



ERIC GARCETTI  
MAYOR

Los Angeles City Council  
200 N. Spring Street  
Los Angeles, CA 90012

June 6, 2017

Dear Councilmembers,

Date: 06/06/2017

Submitted in PLUM Committee

Council File No: 17-0274

Item No. 7

Deputy: Comm from Mayor Interfaith Collective

We, the under-signed members of the *MAYOR'S INTERFAITH COLLECTIVE*, are writing to urge unequivocal support of The Housing Impact Trust Fund.

All our traditions command justice and equity. Yet, more than half of all families in Los Angeles are struggling to make ends meet with rising housing costs. The Housing Impact Trust Fund will help us reduce rising rents, create thousands of good-paying jobs, and put housing within reach for all Angelenos.

The Housing Impact Trust Fund will double the production of affordable housing, and bring more than 1,000 units of affordable housing online every year, put incentives in place for on-site affordable units, and an equitable market that supports housing for everyone. Wisdom instructs that we provide a reliable, enduring and flexible funding source for affordable housing that isn't tied to the whims of an unpredictable federal government. 900 good-paying jobs will be created each year as well.

The Housing Impact Trust Fund will be supported by a fair, reasonable requirement that developers of certain market-rate projects either build on-site affordable housing, or contribute to a fund that supports new affordable housing production. It has been carefully calculated at an amount that will not slow growth. Many developments will be exempt from contributing to the fund, including projects with thin investment margins, most projects proposed in underserved neighborhoods that need development the most, projects that include affordable housing, and projects already subject to more stringent land-use laws, such as Measure JJJ.

Solving our housing affordability crisis is a moral imperative and takes a serious commitment from everyone. Homeowners and consumers are already stepping up through Prop. HHH and Measure H – now, it's time for developers to do their part by contributing to the Housing Impact Fund.

Sincerely,

Abp Hovnan Derdarian, Western Diocese of the Armenian Church  
Bishop Grant Hagiya, California Pacific Conference, United Methodist Church  
Bishop Guy Erwin, Evangelical Lutheran Church, Southwest Synod  
Rabbi Morley Feinstein, University Synagogue, Brentwood  
Rabbi Sharon Brous, IKAR  
Father Cyril Gorgy, St. Mark Coptic Church  
Rabbi Yosef Kanevsky, B'nai David Synagogue  
Rabbi Ken Chasen, Leo Baeck Temple

## 6/6/17 PLUM COMMITTEE MEETING

Comments by Sylvie Shain relative to Items #11 ( CF 14-0268-S8) and #12 (CF-16-0767)  
sylvie@sylvieshain.com

Background: These motions were introduced subsequent to the fallout over the appeal of the hotel-conversion of 1850 Cherokee, an 18-unit building in Hollywood where the tenants were evicted by the Ellis Act in 2013 for a new-construction condo project that benefitted from waivers in relocation assistance. 50% of the tenants did not receive relocation assistance and the condos were never built and instead the hotel-conversion project was approved.

### Item # 11: Recommendations to close loopholes

#### **Extend the baseline review of a project to a minimum 5 year period.**

One of the most significant planning issues that I see repeatedly in cases of abuse of the Ellis Act is that project applicants will vacate a building before submitting for a project in order for the baseline review of the project to be an empty, vacant building. This allows the developers to circumvent requirements and compliance standards that they would otherwise be subjected to if the building if it were occupied. If the Baseline Review was instead a lookback period of time, such as 5 years, that would close a major loophole and likely result in project applicants filing for their approvals first before evicting tenants, because they would have nothing to gain in doing so.

Ellis Act gives rights-of return for 5 years if the building is re-rented but these planning approvals can end up interfering with that right by allowing these projects to be considered as vacant buildings. Even the city's condo conversion rules consider whether the building is occupied and occupants have to be offered a first right of refusal. The minute the building is no longer occupied, city planning considers the baseline of review to be vacant, and that first right of refusal goes away. Extending the baseline will address this.

### Item #12: City Planning Report on RSO housing impact

#### **Provide complete and accurate account of the rent-cost of each RSO unit directly affected by the project.**

Whether new construction, or conversion, every project application should include information relating to the rent-prices of the RSO units that are on the site of the proposed project. This should be whether the project is by-right or through entitlements. Doing so would then allow the department to keep accurate data on the units lost on a per project and then cumulative basis. Again, for this information to be accurate it is critical that the baseline review of the projects be a lookback period of ideally at least 5 years.

#### **Provide a cumulative impact report to RSO stock with every project application.**

All loss of RSO should be considered whether through demo, conversion, or removal from rental market (Ellis Act) and that data should be aggregated and accounted for with each project application in at least the following data sets:

- Loss within 500 ft of project within 5, 10, 15 years
- Loss within 1500 ft of project within 5, 10, 15 years
- Loss within the planning area of project within 5, 10, 15 years
- Loss within city of LA within 5, 10, 15 years

Date: 6/6/17  
Submitted in PLUM Committee  
Council File No: 14-0268-S8/16-0767  
Item No. 11 / 12  
~~Deputy:~~ Communication from public