



HOUSING AUTHORITY OF THE CITY OF LOS ANGELES

AN EQUAL EMPLOYMENT OPPORTUNITY - AFFIRMATIVE ACTION EMPLOYER

2600 Wilshire Boulevard • Los Angeles, California 90057 • (213) 252-2500
TTY (213) 252-5313

PRESIDENT AND CEO
DOUGLAS GUTHRIE

June 6, 2017

Councilmember José Huizar
Chair, Planning & Land Use Committee
200 N. Spring Street, Room 465
Los Angeles, CA 90012

Subject: Affordable Housing Linkage Fee Ordinance

Dear Councilmember Huizar:

As the City of Los Angeles considers implementing an Affordable Housing Linkage Fee (“Linkage Fee”), the Housing Authority of the City of Los Angeles (HACLA) would like to formally lend its support. In order to exact the impact needed to truly address Los Angeles’ housing crisis, additional secure streams of local funding becomes critical. This is a huge step in the direction of taking local control and affords the City the opportunity to have extreme flexibility in programming funds for a wide range of housing solutions.

As part of its consideration of a Linkage Fee, HACLA would like to recommend the City Council set-aside a percentage of any such Linkage Fee for public housing redevelopment, key capital investments in the City’s publicly-held affordable housing portfolio, and Project-Based Voucher projects that are not reliant on tax credits in order to preserve and expand the City’s deeply-affordable housing stock.

HACLA’s Public Housing and Section 8 portfolio represent over two-thirds of the City’s affordable housing stock, with HACLA operating over 82,000 affordable housing units citywide and managing 500 acres of land located just within its sixteen public housing sites. HACLA plays a unique role as the City’s longest-standing and largest provider of affordable housing. HACLA’s mission is to preserve its existing affordable housing supply and spearhead collaborative efforts to increase the supply of affordable housing in Los Angeles.

HACLA offers viable solutions through two of its most tangible resources; publicly-held land and Section 8 vouchers. HACLA, as a separate authority with a professional staff expert in public-private partnerships, land acquisition, affordable housing development and management can act with expediency and flexibility to increase the number of affordable housing units in the City. With the majority of HACLA’s public housing nearing 70 years old, there is opportunity to responsibly create new affordable housing communities that will meet the needs of the City for the 21st century.

Tens of thousands of the City's most disadvantaged and income-vulnerable families are housed by HACLA in units that provide the City's deepest affordability in perpetuity. However, without local sources readily committed to combat shrinking federal funding HACLA's portfolio could be in jeopardy. Maintaining this vulnerable housing stock and utilizing the opportunity to expand affordable housing on publicly-owned land should become part and parcel of any local affordable housing solution.

HACLA would utilize Affordable Housing Linkage Fees to make critical investments in its current housing stock to ensure its preservation, utilize redevelopment and excess land and strategic acquisition for new affordable housing expansion, and tie funds to private development projects that utilize project-based voucher contracts and conventional lending to develop and expand the City's deepest affordable housing for homeless, veterans, seniors and families. HACLA would use all funds allocated directly for projects.

HACLA supports the concept of an Affordable Housing Linkage Fee as a key strategy for addressing the City's affordable housing crisis and looks forward to working with the City and vested stakeholders to design and implement a plan that would demonstrate its effectiveness.

Sincerely,



Douglas Guthrie
President and CEO

Cc: Mayor Garcetti,
Council President Wesson,
Councilmember Harris Dawson, Vice Chair,
Councilmember Cedillo,
Councilmember Englander,
Councilmember Price