



United to House L.A. Citizens Initiative Quick Summary

This measure, written by homelessness and housing experts, will:

1. Provide immediate support to people experiencing homelessness, and those at risk of homelessness, in the form of rental assistance, emergency income support and access to permanent housing.
2. Invest in new innovative solutions to create affordable housing more quickly and at a lower cost.
3. Include the strongest Citizens Oversight and accountability protections in the history of the City of Los Angeles, including a dedicated Inspector General with guaranteed funding.
4. Create more than 26,000 homes for people who are experiencing homelessness or are at risk of homelessness over the next decade, helping about 69,000 people. Help roughly 475,000 renters stay in their homes each year, helping families stay together, shorten commutes, and create more vibrant communities.
5. Ask millionaires and billionaires to contribute their fair share: based on March 2019-March 2020 property sales, 97% of sales would not have been subjected to this one-time fee.

Measure Summary

Who

The measure, proposed by a coalition of homeless service organizations, housing advocates and labor organizations, would create the Los Angeles Program to Prevent Homelessness and Fund Affordable Housing, which will be the most comprehensive set of homelessness and housing policies in the history of the City of Los Angeles.

Once the required number of petition signatures are secured and the measure has qualified for the November 2022 ballot, a simple majority vote (50%+1) is required for voter approval.

Campaign polling is in alignment with the recent *Los Angeles Times* polling which found voter support for a housing/homelessness revenue measure in the low 60% when there are strong Citizens Oversight and accountability protections, which this measure contains.

What

The measure is focused on people experiencing homelessness and those who are most at risk of homelessness— those who are acutely (not more than 15% of median income) and extremely low income people (not more than 30% of median income). The measure has the following core components: protection of existing affordable housing, the creation of new affordable housing, and supportive services for low income renters.

The measure will include the most robust citizens oversight and transparency in the history of the City of Los Angeles. This includes:

- A paid Citizens Oversight Committee with specific expertise on the issues of housing and homelessness, appointed by the Mayor
- A professional staff that reports to the Citizens Oversight Committee, led by an Inspector General, funded through the measure, focused on ensuring compliance to the measure's eligible uses. This level of professional oversight has never existed before.
- Very limited ability for the City Council to change any eligible uses for the funding

How

Similar to progressive documentary transfer taxes in Culver City and many Bay Area cities, the measure will impose a new two-tier fee on the sale of high value property in the City of Los Angeles as follows:

The full value of the transfer of property from \$5,000,001 to \$10,000,000 will be taxed a single time at 4%.

The full value of the transfer of property of more than \$10,000,001 will be taxed a single time at 5.5%.

Based on property sales from March 2019 to March 2020 the measure would have applied to 3% of those transactions, or 1,020 transactions out of a total 33,763 total transactions. This would have generated roughly \$800 million in revenue.

A Closer Look:

The measure requires annual investment in a broad set of programs that are proven to support both people experiencing homelessness and those most at risk of homelessness.

The funds will be divided into two accounts— 92% of the funding for programs, and 8% of the funding for administration, operations, and compliance monitoring by the Citizens Oversight Committee.

Of the programs account, seventy percent (70%) of the total funding shall be used for the Affordable Housing Program. The eligible uses in this category break down as follows:

- 22.5% - 25%: Supportive and affordable housing for income-qualified populations in conjunction with other federal, state, and local affordable housing funding sources, such as federal Low Income Housing Tax Credits and state Low Income Housing Tax Credits

- 22.5% - 25%: Alternative models for permanent supportive and affordable housing including construction, acquisition, rehabilitation, lease, preservation and operation of rental or mixed rental/homeowner projects
- 10%: Acquisition, preservation, rehabilitation, lease, or operation of existing multifamily rental housing property, including properties of two or more units, rent-controlled properties, Residential Hotels, Accessory Dwelling Units, and Junior Dwelling Units, that either do not have covenants requiring affordability in place or have covenants requiring affordability in place that will expire within 10 years of project onset
- 10%: Single family and cooperative homeownership opportunities, including but not limited to Limited Equity Housing Cooperatives, shared equity homeownership, down-payment assistance, predevelopment funding, and capacity-building programs
- 5%: Program stabilization fund to address periodic revenue shortfalls for programs that require a consistent revenue stream to function

Thirty percent (30%) of the total program shall be used for the Homelessness Prevention Program as follows:

- 5% to provide short-term emergency funding to tenant households at risk of becoming homeless.
- 10% to provide income assistance to rent-burdened, Acutely-, Extremely-, and Very Low-Income Households containing seniors (aged 65 years and above) and/or persons with disabilities at-risk of becoming homeless, designed to assist such households in avoiding displacement from their homes
- 10% to provide funding for a right-to-counsel program that provides housing-related legal services to low-income tenants threatened with eviction
- 2% to provide tenant outreach, education and navigation services
- 3% to fund non-profit organizations and City departments to monitor and enforce City protections against tenant harassment, and to inform tenants of such protections and support them in exercising their rights

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