

HOUSING COMMITTEE REPORT relative to authorizing the Los Angeles Housing and Community Investment Department (HCIDLA) to acquire and develop property for the purpose of developing new housing.

Recommendations for Council action, as initiated by Motion (Cedillo - Krekorian):

1. REQUEST the City Attorney prepare and present an ordinance that would authorize the Housing and Community Investment Department (HCID) to acquire, receive, manage, convey, dispose, and develop property from any source for the purpose of developing housing and dispose of property within its control for the development of housing with approval of Council.
2. INSTRUCT the HCIDLA:
  - a. With assistance of the City Attorney, City Administrative Officer (CAO) and Chief Legislative Analyst (CLA), to prepare for Council approval a Property Disposition Policy for Housing Opportunity Sites for consideration concurrently with the ordinance to implement this program to allow HCIDLA to acquire, receive, manage, convey, dispose, and develop property for housing development purposes.
  - b. To report relative to the properties that currently in process for disposition in order that Council has a better understanding of time constraints and possibly priority ranking, and the Department's capacity and staffing needs to meet the demands of this new program, including identification of funding sources if needed.
  - c. In conjunction with the City Attorney, to report to the Housing Committee in 45 days relative to this matter.

Fiscal Impact Statement: Neither the CAO nor the CLA has completed a financial analysis of this report.

Community Impact Statement: None submitted.

### SUMMARY

On August 2, 2017, Council considered Motion (Cedillo - Krekorian) relative to authorizing HCIDLA to acquire and develop property for the purpose of developing new housing. Motion states that according to a recent report by the UCLA Anderson School of Management, Los Angeles is the most unaffordable city in the United States for both renters and buyers. The City is addressing the crisis in many ways, from streamlining the development process to generating new sources of revenue to fund the development of affordable housing. Motion movers believe that every effort must be taken to reduce the impediments to the development of new housing opportunities in the City.

To facilitate the construction of affordable housing, Motion movers state that the City should evaluate its procedure for property acquisition, management, and disposition. HCIDLA is not currently authorized to receive or dispose of property for the purpose of developing housing, with

the exception of foreclosed properties. As the City's expert in the development of affordable housing, HCIDLA is charged with financing hundreds of units every year. The complicated process for receiving and disposing of property, however, slows down the City's ability to build the units needed to resolve the housing crisis.

Motion movers go on to state that the Economic and Workforce Development Department is authorized to receive and dispose of property for economic development purposes. Motion movers believe that a similar approach is needed to allow HCIDLA to acquire, receive, manage, convey, dispose, and develop property for housing development purposes, including for lease or sale as appropriate, and that HCIDLA should develop a policy regarding property disposition, for Council consideration and approval, and report on current property issues. Motion recommends that Council request the City Attorney to prepare the ordinance necessary to authorize HCIDLA to acquire and develop property for housing purposes and that Council instruct HCIDLA to report on related policy matters. Council referred Motion to the Housing Committee for consideration.

At its meeting held August 23, 2017, the Housing Committee recommended that Council approve Motion's recommendations, as show above. Committee further recommended that Council request HCIDLA and the City Attorney report back on this matter in 45 days.

Respectfully Submitted,

HOUSING COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
CEDILLO:	YES <i>J. Cedillo</i>
KREKORIAN:	YES
HARRIS-DAWSON:	ABSENT

**-NOT OFFICIAL UNTIL COUNCIL ACTS-**