces, waterways and water elements, including the Los Angeles River and the Sepulveda Basin, and park facilities, such as pools, childcare facilities, and playgrounds. Monies in the fund may be used to pay the costs of audits and operation of the oversight committees. A Citizen Oversight Committee shall be established to make recommendations to the City on projects to be funded. Such recommendations shall consider the City's equity index.

A YES VOTE MEANS:

You want to authorize a parcel tax to provide funding with equity considerations for costs associated with park and recreational facilities.

A NO VOTE MEANS:

You do not want to authorize a parcel tax to provide funding with equity considerations for costs associated with park and recreational facilities.

THE FULL TEXT OF THIS PROPOSITION BEGINS ON PAGE 20.



CITY OF LOS ANGELES INITIATIVE ORDINANCE ULA

TITLE:

FUNDING AFFORDABLE HOUSING AND TENANT ASSISTANCE PROGRAMS THROUGH A PROPERTY TRANSFER TAX

THE ISSUE:

Shall an ordinance be adopted to add a tax on the sale or transfer of real property valued at over \$5 million to fund affordable housing and tenant assistance programs?

THE SITUATION:

There are approximately 41,000 unhoused people in Los Angeles. An estimated 63% of households are occupied by renters. Local funding dedicated to affordable housing and tenant programs is limited. The City collects a documentary transfer tax on the sale or transfer of property that funds City services. This measure would establish an additional documentary transfer tax on property valued at over \$5 million to fund affordable housing and tenant programs.

THE PROPOSAL:

This citizen-sponsored ballot initiative would:

- Impose a 4% tax on real property sales or transfers valued at over \$5 million but less than \$10 million;
- Impose a 5.5% tax on real property sales or transfers valued at \$10 million or more;
- Annually adjust the property value thresholds based on the Chained Consumer Price Index;
- Exempt certain housing, non-profit, and public entities from the tax;
- Create a permanent tax until repealed by voters;
- Generate approximately \$600 million to \$1.1 billion annually for existing and new programs;
- Use at least 92% of the revenue for affordable housing and tenant assistance programs administered by the Los Angeles Housing Department, and up to 8% for administration;
- Establish a Citizens Oversight Committee to make funding and program recommendations; and
- Establish a Tenant Council to advise on housing matters.

A YES VOTE MEANS:

You want to add a tax on the sale or transfer of non-exempt properties valued at over \$5 million to fund affordable housing and tenant programs.

A NO VOTE MEANS:

You do not want to add a tax on the sale or transfer of non-exempt properties valued at over \$5 million to fund affordable housing and tenant programs.

THE FULL TEXT OF THIS INITIATIVE ORDINANCE BEGINS ON PAGE 39.



LH AUTHORIZATION FOR ADDITIONAL LOW-INCOME HOUSING. PROPOSITION LH.

Shall a measure authorizing public entities in the City of Los Angeles to develop, construct, or acquire up to 5,000 additional units of low-income rental housing in each Council District to address homelessness and affordable housing needs, subject to availability of funding and City development requirements, be adopted?

IMPARTIAL SUMMARY BY SHARON M. TSO, CHIEF LEGISLATIVE ANALYST

Article 34 of the State Constitution requires a local government to obtain voter approval in order to develop, construct, or acquire certain low-income rental housing units. Article 34 authority is required for every project where more than 50 percent of units are restricted for low-income households. In 2008, the voters of the City of Los Angeles approved a ballot measure authorizing and maintaining a level of 3,500 units of low-income housing per Council District, for an aggregate total of 52,500 units of low-income housing within the City of Los Angeles. The Los Angeles Housing Department reports that the current level of Article 34 authority is insufficient to address homelessness and meet the City's affordable housing needs.

Since 1969, the State of California has required that all cities and counties adequately plan to meet the housing needs of communities through a Housing Element. The Housing Element is a required part of every local government's General Plan, must be updated every eight years, and must comply with standards and requirements set by the State. The City's 2021-2029 Housing Element, as required by State law, sets a goal that the City provide 185,000 affordable housing units for low- and very low-income households by 2029. Increasing the City's current total Article 34 authority would allow for increased development of low- and very low-income housing and support the City's efforts in achieving the 2021-2029 Housing Element's goal.

This measure would authorize public entities in the City to develop, construct, or acquire an additional 5,000 units of low-income rental housing in each Council District, for an additional potential 75,000 units Citywide. This would provide an aggregate total of 127,500 units of low-income housing within the City of Los Angeles, subject to funding availability and City development requirements.

Voter approval of the additional Article 34 authority does not require or guarantee that the authorized number of units will be developed, constructed, or acquired by the City or other public entities, nor obligate the provision of additional funding for such purposes, or exempt such projects from the public review or other development processes required by the City.

This measure will become effective if approved by a majority of voters.



FINANCIAL IMPACT STATEMENT
BY MATTHEW W. SZABO, CITY ADMINISTRATIVE OFFICER

This measure would increase the number of units of low-income rental housing that public entities could develop, construct, or acquire in the City of Los Angeles by 5,000 per City Council district. Article XXXIV of the California State Constitution requires voter approval for these activities. In 2008, voters approved a level of 3,500 units per district and this measure would increase that level to 8,500. A small number of districts are approaching the 3,500 level.

This measure does not require the City to develop, construct, or acquire the increased number of units, nor does it authorize a new funding source for low-income rental housing. Furthermore, this measure does not impact funding availability for low-income rental housing, the largest sources being federal funding and voter-approved bond financing. Therefore, there is no financial impact resulting from the adoption of this measure.



ARGUMENT IN FAVOR OF PROPOSITION LH

VOTE YES ON PROPOSITION LH

Proposition LH would authorize the City of Los Angeles to build, develop, or acquire up to 75,000 units of affordable housing.

Los Angeles' housing crisis grows worse every day, with more and more Angelenos facing housing insecurity and homelessness. The City of Los Angeles has not authorized additional affordable housing SINCE 2008. We need to get serious about tackling the crisis of our time.

Proposition LH simply AUTHORIZES the City of Los Angeles to pursue the development or acquisition of affordable housing—it does not fund, site, or approve it.

Any proposed new low-income housing will still be subject to environmental review, community input, and city approval.

Proposition LH ensures that any new housing will be developed across the city, with 5,000 units authorized in each of the city's 15 council districts.

The proposition is made necessary by the California State Constitution's requirement that all new publicly-funded affordable housing be approved by the voters.

Proposition LH is an essential tool in the fight to get our neighbors off the streets and help every Angeleno find their way home.

VOTE YES ON PROPOSITION LH.

PERSONS SIGNING ARGUMENT IN FAVOR OF PROPOSITION LH

JON DEUTSCH
President
Los Feliz Neighborhood Council

ALAN GREENLEE
Executive Director
Southern California Association of NonProfit Housing

NO ARGUMENT AGAINST THIS MEASURE WAS SUBMITTED.

Arguments printed on this page are the opinions of the authors and are not checked for accuracy by any City agency.



PROPOSITION LH

TEXT OF THE PROPOSED BALLOT MEASURE

RESOLUTION

Resolution providing voter authorization for the development, construction, or acquisition of up to 5,000 additional units of low-income rental housing in each Council District in the City of Los Angeles (City) consistent with Article XXXIV of the State Constitution.

WHEREAS, Article XXXIV of the Constitution of the State of California requires the approval, by a majority of the qualified voters of the City voting in an election, for public entities in the City to develop, construct, or acquire certain categories of low rent housing projects;

WHEREAS, in November 2008, voters of the City approved Proposition B, entitled “Update of Low Rent Housing Authorization,” which consolidated and maintained the City’s prior Article XXXIV authorizations allowing 3,500 low-income rental units per Council District, and removed impediments to access federal and state funding sources to construct low-income rental housing;

WHEREAS, the City’s current Article XXXIV authorization level of 3,500 units per Council District is limiting the ability to further develop, construct, or acquire low-income rental housing and constraining the ability of the City to address homelessness and affordable housing needs;

WHEREAS, as of May 1, 2022, five Council Districts in the City have a balance of less than 1,000 units of low-income rental housing units remaining of their authorized levels;

WHEREAS, the City needs Article XXXIV authority for the development, construction or acquisition of additional low-income rental housing projects in each Council District and throughout the City to address homelessness and meet the affordable housing demand needs of the City; and

WHEREAS, voter approval of the additional Article XXXIV authority does not require or guarantee that the authorized number of units will be developed, constructed, or acquired by the City, state, or federal governments, nor does the authorization obligate the provision of additional funding for such purposes or exempt such projects from the public review and other development processes required by the City.

NOW, THEREFORE BE IT RESOLVED BY THE PEOPLE OF THE CITY OF LOS ANGELES AS FOLLOWS:

Section 1. Consistent with Article XXXIV of the State Constitution, the voters of the City hereby authorize public entities in the City to develop, construct, and/or acquire up to 5,000



additional units of low rent housing in each Council District for persons of low income, for a total of up to 75,000 additional units of low rent housing in the City for persons of low income.

Sec. 2. The authorization of additional low rent housing units in the City provided by approval of this measure is in addition to any and all prior authorizations regarding low rent housing in the City, including prior authorizations approved by the voters pursuant to Article XXXIV.

Sec. 3. The City is further authorized to take any actions necessary to implement this measure.

Sec. 4. The terms of the authorization contained in this measure shall be construed in the same manner as Article XXXIV of the State Constitution and any laws or cases interpreting that section.

Sec. 5. Consistent with Article XXXIV, the authorization provided by this measure shall be deemed adopted and approved by the voters of the City if the measure is approved by a majority of the electors voting on the measure. The authorization shall be deemed effective ten days after the City Council declares the results of the election.





PARKS AND RECREATIONAL FACILITIES PARCEL TAX. PROPOSITION SP.

Shall an ordinance providing funding for parks, recreational centers, pools, playgrounds, waterways, beaches, green spaces, open spaces, childcare and other facilities, and increasing park equity in the City of Los Angeles, through a tax of \$0.08414 per square foot on improved parcels, reduced to \$0.0222 upon completion of certain programs or in 30 years, with citizen oversight and exemptions for low-income households, generating approximately \$227 million annually, be adopted?

IMPARTIAL SUMMARY

BY SHARON M. TSO, CHIEF LEGISLATIVE ANALYST

In 1996, voters approved the passage of Proposition K: LA for Kids Program (Proposition K) which created a citywide assessment that has generated \$25 million annually for the acquisition, development, improvement and restoration of parks and recreational facilities. Proposition K will expire in Fiscal Year (FY) 2026-27 and will result in the loss of funding to support parks and recreational facilities.

The proposed measure on the ballot would amend the Municipal Code to allow the City to collect funds for the rehabilitation, remediation, improvement, development, and acquisition of open spaces and recreational venues, such as museums, theaters, the Los Angeles Zoo, and civic green spaces, waterways and water elements, such as the Los Angeles River, Sepulveda Basin, lakes, dams, reservoirs, and beaches and park facilities, such as regional parks, recreation centers, pools and bathhouses, childcare facilities, senior centers, trails, picnic areas, playgrounds, athletic fields and courts, and other open public spaces, along with their operation and maintenance, through the imposition of a special parcel tax on improved real property parcels within the City. The distribution of the special tax funds will be prioritized based on the City's equity index with the goal of providing park poor communities with safe healthful access to parks and recreational facilities.

If approved, the special parcel tax rate to be imposed shall be \$0.08414 per square footage of improvement (generating approximately \$227 million annually) on real property parcels beginning in FY 2023-24 and reduced to \$0.0222 (approximately \$60 million annually) upon completion of capital programs or in FY 2053-54, whichever occurs first.

The measure provides exemptions from the special parcel tax for parcels owned by non-profits, low income households, and government bodies. The City shall establish the procedures and guidelines for parcel owners to apply for an exemption from the special parcel tax.

Unless the City Council seeks another method for collection of the special parcel tax, such tax shall be levied and collected by the County at the same time and manner, and subject to the same penalties, and interest as ad valorem property taxes collected by the County no sooner than July 1, 2023.



Monies collected from the special parcel tax, including penalties and interest, shall be deposited in a fund entitled "Parks and Recreational Facilities Special Parcel Tax Fund" (Fund). Monies deposited in the Fund shall not be subject to reversion to the City's Reserve Fund. Any interest earnings generated by the Fund shall remain in the Fund and be used for the purposes for which the special parcel tax is imposed.

A Citizens Oversight Committee shall be established by ordinance to make recommendations on projects to be funded from the special parcel tax and to monitor the implementation and performance of the projects, programs, and services funded by the special parcel tax. An Administrative Oversight Committee, consisting of the Mayor, City Administrative Officer, and the Chief Legislative Analyst, shall be established by ordinance to review, amend, and adopt any project recommendations prepared by the Citizens Oversight Committee based on funding priorities and awards. Such recommendations shall consider the City's equity index, as amended from time to time by the City, with the goal of providing park poor communities access to City Open Spaces and Recreational Venues, City Waterways and Water Elements, and/or Park Facilities.

The Controller shall prepare and present to the City Council an annual report identifying all receipts and expenditures associated with the Fund in accordance with state law.

This measure will become effective if approved by no less than two-thirds of the voters voting.

FINANCIAL IMPACT STATEMENT
BY MATTHEW W. SZABO, CITY ADMINISTRATIVE OFFICER

The proposition imposes a new parcel tax on properties based on the square footage of improvements, at a rate of \$0.08414 per square foot of parcel improvements. The tax is expected to generate approximately \$227.4 million in annual revenue. Tax revenues shall be used for the purposes of funding the acquisition, maintenance, and operation of parks, recreational centers, pools, playgrounds, waterways, beaches, green spaces, open spaces, childcare and other facilities.

The tax would be reduced to \$0.0222 per square footage of improvements upon the completion of certain capital programs or in the fiscal year beginning 2053-54, whichever occurs sooner. The reduced rate is expected to generate approximately \$60 million in annual revenue, to continue funding program administrative, operational and maintenance costs.

The proposition is not anticipated to have a significant impact on City finances as program expenses would be fully funded from the parcel tax collections.



ARGUMENT IN FAVOR OF PROPOSITION SP

We all need safe, clean parks. Today, our parks need our help.

That's why we need Measure SP.

We absolutely must address homelessness in our neighborhood parks. This can be done humanely, in partnership with local religious organizations, nonprofits and social service organizations – but it must be done. Our parks must be safe and clean for all of us to use.

More than 100,000 LA kids participate in organized afterschool and summer programs, which help keep kids on the right track and out of trouble. Measure SP supports these vital programs and helps reduce gang activity.

Too many local parks and recreation centers suffer from asbestos, mold, leaky roofs, lack of safe drinking water, termite damage, decaying walls, bad plumbing, old gas and sewer lines, unsafe lighting and restrooms. Too many are not accessible for people with disabilities, and often for senior citizens.

We need Measure SP to fix these problems.

Measure SP will maintain safe drinking water at parks and rec centers.

Measure SP will fix unsafe conditions at neighborhood parks, playgrounds, recreation centers, senior centers and other facilities to keep us safe.

Measure SP also helps fight ongoing drought and protect water quality.

Measure SP cleans up our parks, beaches and natural areas, keeping trash and pollutants out of local creeks, rivers, lakes, coastal waters and beaches.

Measure SP prevents contamination of our critical local groundwater.

Measure SP saves money and helps protect our scarce local drinking water supplies, through water conservation, including drought-tolerant plants and increased use of recycled water for playfields, landscaping, grass and natural areas.

Measure SP also removes dead trees and dried brush to reduce wildfire risks and protect our neighborhoods.

Measure SP includes strict accountability and public disclosure of all spending.

We all need safe, clean parks. Vote Yes on SP!

Arguments printed on this page are the opinions of the authors and are not checked for accuracy by any City agency.



PERSONS SIGNING ARGUMENT IN FAVOR OF PROPOSITION SP

JOE BUSCAINO
Councilmember
City of Los Angeles

JIMMY KIM
General Manager
L.A. City Recreation & Parks

ROBERT ARIAS
Chair
San Fernando Coalition on Gangs

GREGORY BOYLE
Founder
Homeboy Industries

CAROLYN RAMSAY
Executive Director
LA Parks Foundation

DR. ALICE "SWEET ALICE" HARRIS
Founder
Parents of Watts



REBUTTAL TO THE ARGUMENT IN FAVOR OF PROPOSITION SP

PROPOSITION SP INCREASES PROPERTY TAXES BY \$84.14 PER 1,000 SQUARE FEET.

The owner of a 1,500-square-foot home will pay an additional \$1,893.15 in just the first 15 years!

TAXPAYERS ARE ALREADY PAYING TO MAINTAIN THE PARKS, BUT THE CITY IS DIVERTING THE MONEY.

The City Council diverts money from the current parks budget by charging Recreation and Parks for city services provided free to other departments. According to Recreation and Parks' own website, "These indirect costs now account for over 23% (\$43 million) of the entire Department's budget." (Source: www.laparks.org/department on 8/21/22)

PROPOSITION SP IS A TAX TO PAY FOR THE OLYMPICS.

Councilman Joe Buscaino admitted in a 2021 City Council motion that a tax increase was needed for "upgrades" to Recreation and Parks facilities for the 2028 Olympics. Proposition SP is a \$6.8 billion tax increase for 30 years!

VOTE NO ON PROPOSITION SP.

More Information:

Howard Jarvis Taxpayers Association

213-384-9656

www.NoNewTaxes.net

PERSONS SIGNING REBUTTAL TO THE ARGUMENT IN FAVOR OF PROPOSITION SP

JON COUPAL

President

Howard Jarvis Taxpayers Association

MICHAEL D. ANTONOVICH

Los Angeles County Supervisor

1980-2016, Ret.

JACK HUMPHREVILLE

Neighborhood Council Budget Advocate

DANIEL M. YUKELSON

Executive Director

Apartment Association of Greater
Los Angeles

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ARGUMENT AGAINST PROPOSITION SP

VOTE NO on PROPOSITION SP because it will cost taxpayers thousands of dollars over 30 years.

Proposition SP will cost every homeowner \$84.14 per 1,000 square feet of their home per year. The owner of a 1,500-sq-ft. home would pay an additional \$1,893.15 in just the first 15 years.

VOTE NO on PROPOSITION SP because it's a massive tax increase.

In 1996, voters passed Proposition K, a tax increase for parks that ends in 2026. Politicians want to replace the expiring tax with a new tax increase. However, Proposition SP will raise taxes \$227 MILLION PER YEAR. That's nearly 10 times as much as Proposition K, which cost \$25 million per year.

VOTE NO on PROPOSITION SP because it's a back-door tax to pay for the Olympics

Last December, Councilman Joe Buscaino presented a motion to direct the city to hire a consultant to develop a ballot measure to raise \$2.1 billion for Recreation and Parks improvements. The motion stated, "With the City hosting the 2028 Summer Olympics, and several of Recreation & Parks facilities serving as venues for various competitions, we must act now, to ensure all needed upgrades and repairs are completed prior to the games." Proposition SP is a tax increase to pay for the Olympics.

VOTE NO on PROPOSITION SP because it's THREE TIMES MORE THAN NEEDED

The planned \$2.1 billion tax increase has turned into Proposition SP, which raises taxes by more than triple that amount. The City Council wanted to spend more, so in May, the City Administrative Officer outlined a \$4.6 billion tax increase. Then in June, the Council identified "other potential projects" that required tax hikes, including the massive L.A. River overhaul. Proposition SP will cost \$6.8 billion!

VOTE NO on PROPOSITION SP.

For More Information:
Howard Jarvis Taxpayers Association
213-384-9656
www.NoNewTaxes.net

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PERSONS SIGNING ARGUMENT AGAINST PROPOSITION SP

JON COUPAL

President

Howard Jarvis Taxpayers Association

MICHAEL D. ANTONOVICH

Los Angeles County Supervisor

Ret., 1980-2016

JACK HUMPHREVILLE

Neighborhood Council Budget Advocate



REBUTTAL TO THE ARGUMENT AGAINST PROPOSITION SP

Let's be clear: Measure SP has nothing to do with the Olympics.

The Olympics aren't mentioned in Measure SP or its expenditure plan. That false argument is bad-faith politics.

Measure SP funds can only be spent on one thing: keeping LA's 1,100 neighborhood parks, playgrounds, senior, recreation, youth and community centers clean and safe.

More than 100,000 LA kids rely on safe places to play for afterschool and summer programs, which are essential for reducing gang activity and helping kids stay on the right track.

Angelenos of all ages, from all neighborhoods, rely on local parks, senior centers, recreation centers and community centers, all the time.

Funding from 1996 is running out. It's time to renew local funding to improve public safety, address homelessness and make sure these important public places are safe and clean for all of us to use.

Vote Yes on SP – we all need Safe Parks!

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**PERSONS SIGNING REBUTTAL TO THE ARGUMENT AGAINST
PROPOSITION SP**

JOE BUSCAINO
Councilmember
City of Los Angeles

EDWARD JAMES OLMOS
Actor

KAREN BASS
Member of Congress

RICK CARUSO
Businessman

TONY BROWN
CEO
Heart of Los Angeles Programs for
Underserved Youth

STEPHANIE VENDIG
President
Los Angeles Federation of
Senior Citizen Clubs

CANDICE DICKENS-RUSSELL
President and CEO
Friends of the Los Angeles River

EVELYN HERNANDEZ
Health Educator
Wilmington Community Clinic

REV. SHANE B. SCOTT
Senior Pastor
Macedonia Baptist Church, Watts

TRACY QUINN
President and CEO
Heal the Bay



PROPOSITION SP

TEXT OF THE PROPOSED BALLOT MEASURE

ORDINANCE NO. _____

An ordinance amending Chapter II of the Los Angeles Municipal Code to add Article 1.18, that will fund the rehabilitation, remediation, improvement, development, addition, and acquisition of parks, recreational centers, pools, playgrounds, waterways, beaches, green spaces, open spaces, childcare and other facilities, along with their operation and maintenance, through the imposition of a special parcel tax on improved real property parcels within the City of Los Angeles (City).

WHEREAS, in 1996, the voters of the City adopted Proposition K: LA For Kids Program (Proposition K) which created a citywide assessment district to fund the acquisition, development, improvement and restoration of parks and recreational facilities in the City and fund City park programs and services;

WHEREAS, the Proposition K program assessment is set to expire in the 2026-27 fiscal year and result in the loss of funding to support parks and recreational facilities and park programs and services within the City;

WHEREAS, on May 23, 2022, the City Administrative Officer issued a report (CAO Report) in response to two City Council motions directing staff to report on options for establishing a new citywide assessment program for parks and recreational facilities to fund approximately \$4.6 billion worth of improvements and new developments, as estimated by the Department of Recreation and Parks;

WHEREAS, the CAO Report outlined various revenue options to fund park facilities and park operations such as a parcel tax, a sales (transaction and use) tax, general obligations bonds, and a gross receipts tax;

WHEREAS, at its June 21, 2022, meeting, the City Council further identified funding needs for other potential projects related to the Los Angeles Zoo, Sepulveda Basin, Los Angeles River, civic center green spaces and other improvements to venues, open spaces and waterways in the City, while emphasizing that all projects that are to be funded include equity considerations to address park poor neighborhoods and communities;

WHEREAS, given the upcoming expiration of Proposition K and other priority endeavors in the City to address homelessness, public safety, infrastructure improvements, and an increasingly precarious economy, new funding must be accessed;

WHEREAS, to secure the funding needs for parks, recreational centers, pools, playgrounds, waterways, beaches, green spaces, open spaces, childcare and other facilities, along with their operation and maintenance in an equitable manner, without any preset funding levels or commitments, the City Council proposes the placement of a “Parks and Recreational Facilities Parcel Tax” before the voters;



WHEREAS, an imposition of a special parcel tax would provide a source of funding for parks, recreational centers, pools, playgrounds, waterways, beaches, green spaces, open spaces, childcare and other facilities, along with their operation and maintenance;

WHEREAS, the deployment of the special tax funds will be prioritized based on the City's equity index with the goal of providing park poor communities with safe healthful access to parks and recreational facilities; and

WHEREAS, a citizens oversight committee and an administrative oversight committee will be established to ensure that the revenue from the special parcel tax are used for the purposes described and authorized by the voters.

NOW THEREFORE,

**THE PEOPLE OF THE CITY OF LOS ANGELES
DO ORDAIN AS FOLLOWS:**

Section 1. Article 1.18 is added to Chapter II of the Los Angeles Municipal Code to read as follows:

ARTICLE 1.18

PARKS AND RECREATIONAL FACILITIES PARCEL TAX

SEC. 21.18.1. TITLE.

This article may be referred to as the Parks and Recreational Facilities Parcel Tax.

SEC. 21.18.2. DEFINITIONS.

The following words and phrases whenever used in this article shall be construed as defined in this section:

(a) **"AMI"** shall mean the Area Median Income or Area Median Household Income as determined and amended by HUD, as applied to the City of Los Angeles.

(b) **"Capital Programs"** shall mean the addition, rehabilitation, remediation, improvement, replacement, development, or acquisition of real property, equipment, fixtures, or improvements.

(c) **"City"** shall mean the City of Los Angeles, a municipal corporation.

(d) **"City Open Spaces and Recreational Venues"** shall mean City owned open spaces and recreational venues in the City, which shall include but not be limited to civic center green spaces, recreational venues, museums, and theaters such as the Los Angeles Zoo and others.

(e) **"City Waterways and Water Elements"** shall mean rivers, waterways, tributaries, lakes, dams, reservoirs, embankments, beaches, and other locations of water that



are within the control of the City and used for recreation, including but not limited to the Los Angeles River and the Sepulveda Basin.

(f) **“County”** shall mean the County of Los Angeles.

(g) **“Fiscal Year”** shall mean the fiscal year of the City as defined under Vol 1, Art. III, Sec. 310 of the City Charter.

(h) **“HUD”** shall mean the U.S. Department of Housing and Urban Development, or its successor department or agency.

(i) **“Low Income”** shall mean a household with an annual income of 80 percent of AMI or less.

(j) **“Owner”** shall mean the person owning, claiming, possessing, or controlling the Parcel as of the lien date.

(k) **“Parcel”** shall mean any unit of real property designated by an assessor’s parcel map and parcel number as shown on the last equalized assessment roll of the County of Los Angeles.

(l) **“Parcel Improvement”** shall mean any building, structure, enclosure, facility, or other improvement erected on or affixed to a parcel as shown on the last equalized assessment roll of the County of Los Angeles.

(m) **“Park Facilities”** shall mean park and recreational sites in the City that include but are not limited to regional parks, recreation centers, pools and bathhouses, restrooms, childcare facilities, senior centers, lakes, trails, picnic areas, playgrounds, community school park facilities, park ranger facilities, athletic fields and courts, and other open public spaces.

(n) **“Person”** shall mean an individual, corporation, partnership, trust or estate, joint-stock company, association, limited liability company, syndicate, group, pool, joint venture or other unincorporated organization or group as the context may require.

(o) **“Special Parcel Tax”** shall mean the special tax imposed by this article.

SEC. 21.18.3. SPECIAL PARCEL TAX.

(a) Except as otherwise provided under this article, there is hereby imposed a Special Parcel Tax on every parcel within the City. The Special Parcel Tax shall be imposed each Fiscal Year, beginning with the Fiscal Year 2023-24.

(b) The Special Parcel Tax constitutes a debt owed by the Owner to the City.

SEC. 21.18.4. SPECIAL PARCEL TAX RATE.

(a) The Special Parcel Tax Rate to be imposed on each parcel shall be \$0.08414 per square footage of Parcel Improvement or fractional part thereof.



(b) The Special Parcel Tax Rate imposed on a Parcel under paragraph 21.18.4(a) shall be reduced to \$0.0222 per square footage of Parcel Improvement or fractional part thereof on the earlier of the Fiscal Year that follows the Fiscal Year in which the Capital Programs related to City Open Spaces and Recreational Venues, City Waterways and Water Elements, and/or Park Facilities are complete, as determined by City Council, or the Fiscal Year beginning 2053-54.

(c) City Council may, by ordinance, establish a Special Parcel Tax Rate less than the rate provided in subsections (a) or (b). Following any such decrease in the Special Parcel Tax rate, the City Council may, by ordinance, increase the Special Parcel Tax rate to an amount not to exceed the rate provided in Subsection (a), subject to the provisions of Subsection (b).

SEC. 21.18.5. COLLECTION OF THE SPECIAL PARCEL TAX.

(a) Unless the City Council seeks another method for collection of the Special Parcel Tax, such tax shall be levied and collected by the County at the same time and manner, and subject to the same penalties, and interest as ad valorem property taxes collected by the County.

(b) If the City Council selects collection by the County, the Special Parcel Tax shall be imposed on the ad valorem property tax bill for the Fiscal Year beginning July 1. The Special Parcel Tax shall be first imposed no sooner than the ad valorem property tax bill for the Fiscal Year beginning July 1, 2023.

SEC. 21.18.6. EXEMPTIONS.

(a) The following Parcels shall be exempt from the Special Parcel Tax imposed under this article:

(1) a Parcel upon which the imposition of the Special Parcel Tax would be in violation of either the Constitutions of the United States or the State of California;

(2) a Parcel having an Owner that is the federal government, a state government, local government, or any federal, state, or local government agency or district;

(3) a Parcel having an Owner that is a non-profit organization or entity owned or controlled by a non-profit organization satisfying the requirements of California Revenue and Taxation Code Section 214, as amended; and

(4) a Parcel having an Owner who is a Low Income household.

(b) The City, in a separate ordinance, shall establish the procedures and guidelines for Owners to apply for, and be granted, the exemptions identified in this section. Owners who claim an exemption may be required to submit information annually to substantiate their continuing qualification for the exemption.



SEC. 21.18.7. PARK AND RECREATIONAL FACILITIES SPECIAL PARCEL TAX FUND.

There is hereby established a special fund in the City Treasury entitled “Parks and Recreational Facilities Special Parcel Tax Fund” (**Fund**). Monies collected from the Special Parcel Tax under this article, including penalties and interest, shall be deposited into the Fund. Monies deposited in the Fund shall not be subject to reversion to the Reserve Fund, established under Charter Section 302. Monies of the Fund may be deposited in an interest bearing account. All interest earnings generated by monies of the Fund shall remain in it and be used only for the purpose for which the Special Parcel Tax in this article is imposed. The City may establish separate accounts or subaccounts within the Fund to the extent needed to account for the uses permitted under this article.

SEC. 21.18.8. PURPOSE OF THE SPECIAL PARCEL TAX.

(a) Monies in the Fund shall, without any preset spending levels or commitments, be used for:

(1) Capital Programs related to City Open Spaces and Recreational Venues, City Waterways and Water Elements, and/or Park Facilities, such Capital Programs to take into account the City’s equity index, as amended from time to time by the City, with the goal of providing park poor communities access to City Open Spaces and Recreational Venues, City Waterways and Water Elements, and/or Park Facilities;

(2) furnishings, accessories, trash and recycling receptacles and other equipment to be used at City Open Spaces and Recreational Venues, City Waterways and Water Elements, and/or Park Facilities;

(3) the cost to operate and maintain City Open Spaces and Recreational Venues, City Waterways and Water Elements, and/or Park Facilities;

(4) the cost to operate and maintain recreational orientated programs at City Open Spaces and Recreational Venues, City Waterways and Water Elements, and/or Park Facilities; and

(5) lease payments under any lease entered into to support lease revenue bonds that finance any of the purposes described under subparagraphs (1) and (2) of this section and to pay any costs or expenses reasonably related thereto.

(b) Monies in the Fund may be used to pay the costs of audits with respect to the uses of the monies in the Fund, including preparation of the Annual Report and other reports under Section 21.18.11.

(c) Monies in the Fund may be used to pay for the costs of administering the Special Parcel Tax, regardless of how or by what entity those administrative services are provided. No more than 10 percent of the Special Parcel Tax deposited into the Fund in any Fiscal Year may be used to pay for such administrative costs. Administrative costs include, but are not limited to:



(1) costs associated with administering, monitoring, and enforcing compliance with this article. Such costs include, but are not limited to, refunds, audits, adjustments, any expenses, including attorneys' fees, associated with any proceedings needed to enforce the requirements of this article;

(2) costs associated with developing ordinances and regulations to implement this article;

(3) costs associated with the operations of the oversight committees described in Sections 21.18.9 and 21.18.10; and

(4) costs associated with the collection of the Special Parcel Tax through the County or by any other method of collection of the Special Parcel Tax as may be selected by the City Council.

(d) If this article or the use of the Special Parcel Tax is legally challenged, monies from the Fund may be used to reimburse the City for its legal defense, including attorneys' fees and other expenses.

SEC. 21.18.9. CITIZENS OVERSIGHT COMMITTEE.

A Citizens Oversight Committee shall be established by ordinance to make recommendations on projects to be funded from the Special Parcel Tax and the Fund and to monitor the implementation and performance of the projects, programs, and services funded by the Special Parcel Tax and the Fund. Such recommendations shall consider the City's equity index, as amended from time to time by the City, with the goal of providing park poor communities access to City Open Spaces and Recreational Venues, City Waterways and Water Elements, and/or Park Facilities.

SEC. 21.18.10. ADMINISTRATIVE OVERSIGHT COMMITTEE.

(a) An Administrative Oversight Committee shall be established by ordinance to review, amend, and adopt any project recommendations prepared by the Citizens Oversight Committee based on funding priorities and awards.

(b) The Administrative Oversight Committee shall consist of the Mayor, City Administrative Officer, and Chief Legislative Analyst, or their respective designees.

SEC. 21.18.11. ANNUAL REPORT.

The Controller shall (i) prepare and present to the City Council an annual report identifying all receipts into and all expenditures out of the Fund in accordance with Section 50075.3 of the California Government Code or successor provision, and (ii) prepare and provide to the relevant State authority any information required under Section 12463.2(b) of the California Government Code or successor provision.

SEC. 21.18.12. REFUNDS AND ADJUSTMENTS.

The City shall establish procedures and guidelines relating to refunds, exemptions,



adjustments, delinquencies, appeals, and other processes and procedures.

SEC. 21.18.13. AMENDMENTS.

This article may only be amended by a vote of the people if the amendment would result in the Special Parcel Tax being imposed, extended, or increased in a manner not originally approved by the voters. City Council is hereby authorized to amend this article provided such amendment does not require voter approval.

SEC. 21.18.14. SUBMISSION TO VOTERS.

The ordinance enacting this article shall be submitted to the voters of the City. The Special Parcel Tax proposed by this article shall be levied only if the ordinance is approved by a vote of not less than two-thirds of the voters voting. If the ordinance is approved by the requisite number of voters, the article shall thereafter be considered part of the Los Angeles Municipal Code.

SEC. 21.18.15. SEVERABILITY CLAUSE.

If any section, clause, sentence, phrase, or portion of this article is held unconstitutional or invalid by any court or tribunal of competent jurisdiction, the remaining sections, clauses, sentences, phrases, or portions of this article shall remain in full force and effect, and to this end the provisions of this article are severable. In addition, the voters declare that they would have passed all sections, clauses, sentences, phrases, or portions of this article without the section, clause, sentence, phrase or portion held unconstitutional or invalid.



ULA **FUNDING FOR AFFORDABLE HOUSING AND TENANT ASSISTANCE PROGRAMS THROUGH A TAX ON REAL PROPERTY TRANSFERS OVER \$5 MILLION. INITIATIVE ORDINANCE ULA.**

Shall an ordinance funding and authorizing affordable housing programs and resources for tenants at risk of homelessness through a 4% tax on sales/transfers of real property exceeding \$5 million, and 5.5% on properties of \$10 million or more, with exceptions; until ended by voters; generating approximately \$600 million - \$1.1 billion annually; be adopted?

IMPARTIAL SUMMARY BY SHARON M. TSO, CHIEF LEGISLATIVE ANALYST

This citizen-sponsored ballot initiative would amend City law to add a tax on the sale or transfer of real property valued over \$5 million to fund affordable housing and tenant assistance programs. The City collects a tax on the sale or transfer of property. The proposed ordinance would impose an additional tax as follows:

- A 4 percent tax on the sale and transfer of real property valued over \$5 million but less than \$10 million; and
- A 5.5 percent tax on the sale and transfer of real property valued at \$10 million or greater.

The property value threshold subject to the tax would be adjusted annually based on the Chained Consumer Price Index. Qualified affordable housing and government entities would be exempt from the tax.

This tax is estimated to generate \$600 million to \$1.1 billion annually. At least 92 percent of the proceeds from the tax would fund affordable housing under the Affordable Housing Program and tenant assistance programs under the Homeless Prevention Program. No more than 8 percent would fund program administration, reporting, compliance, and implementation.

This measure's goals include increasing the supply of affordable housing, addressing the need for tenant protections and assistance programs, and building organizational capacity of organizations serving low-income and disadvantaged communities, among others.

The Affordable Housing Program would fund the development of affordable housing to serve acutely low, very low, and low-income households. Housing units would be affordable for 55 years or permanently, if permitted by law, and be subject to resale restrictions.

This program would fund affordable housing, including:

- Development of multifamily housing;
- Alternative housing solutions that can include new supportive and affordable rental or mixed rental/homeownership projects, with up to 20 percent of the units



available at market rate and 20 percent set aside for acutely or extremely low-income households;

- Acquisition, preservation, lease, rehabilitation, or operation of affordable housing; and
- Homeownership opportunities, capacity-building for Community Land Trusts and similar organizations, operating assistance, and rental subsidies.

The Los Angeles Housing Department (LAHD) would have authority to approve funding of up to \$50 million per project without City Council review and approval. The measure would require payment of prevailing wages and housing developments with 40 or more units would need to comply with certain project labor agreements. If a project results in displacement of a tenant, relocation assistance and right of first refusal for a comparable unit in the development would apply.

The Homeless Prevention Program would fund resources such as:

- Rental and income assistance;
- Eviction defense and prevention programs;
- Tenant outreach and education;
- Tenant harassment protections; and
- A Tenant Council, comprised of tenants and currently homeless individuals living in the City. Members with diverse backgrounds would be appointed by the Mayor, subject to approval of the City Council. The Tenant Council would advise LAHD, the Citizens Oversight Committee, and City Council on activities related to tenant protections and fair housing.

This measure creates a 15-member Citizens Oversight Committee, comprised of 13 voting members and two advisory youth members. Members with diverse backgrounds and expertise would be appointed by the Mayor, subject to approval of the City Council. The committee would make recommendations to the City Council on funding guidelines, conduct housing-needs assessments, monitor program implementation, and audit fund expenditures.

LAHD would provide an annual Expenditure Plan to the Citizens Oversight Committee and the City Council with projected revenue and expenditures for at least three years. Funds must be expended within a specified timeline and may be periodically reallocated among categories in accordance with need, subject to certain procedures.

This measure will become effective if approved by a majority of voters.



FINANCIAL IMPACT STATEMENT
BY MATTHEW W. SZABO, CITY ADMINISTRATIVE OFFICER

This measure establishes a special tax within the City of Los Angeles, imposed on all property types valued at \$5,000,000 or more when sold or when legal ownership is transferred, to fund affordable housing and tenant assistance programs. Certain affordable housing organizations may qualify for an exemption. The tax rate is determined by the property value at the time of sale or transfer: 4.0 percent tax rate for values of \$5,000,000 through \$9,999,999, and 5.5 percent for values of \$10,000,000 or greater. The value thresholds adjust annually, based on the Consumer Price Index. The special tax imposed is in addition to the existing 0.56 percent combined City and County tax rate on property sales and transfers.

Annual revenue from the special tax, estimated between \$600 million and \$1.1 billion, will fluctuate according to the respective number of property sales and transfers with values above \$5 million and \$10 million.



ARGUMENT IN FAVOR OF INITIATIVE ORDINANCE ULA

As homelessness and housing experts, we encourage you to vote YES on Initiative Ordinance ULA to reduce homelessness and protect seniors.

Initiative Ordinance ULA gives us a new and powerful opportunity to actually move people off of the streets and into housing. It would also prevent many low-income seniors from losing their homes when they are at-risk of homelessness.

Here's how it works: When someone sells a mansion or other real estate worth more than \$5 million, Initiative Ordinance ULA would invest a small percentage of that revenue back into our communities.

The money would be used to reduce homelessness, create more affordable housing, and provide **financial aid and eviction protection to low-income seniors**, veterans, people with disabilities, and other Angelenos at risk of homelessness.

This measure is unlike anything we've tried before. Based on 2021-2022 real estate sales, Initiative Ordinance ULA could generate around \$900 million every year. Initiative Ordinance ULA will go to work quickly by purchasing existing buildings and cutting red tape to create more affordable housing. The measure will also provide support to seniors and people with disabilities who have difficulty keeping up with housing costs.

At the same time, Initiative Ordinance ULA only impacts a small fraction of properties. It would have applied to only 3% of all real estate sales in 2019 (those selling for more than \$5 million). Let's be clear: **Only people selling real estate for more than \$5 million will pay this tax. No one else will.**

You can tell a lot about a measure based on who supports it and who doesn't. **Initiative Ordinance ULA was drafted by homeless service providers, affordable housing nonprofits, labor unions, and renters' rights groups.** It is endorsed by over 175 organizations, including the ACLU of Southern California and the Democratic Party of LA County.

On the flip side, we know real estate speculators, corporate developers, and the folks selling \$50 million condos don't love our measure. For them, LA's real estate market is a big business that generates billions of dollars.

The bottom line is this: Millionaires and billionaires cashing in on mega properties can afford to pay the "mansion tax," and we'll all benefit from reduced homelessness when they chip in and pay their fair share.

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Let's talk about oversight, because we think it's important. Unlike past efforts, this measure would create sustained funding to reduce homelessness with **oversight from an independent board of homelessness and housing experts** and a dedicated inspector general.

No politician who currently holds elected office will be allowed on the board.

We're homelessness service providers and housing experts, but we're also renters, homeowners, parents, and Los Angeles residents. We are as concerned as you are about the state of our city. That's why we support Initiative Ordinance ULA and ask you to vote yes.

Yes to reduce homelessness.

Yes to protect low-income seniors and people with disabilities.

Yes to a city that is more affordable for our grandparents, our kids, and our neighbors.

Yes to Initiative Ordinance ULA.

PERSONS SIGNING ARGUMENT IN FAVOR OF INITIATIVE ORDINANCE ULA

STEVE DIAZ
Skid Row Homeless Service Provider

TAKAO SUZUKI
Little Tokyo Affordable Housing Provider

NORA HERNANDEZ
South Los Angeles Renter

ELI LIPMEN
West Adams Homeowner

ANTONIO SANCHEZ
Labor Leader

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REBUTTAL TO THE ARGUMENT IN FAVOR OF INITIATIVE ORDINANCE ULA

DON'T BE FOOLED. TENANTS AND CONSUMERS WILL PAY THIS TAX.

Vote NO on Initiative Ordinance ULA because it isn't just a 4% tax on "mansions," it's a 4% tax on any property in L.A. that sells for more than \$5 million. It will make the purchase of apartment buildings more expensive, and that will push housing costs higher as tenants pay this tax through higher rents. It's also a tax on the sale of supermarkets, restaurants and shopping centers. The cost of living in L.A. is already too high, and Initiative Ordinance ULA will lead to higher prices for consumers.

IT'S NOT ONLY A HUGE TAX HIKE, IT'S A HUGE 'NEW AND POWERFUL' BUREAUCRACY.

Vote NO on Initiative Ordinance ULA because it will raise taxes by an estimated \$800 million to \$1 billion every year, and the money goes to a new bureaucracy run by unelected, unaccountable appointees who claim to be "experts" in homeless housing and services. Los Angeles voters already approved \$1.2 billion in borrowed money to build housing for the homeless (Measure HHH) and also approved a county sales tax increase for homeless services (Measure H). These higher taxes have been in effect for five years. The problem of homelessness has only gotten worse, while the money has been wasted on high-salaried bureaucrats and housing costing an astounding average of more than \$600,000 per unit.

ANOTHER BLOATED BUREAUCRACY, BUT NO PLAN TO FIX HOMELESSNESS.

Vote NO on Initiative Ordinance ULA because we're already paying for one bloated and inefficient bureaucracy, the Los Angeles Homeless Services Authority. This measure creates another one! It would have a 13-member governing board plus a tenant council, but none of the members of the board would be representatives of taxpayers' interests. Just the administrative costs for this new bureaucracy would be \$640 million over ten years! And there's no plan to fix homelessness.

NOT ONE PENNY CAN BE SPENT TO HELP GET PEOPLE OFF THE STREETS RIGHT NOW.

Vote NO on Initiative Ordinance ULA because it does not allow any of the money from this tax increase to be spent on emergency shelters or temporary housing. This tax is NOT a plan to fix homelessness. It is a plan to help a select few developers and homeless service organizations take control of all the money from a tax increase on real estate sales. Can you guess who paid to collect the signatures to put this measure on the ballot?

VOTE NO ON INITIATIVE ORDINANCE ULA.

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For More Information:
Howard Jarvis Taxpayers Association
213-384-9656
info@hjta.org
www.NoNewTaxes.net

No Plan. No Way. Vote No on ULA.
Angelenos for Affordability
info@VoteNOonULA.com
www.VoteNOonULA.com

**PERSONS SIGNING REBUTTAL TO THE ARGUMENT IN FAVOR OF
INITIATIVE ORDINANCE ULA**

JON COUPAL
President
Howard Jarvis Taxpayers Association

DR. RUBEN GUERRA, PH.D.
Chairman and CEO
Latin Business Association

ANDY BALES
President and CEO
Union Rescue Mission

GREGORY PLUMMER
Minority Small Business Owner

MICHAEL D. ANTONOVICH
Los Angeles County Supervisor
1980-2016, Ret.

DANIEL M. YUKELSON
Executive Director
Apartment Association of Greater
Los Angeles

JACK HUMPHREVILLE
Neighborhood Council Budget Advocate

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ARGUMENT AGAINST INITIATIVE ORDINANCE ULA

VOTE NO ON INITIATIVE ORDINANCE ULA, another TAX INCREASE to “solve” homelessness.

L.A. voters have already raised taxes TWICE for homeless housing and services. The \$1.2 billion in borrowed money for Measure HHH was supposed to build 10,000 units of housing, but so far it has failed. Our tax dollars have been wasted on bloated projects that cost roughly \$600,000 per unit. Measure H raised the sales tax in L.A. County for services that would help to end homelessness. In the last five years since both measures have been in effect has homelessness in the City gotten better or worse?

VOTE NO ON INITIATIVE ORDINANCE ULA because it will be the largest tax increase in L.A. history, and consumers will pay it.

Initiative Ordinance ULA is a huge tax increase on real estate sales. It doesn't just affect the owners of mansions. A 4% tax on the sale of properties valued above \$5 million will hit housing providers, making the purchase of apartment buildings more expensive. Who pays for that? Tenants, through higher rents. It's also a tax on the sale of supermarkets, movie theaters, shopping centers, self-storage facilities, and restaurants. Who pays for that? Consumers, through higher prices.

VOTE NO ON INITIATIVE ORDINANCE ULA because it creates another huge bureaucracy.

Los Angeles taxpayers already pay the salaries for a huge bureaucracy that's supposed to be solving homelessness, the Los Angeles Homeless Services Authority. Many LAHSA employees collect six-figure salaries. Why should we pay for a new bureaucracy full of high-salaried paper pushers figuring out how to spend tax dollars on new contracts? No wonder some Angelenos call the current system the “Homeless Industrial Complex.”

VOTE NO ON INITIATIVE ORDINANCE ULA because it establishes two new government boards...and more bureaucracy.

It creates a 13-member committee plus a tenant council. These board members will be unelected and unaccountable to anyone. They will also be able to hire costly outside consultants, and no members of the committee will be drawn from groups representing taxpayers' interests.

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VOTE NO ON INITIATIVE ORDINANCE ULA because it has been estimated that only half of its revenue would go toward construction and rehabilitation of affordable housing.

It's also estimated that about a quarter of the measure's funding would go toward income assistance and subsidies. Another big chunk – \$640 million over ten years – would go toward “administrative costs.”

VOTE NO ON INITIATIVE ORDINANCE ULA because there isn't a plan to fix homelessness.

A real solution to homelessness must address all the causes and crises that lead to the unacceptable tragedy of people living and dying on the sidewalks. A real solution requires a comprehensive policy that includes adequate facilities and services for mental health care and treatment for substance use disorder, as well as services for victims of domestic violence. Housing is only one part of a comprehensive solution. ULA continues the failed status quo that can't even keep up with increases in the homeless population.

VOTE NO ON INITIATIVE ORDINANCE ULA because it denies funding to emergency shelters.

Initiative Ordinance ULA would raise taxes by roughly \$8 billion over 10 years but not one dime may be spent on building temporary housing or emergency shelters to get people safely off the streets to find the care they need. This exclusion tells the story, doesn't it? This tax is all about helping a select few developers, not the homeless.

VOTE NO ON INITIATIVE ORDINANCE ULA.

For More Information:
Howard Jarvis Taxpayers Association
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info@hjta.org
www.NoNewTaxes.net

No Plan. No Way. Vote No on ULA.
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PERSONS SIGNING ARGUMENT AGAINST INITIATIVE ORDINANCE ULA

JON COUPAL

President

Howard Jarvis Taxpayers Association

GREGORY PLUMMER

Minority Small Business Owner

MICHAEL D. ANTONOVICH

Los Angeles County Supervisor

Ret., 1980-2016

DANIEL M. YUKELSON

Executive Director

Apartment Association of Greater

Los Angeles

JACK HUMPHREVILLE

Neighborhood Council Budget Advocate



REBUTTAL TO THE ARGUMENT AGAINST INITIATIVE ORDINANCE ULA

The opposition gets a lot of the basics wrong, which is unsurprising given that many of them are real estate developers—not homelessness experts.

ULA is a new approach drafted by homelessness experts to have an immediate impact. Here's how it's different:

- ULA invests in innovative solutions that will create housing faster and at a lower cost than what has been tried before. This includes purchasing and converting existing properties like motels and hotels.
- ULA will prevent new homelessness before it even starts, raising an estimated \$240 million per year to protect seniors, people with disabilities, and others at risk of homelessness (based on 2021-2022 data).
- Over the next ten years, Measure ULA will raise more resources to address homelessness than the City of LA has ever had before.
- It will be paid for by millionaires and billionaires. Unlike past measures, the majority of people in LA will not pay a single penny.
- ULA will be overseen by an independent board of experts, not politicians.

ULA was written by renters rights advocates, affordable housing providers, and labor unions who care more about working families in Los Angeles than your average real estate mogul.

- Every time someone asks the ultra wealthy to pay taxes, they resort to scare tactics. Don't fall for it.
- According to the LA County assessor's office, LA County property got \$122 billion more valuable last year. And yet this tax would have applied to only 2.5% of home and condo sales in 2021-2022. The millionaires and billionaires cashing in can afford to pay their taxes.
- Our opponents argue that a tax on multi-million dollar real estate will trickle down to renters. Don't let scare tactics obscure the facts. Real estate billionaires and corporations are against our ballot measure because it will require them to foot the bill for affordable housing.

They want you to pass up this opportunity to do something about homelessness. Here's why LA can't wait:

- 80% of seniors in Los Angeles are rent burdened, according to UCLA Center for Health Policy Research. ULA will help protect low-income seniors at risk of homelessness.

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- Every day, 227 people in LA become homeless, based on the official results of the 2020 homeless count. If ULA were passed last year, it would have raised \$240 million to prevent homelessness and \$565 million to build housing for people experiencing homelessness.
- The measure also provides funding to help protect renters. Annually, ULA could provide an estimated 5,100 households with emergency rental assistance, nearly 13,000 households with income support, and an estimated 23,000 households with legal counsel and eviction defense.

Just like you, we are frustrated by the lack of affordable housing and ineffective solutions to housing the homeless population. This is why we took action and wrote Measure ULA.

Vote YES on ULA to substantially reduce homelessness with comprehensive strategies that have never been executed before at this scale.

PERSONS SIGNING REBUTTAL TO THE ARGUMENT AGAINST INITIATIVE ORDINANCE ULA

STEVE DIAZ
Skid Row Homeless Service Provider

TAKAO SUZUKI
Little Tokyo Affordable Housing Provider

NORA HERNANDEZ
South Los Angeles Renter

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ANTONIO SANCHEZ
Labor Leader

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INITIATIVE ORDINANCE ULA

FUNDING FOR AFFORDABLE HOUSING AND TENANT ASSISTANCE PROGRAMS THROUGH A SPECIAL TAX ON REAL PROPERTY TRANSFERS OVER \$5 MILLION. INITIATIVE ORDINANCE.

The proposed ordinance would establish and authorize programs to increase affordable housing and provide resources to tenants at risk of homelessness. Programs would be funded through an additional tax on sales and transfers of real property exceeding certain thresholds. The tax rate would be 4% of the consideration or value when the property transferred exceeds \$5 million but is less than \$10 million, and 5.5% when the property transferred is \$10 million or more. Qualified affordable-housing organizations would be exempt from the new tax. Program funds would be allocated primarily for supportive and affordable housing programs, including development, construction, acquisition, rehabilitation, and operation of housing. Funds also would be allocated for financial, educational, and other resources to low-income and other tenants at risk of homelessness, displacement, or eviction. The ordinance would create a Citizen Oversight Committee to develop funding guidelines, conduct housing-needs assessments, monitor program implementation, and audit fund expenditures.

TEXT OF THE PROPOSED BALLOT MEASURE

ORDINANCE NO. _____

THE PEOPLE OF THE CITY OF LOS ANGELES DO ORDAIN AS FOLLOWS:

Los Angeles Program to Prevent Homelessness and Fund Affordable Housing (“House LA”)

SECTION 1: The People of the City of Los Angeles hereby find:

- a. Rising rents, widespread tenant evictions and a lack of affordable housing have made Los Angeles the city with the worst housing and homelessness crisis in the country.
- b. A household is considered cost burdened when they are paying more than 30% of their household income on housing costs. In 2019, the City of Los Angeles (“the City” or “City”) had a higher percentage of cost-burdened renter households (59%) than any other major American city. About 32% of City renters are severely cost-burdened, meaning they spend over 50% of their income on rent. As families overspend on housing costs, they have less in their budget for health care, childcare, education, healthy food, savings and retirement, and other household costs. In addition to impacting the health, education, and economic outcomes of the City’s residents, this has far-reaching economic impacts as Angelenos spend less at local businesses. Furthermore, young people and people in Lower Income Households are leaving the region specifically due to high housing costs, a dynamic that regional economists have cited as a key concern for the City’s prospects for economic growth and that local businesses are contending with as they search for employees.



c. Among the 42% of City seniors (people aged 65 years and older) who rent, 65% are cost burdened. Among the 58% of seniors who own their homes, more than 38% are cost burdened. Longstanding housing unaffordability strains residential stability particularly for young people, seniors, people in Lower Income Households, and their communities. The two age groups in the City with the highest rates of rent burden are young people aged 18-24 years and seniors aged 65 years and older.

d. One of the primary dynamics underlying the housing crisis is that rents are increasing faster than wages. The median household income in 2019 was \$62,142, less than that of the county or state. Twenty-two percent of City families make less than \$25,000/year and 42% make less than \$50,000/year. Wages have fallen far behind the cost of living in the City; the top five projected occupations through 2028 all have a median income of less than \$31,250, indicating an urgent need for housing for people in Acutely, Extremely and Very Low Income Households.

e. The COVID-19 pandemic has further exacerbated housing instability among the City's lowest wage earners and makes them more susceptible to falling into homelessness.

f. In 2020, 41,290 people were experiencing homelessness in the City of Los Angeles. About 70% of this population remains unsheltered, living on the sidewalks, under the bridges, and in the parks of the City. This has amounted to a humanitarian crisis, largely caused by government inaction.

g. Despite a sustained increase in effectively housing people who are unhoused in the City of Los Angeles, in 2020, there was a 16.1% increase (to 41,290) homeless persons in the City, largely because of the economic pressures of lost jobs, evictions or rising rents. Effective preventative interventions, including significantly increasing the production of affordable and supportive housing and strengthening tenant protections, could dramatically reverse this pattern and reduce the number of persons who are experiencing homelessness on our streets.

h. An estimated 30,000 formal evictions are filed in the City of Los Angeles each year and the vast majority of tenants who receive an eviction notice do not have access to an attorney and do not know how to exercise their rights. Eviction cases can be very complicated and technical; it is difficult to successfully defend an eviction case without a lawyer. Providing counsel to people facing eviction can prevent and reduce homelessness; in locales where a right to counsel exists, approximately 86% of represented tenants stay housed.

i. As rents continue to rise across the City, the incentive is strong to push out tenants in rent-stabilized apartments and harassment is a primary driver of informal evictions.

j. The lack of access to affordable, healthy, and stable housing is an ongoing issue that will require serious policy interventions and sustained public funding. Despite the City's historic and continued effort to secure and allocate funding for affordable housing, one of the main drivers of this crisis is lack of sufficient revenue to preserve and produce affordable homes and lack of adequate funding to support tenants to stay in their homes.

k. The City of Los Angeles routinely falls far short of the affordable housing allocations in



its Regional Housing Needs Assessment and will continue to do so without additional policy interventions such as a dedicated funding source.

l. The City's 2021-2029 Housing Element includes numerous affordable housing and homelessness prevention goals and implementation programs, including: Program 20 to support additional permanent sources of affordable housing and renter protection funding for the City, including options for generating funds locally, including a progressive real estate documentary transfer tax; Program 16 to prioritize public land for new models of affordable housing development and control, including Community Land Trusts or social/public housing; and Program 88 to implement an Eviction Defense Program and evaluate a tenant's "Right to Counsel" Program. New funding for these Programs will help the City comply with its 2021-2029 Housing Element and meet its Regional Housing Needs Assessment obligations for this housing element cycle and in future cycles.

m. Regular public transit riders primarily in the City of Los Angeles tend to be Acutely, Extremely and Very Low Income; half of bus riders surveyed by the Los Angeles Metropolitan Transportation Authority ("LA Metro") onboard LA Metro's buses earned less than \$18,000 per year before the COVID-19 pandemic. Displacement of transit rider households from the City's transit-rich urban areas contributes to drops in transit ridership overall. This negatively impacts the City's air quality and traffic congestion and is a major obstacle in addressing our region's carbon emissions.

n. Areas of the City with the lowest rate of affordable housing production occur in the City's Highest and High Opportunity ("High Opportunity") areas, which reflect those area's high level of access to economic opportunities, resources, and amenities according to the Opportunity Area Maps from the State of California Tax Credit Allocation Committee and the State of California Housing and Community Development Department. A 2021 report by the City of Los Angeles's Department of City Planning and Housing Departments found that only 6% of subsidized affordable housing was built in the City's High Opportunity areas.

o. New funding and programs for affordable housing and homelessness prevention are needed to supplement the City's existing funding and programs.

p. Increasing the Real Property Transfer Tax on the highest priced properties in the City will generate an ongoing revenue source which will allow the City to employ robust tenant stabilization policies and practices to proactively keep vulnerable households from losing their homes and instead build significant numbers of homes that are affordable to the City's Lower Income Households, thereby directly preventing and reducing homelessness across the City and lowering the City's housing costs.

q. The initiative will protect renters, including seniors in Lower Income Households and persons with disabilities, from being forced into homelessness or otherwise displaced by (a) providing short-term emergency funding to tenant households at risk of becoming homeless; (b) providing income support for rent-burdened at-risk seniors and persons with disabilities; (c) providing tenant outreach, education and navigation services; (d) providing legal services to tenants in Lower Income Households threatened with eviction; and (e) monitoring, enforcing and informing tenants of City protections against tenant harassment.



r. The initiative will increase the development and preservation of homes affordable to people in Lower Income Households by: (a) Investing in new and existing models of affordable multifamily development; (b) Building on current practices for public or community acquisition of rental housing so as to provide permanent affordability and allow community and/or public sector ownership; (c) Innovating housing production strategies that emphasize permanent affordability, utilize innovative funding strategies, expand ownership methods and use leading edge construction technologies; (d) Using funds for development-based rent subsidies to help create affordable housing options for Extremely Low Income Households; and (e) Ensuring that program funds are invested to not only develop affordable housing but also to foster production creativity and long-term goal setting.

s. The programs and policies funded through this initiative will be deployed in such a way as to address racial segregation, dismantle racially exclusionary practices, and promote racial equity in housing, academic, and economic opportunities.

t. Article XXXIV of the Constitution of the State of California (“Article XXXIV”) provides that no low-rent housing project shall be developed, constructed, or acquired in any manner by any state public body until a majority of the qualified electors of the city, town or county, as the case may be, in which it is proposed to develop, construct, or acquire the project, voting upon such issue, approve such project by voting in favor thereof at an election to be held for that purpose, or at any general or special election.

u. The City of Los Angeles and its residents will directly benefit from the development, construction, acquisition, and administration of additional dwelling units for families and households of low income.

v. It is the intention of the voters in adopting this initiative to ensure that tax proceeds from the Homelessness and Housing Solutions Tax be used to fund the purposes set forth in the House LA Program.

Now THEREFORE, based on these findings, the people declare that the City of Los Angeles adopt the legislation contained herein to protect tenants, produce, and preserve affordable housing, and prevent homelessness.

SECTION 2: Chapter II, Article 1.9 of the City of Los Angeles Municipal Code is hereby amended as follows (with ~~strikethrough~~ indicating deleted text, and underline indicating new text):

SEC. 21.9.2. TAX IMPOSED.

(a) There is hereby imposed on each deed, instrument or writing by which any lands, tenements, or other realty sold within the City of Los Angeles shall be granted, assigned, transferred or otherwise conveyed to, or vested in, the purchaser or purchasers, or any other person or persons, by his or their direction, when the consideration or value of the interest or property conveyed (exclusive of the value of any lien or encumbrance remaining thereon at the time of sale) exceeds \$100.00, a tax at the rate of \$2.25 for each \$500.00 or fractional part thereof.



(b) In addition to and separate from any tax imposed under Subsection (a) of this section, starting on April 1, 2023, there is hereby imposed a tax known as the "Homelessness and Housing Solutions Tax" on each deed, instrument or writing by which any lands, tenements, or other realty sold within the City of Los Angeles shall be granted, assigned, transferred or otherwise conveyed to, or vested in, the purchaser or purchasers, or any other person or persons, by his or their direction, when the consideration or value of the interest or property conveyed (including the value of any lien or encumbrance remaining thereon at the time of sale) exceeds:

(1) \$5,000,000 but is less than \$10,000,000, a tax at the rate of 4% of the consideration or value; or

(2) \$10,000,000 or greater, a tax at the rate of 5.5% of the consideration or value.

(c) The Director of Finance for the City of Los Angeles shall adjust the consideration or value thresholds set forth in Subsection (b) of this section adjusted annually based on the Bureau of Labor Statistics Chained Consumer Price Index (C-CPI-U), pursuant to guidelines and procedures he or she establish pursuant to Subsection (c) of Section 21.9.11 of this Code.

SEC. 21.9.11. DUTIES OF CLERK.

(a) The Director of Finance, in his capacity as Tax Collector of the City of Los Angeles, is hereby designated as the officer of the City responsible for maintaining relations with the County of Los Angeles for the purpose of administering the tax imposed under this article and receiving and accounting for the funds collected thereunder.

(b) If the County of Los Angeles does not collect the a tax due under this article, or any portion of such tax, then the Director of Finance shall have the power and duty to enforce all of the provisions of this article. In such case, the City taxes is-are due prior to recordation with the County of Los Angeles of any written instrument subject to the tax and the Director of Finance may make an assessment for taxes not paid in the manner provided in Section 21.16 of this Code, and make refunds as provided in Section 22.13 of this Code.

(c) The Director of Finance is authorized and empowered, consistent with applicable law and the purposes of this article, to issue any rules and regulations reasonably necessary to enforce and administer this article, including but not limited to regulations further defining the term "realty sold" in Section 21.9.2 of this article and establishing procedures for administering exemptions to the tax imposed under this article. The Director of Finance shall provide reasonable notice prior to the effective date of any rules or regulations promulgated pursuant to this section.

SEC. 21.9.14. EXEMPTION—QUALIFIED AFFORDABLE HOUSING ORGANIZATION.

The Homelessness and Housing Solutions Tax imposed by Subsection (b) of Section 21.9.2 of this Code shall not apply with respect to any deed, instrument or writing by which any lands, tenements, or other realty sold within the City of Los Angeles shall be granted, assigned, transferred or otherwise conveyed to, or vested in, a purchaser or purchasers, or



any other person or persons, by his or their direction if such transferee is: (1) a non-profit entity within Internal Revenue Code Section 501(c)(3); (2) a Community Land Trust, as defined in Section 22.618.2 of the Los Angeles Administrative Code; (3) a Limited-Equity Housing Cooperative, as defined by California Civil Code Section 817; or (4) a limited partnership or limited liability company in which only bona fide nonprofit corporations, Community Land Trusts, and/or Limited-Equity Housing Cooperatives are the general partners or managing members. To qualify for an exemption under this section, the transferees or one of its partners or members must demonstrate a history of affordable housing development and/or affordable housing property management experience, as determined by the Los Angeles Housing Department, or its successor agency, according to a procedure that will be promulgated by the Los Angeles Housing Department, or its successor agency. Community Land Trusts and Limited-Equity Housing Cooperatives may qualify for an exemption under this subsection without demonstrating a history of affordable housing development and/or affordable housing property management experience by (a) partnering with experienced non-profit organizations as the Los Angeles Housing Department, or its successor agency, defines those terms consistently with the purpose of Article 9 of Chapter 24 of Division 22 of the Los Angeles Administrative Code; or (b) recording at the time of acquisition an affordability covenant consistent with Section 22.618.3(d)(1)(i).b. of the Los Angeles Administrative Code.

SECTION 21.9.15 OTHER EXEMPTIONS.

The Homelessness and Housing Solutions Tax imposed by Subsection (b) of Section 21.9.2 of this Code shall not apply with respect to any deed, instrument or writing by which any lands, tenements, or other realty sold within the City of Los Angeles shall be granted, assigned, transferred, or otherwise conveyed to, or vested in, the purchaser or purchasers, or any other person or persons, if such transferee is:

(a) a non-profit entity within Internal Revenue Code Section 501(c)(3), which received its initial Internal Revenue Service Determination Letter at least ten years prior to the purchase and has assets of less than \$1 billion;

(b) the United States or any agency or instrumentality thereof, any state or territory, or political subdivision thereof, or any other federal, state, or local public agency or public entity; or

(c) any other transferee exempt from the City's taxation power under the state or federal Constitutions.

SEC. 21.9.16. ADDITIONAL EXEMPTIONS—CITY COUNCIL APPROVAL.

The People of the City of Los Angeles authorize the City Council to enact ordinances, without further voter approval, to exempt from the Homelessness and Housing Solutions Tax imposed by Subsection (b) of Section 21.9.2 of this article property acquired by non-profit organizations to produce income-restricted affordable housing, as the Council may define those terms consistently with the purposes set forth in Article 9 of Chapter 24 of Division 22 of the Los Angeles Administrative Code.

SECTION 3: A new Chapter 192 is added to Division 5 of the Los Angeles Administrative Code, as follows:



SEC. 5.598.1. HOUSE LA FUND.

(a) There is hereby created and established within the Treasury of the City of Los Angeles a special trust fund to be known as the House LA Fund for the deposit and use of all taxes collected pursuant to Subsection (b) of Section 21.9.2 of the Los Angeles Municipal Code. Money in the House LA Fund shall be used exclusively according to the program set forth in Article 9 of Chapter 24 of Division 22 of the Los Angeles Administrative Code (the Los Angeles Program to Prevent Homelessness and Fund Affordable Housing ("House LA Program")).

(b) All interest earnings accruing on money in the House LA Fund shall be credited to, and used for, the purposes of the House LA Fund. Money not expended from the House LA Fund in any fiscal year shall not revert to the Reserve Fund, but shall remain in the House LA Fund.

(c) Any program income generated through the House LA Program, including but not limited to any loan repayments, value recapture, or return of assets generated by the House LA Fund must be re-deposited into the House LA Fund, and shall not be commingled in any other City Fund or used for any purposes other than those described in Article 9 of Chapter 24 of Division 22 of the Los Angeles Administrative Code.

(d) The House LA Fund shall be administered by the General Manager of the Los Angeles Housing Department, or any successor agency ("Department"), or a designee of the General Manager, in strict accordance with the provisions of Article 9 of Chapter 24 of Division 22 of the Los Angeles Administrative Code.

(e) The City Council may establish by ordinance any additional funds, or accounts within this fund, necessary to implement this initiative and the expenditures described in Section 22.618.3 of this Code.

SECTION 4: A new Article 9 is added to Chapter 24 of Division 22 of the Los Angeles Administrative Code, as follows:

SEC. 22.618.1. PURPOSE.

The goals of House LA include:

(a) Improving access to permanently affordable housing for vulnerable populations including but not limited to seniors in Lower Income Households, formerly homeless, persons with disabilities, veterans, single-parent households, youth in transition, and survivors of domestic violence.

(b) Addressing the City's residents' need for affordable housing and tenant protections in each of the Council Districts, Affirmatively Furthering Fair Housing goals, Housing Element goals and Regional Housing Needs Assessment affordable housing allocations.

(c) Prioritizing expenditure of housing production funding for Acutely Low Income Households, Extremely Low Income Households, Very Low Income Households, and Low Income Households categories and prioritizing expenditure of rental subsidy funding for Acutely Low Income Households and Extremely Low Income Households categories.



(d) Developing, reviewing, and revising a plan to build the capacity of organizations with workplaces located in and/or which serve constituents in Disadvantaged Communities, and to prioritize and enable the organizations' participation in implementation of House LA.

(e) Increasing the supply of affordable housing served by transit, and providing housing stability and tenant protections in communities served by transit.

(f) Deploying programs and policies funded through this initiative in such a way as to address racial segregation, dismantle racially exclusionary practices, and promote racial equity in housing, academic, and economic opportunities.

(g) Utilizing public land for affordable housing produced through this program, including but not limited to underutilized land owned by the City of Los Angeles, Los Angeles Community College District, Los Angeles Unified School District, Los Angeles County Metropolitan Transportation Authority, or other government agencies.

(h) Establishing and resourcing a Citizens Oversight Committee that will be responsible for reviewing these goals every three years and making adjustments to the program guidelines adopted pursuant to Section 22.618.6(c)(1) of this Code as needed to address the aforementioned goals.

(i) Establishing new funding and programs for the creation, preservation and acquisition of affordable housing and homelessness prevention that supplement existing City funding and programs.

(j) Ensuring that construction and rehabilitation work is performed under the labor standards set forth in Section 22.618.7.

SEC. 22.618.2. DEFINITIONS.

"Acutely Low Income Households" shall have the same meaning as in Section 50063.5 of the California Health and Safety Code.

"Extremely Low Income Households" shall have the same meaning as in Section 50106 of the California Health and Safety Code.

"Very Low Income Households" shall have the same meaning as in Section 50105 of the California Health and Safety Code.

"Low Income Households" shall mean Lower Income Households whose gross incomes exceed the maximum for Very Low Income Households.

"Lower Income Households" shall have the same meaning as in Section 50079.5 of the California Health and Safety Code.

"Moderate Income Households" shall have the same meaning as the term "Persons and families of moderate income" as defined in Section 50093(b) of the California Health and Safety Code.



“Affirmatively Furthering Fair Housing” shall have the same meaning as in Section 8899.50 of the California Government Code.

“Community Land Trust” means a non-profit corporation within Section 501(c)(3) of the Internal Revenue Code that satisfies all of the following: (I) Has as its primary purposes the creation and maintenance of permanently affordable single-family or multifamily residences; (II) All dwellings and units located on the land owned by the non-profit corporation are sold to a qualified owner to be occupied as the qualified owner’s primary residence or rented to Lower Income Households or Moderate Income Households, or held by the non-profit corporation for the same purpose; (III) When a dwelling or unit that is situated on land owned by the non-profit corporation is sold to a qualified owner, the land is leased by the non-profit corporation to the income-qualified owner for the convenient occupation and use of that dwelling or unit for a renewable term of 99 years.

“Disadvantaged Communities” as defined in Section 65302(h)(4)(A) of the California Government Code.

“Limited-Equity Housing Cooperative” shall have the same meaning as in Section 817 of the California Civil Code.

“Residential Hotel” shall have the same meaning as in Section 50519(b)(1) of the California Health and Safety Code.

SEC. 22.618.3. HOUSE LA PROGRAMS.

(a) Subject to the budgetary and fiscal provisions of the Los Angeles City Charter, monies in the House LA Fund, as set forth in Chapter 192 of Division 5 of this Code, shall be appropriated on an annual or supplemental basis, following the procedures set forth in Section 22.618.4 of this Code, and expended consistently with this section (the “House LA Programs”).

(b) **House LA Fund-Administration.** No more than 8% of the monies deposited in the House LA Fund annually may be used for compliance, implementation and administration (“House LA Fund-Administration”) described below, including but not limited to the enforcement of affordability covenants associated with House LA Program projects, and, in coordination with the Finance Director and other City departments, the collection of the tax imposed by Subsection (b) of Section 21.9.2 of the Los Angeles Municipal Code and the refund of any overpayments of that tax. Not less than 3% of the monies allocated to the House LA Fund-Administration annually shall go to staffing and other expenses of the House LA Citizens Oversight Committee described in Section 22.618.6 of this Code. Additionally, staffing costs, stipends and honoraria that may be allocated to the Tenant Council pursuant to Section 22.618.3(d)(2)(ii).d. of this Code shall be paid for from the House LA Fund-Administration. Furthermore, the Department may fund training in processes and procedures related to project labor agreements, and may provide project labor agreement management services to contractors. For purposes of this subdivision, “project labor agreement” has the same meaning as Section 2500(b)(1) of the California Public Contract Code.



(c) To enable transparency and accountability, House LA Fund-Administration monies shall be allocated to track, and make publicly available, reports on the implementation of the program, including but not limited to the following aspects: 1) dollars spent on housing construction and preservation during a year, over the course of years, in aggregate, per project, per housing unit, and to disaggregate and assess implementation of the program by Zip Code and Council District; 2) number of people housed during a year, over the course of years, in aggregate and as it changes over time, in each project, in each unit, and disaggregate and searchable by race, family composition, sexual orientation, age, ability, and gender, and by location and income level, and 3) residents served by the Homelessness Prevention Program during a year, over the course of years, in aggregate and as it changes over time, by Council District, and disaggregate and searchable by race, family composition, sexual orientation, age, ability, and gender. City departments shall make public and provide the Oversight Committee with information on how House LA implementation is furthering progress towards Housing Element implementation, Regional Housing Needs Assessment allocations, and Affirmatively Furthering Fair Housing.

(d) **House LA Fund-Programs.** All monies deposited in the House LA Fund annually other than those described in Subsections (b) and (c) of this section, but in no case less than 92% of the House LA Fund shall be used for the programs specified in Section 22.618.3(d)(1), known as the “Affordable Housing Program” and Section 22.618.3(d)(2), known as the “Homelessness Prevention Program,” and collectively as “House LA Fund-Programs.” The House LA Fund-Programs shall be allocated as follows:

(1) **Affordable Housing Program.** Seventy percent (70%) of the House LA Fund-Programs shall be used for the Affordable Housing Program as described by this subdivision and, according to an expenditure plan adopted pursuant to Section 22.618.4 of this Code addressing affordable housing needs in each City Council district.

(i) Expenditure of funds for the Affordable Housing Program shall require, to the maximum possible extent and consistently with federal and state law, that funded projects comply with the following requirements:

a. **Affordability.** All units in a funded project shall be affordable to and occupied by Acutely Low Income Households, Extremely Low Income Households, Very Low Income Households, or Low Income Households, except as allowed by Sections 22.618.3(d)(1)(ii).b.4. and 22.618.3(d)(1)(ii).c.4. of this Code. The Department shall adopt a policy to prevent the displacement of households that qualified for a unit upon initial occupancy but thereafter exceed the income limits. Such households may be charged a rent commensurate with their current income levels.

b. **Covenants.** The programs described in Sections 22.618.3(d)(1)(ii).a.-c. of this Code, including the Multifamily



Affordable Housing program, the Alternative Models for Permanent Affordable Housing program, and the Acquisition and Rehabilitation of Affordable Housing program, are intended to provide dedicated housing that is affordable to households at the respective levels of income (e.g., Acutely Low Income, Extremely Low Income, Very Low Income, and Low Income Households) that occupy the housing units, whether as owner-occupants or tenants, and whose housing cost or rent does not exceed the affordable housing cost or affordable rent for households at such income levels. Each property and each affordable housing unit funded pursuant to Sections 22.618.3(d)(1)(ii).a.-c. of this Code shall be made subject to a recorded covenant acceptable to the Department and recorded with the Los Angeles County Recorder, that meets each of the following requirements:

1. Each housing unit in the project shall be used exclusively as a residence for households at the respective income level.
2. The housing cost or rent for such housing unit shall be no more than an affordable housing cost or affordable rent at the respective level of income.
3. No housing unit may be leased or subleased, except to a household at the level of affordability and for no more than an affordable rent for which the unit was dedicated.
4. Any resale of rental property funded by this initiative shall be restricted to non-profit entities or Limited-Equity Housing Cooperatives, including but not limited to affordable housing corporations and Community Land Trusts, to ensure the continued use of the dwelling units as affordable housing as provided in this section.
5. In the case of owner-occupied housing units, initial sales and all resales shall be restricted to purchasers whose household income does not exceed the income level to which the unit is dedicated and who do not pay in excess of affordable housing cost at that income level; or Limited-Equity Housing Cooperatives or similar entities providing for resident ownership and affordability in perpetuity with an average affordability level for Lower Income Households



and which allows not more than 20% of units to be owned and occupied at unrestricted market rates. Unrestricted market rate units shall not be used to calculate average affordability of units in a project.

6. The term of the affordability restrictions contained in the covenant shall be in perpetuity, or such other maximum length of time as may be permitted by applicable law, except that an affordability covenant with a fixed term of no less than 55 years shall be acceptable only if necessary to meet requirements of other funding sources.

7. The affordability restrictions shall be senior to and not subordinated to any lien, deed of trust or condition or restriction to be recorded against the property, except for any land use-related affordability covenant, such that any entity taking title to the property or a dwelling unit by foreclosure or deed-in-lieu of foreclosure shall take subject to the affordability restrictions.

c. Replacement, Relocation and Right of First Refusal.

Funding provided pursuant to the Affordable Housing Program shall be subject to the following conditions:

1. Any funded development on any property that includes a parcel or parcels that currently have residential uses, or within the five years preceding the application for funding have had residential uses that have been vacated or demolished, that are or were subject to a recorded covenant, ordinance, or law that restricts rents to levels affordable to Lower Income Households, subject to any other form of rent or price control through a public entity's valid exercise of its police power, or occupied by Lower Income Households, shall comply with the requirements in California Government Code Section 65915(c)(3), provided, however, that any dwelling units that are or were, subject to a form of rent or price control through a public entity's valid exercise of its police power and that are or were occupied by a household with income above Lower Income shall be replaced with units affordable to, and occupied by, Lower Income Households. Moreover, replacement units shall be made available at



affordable rent or affordable housing cost to, and occupied by, persons and families in the same or lower income category as those households in occupancy or, if the units have been vacated or demolished, those households formerly in occupancy, including Acutely Low, Extremely Low, Very Low, and Low Income Households. If the incomes of the households in occupancy, or formerly in occupancy, are not known, it shall be rebuttably presumed that (a) Extremely Low, Very Low, and Low Income Households occupied these units in the same proportion as the proportion of renter households that are Extremely Low, Very Low, and Low Income Households to all renter households within the City, as determined by the most recently available data from the United States Department of Housing and Urban Development's Comprehensive Housing Affordability Strategy database, and (b) the proportion of Acutely Low Income Households is one-half the proportion of Extremely Low Income Households.

2. If existing occupants must be relocated, for any period of time, the developer is required to provide them relocation benefits pursuant to Chapter 16 (commencing with Section 7260) of Division 7 of Title 1 of the Government Code and Chapter XV of the Los Angeles Municipal Code, including associated regulations. In order to effectuate the provisions of Chapter 16 of Division 7 of Title 1 of the Government Code, and in addition to all other relocation obligations, the developer shall prepare a relocation plan, and the Department shall require the plan to offer occupants reasonable choices of specifically identified comparable replacement dwellings available at the time of the offer, for which the household qualifies and is appropriate, and which is affordable to the household.

3. In addition to the relocation benefits described above, the developer shall provide a right of first refusal for a comparable unit available in the new or rehabilitated housing development. For Lower Income Households, that unit must be affordable to the household at an affordable rent or an affordable housing cost. If such occupants



do not meet the eligibility requirements of one or more funding sources of the new or rehabilitated housing development, or for any other reason do not occupy units in the new or rehabilitated housing development, the occupants shall be given priority in renting or buying housing in other developments funded by the Affordable Housing Program. The Department shall keep a list of occupants displaced by such developments and may establish reasonable rules for determining the order of priority of those listed.

4. Nothing in this section shall be read to prohibit the City Council from adopting unit replacement requirements, relocation assistance requirements, or right of first refusal requirements that are more protective of displaced occupants than the requirements of this section. Solely for the purpose of Section 22.618.3(d)(1)(i).c. governing replacement, relocation and right of first refusal, “affordable rent” shall have the same meaning as defined in Section 50053 of the California Health and Safety Code, and “affordable housing cost” shall have the same meaning as defined in Section 50052.5 of the California Health and Safety Code.

d. To qualify for funding from the Affordable Housing Program, an applicant must demonstrate a history of affordable housing development and/or affordable housing property management experience, as the Department defines those terms consistently with the purpose of this article. Community Land Trusts and Limited-Equity Housing Cooperatives may qualify for funding from this initiative without demonstrating a history of affordable housing development and/or affordable housing property management experience by (a) partnering with experienced non-profit organizations, or (b) showing evidence of staff capacity adequate to manage and administer the affordable housing project, as determined by the Department and consistent with the purpose of this article.

(ii) Affordable Housing Program funds shall be allocated in the following categories, according to an expenditure plan adopted pursuant to Section 22.618.4 of this Code:

a. **Multifamily Affordable Housing:** Twenty-two and one-half percent (22.5%) of the House LA Fund-Programs shall be annually allocated to the development of supportive



and/or affordable housing projects of 40 units or greater for income-qualified populations in conjunction with other federal, state, and local affordable housing funding sources, such as federal Low-Income Housing Tax Credits and State Low-Income Housing Tax Credits, or to pay the principal and interest on debt incurred for such purpose. This percentage may increase up to a maximum of twenty five percent (25%) of the House LA Fund-Programs on an annual basis, using excess revenue from the Program Stabilization Fund pursuant to Section 22.618.3(d)(1)(ii).e. of this Code. All units shall be subject to a covenant that meets the requirements of Section 22.618.3(d)(1)(i).b.

b. Alternative Models for Permanent Affordable Housing: Twenty-two and one-half percent (22.5%) of the House LA Fund-Programs shall be annually allocated to the construction of new supportive and affordable rental or mixed rental/homeowner projects of 40 units or greater, or to pay the principal and interest on debt incurred for such purpose. These funds may also be used for the acquisition, rehabilitation, adaptive reuse, lease, preservation and operation of supportive and/or affordable or mixed rental/homeowner projects of any size, or to pay the principal and interest on debt incurred for such purpose. This percentage may increase up to a maximum of twenty five percent (25%) of the House LA Fund-Programs on an annual basis, using excess revenue from the Program Stabilization Fund pursuant to Section 22.618.3(d)(1)(ii).e. of this Code. This funding shall be subject to the following conditions:

1. Housing units shall be developed by entities qualified for funding under Section 22.618.3(d)(1)(i).d. of this Code. Housing units shall be owned and/or managed by a public entity, a local housing authority, a Community Land Trust, a Limited Equity Housing Cooperative, or a non-profit entity within Internal Revenue Code Section 501(c)(3), which demonstrates a history of affordable housing development and/or affordable housing property management experience, through a process the Department shall determine. A Community Land Trust or a Limited-Equity Housing Cooperative without a demonstrated history of affordable housing development and/or affordable housing property management experience may qualify for funding under this subsection by (a) partnering with an experienced non-profit organization, as



determined by the Department and consistent with the purpose of this Article, or (b) showing evidence of staff capacity adequate to manage and administer the affordable housing project, as determined by the Department and consistent with the purpose of this article.

2. A project may accommodate a mix of household income types including Acutely Low Income Households, Extremely Low Income Households, Very Low Income Households, and Low Income Households.

3. A minimum of 20% of a project's housing units shall be reserved for Acutely Low Income and/or Extremely Low Income households.

4. All units shall be subject to a covenant that meets the requirements of Section 22.618.3(d)(1) (i).b., except that according to criteria established by the Department consistently with the purposes of this Article, and only for the purpose of increasing the financial stability of Acutely Low Income, Extremely Low Income, and Very Low Income Household units in the project, up to 20% of units may be unrestricted as to income and rent levels.

5. Residents shall have the right to participate directly and meaningfully in decision-making concerning the operation and management of the project.

6. Where feasible and desirable, the project shall include resident ownership, including but not limited to Limited-Equity Housing Cooperatives.

7. Where feasible and desirable, projects shall use public land.

c. Acquisition and Rehabilitation of Affordable Housing:

Ten percent (10%) of the House LA Fund-Programs shall annually be allocated to the acquisition, preservation, rehabilitation, lease, or operation of existing housing including but not limited to rent-controlled properties, Residential Hotels, Accessory Dwelling Units, and Junior Accessory Dwelling Units, either without existing covenants



requiring affordability or with such existing covenants that will expire within ten (10) years of project onset, as the Department defines that term consistently with the purposes of this article, or to pay the principal and interest on debt incurred for such purpose, subject to the following conditions:

1. A majority of a property's units must be occupied by Lower Income Households upon acquisition, which shall be assumed if a majority of tenants return attestations that their incomes are at or below the lower-income level in a manner the Department shall determine. Notwithstanding the above, funds may be utilized for acquisition and rehabilitation of any property that was used as a Residential Hotel within the five years preceding the application for funding.
2. Housing units shall be acquired and managed by a public entity, a local housing authority, a Community Land Trust, a Limited Equity Housing Cooperative, or a non-profit entity within Internal Revenue Code Section 501(c)(3), which demonstrates a history of affordable housing development and/or affordable housing property management experience, through a process the Department shall determine. A Community Land Trust or a Limited-Equity Housing Cooperative may qualify for funding by (a) partnering with an experienced non-profit organization as defined by the Department, or (b) showing evidence of staff capacity adequate to manage and administer the affordable housing project, through a process determined by the Department.
3. All units shall be subject to a covenant that meets the requirements of Section 22.618.3(d)(1)(i).b.
4. Notwithstanding the affordability provisions set forth in Sections 22.618.3(d)(1)(i).a. and 22.618.3(d)(1)(i).b. of this Code, existing residents of properties acquired pursuant to this Acquisition and Rehabilitation of Affordable Housing program shall not be permanently displaced, even if their incomes exceed the Lower Income Household limits, or any lower income limit set for a unit. Projects shall achieve 100 percent occupancy by



Lower Income Households (or any lower project-specific income limit) over time through unit turnover.

5. Through a process the Department shall determine, the entity that acquires a property shall submit a plan for engaging residents in building management and operations, which may include a plan for tenant ownership such as a Limited-Equity Housing Cooperative. The Department shall cooperate and facilitate plans for tenant ownership, and shall not unreasonably impose requirements that prohibit such ownership conversion.

6. Project funding may take the form of grants or loans, but shall not require the leveraging of additional forms of funding if such additional funding makes any of the conditions set forth in this subsection infeasible, or if funding precludes the future conversion of the property to tenant ownership.

7. Funds may be used to acquire, install, construct, or rehabilitate housing, including Accessory Dwelling Units ("ADUs") and Junior Accessory Dwelling Units ("JDUs"), so long as all ADUs and JDUs are used as affordable rental housing or affordable homeownership. The Department may verify the use of ADUs and JDUs covered by this provision from time to time.

8. The Department shall facilitate the use of funds from this Acquisition and Rehabilitation of Affordable Housing program to make offers to purchase assisted housing developments which are required to provide qualified entities an opportunity to purchase under California Government Code Section 65863.11 by acting within the deadlines established by that law.

d. Homeownership Opportunities, Capacity-Building and Operating Assistance: Ten percent (10%) of the House LA Fund-Programs shall annually be allocated to: (1) support single family and cooperative Homeownership Opportunities, including but not limited to down-payment assistance, shared equity homeownership, and pre-



development funding associated with creating such housing; (2) provide Capacity-Building funding for Community Land Trusts and other organizations that serve and have representative leadership from Disadvantaged Communities and facilitate tenant ownership; and (3) provide long-term Operating Assistance that supports new construction, acquisition, and/or rehabilitation of existing housing in the form of project-based, multi-year rental subsidies, operating subsidies, or service subsidies. Operating Assistance will prioritize projects housing Acutely Low Income Households and/or Extremely Low Income Households; and projects that will maintain non-profit ownership, Community Land Trust stewardship, and/or shared-equity tenant ownership. In no case shall project-based Operating Assistance funding fall below fifty percent (50%) of the Homeownership Opportunities, Capacity-Building and Operating Assistance allocation, nor shall Capacity-Building funding fall below ten percent (10%) of the Homeownership Opportunities, Capacity-Building and Operating Assistance allocation.

e. Program Stabilization Fund: Five percent (5%) of the House LA Fund-Programs shall annually be allocated to address periodic revenue shortfalls for House LA Affordable Housing and Homelessness Prevention Programs that require a consistent revenue stream, as advised by the Department and the Oversight Committee and subject to City Council approval, to include project-based Operating Assistance, Income Support for Rent-Burdened At-Risk Seniors and Persons with Disabilities, Eviction Defense, and Tenant Outreach & Education programs, as those terms are used in this section. When the balance of the Program Stabilization Fund reaches two hundred million dollars (\$200 million), excess revenue shall be evenly divided between and supplement the Multifamily Affordable Housing program in Section 22.618.3(d)(1)(ii).a., and the Alternative Models for Permanent Affordable Housing program in Section 22.618.3(d)(1)(ii).b. of this Code. If the Program Stabilization Fund falls below two hundred million dollars (\$200 million), it shall be refunded to that amount before support to these two affordable housing programs may resume.

(iii) To the extent the expenditure of any monies from the House LA Fund results in, or contributes to, the development, construction, or acquisition of low rent housing projects in the City of Los Angeles by public agencies, that development, construction, or acquisition is hereby deemed authorized by the People of Los Angeles, having been duly approved by a majority of qualified electors of the City, and with



such authorization constituting the approval required by Article XXXIV of the California Constitution. The development, construction, and/or acquisition of low rent housing units authorized by this section shall be in addition to any other authorization of the development, construction, and/or acquisition of such housing by the voters of the City before or after adoption of this section. This section in no way restricts or limits the City's authority to develop or assist in the development of housing that is not subject to Article XXXIV. This Section 22.618.3(d)(1)(iii) shall be interpreted to maximize affordable housing production and acquisition. As used in this Section 22.618.3(d)(1)(iii), the terms "public entity," "develop," "construct," "acquire," and "low rent housing projects" shall be interpreted in accordance with Article XXXIV of the California Constitution, California Health and Safety Code Section 37000 et seq., and any successor legislation thereto.

(iv) The Department shall have authority to approve funding of fifty million dollars (\$50,000,000) or less from the House LA Fund-Program for any eligible Affordable Housing Program project without further Council review. Such Department approval shall be consistent with the guidelines adopted pursuant to Section 22.618.6(c)(1) of this Code. Funding for any specific Affordable Housing Program project of more than fifty million dollars (\$50,000,000) shall require the review and approval of City Council.

(2) **Homelessness Prevention Program.** Thirty percent (30%) of the House LA Fund-Programs shall be used for the Homelessness Prevention Program, as described by this subdivision and according to an expenditure plan adopted pursuant to Section 22.618.4 of this Code:

(i) **Short-Term Rental and Income Support for Vulnerable Tenants.**

a. **Short-Term Emergency Assistance.** Five percent (5%) of the House LA Fund-Programs shall be annually allocated to provide short-term emergency funding to tenant households at risk of becoming homeless. Funds will stabilize low-income tenants at risk of losing their housing due to one-time economic shocks, and may cover the entirety of rent payments for a short-term period of up to 6 months. Priority eligibility shall be established for Lower Income Households.

b. **Income Support for Rent-Burdened At-Risk Seniors and Persons with Disabilities.** Ten percent (10%) of the House LA Fund-Programs shall annually be allocated to provide income assistance designed to assist households in avoiding displacement from their homes to rent-burdened, Acutely Low Income, Extremely Low Income, and Very Low



Income Households including seniors (aged 65 years and above) and/or persons with disabilities at-risk of becoming homeless.

(ii) Tenant Rights Education, Tenant Council, Navigation Services and Eviction Prevention.

a. **Eviction Defense/Prevention.** Ten percent (10%) of the House LA Fund-Programs shall annually be allocated to provide funding for a right-to-counsel program to provide housing-related legal services to Lower Income Household tenants threatened with eviction.

b. **Tenant Outreach and Education.** Two percent (2%) of the House LA Fund-Programs shall annually be allocated to provide tenant outreach, education, and navigation services, including but not limited to providing information about tenant rights and the Homelessness Prevention Program. Outreach, education, and navigation services may include mass mailing, targeted marketing, data visualization, and public websites.

c. **Protections from Tenant Harassment.** Three percent (3%) of the House LA Fund-Programs shall annually be allocated to fund non-profit organizations and City services to monitor and enforce protections against tenant harassment and other tenant rights, and to inform tenants of such protections and support them in exercising their rights. At least thirty percent (30%) of the Protections from Tenant Harassment expenditure shall fund programs led by non-profit organizations.

d. **Tenant Council.** The Department shall establish a Tenant Council, to meet at least quarterly to monitor and advise the Department regarding implementation of tenant protections and develop strategies to address Fair Housing Act violations and violations of tenant rights under federal, state, and local law. The Tenant Council shall be composed of tenants or currently homeless individuals living in the City. The Council shall comprise one tenant or currently homeless individual from each City Council District. Appointments to the Tenant Council will be consistent with the process for appointments to the Oversight Committee, as described in Section 22.618.6 of this Code. The City Council shall seek to ensure diverse representation on the Tenant Council with respect to the income level, housing status, race, gender identity, sexual orientation, national origin, immigration status, source of income, religion, age, disability, familial



status, and primary language. The Tenant Council shall be empowered to receive reports on implementation of rent relief programs, landlord opt-outs from rental assistance programs, and tenant harassment and eviction data, and may make recommendations to the Oversight Committee, to the Department and to City Council to reduce evictions and displacement and increase tenant access to legal services. Tenant Council members shall be compensated no less than \$150 for each meeting attended. Members may waive compensation.

SEC. 22.618.4 EXPENDITURE PLAN.

- (a) The House LA Fund program year will be concurrent with the City's Fiscal Year, from July 1st to June 30th.
- (b) Between January 1, 2023 and June 30, 2023, prior to creation of the initial expenditure plan, the Department may incur expenditures up to five hundred thousand dollars (\$500,000) of funds, to be reimbursed via of the expenditure plan for Fiscal Year 2023-2024 to establish the House LA Fund and House LA Program, including establishment of the Oversight Committee, as referenced in Section 22.618.6, and Tenant Council, as referenced in Section 22.618.3(d)(2)(ii).d.
- (c) By July 1, 2023, and by July 1st of each subsequent year, the Department shall provide to the Oversight Committee and to the City Council an accounting of House LA Program revenues collected in the previous fiscal year, by expenditure category. The Department shall also provide to the Oversight Committee and the City Council an expenditure plan for the subsequent year, which shall comply, to the maximum extent possible, with the program guidelines developed pursuant to Section 22.618.6(c) of this Code. The expenditure plan shall be approved in the manner provided by law and consistent with the intent of this article.
- (d) Each annual expenditure plan the Department prepares pursuant to Subsection (c) of this section shall project revenues and expenditures for at least three (3) years. Except for the Program Stabilization Fund under Section 22.618.3(d)(1)(ii).e of this Code, monies in each Fund established under this article must be committed within three (3) years of receipt and expended within five (5) years of the receipt, except for funding for the Alternative Models for Permanent Affordable Housing pursuant to Section 22.618.3(d)(1)(ii).b., which shall be committed within five (5) years and expended within seven (7) years of receipt.

SEC. 22.618.5 REALLOCATION OF FUNDS.

Funds may be periodically reallocated to accommodate changing needs and opportunities as follows:

- (a) Up to ten percent (10%) of funding for each expenditure category in Section 22.618.3(d) may be allocated for use in other expenditure categories within the same fiscal year.
- (b) Beginning on July 1, 2033 and every tenth year thereafter, the House LA Citizens Oversight Committee may make recommendations for, and City Council may approve, permanent changes to the expenditure categories stated in Section 22.618.3(d), provided



that no expenditure category will receive less than 75% of that which was provided in the previous decade.

(c) Reallocations pursuant to Subsections (a) and (b) of this section must be recommended by the House LA Citizens Oversight Committee and approved by City Council.

(d) City Council may deny a recommendation from the House LA Citizens Oversight Committee or reallocate funding from one category to another other than as the Oversight Committee recommends only upon a written finding after a duly noticed public hearing that such action is necessary to achieve the intent of this article.

SEC. 22.618.6. CITIZEN OVERSIGHT COMMITTEE.

(a) The House LA Citizens Oversight Committee ("Oversight Committee") is hereby established. By February 28, 2023, the initial group of fifteen (15) Oversight Committee members shall be appointed pursuant to this Section 22.618.6.

(b) The Oversight Committee shall help ensure the House LA Fund and this article are implemented consistently with the language and intent of this Article and in a way that is transparent and accountable to the residents of the City. The Oversight Committee shall monitor and audit the Fund; advise the Mayor, the Department, and the City Council on priorities and the Program Guidelines authorized by Subdivision (c)(1) of this section; make recommendations to the Department, the Mayor and the City Council regarding appropriations, Expenditure Plans, administration of the House LA Fund, and implementation of the House LA Program.

(c) The Oversight Committee shall have the authority to:

(1) Develop guidelines for prioritizing use of the House LA Funds ("Program Guidelines"). Within 120 days of any such recommendation, the City Council may accept the Oversight Committee's recommended guidelines or amend them consistently with the purpose of this article. If the City Council does not act in that time, such guidelines shall be deemed approved.

(2) By December 31, 2023, and every three years thereafter, or more frequently if the Oversight Committee deems necessary, it shall conduct a needs assessment with respect to homelessness, housing affordability, tenant protections and the housing needs of vulnerable populations, including but not limited to people experiencing homelessness, seniors in Lower Income Households, formerly homeless persons, persons with disabilities, veterans, single-parent households, youth in transition, survivors of domestic violence, and Lower Income Households. Any needs assessment conducted pursuant to this subsection shall, to the extent such data is available, include data disaggregated by race, family composition, sexual orientation, age, disability, and gender.

(3) Contract with a third-party evaluator or consultant to help conduct the housing needs assessment, measure the successes and shortcomings of expenditures of the Fund, and oversee an annual external audit of House LA Fund receipts and expenditures.



(4) Promote and facilitate transparency in the administration of the House LA Fund-Programs to ensure it is Affirmatively Furthering Fair Housing. This will include overseeing and reviewing reports, annually or more frequently as the Oversight Committee determines required by this article. The Oversight Committee shall monitor and/or audit the implementation of the House LA Program, including but not limited to: (A) dollars spent on housing construction and preservation during a year, over the course of years, in aggregate, per project, per housing unit, and disaggregated by Zip Code and Council District; (B) number of people housed during a year, over the course of years, in aggregate and as it changes over time, in each project, in each unit, disaggregated and searchable by race, family composition, sexual orientation, age, ability, and gender, and by location and income level (Acutely Low Income, Extremely Low Income, Very Low Income, Low Income, and Moderate Income Households); and (C) residents served by the Homelessness Prevention Program during a year, over the course of years, in aggregate and as it changes over time, by Council District, and disaggregated and searchable by race, family composition, sexual orientation, age, ability, and gender.

(5) The Oversight Committee shall be authorized to hold public hearings to investigate and share its findings with the public.

(6) The Oversight Committee may request reports from general managers of City departments, including but not limited to the Department, and chairs of City Council committees, including but not limited to the Housing Committee. The Oversight Committee shall have access to all information relevant to its work and be authorized to receive relevant information from other City entities as required under this article including information related to the Housing Element and its implementation, progress towards Regional Housing Needs Assessment allocations, and progress towards Affirmatively Furthering Fair Housing.

(7) The Oversight Committee shall be authorized to identify and investigate potential conflicts of interest in the allocation and implementation of funding and to make these findings known to the public.

(8) To promote transparency and accountability, the Oversight Committee shall hold an annual town hall to report on the progress and shortcomings of the House LA Fund-Programs and hear from the public. This will be in addition to other public meetings required by this article or which the Oversight Committee otherwise deems necessary.

(9) Promote culturally sensitive implementation of programs funded by the House LA Program Fund.

(10) Based on the results of the housing needs assessment, compliance with the Housing Element, progress towards the Regional Housing Needs Assessment allocations, and progress towards Affirmatively Furthering Fair Housing, the Oversight Committee shall review programs and expenditures and make adjustments to the Program Guidelines referenced in Subdivision (c)(1) of this section to better achieve



the goals of this article, including the achievement of racial equity goals and reversing of exclusionary practices, expanding affordable housing into all Council Districts to meet the need and reverse segregation, and prioritizing funding for programs focused on Acutely Low Income, Extremely Low Income, Very Low Income, and Low Income Households, and prioritizing rental subsidies to Acutely Low and Extremely Low Income Households.

(d) Oversight Committee Members.

(1) The Oversight Committee shall have thirteen (13) voting members and two (2) advisory members to support youth leadership development.

(2) Membership categories are as follows:

(i) Housing Development, Preservation & Finance.

a. Seat #1: An individual with at least five (5) years' experience in senior-level decision making in non-profit affordable housing development and preservation.

b. Seat #2: An individual with at least five (5) years' experience in non-profit asset and property management and operations, with a preference for individuals with experience in tenant-engaged management practices or resident ownership.

c. Seat #3: An individual with at least five (5) years' experience in housing finance (tax-exempt bonds, taxes, funding-agency work, etc.).

d. Seat #4: An individual with at least five (5) years' experience as a member of a construction labor union involved in workforce development, apprenticeship programs and negotiating Project Labor Agreements for large-scale housing projects.

e. Seat #5: An individual with at least five (5) years' experience in non-profit Community Land Trusts or community development corporations.

f. Seat #6: An individual with at least five (5) years' experience in transit-oriented development.

(ii) Renter Protection & Support.

a. Seat #7: An individual with at least five (5) years' experience as a tenant rights organizer or advocate working



at a community-based organization on behalf of tenants in Lower Income Households.

b. Seat #8: An individual with at least five (5) years' experience as an organizer or advocate working at a community-based organization to address the housing needs of seniors and/or people with disabilities.

c. Seat #9: An individual with at least five (5) years' experience as a tenant rights or fair housing legal expert representing or advocating for tenants.

(iii) Lived Experience & Expertise.

a. Seat #10: An individual with at least five (5) years' experience as a tenant in a Lower Income Household and/or at least one year experiencing homelessness.

b. Seat #11: An individual with at least five (5) years' experience as a tenant of a Lower Income Household and/or at least one year experiencing homelessness.

c. Seat #12: An individual with at least five (5) years' experience as a representative of a public sector labor or service union, the members of which struggle with housing costs.

d. Seat #13: An individual with at least five (5) years' experience as a community leader or an organizer advocating for high-quality transit near affordable housing and job centers and for identifying mobility options associated with the production of affordable housing.

(iv) Youth. Seats # 14 and 15: Two advisory, non-voting members of the Oversight Committee shall be individuals between the ages of 16 and 21.

(3) Eligibility.

(i) Members of the Oversight Committee must reside in the City of Los Angeles.

(ii) No person currently serving as an elected City, County, special district, State or Federal public official may serve as a Committee member.

(iii) The City's local conflicts of interest code under the Political Reform



Act is hereby amended to require members of the Oversight Committee to file annual statements of economic interests and otherwise to comply with the ethics and conflicts of interest provisions of that Act.

(4) Appointment.

(i) Initial appointments: Department staff shall submit to the Mayor at least three qualified candidates for each category of membership. The Mayor shall appoint members for each category listed in Subdivision (d)(2) of this section, subject to approval by the City Council.

(ii) Oversight Committee members shall serve five-year terms. However, seats 1, 2, 7, 10, and 11 shall have an initial term of three years; seats 3, 4, 8, 12, and 14 shall have an initial term of two years; and seats 5, 6, 9, 13, and 15 shall have an initial term of one year. Members may be reappointed to an unlimited number of terms at the discretion of the Mayor.

(iii) Subsequent appointments. After Oversight Committee staff is hired, its staff shall submit to the Mayor with at least three qualified candidates for each vacancy on the Committee. The Mayor shall appoint members, subject to approval by the City Council.

(5) Resignation; Disqualification. Oversight Committee members may, at any time, resign from the Oversight Committee upon written notice delivered to the Oversight Committee and the Mayor. An Oversight Committee member holding any disqualifying public office, or a Committee member's filing of intent to seek such public office, including a declaration of candidacy pursuant to California Government Code Section 85200, or an Oversight Committee member's relocation outside the City shall disqualify the member from continuing to serve on the Oversight Committee upon the Department's delivery of notice of that fact to the Oversight Committee.

(6) Grounds for Removal/Termination. Oversight Committee members shall only be removed before the end of a term for cause. Cause includes: (i) more than two absences from Committee meeting in a 12-month period not excused by the Committee; (ii) more than three absences from Committee meetings in a 12-month period even if excused by the Committee; (iii) failure to actively participate in meetings, committees, subcommittees, or Oversight Committee projects or responsibilities; (iv) acting in conflict with the intent or language of the initiative measure which adopted this ordinance, including opposing the construction or preservation of affordable housing; (v) disrupting the meetings or work of the Oversight Committee or failure to comply with accepted codes of conduct; (vi) failure to disclose a conflict of interest related to a decision pending before the Committee; and (vii) violation of law governing the conduct of the Oversight Committee, including but not limited to the Political Reform Act of 1975 and the Ralph M. Brown Act.

(7) Disclosure and Recusal. Members of the Oversight Committee must disclose



any conflict of interest, either actual or apparent, as determined by the Ethics Commission. If an Oversight Committee member has a direct or indirect financial interest in a decision of the Oversight Committee, they must recuse themselves from participating in the matter and file Form 51 with the Ethics Commission (Recusal Notification Form) or any successor to that form. If a conflict of interest is alleged by either members of the Oversight Committee or City staff, the matter will be reported to the Inspector General referenced in Subdivision (g)(2) of this section to investigate and report back to the Oversight Committee as necessary. Nothing in this section shall alter or diminish the authority of the City's Ethics Commission.

(8) Chair and Vice-Chair. The Oversight Committee shall select from among its members a Chair and Vice-Chair for each fiscal year. Members may serve as Chair or Vice-Chair for up to three consecutive fiscal years.

(e) Committee Member Compensation. Oversight Committee members will be compensated for meeting attendance no less than \$150 per meeting. Members may waive compensation.

(f) Meetings. The Oversight Committee shall meet at least six times annually, except for the 2022-23 fiscal year, in which the Oversight Committee shall meet at least twice. Subcommittees shall meet as the Oversight Committee deems necessary.

(g) Staffing. The City shall provide adequate dedicated staffing to the Oversight Committee.

(1) The Oversight Committee determines its own staffing and resource needs subject to the limit on the House LA Fund-Administration stated in Subsection (b) of Section 22.618.3 of this article.

(2) The Oversight Committee shall hire an Inspector General as the lead staff person serving the Oversight Committee. The Inspector General may be removed by the City Council for such cause as is sufficient to discharge under Section 1016 of the City Charter. The Inspector General has authority to hire or fire additional staff and expend budgeted resources, as needed. The Oversight Committee shall review and approve the Inspector General's budget.

(h) Subcommittees.

(1) The Oversight Committee may create subcommittees or advisory committees to assist its work.

(i) Nothing in this Section shall limit the authority of the Mayor and the City Council to propose, amend, and adopt the City budget pursuant to the City Charter provided that such budget respects the allocations required by this article.

SEC. 22.618.7. CONSTRUCTION WORK.

(a) Any construction or rehabilitation project receiving funding or financing from this measure shall constitute a public work for which prevailing wages shall be paid for purposes of Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code.



(b) All construction and rehabilitation on projects 40 units and greater that receive funding or financing from this measure will be subject to the City of Los Angeles Department of Public Works Project Labor Agreement. For purposes of this subdivision, the number of units means the maximum number of units authorized in any entitlement granted by the land use permitting authority for the development project, regardless of whether construction proceeds in phases or ownership is divided.

(c) If a specific measure-wide Project Labor Agreement (PLA) is negotiated with mutual agreement between the Los Angeles/Orange Counties Building and Construction Trades Council and the Southern California Association of Nonprofit Housing (SCANPH) and approved by the Los Angeles City Council, then contractors performing construction and rehabilitation work on projects that receive funding or financing from this measure shall be required to comply with the specific measure-wide PLA, rather than the Department of Public Works PLA.

(d) For purposes of this subdivision, “project labor agreement” has the same meaning as in paragraph (1) of subdivision (b) of Section 2500 of the Public Contract Code.

SEC. 22.618.8. COUNCIL AUTHORITY TO AMEND.

(a) City Council may amend this Article or any other provision of the initiative measure which adopted it, provided, however, that:

(1) Such amendments shall further or facilitate the purposes stated in Section 22.618.1 of this article and monies in the House LA Fund are expended consistent with Section 22.618.3 of this article.

(2) No such amendment may increase the tax imposed pursuant to Subsection (b) of Section 21.9.2 of the Municipal Code within the meaning of California Government Code Section 53750(h) without the voter approval required by Article XIII of the California Constitution.

(3) No such amendment may diminish the requirements of Section 22.618.7.

(b) The Oversight Committee shall review any proposed amendment to this article or any other provision of the initiative measure which adopted it before the City Council adopts the proposed amendment and may express an opinion on whether the amendment furthers the purposes stated in Section 22.618.1 of this article and is consistent with the expenditure categories in Section 22.618.3 of this article. If the Oversight Committee opines that a proposed amendment is not consistent with those purposes, the City Council shall make written findings to the contrary supported by substantial evidence in the record before it to justify proceeding with the amendment despite that opposing opinion.

SECTION 5: TERM OF MEASURE.

Upon adoption, this Los Angeles Program to Prevent Homelessness and Fund Affordable Housing Ordinance shall become effective on January 1, 2023, and shall remain in effect until repealed by the People of the City of Los Angeles.



SECTION 6: APPROPRIATIONS LIMIT INCREASE.

Pursuant to California Constitution Article XIII B and applicable laws, for four years from November 3, 2022, the appropriations limit for the City shall be increased by the aggregate sum collected by the levy of the tax imposed under Subsection (b) of Section 21.9.2 of the Municipal Code.

SECTION 7: SEVERABILITY.

This Act shall be interpreted so as to be consistent with all federal, state laws, local laws, rules, and regulations. If any section, subsection, subdivision, clause, sentence, phrase, or portion of this initiative measure is declared unconstitutional or invalid by a court of competent jurisdiction, the remaining sections, subsections, subdivisions, clauses, sentences, phrases, and portions shall remain in full force and effect, and to this end the provisions of this initiative measure are severable. The voters thus declare that they would have passed all sections, subsections, subdivisions, clauses, sentences, phrases and portions of this initiative measure without the section, subsection, subdivision, clause, sentence, phrase, or portion held unconstitutional or invalid.



Voter Bill of Rights

YOU HAVE THE FOLLOWING RIGHTS

- 1. The right to vote if you are a registered voter.** You are eligible to vote if you are:
 - ★ a U.S. citizen living in California
 - ★ at least 18 years old
 - ★ registered where you currently live
 - ★ Not currently serving a state or federal prison term for the conviction of a felony, and
 - ★ not currently found mentally incompetent to vote by a court
- 2. The right to vote if you are a registered voter even if your name is not on the list.**

You will vote using a provisional ballot. Your vote will be counted if elections officials determine that you are eligible to vote.
- 3. The right to vote if you are still in line when the polls close.**
- 4. The right to cast a secret ballot** without anyone bothering you or telling you how to vote.
- 5. The right to get a new ballot if you have made a mistake,** if you have not already cast your ballot. You can:
 - Ask an elections official at a polling place** for a new ballot,
 - Exchange your vote-by-mail ballot** for a new one at an elections office, or at your polling place, or
 - Vote using a provisional ballot.**
- 6. The right to get help casting your ballot** from anyone you choose, except from your employer or union representative.
- 7. The right to drop off your completed vote-by-mail ballot at any polling place** in California.
- 8. The right to get election materials in a language other than English** if enough people in your voting precinct speak that language.
- 9. The right to ask questions to elections officials about election procedures** and watch the election process. If the person you ask cannot answer your questions, they must send you to the right person for an answer. If you are disruptive, they can stop answering you.
- 10. The right to report any illegal or fraudulent election activity** to an elections official or the Secretary of State's office.

If you believe you have been denied any of these rights, call the Secretary of State's confidential toll-free Voter Hotline at (800) 345-VOTE (8683).

 -  On the web at www.sos.ca.gov
 -  By phone at **(800) 345-VOTE (8683)**
 -  By email at elections@sos.ca.gov



Information for Voters with Special Needs



Accessibility and other assisted devices **800-815-2666, Option 7 (LA County Hotline)**

LA County Vote Centers provide wheelchair accessibility and/or curbside voting. Inside the Vote Center you may find devices to assist you in your voting experience.



Audio Recordings (213) 978-0444

Audio equipment is available at all Vote Centers to assist you.

Audio recordings of the measures included in this booklet are available in English, Armenian, Chinese (Mandarin and Cantonese), Farsi, Hindi, Japanese, Khmer, Korean, Russian, Spanish, Tagalog, Thai, and Vietnamese. These recordings are available on our website: **clerk.lacity.org/clerk-services/elections/municipal-elections** by clicking on the “Measure(s) on the Ballot” box and at the following locations:

Braille Institute Library
741 North Vermont Avenue
Los Angeles, CA 90029
(323) 660-3880

Central Library
630 West 5th Street
Los Angeles, CA 90071
(213) 228-7000

Voters may also request a copy of the audio recordings from our office:

Office of the City Clerk-Election Division
Attn: Audio Recordings
555 Ramirez Street, Space 300
Los Angeles, CA 90012



TTY Phone Number (213) 473-3231

A TTY phone number is provided for voters who are hearing impaired.



Language Assistance (800) 994-8683

The City also provides voting materials in Armenian, Chinese, Farsi, Hindi, Japanese, Khmer, Korean, Russian, Spanish, Tagalog, Thai, and Vietnamese.



Election Date Reminder

Election Day is TUESDAY, NOVEMBER 8TH

November

S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

Polls open at 7:00 a.m. and close 8:00 p.m.



[illegible]

Election Day is Tuesday, November 8th.

This page is necessary due to printing layouts.



OFFICE OF THE CITY CLERK
ELECTION DIVISION
555 RAMIREZ STREET
SPACE 300
LOS ANGELES, CA 90012



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