

City of Los Angeles

Tiena Johnson Hall, General Manager
Luz C. Santiago, Executive Officer



LOS ANGELES HOUSING DEPARTMENT
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Karen Bass, Mayor

June 30, 2026

Los Angeles City Council
City of Los Angeles, c/o the City Clerk
Room 395, City Hall 200
N. Spring Street
Los Angeles, CA 90012

Attn: Sharon Gin, Legislative Assistant

CORRECTION TO LAHD REPORT DATED JUNE 26, 2026 TO CORRECT COUNCIL FILE REFERRAL TO C.F. 26-1100-S10

The Los Angeles Housing Department (LAHD) respectfully submits a revised report regarding proposed legislative changes affecting ULA and anticipated impact to ULA Program revenue.

The LAHD report dated June 26, 2026 was uploaded to Council File (C.F.) 23-0038-S15. Subsequently, the report from the Office of the City Attorney containing the draft ordinance was uploaded to C.F. 26-1100-S10. As a result, LAHD therefore resubmits the attached LAHD report to be posted to C.F. 26-1100-S10.

Sincerely,



Tiena Johnson Hall
General Manager



June 26, 2026

Council File: 26-1100-S10
Council District: Citywide
Contact Person(s): Cally Hardy (213) 808-8653
Maya Abood

Honorable Members of the City Council
City of Los Angeles
c/o City Clerk, City Hall
200 N. Spring Street
Los Angeles, CA 90012

REPORT FROM THE LOS ANGELES HOUSING DEPARTMENT REGARDING PROPOSED LEGISLATIVE CHANGES AFFECTING ULA AND ANTICIPATED IMPACT TO ULA PROGRAM REVENUE

SUMMARY

On June 17, 2026, City Council instructed the City Attorney to draft a ballot measure to exempt multifamily and residential mixed-use properties that are sold within 10 years of construction if the project is built after the amendment is passed (C.F. No. 23-0038-S15). At that time, the City Council also instructed the Los Angeles Housing Department (LAHD) and the City Administrative Officer (CAO) to report back on the impact of that proposal on projected ULA revenue and programs.

ANALYSIS

LAHD worked with the CAO and its consultant (Economic & Planning Systems, Inc.) to estimate the short-term and longer-term impacts of the proposal. Because the exemption only applies to buildings constructed after the measure is passed, it is anticipated that there would be very little impact to ULA revenue in the first year, and increase each subsequent year. After 10 years, once the exemption is fully in place, LAHD estimates an approximate 5% reduction in ULA revenue, based on data from past transactions.

Applied to a current “typical” year of ULA revenue, a 5% reduction equates to approximately **\$28.4 million less ULA revenue annually**, including \$18.3 million less for Affordable Housing Programs and \$7.8 million less for Homelessness Prevention Programs.

Based on estimates provided by the CAO's consultant, modeling indicates that the exemption could benefit some projects in terms of overall project feasibility, which could result in an estimated 5% increase in new market-rate housing production (amounting to 1,665 units over five years - or approximately 330 units per year on average) and a net gain of 74 affordable units over five years (an average of 15 units per year).

Sincerely,

A handwritten signature in black ink, appearing to read 'Tiena Johnson Hall', with a long horizontal flourish extending to the right.

For:
Tiena Johnson Hall
General Manager