California residents face an unprecedented housing crisis, and continue to struggle with the high cost of housing. According to a 2017 report by the UCLA Anderson School of Management, Los Angeles is the most unaffordable city in the United States in terms of housing. While the City continues to address the local crisis through Citywide efforts to streamline permit processing, new legislation has been recently approved by the California Legislature that will provide a fresh opportunity to fund the development of affordable housing for residents.

SB 2 (Atkins) establishes the Building Homes and Jobs Trust Fund within the State Treasury in order to provide funding for affordable housing. Similarly, SB 3 (Beall) authorizes the issuance of \$4 billion in general obligation bonds for affordable housing programs and a veteran's home ownership program, subject to voter approval in the November 6, 2018 election.

In addition to the new funding provided by SB 2 (Atkins) and SB 3 (Beall), several bills provide regulatory solutions to this problem. SB 35 (Wiener) creates an approval process for infill developments in localities that have failed to meet their regional housing needs assessment numbers; SB 166 (Skinner) requires local jurisdictions to accommodate its remaining unmet need throughout the housing element planning period; SB 167 (Skinner) makes changes to the Housing Accountability Act; and AB 879 (Grayson) and AB 1397 (Low) make changes to housing element law.

Finally, two bills allow local communities to create zones that allow for streamlined housing development. SB 540 (Roth) establishes a Workforce Housing Opportunity Zone (WHOZ) and AB 73 (Chiu) establishes a Housing Sustainability District (HSZ).

If the Governor signs these bills, the City will be obligated to implement the requirements of these laws. City departments should immediately review the requirements of these laws and report to the City Council on any administrative action necessary to comply.

I THEREFORE MOVE that the City Council instruct the Planning Department and request the City Attorney to review SB 2, SB 3, SB 35, SB 166, SB 167, AB 879 and AB 1397 to determine whether the City will need to adjust its business practices to implement these new laws;

I FURTHER MOVE that the Planning Department be instructed to determine whether there are any outstanding General Plan, Community Plan, or other planning processes that could be eligible for State funding under SB 2; and

I FURTHER MOVE that the Housing and Community Investment Department, with the Chief Legislative Analyst and the Planning Department, be instructed to report on whether the Workforce Housing Opportunity Zone or Housing Sustainability District would be effective tools in the City, where such zones could be established, and a process to establish such zones.

PRESENTED BY:

MARQUEECE HARRIS-DAWSON

Councilmember, 8th District

OSE HUIZAR

Councilmember, 14th District

SEP 2 7 2017

SECONDED BY: