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## **HOUSING EXPERTS: MEASURE ULA WILL HELP MANY AT A COST TO FEW**

**Had ULA been in effect in 2021-22, it would have raised \$923 million to keep seniors housed and increase affordable housing**

**FULL REPORT AVAILABLE [HERE](#)**

**CO-AUTHORS AVAILABLE FOR INTERVIEWS**

A research paper authored by a team of housing experts has found that Measure ULA on the November ballot would raise more than \$900 million annually for critically needed housing and homelessness interventions, while its funding mechanism would be assessed on only the most expensive fraction of L.A.'s real estate transactions — approximately 4% of the annual 35,000 sales.

“According to our research, Measure ULA is the textbook definition of a win-win policy — it benefits those who are most in need of help by means of those who can most afford it,” said co-author **Joan Ling**, Lecturer, Urban Planning Department, UCLA. “This would raise enormous resources to address LA City’s most critical housing and homelessness prevention needs, and it would apply to relatively few sales at the very top end of our highly profitable real estate market.”

“The Measure ULA funding mechanism is incredibly well-contained at the very top of the economy, with no evidence that it would impact rents for commercial or residential tenants,” said co-author **Peter Dreier**, a Distinguished Professor of Politics and Urban & Environmental Policy at Occidental College. “The opposition arguments don’t make sense at the most basic level of Economics 101, because sellers pay transfer taxes, so they can’t pass them on in a building they no longer own, and because rents are determined by the market, landlords already charge the most that tenants are willing and able to pay.”

The study's authors found that of the 35,000 parcels sold in Los Angeles last year, only 1,433 property transactions were over \$5 million, representing 4% of total sales, and of those, only 475 sold for over \$10 million (1.3% of total sales). However, those 475 sales over \$10 million accounted for \$666 million of revenue, or 72%, suggesting a highly progressive revenue structure. 727 of the 1,433 transactions were single-family homes that sold for \$5 million or more, representing 2.6% of single-family and condo sales.

The paper also highlights the extremely challenging housing market in Los Angeles and the financial strain that has put on the city's residents.

"Our current housing crisis started well before the pandemic—the last four decades are missing tens of thousands of units of housing production, which has led to the present shortfall in badly needed affordable housing supply, pushing renters to the edge of or into homelessness," said co-author **Manuel Pastor**, Distinguished Professor of Sociology and American Studies & Ethnicity at the University of Southern California. "We've reached the point where housing itself, one of the most fundamental human rights, is unaffordable for too many working people in Los Angeles."

59.2% of renter households are cost burdened (paying more than 30% of income in rent) — more than any other major American city — and 27% are severely cost burdened (paying more than 50% of income in rent). For extremely low-income renters (defined as a family of four with an income below \$35,450): 82% are cost burdened and 69% are severely cost burdened. Among senior renters, 65% paying more than 30% of their income on rent. Meanwhile, between housing vouchers and subsidized housing units, housing assistance is only available to approximately 20% of the City's low-income renter population of 558,000 households.

And though LA has long been thought of as a city of homeowners, only 20% of households can afford to buy a median-priced home (compared to 47% nationwide), requiring an annual household income of \$157,200.

The paper also debunks concerns that Measure ULA's transfer tax could impede market-rate construction by discouraging housing production. Instead, the authors found that the measure's additional funding for affordable housing construction would ensure that its effect on the housing market would be broadly positive.

"After researching development trends in the city, I anticipate Measure ULA having very little impact on private development of housing — market-rate and below-market — while at the same time funding the construction or acquisition of up to 2,600 affordable units every year," said co-author **Shane Phillips**, Housing Initiative Project Manager, UCLA Lewis Center for Regional Policy Studies. "It's a win for housing production in general, and for affordable housing production in particular."

Measure ULA will appear on the City of Los Angeles November 8th general election ballot. Written by housing experts and homeless service providers, it is backed by a coalition comprising not-for-profit neighborhood organizations, homeless service providers, affordable housing builders, labor unions, and community members. The ballot measure is expected to raise an estimated \$900 million per year that can be deployed immediately to reduce homelessness, make housing more affordable, and provide financial aid to low-income seniors, veterans, and people with disabilities.

The report was authored by Dreier, Ling, Pastor and Phillips, as well as Scott Cummings, Robert Henigson Professor of Legal Ethics at the UCLA School of Law; Seva Rodnyansky, Assistant Professor of Urban and Environmental Policy at Occidental College; and Jackson Loop, Policy Manager at the Southern California Association of Non-Profit Housing (SCANPH).

The study received no funding from the Yes on ULA campaign or any other source.

Reporter note: Although graciously hosted on a UCLA website, the report is a combined effort of researchers from UCLA, USC, Occidental College and SCANPH and should not be referred to as a “UCLA study”.

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### ***About the United to House LA Coalition***

*Not-for-profit neighborhood organizations, labor unions, and community members who live in Los Angeles have come together, with the assistance of homeless service providers — not politicians — to support a ballot initiative that will ask millionaires and billionaires to pay their fair share to dramatically reduce homelessness and help those at risk of homelessness with tenant protections, assistance for people facing evictions, emergency income assistance to seniors, and housing for veterans and families in need. Our growing coalition ([full list here](#)) includes:*

- *ACLU of Southern California*
- *Dolores Huerta Foundation*
- *Downtown Women's Center*
- *LA CAN*
- *LA County Democratic Party*
- *LA Family Housing*
- *LA/OC Building and Construction Trades Council*
- *Los Angeles County AFL-CIO*
- *PATH*
- *SEIU 2015*
- *Southern California Association of Nonprofit Housing*
- *Sunrise Movement Los Angeles*
- *UNITE HERE Local 11*

