

AD HOC COMMITTEE ON MEASURE UNITED TO HOUSE LOS ANGELES (ULA) REPORT relative to a ballot measure to amend Measure ULA to reduce the transfer tax rate percentage, remove barriers to revenue bonding, and expand the public reporting, performance measures, and the use of funds.

Recommendations for Council action, as initiated by Motion (Lee - Harris-Dawson):

1. INSTRUCT the Los Angeles Housing Department (LAHD), in consultation with the and the City Attorney, report back with recommended ordinance language, subject to consideration by the ULA Citizens Oversight Committee, amending Measure ULA to establish a pilot tax credit program to reduce the Measure ULA tax based on the project being affordable housing and designed in a manner that furthers the purposes of Measure ULA. To be eligible, sales of newly constructed multifamily and mixed-use projects should meet the following requirements:
 - a. The project includes housing affordable to lower-income households and subject to a recorded covenant.
 - b. The multi-family or mixed-use property is primarily used for residential purposes.
 - c. The project received its building permit after the program's effective date.
 - d. Prevailing wages were paid for project construction work.
 - e. The sale occurred within seven years of the issuance of the certificate of occupancy for newly constructed residential units.
 - f. If the project required the demolition of rent-stabilized units or affordable units, the project resulted in a net increase in affordable units.
 - g. Other requirements recommended by the LAHD, the Department of City Planning, the City Attorney, and the ULA Citizens Oversight Committee in order to further the purposes of Measure ULA.

The program should be established on a pilot basis for a period of five years and renewed if the evaluation finds that it is furthering the purposes of Measure ULA in a cost-effective manner. The program should offer credits sufficient to reduce the effective Measure ULA tax rate on eligible projects to 1.5%, with further reductions available to projects that are highly aligned with the purposes of Measure ULA and the City's Housing Element and AFFH goals. The tax credit amount should be determined by the number of affordable units and the level of affordability, and should not exceed the typical per-unit Measure ULA subsidy amount for new affordable housing construction projects funded through Measure ULA.

2. INSTRUCT the LAHD, in coordination with the ULA Citizens Oversight Committee, to provide recommendations to revise the Measure ULA program guidelines to establish a program prioritizing a portion of funding dedicated to assistance for individuals transitioning out of homelessness into permanent housing solutions, such as permanent supportive housing. The programs should be structured to complement and work in conjunction with existing programs and funding sources that assist people experiencing homelessness who are placed in permanent housing, providing up to \$30,000 per household per year in

income support and/or rental assistance to up to 1,000 households. The program should be temporary, operating for three years, and designed to assist individuals as the construction of new, permanently affordable housing is underway.

Fiscal Impact Statement: Neither the City Administrative Officer nor the CLA has completed a financial analysis of this report.

Community Impact Statement: None submitted.

(Also referred to the Rules, Elections and Intergovernmental Relations Committee)

SUMMARY

At the meeting held on May 29, 2026, the Ad Hoc Committee on Measure ULA considered Motion (Lee - Harris-Dawson) relative to a ballot measure to amend Measure ULA to reduce the transfer tax rate percentage, remove barriers to revenue bonding, and expand the public reporting, performance measures, and the use of funds.

After an opportunity for public comment, Councilmember Jurado introduced recommendations regarding this matter. After a brief discussion, the Committee moved to approve the recommendations from Councilmember Jurado and noted above.

This matter is now forwarded to the Council for its consideration.

Respectfully Submitted,

AD HOC COMMITTEE ON MEASURE UNITED TO HOUSE LOS ANGELES

<u>Member</u>	<u>VOTE</u>
JURADO:	YES
LEE:	NO
PADILLA:	YES

SG 5/29/26
CF 26-0782

-NOT OFFICIAL UNTIL COUNCIL ACTS-