

RESOLUTION *RULES, ELECTIONS & INTERGOVERNMENTAL RELATIONS*

WHEREAS, any official position of the City of Los Angeles with respect to legislation, rules, regulations or policies proposed to or pending before a local, state or federal government body or agency must have first been adopted in the form of a Resolution by the City Council with the concurrence of the Mayor; and

WHEREAS, despite having housed approximately 21,631 individuals last year – twice as many were housed in 2015 – the Los Angeles Homeless Services Authority’s 2019 Greater Los Angeles Homeless Count recently revealed a 16 percent increase in homelessness in the City of Los Angeles; and

WHEREAS, this increase was accompanied by significant spikes in homelessness among youth, seniors and victims of domestic violence, bringing the total number of people living on Los Angeles City sidewalks, in cars and vans, or in parks and shelters to 36,600; and

WHEREAS, more than half of unsheltered adults are experiencing their first episode of homelessness, roughly a quarter of unsheltered adults lost their housing in 2018, and 53 percent of people experiencing first-time homelessness cited “economic hardship” as a leading factor; and

WHEREAS, approximately 721,000 Angelenos are severely rent burdened, spending more than 50 percent of their income on housing – since 2000, the median rent in Los Angeles County has increased 32 percent while the median renter’s income has fallen 3 percent; and

WHEREAS, currently pending in Congress is a bill, the Rent Relief Act of 2019 (S. 1106 / HR 2169), which allow a refundable tax credit for individuals who pay rent for a principal residence that exceeds 30 percent of the individual’s gross income for the taxable year; and

WHEREAS, according to the Act the highest earning qualifiers would receive a credit equal to 25 percent of rent paid in excess of 30% of their income and the lowest income households, those earning under \$25,000 per year, would be completely reimbursed for rent above 30% of their income, up to 150 percent of the government’s calculation of fair market rent.

WHEREAS, the State of California currently offers a Nonrefundable Renter’s Credit of \$60 for single or married individuals filing separately and \$120 for head of household, widow(er) or married couples filing jointly, but this credit should be expanded to allow a refundable tax credit for individuals who pay rent for a principal residence that exceeds 30 percent of the individual’s gross income for the taxable year;

NOW, THEREFORE, BE IT RESOLVED, with the concurrence of the Mayor, that by the adoption of this Resolution, the City of Los Angeles hereby includes in its 2018-2019 State Legislative Program SPONSORSHIP and/or SUPPORT for legislative or administrative action to expand California’s Renter’s Credit to allow a refundable tax credit for individuals who pay rent for a principal residence that exceeds 30 percent of the individual’s gross income for the taxable year.


JUN 19 2019

PRESENTED BY: 
DAVID E. RYU
Councilmember, 4th District

SECONDED BY: 

ORIGINAL