Communication from Public

Name:
Date Submitted: 06/17/2026 10:19 AM
Council File No: 26-0774
Comments for Public Posting: Dear Los Angeles City Clerk, On Tuesday June 16, the City Council will be asked to consider a number of ULA reform motions, including motions to refund non-profits that have paid the tax, exempt properties impacted by the Palisades Fire from the tax, and revise eligibility rules for the House LA Citizens Oversight Committee. While these motions have merit, more comprehensive action is needed to ensure that the City of Los Angeles can build critically needed new housing while protecting the measure's continued success. Please vote to draft a ballot measure that embraces the reforms championed by the Mend It, Don't End It coalition. In particular I stand in solidarity with Abundant Housing LA in calling for the following reforms: 1. Cap the maximum tax rate on multifamily and non-residential properties at 1-2% 2. Exempt new multifamily and non-residential properties from the tax for a period of 15 years Abundant Housing LA, which endorsed Measure ULA in 2022 and fully recognizes that the measure raises substantial and important funds for both homeless prevention and affordable housing production. Unfortunately, the design has had unintended consequences that have blunted its effectiveness in addressing LA's severe housing crisis. Although the measure was framed as a mansion tax, its structure taxes all real estate transactions over $5 million, including desperately needed multifamily housing, and the impact of that has been more profound than many supporters had imagined. As was presented to your committee in April, research from both the UCLA Lewis Center and the RAND Corporation demonstrates clear evidence that ULA has decreased multifamily housing production in LA, including deed-restricted affordable housing units delivered as part of privately financed mixed-income projects. Members of the Mend It Don't End It coalition have witnessed ULA's unintended consequences on the multifamily and commercial sectors. These challenges threaten not only the measure's effectiveness but also its very existence, with a new draconian statewide measure having already qualified for the November ballot. Additionally, stakeholders have raised important concerns about the impact of the policy design on revenue for local city schools. It is time to make essential fixes to Measure ULA to reduce the impact on beneficial multifamily and commercial projects, while retaining the majority of ULA

revenue. Thank you for your consideration, and I respectfully urge your support for critical reform to create the policy change needed to create more housing options and affordability in the City of Los Angeles.

Communication from Public

Name: Kacy Keys

Date Submitted: 06/17/2026 10:25 AM

Council File No: 26-0774

Comments for Public Posting: I am the founder of a small, woman-owned community development firm in Los Angeles. I am not Wall Street. I am not an institutional investor. My family has been in Los Angeles since 1911, and I have spent nearly thirty years building quality projects here. We partner with local families and institutions — churches, legacy landowners, mission-driven nonprofits — to build housing and other community-based projects. Right now, Measure ULA is preventing us from doing our work. In the Crenshaw Corridor, my firm is partnering with a family whose mother bought her building on Crenshaw Boulevard in 1995, where she operated her hair salon. When she passed, her children — Jamial Clark and Bridgette Reed — chose to build housing on the site rather than sell to the highest bidder. They wanted to preserve Black ownership along the Crenshaw corridor and create generational wealth. Our 48-unit mixed-income project, The Clark on 54th, is under construction and will open in 2026. Building it required stitching together capital from mission-driven lenders: Genesis LA, LISC LA, LA4LA, MSquared, and the Black Economic Development Fund. These are not luxury financiers. They exist to fund exactly the kind of project Los Angeles desperately needs — projects that conventional debt and equity will not touch because the returns are too modest and the neighborhoods are deemed too risky. We are not getting rich. We are community builders struggling to build quality, mixed-income, family-sized housing. For this, we are being penalized. Measure ULA takes up to 5.5% off the top — potentially over a million dollars on our Crenshaw project. That money does not come from some abstract corporate balance sheet. It comes directly out of the proceeds that might otherwise go to the Clark family and to my firm to return our investment. It comes out of the capital that should be recycled into the next project, and the one after that. This is who Measure ULA is hurting: mission-driven lenders, small community development businesses, and local legacy families trying to build housing in neighborhoods that need it most. Measure ULA was sold to voters as a tax on luxury home sales — a "mansion tax." In practice, it functions as a tax on housing production. The State requires Los Angeles to permit more than 450,000 new homes by 2029. In 2025, the City issued roughly 10,000. 2026 is tracking the same. Median rents in

Los Angeles County are up 32% over five years. We are not in a housing crisis. We are in a housing collapse — and the policy response is to tax the few people still trying to build. I can tell you exactly what this looks like on the ground. We have a fully entitled 464-unit project, with more than 50 affordable units, that we cannot move forward. It would create hundreds of jobs and house upwards of 1,000 people. Our family partner has told us not to proceed due to concerns about raising capital under ULA as-is. No permits. No City fees. No jobs. No housing. As I speak with capital providers, I am repeatedly told: "We no longer do business in Los Angeles." That is not a complaint. That is a closed door. Phoenix is open. Dallas is open. Nashville is open. Los Angeles is being left behind. I support the goal Measure ULA was meant to serve. But the current structure is destroying the housing supply it was supposed to catalyze. And it is hitting small developers — disproportionately women-owned, BIPOC-owned, and community-rooted firms — hardest, because we do not have the institutional scale to absorb the cost. The Council has an opportunity to act now: exempt newly built housing for fifteen years, and cap the tax at 1 to 2 percent for multifamily projects. Without reform, firms like mine will close or be forced to build elsewhere. The Clark family's vision will be a one-off rather than the first of many. Rents will continue to climb, our homeless crisis will grow, and Los Angeles will look back in five years and ask why it stopped being able to build housing. In the midst of a housing emergency, Los Angeles should be rolling out the red carpet for housing developers. Current policy does just the opposite. Reform Measure ULA. Let us build. Kacy Keys is Founder and CEO of Praxis Development Group (praxisdevgroup.com), whose mission is Building with Purpose, recently named to the LA Business Journal's "LA500: Making the LA Economy."