

MOTION

Los Angeles has a critical need for affordable housing. This need involves not just building new units but retaining existing ones. Yet, according to a report by the California Housing Partnership, the covenants on thousands of units of affordable housing are set to expire in the coming years. Many units of naturally occurring affordable housing, including those in rent stabilized buildings, are also lost every year through the Ellis Act or from being purchased by investors.

By purchasing naturally affordable housing, the city can remove units from the speculative market, help insulate tenants from price increases, and create housing for low-income families. This is also an incredibly cost effective solution. In 2020, The Housing Authority of the City of Los Angeles (HACLA) acquired over 1,000 units through its acquisition program with an average per unit cost of \$231,690. This is half the price of building new units through existing programs like HHH. As units within these buildings turnover, they can be filled with tenants on the 40,000 person long Section 8 wait list or by other low-income families.

The city needs to support and bolster HACLA's innovative acquisition program so that we can dramatically increase the number of publicly owned units that are acquired each year. The city can do this is to by identifying outside partners as well as funding to help finance this program. By bolstering this program the city can keep people housed and ensure that Los Angeles remains a city for all residents.

I THEREFORE MOVE that the City Council request the Housing Authority of the City of Los Angeles in coordination with the Housing and Community Investment Department to create a strategy for expanding the housing acquisition program to at least 1,500 units by 2022, 5,000 units by 2025, and 10,000 units by 2030. This strategy should outline current funding sources that could be redirected to meet this goal as well as new funding sources. This would allow the city to become the equity partner and get a return, which could then be reinvested into the program.

I FURTHER MOVE that the City Council request Housing Authority of the City of Los Angeles in coordination with the Housing and Community Investment Department to create a strategy to identify and outreach to potential equity partners to support the expansion of the acquisition program. These partners should include financial institutions, foundations, and businesses. This strategy should also identify ways to publicly recognize and advertise these partners participation in the program.



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