

MOTION

On November 8, 2016, voters approved Proposition HHH (Prop HHH) on the State's General Election ballot which authorized the City to issue up to \$1.2 billion General Obligation bonds (GO bonds) to finance the development of permanent supportive housing (PSH), affordable housing, and facilities. The proposition was designed to provide permanent housing for chronically homeless households and individuals. It has been two years since the passage of this proposition and we currently have no completed HHH projects.

With over 35,000 people experiencing homelessness throughout the City of Los Angeles it is imperative that we adamantly look for more ways to expedite the development of housing. Currently, the Housing Community Investment Department (HCID) has committed \$556,753,423 towards HHH projects throughout the City and 1,581 units will be built for the chronically homeless and 2,810 units will be built for supportive housing once these developments have been completed.

HCID has recently implemented the Prop HHH Supplemental Funding program that provides a "boost" to developments that are within "Opportunity Areas" in an effort to incentivize more equitable development for projects that are developed in higher resourced census tracts. This model was adopted using the California Tax Credit Allocation Committee's (TCAC) Opportunity Mapping Tool, which identifies opportunity areas by Highest, High, Moderate, Low and High Segregation & Poverty Resource Areas. Although this is a practical effort in the right direction to address the equitability of allocating HHH funds, it does not adequately address the market and economic conditions in a City as diverse as Los Angeles.

Los Angeles is unique in that market values vary dramatically throughout the City. The current Prop HHH Supplement does not account for these extreme differences in market values and economic conditions, which is evident in the historical allocation distributions. Of the 55 projects that the City has committed funding towards, there have been no supplemental allocations for High and Highest Resource Areas.

Furthermore, HCID in collaboration with the Housing Authority of the City of Los Angeles recently completed an Assessment of Fair Housing Plan 2018-2023 where they clearly defined factors that contribute to income inequality. The report noted that the high placement of homeless individuals in South and East LA will continue to perpetuate existing segregation patterns by race and income.

I THEREFORE MOVE that the Housing Community Investment Department, with the assistance of the Chief Legislative Analyst be instructed to report within 120 days with an analysis assessing the feasibility of providing additional subsidies or more favorable allocation terms to High and Highest Opportunity Areas to ensure that we address the equitable distribution of funding for HHH projects throughout the City.

  
DEC 12 2018

PRESENTED BY:   
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Councilman, 9<sup>th</sup> District

SECONDED BY: 

ORIGINAL