

RESOLUTION

WHEREAS, any official position of the City of Los Angeles with respect to legislation, rules, regulations, or policies proposed to or pending before a local, state or federal governmental body or agency must have first been adopted in the form of a Resolution by the City Council with the concurrence of the Mayor; and

WHEREAS, of the 3.7 million people living in Los Angeles' housing units, 2.2 million (or 60 percent) are living in rental units, with the majority of the renters (59 percent) classified as rent burdened as they are paying more than 30 percent of their income on rent; and

WHEREAS, the City needs an adequate supply of affordable housing that does not burden families and erode their capability to pay for medical costs, transportation, groceries and other necessities; and

WHEREAS, the economic crisis has decimated federal and state financing used by the City for affordable housing, with the City's share of the federal Community Development Block Grant cut by \$12 million (18%), the HOME program by \$17 million (44%), and the state's elimination of redevelopment agencies, which resulted in a loss of approximately \$50 million annually; and

WHEREAS, currently pending in the State Legislature is SB 391 (DeSaulnier), the California Homes and Jobs Act of 2013, which would establish a permanent source of funding for affordable housing by imposing a \$75 recordation fee on all real-estate documents, excluding documents related to the sale of property, to yield an average of \$500 million per year that is estimated to leverage \$2.78 billion in federal, local and private dollars; and

WHEREAS, funds could be used for the purpose of supporting the development, acquisition, rehabilitation, and preservation of housing affordable to low- and moderate-income households, including, but not limited to, emergency shelters; transitional and permanent rental housing, including necessary service and operating subsidies; foreclosure mitigation; and homeownership opportunities; and

WHEREAS, SB 391 would help the City of Los Angeles supply much needed affordable housing to better fulfill its Regional Housing Needs Allocation (RHNA); and

WHEREAS, the City of Los Angeles seeks amendments to SB 391 to ensure that revenue generated in Los Angeles from the California Homes and Jobs Act of 2013 is reinvested in Los Angeles affordable housing projects to fill the critical deficiency in housing that is affordable to Los Angeles residents;

NOW, THEREFORE, BE IT RESOLVED, with the concurrence of the Mayor, that by the adoption of this Resolution, the City of Los Angeles hereby includes in its 2013-2014 State Legislative Program SUPPORT of SB 391 (DeSaulnier), the California Homes and Jobs Act of 2013, which would establish a permanent source of funding for affordable housing by imposing a \$75 recordation fee on real-estate documents, excluding documents related to the sale of property, and to SEEK AMENDMENTS to ensure that revenue generated in Los Angeles from the California Homes and Jobs Act of 2013 is reinvested in Los Angeles affordable housing projects to fill the critical deficiency in housing that is affordable to Los Angeles residents.