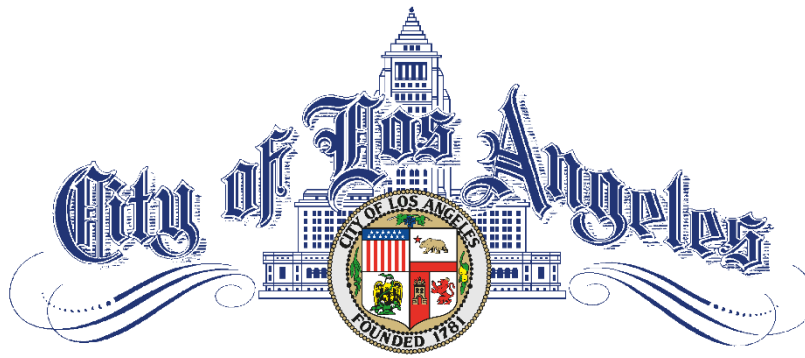




Office of the Los Angeles City Attorney
Hydee Feldstein Soto

REPORT NO. R26-0571
OCT. 6, 2026

REPORT RE:

**AN ORDINANCE AMENDING SECTION 22.618.3 OF ARTICLE 9, CHAPTER 24,
DIVISION 22 OF THE LOS ANGELES ADMINISTRATIVE CODE TO MAKE
TECHNICAL AMENDMENTS TO THE LEGAL REQUIREMENTS OF COVENANTS
REQUIRED BY THE UNITED TO HOUSE LA PROGRAM**

The Honorable City Council
of the City of Los Angeles
Room 395, City Hall
200 North Spring Street
Los Angeles, California 90012

Council File No. 26-0088-S2

Honorable Members:

As requested by the City Council, this Office has prepared and now transmits for your consideration the enclosed draft ordinance, approved as to form and legality. This draft ordinance makes technical amendments to Los Angeles Administrative Code (LAAC) Section 22.618.3 concerning covenants required by the United to House Los Angeles ballot measure and ordinance (ULA).

Background

On July 1, 2026, the City Council approved the following four technical amendments to ULA:

“1. Amend Los Angeles Municipal Code (LAMC) Section 21.9.14 to add non-profit, Limited Liability Company, and/or a Limited Partnership whose general partner or managing member is a Limited

Liability Company or Limited Partnership wholly controlled by nonprofit corporation(s) meeting the affordable housing development qualifications.

2. Amend [LAAC Section 22.618.3(d)(1)(i)b.7] to provide necessary flexibility for seniority of affordability restrictions to be determined based on the requirements of other public funders.

3. Amend [LAAC Section 22.618.3(d)(1)(i)b.4 to clarify that the provisions related to ULA's resale restrictions are] not applicable in cases of transfers by foreclosure, deed-in-lieu of foreclosure, or other similar conveyance.

4. Amend [LAAC Section 22.618.3(d)(1)(i)b. to provide, notwithstanding Sections 22.618.3(d)(1)(i)b.1., b.2., and b.3.], flexibility for the [Los Angeles Housing Department (LAHD)] and/or other public lenders to permit an adjustment of rents, not to exceed the affordability levels described in Section 22.618.3(d)(1)(i)b., in instances where there is a loss of rental subsidy/rental assistance due to reasons not attributable to the developer, following substantially similar rent float up procedures and policies as provided in existing public lender regulatory agreements.”

The draft ordinance providing the amendments called for by requests two through four are attached to this Report. This office is concurrently transmitting a separate report and draft ordinance providing request one.

ULA Citizen Oversight Committee Referral

The City Council may amend ULA provided that “such amendments shall further or facilitate the purposes of” ULA and the funds are “expended consistent” with LAAC Section 22.618.3; such amendments may not increase the tax imposed without voter approval; and such amendments may not diminish the requirements of LAAC Section 22.618.7. LAAC § 22.618.8(a). Before the adoption of any City Council-initiated amendment, the Citizens Oversight Committee (COC) “shall review any proposed amendment” and “may express an opinion on whether the amendment furthers the purposes” of ULA. *Id.* § 22.618.8(b). If the COC “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.” *Id.*

A copy of this draft ordinance should be referred to the COC for its review and opinion prior to any action by the City Council. As specified in LAHD's April 2, 2026, Report (C.F. No. 26-0088-S2), the COC previously reviewed and supported the technical amendments described above. However, the COC has not reviewed the text of the draft ordinance attached to this Report.

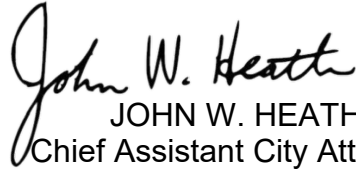
Council Rule 38 Referral

A copy of the draft ordinance was sent, pursuant to Council Rule 38, to LAHD with a request that any comments be transmitted directly to Council or its Committees when this matter is considered.

If you have any questions regarding this matter, please contact Deputy City Attorney Elaine Zhong at (213) 922-7715. A member of this Office will be available when you consider this matter to answer questions you may have.

Sincerely,

HYDEE FELDSTEIN SOTO, City Attorney

By 
JOHN W. HEATH
Chief Assistant City Attorney

JWH:ez
Transmittal