

HOUSING

MOTION

The City encourages and supports a full range of housing options affordable to different income levels. There are currently limited Federal, State or local subsidies or programs to produce or preserve the growing shortfall of below market rate rental housing for moderate and middle-income households. To date, affordable housing programs in California have almost exclusively focused on providing housing for low income households, which are households that earn at or below 80% of area median income ("AMI"). State and federal funding sources are almost exclusively targeted to households at or below 60% of AMI. This has left a "missing middle," comprised of households that earn too much to qualify for traditional affordable housing programs but not enough to afford market rate housing.

The California Statewide Communities Development Authority ("CSCDA") is a joint powers authority founded and sponsored by the League of California Cities ("League") and the California State Association of Counties ("CSAC"). CSCDA was created by the League and CSAC in 1988 to enable local government and eligible private entities access to low-cost, tax-exempt financing for projects that provide a tangible public benefit, contribute to social and economic growth and improve the overall quality of life in local communities throughout California. CSCDA is comprised of more than 530 cities, counties and special districts.

The CSCDA Community Improvement Authority (the "Authority"), an affiliate joint powers authority, was created to enable CSCDA to continue to broaden its program offerings by being able to acquire public benefit oriented capital projects through the issuance of tax-exempt governmental purpose bonds. Through the Authority's Workforce Housing Program, it issues government bonds to acquire market-rate apartment buildings. These properties are then converted to income and rent-restricted units for moderate/middle income households, which are generally households earning 80% to 120% of AMI. Additionally, annual rent increases would be capped at no more than 4%, which is less than the rent limits under AB1482, the recently adopted State tenant protection legislation.

I THEREFORE MOVE that the Council instruct the Housing and Community Investment Department, City Administrative Officer, Chief Legislative Analyst and request the City Attorney report back on the feasibility of the City of Los Angeles becoming an additional member of the CSCDA Community Improvement Authority, or any other entity that would support the issuance of bonds for the production, preservation, and protection of essential middle-income rental housing.

PRESENTED BY: _____

BOB BLUMENFIELD (verbal)
Councilmember, 3rd District

SECONDED BY: _____

CURREN D. PRICE, JR. (verbal)
Councilmember, 9th District