



To: Members of the United to House LA Citizens Oversight Committee (COC)
Cc: Jenna Hornstock, Deputy Mayor of Housing, Office of Mayor Karen Bass
Cc: Ann Sewill, General Manager, LA Housing Department

From: the United to House LA Coalition

June 22, 2023

Re: Recommendations pertaining to the updated proposed Expenditure Plan and Program Guidelines agendized for the June 22, 2023 meeting of the Citizens Oversight Committee (COC). We provide these updated recommendations as a complement to those already submitted in our letter, dated June 8, 2023 (attached).

Thank you to the Citizens Oversight Committee, to the LA Housing Department, to the Mayor's Office and to the hundreds of Angelenos who have contributed to this program guidelines process thus far. There were a number of changes made to the proposed interim Expenditure Plan and interim Program Guidelines that were made in alignment with our recommendations and the robust public comment that was provided by dozens of speakers. We appreciate the work done to attend to those details. That said, there are a number of changes we still would like to see and particular actions we ask the COC to take.

Powers and Responsibilities of the Citizens Oversight Committee

As we mentioned in our June 8 communications, the Citizens Oversight Committee plays a central role in the ULA decision making process. As a way of reminding ourselves as we continue through these initial stages of implementation, we want to lift up a few sections of the statute that outlines the powers of the COC. We hope this gives clarity to the public what can be expected and asked of the COC. The following are only a few of the powers outlined in Sec. 22.618.6 (c) of the Los Angeles City Municipal Code¹:

The Oversight Committee shall have the authority to:

- Develop guidelines for prioritizing use of the House LA Funds ("Program Guidelines"). Within 120 days of any such recommendation, the City Council may accept the Oversight Committee's recommended guidelines or amend them consistently with the purpose of this article. If the City Council does not act in that time, such guidelines shall be deemed approved;
- Hold public hearings to investigate and share its findings with the public;
- Request reports from general managers of City departments and chairs of City Council committees.

¹ https://codelibrary.amlegal.com/codes/los_angeles/latest/laac/0-0-0-95324

Hopefully, the COC will continue to explore the best ways to utilize these and other powers to best ensure ULA revenue is used most effectively and in alignment with the measure passed by voters.

Recommendation #1: The Citizens Oversight Committee urge, in writing, the City Council to front fund the \$150 million committed to be spent on ULA programs.

The LA Housing Department Cover Memorandum states:

The \$150 million approved in the City's FY23/24 budget will only be available to spend on programs as it comes to the City as revenue. In other words, the House LA Fund and LAHD were not given \$150 million to disperse. Instead, LAHD will be authorized to spend ULA revenue as it arrives in City coffers, consistent with the Expenditure Plan and Draft Guidelines approved by the COC, Council and Mayor.

Angelenos will continue to suffer without the critical services and programs ULA will provide if funding is not available immediately. Our communities simply cannot wait several more months for any one of the programs currently proposed to begin as part of the \$150 million budget. Already, Angelenos are being forced to wait because of the delays caused by active litigation against the City. The City of LA regularly "front funds" programs and this must hold true for programs that will address our cities greatest crisis. City officials should not slow walk the use of these dollars when every day we have family members, friends and neighbors dying on our streets due to a lack of affordable housing and out of control harassment and displacement of people from their homes.

The City Council must act immediately to front fund the \$150 million proposed by Mayor Karen Bass. We call on the Citizens Oversight Committee to join communities in voicing this essential action by submitting a formal letter to the Council President Krekorian and to the Chairs of the Housing and Homelessness Committee and Budget, Finance and Innovation Committee.

Recommendation #2: Commit \$10 million to Acquisition / Rehabilitation and Capacity Building.

The LAHD proposed program guidelines presented on June 8 to the COC included \$10 million for a leasehold program under an Alternative Models for Permanent Affordable Housing program. We opposed the use of the funds for that purpose and are glad to see that the leasehold program is no longer considered. We propose that that \$10 million instead be used to fund the following:

- **\$9.7 million for acquisition / rehab program to prevent homelessness.** This acquisition and rehab program can quickly move to add new units to a preserved affordable housing portfolio and will be a strong complement to the Multifamily Affordable Housing Accelerator program. An example of a recent local program is the LA County \$14 million Community Land Trust (CLT) pilot program established in 2020. Within a year, 8 acquisitions were made with 43 units and 110 families stabilized using a single subsidy source. The County Pilot Program averaged \$327,523 per unit, significantly less than the cost of new construction projects.
- **\$300,000 for community Capacity Building** to equip community organizations with the resources and tools they need to develop tenant management and ownership pathways.

The UHLA coalition proposed program guidelines for the Acquisition / Rehabilitation and Capacity Building Programs are attached and can be found with our other proposed program guidelines [here](#)².

Recommendation #3: The COC should meet at least twice monthly during this first year of implementation. The “Proposed ULA COC FY 23/24 Meeting Schedule” conceives of the oversight committee meeting only every other month for a total of six times. This meets the minimum required by the statute, but does not meet the time needed for the COC to consider the many items that will be coming before them in the coming months, including long-term program guidelines, the hiring process for the Inspector General, the City’s overall staffing plan for ULA implementation and the establishment of the Tenant Council.

Additional Program-Specific Recommendations

III. Program Guidelines

The recommendations below are provided in response to the Program Guidelines drafted by LAHD for the Citizens Oversight Committee meeting on June 22, 2023. As mentioned above, the [UHLA coalition has provided detailed program guideline proposals](#) to the City. The following are intended to complement those proposals and the ones we provided in writing on June 8, 2023.

Multifamily Affordable Housing

- **Construction Starts & Tax Credits:** Requiring that projects start construction within 3 months assumes that projects already have tax credits awarded. However, the main hurdle for projects is often that they lack gap financing to apply for tax credits. It may be more effective to offer gap funding to projects that need an injection of funds and are otherwise ready to apply for tax credits.
- **Construction Completion & Deadlines:** LAHD should be clear about how construction completion is defined (temporary certificate of occupancy, final certificate of occupancy, etc.). Depending on the selected definition, the 24-month deadline will likely be too tight for many projects. LAHD could consider offering 32 months, while possibly prioritizing projects that can demonstrate that they will finish sooner.

Protections from Tenant Harassment

We applaud the return of the funding for this category back to its original levels. And we appreciate the additional planning done to conceive of a strong enforcement effort.

We want to reiterate that **the tenant anti-harassment program needs a strong enforcement team in the City Attorney’s office**. Currently, the guidelines only describe how LAHD is going to spend the money. A specific allocation should be made to the City Attorney, for them to hire additional staff to create a civil enforcement system, with Santa Monica and Oakland as models. That will use the City’s investigative subpoena power, the ability to file injunctions written into TAHO and file civil cases in addition to the criminal prosecution functions to implement

² <https://unitedtohouseela.com/app/uploads/2023/05/ULA-Coalition-Program-Guidelines.pdf>

meaningful enforcement to the ordinance. City Attorney involvement is necessary for the Tenant Anti Harassment Ordinance to have a deterrent effect.

Additionally, for this program to be effective, the COC and the housing department should support efforts to amend TAHO with a goal of increasing enforcement and compliance.

Short-Term Emergency Assistance

Thank you for the changes you have made to the guidelines since last meeting. There remain a few key issues to address in order to make the rental assistance program most effective in keeping Angelenos housed:

- **Allow for both rent arrears and prospective future rents.** For eligibility requirements, the program should provide flexibility for tenants to apply for both current arrears and prospective future rents. Economic hardships are ongoing and not restricted to past debts. Allowing tenants the ability to apply for arrears and prospective rent will allow tenants to stabilize their housing situation without facing eviction.
- **Remove the requirement of photo ID and proof of property ownership for landlords.** While a bigger, more comprehensive program would do well to target smaller landlords, this smaller one-time program could exclude tenants in need who have a landlord who is registered as an LLC, corporation or trust. Such additional requirements will disincentivize many landlords from participating since they are many that are hesitant in providing just a W-9 form.
- **Allow tenants to have a written attestation articulating their economic hardship if they cannot provide documentation.** As has been done in recent rental assistance programs, this attestation ensures that tenants who need the support come forward without delay and are able to put the assistance to use to stay housed.
- **Participating landlords cannot evict for the period of time the rental assistance payments cover.** This is critical to ensure tenants are able to stay in their homes long-term.

Income Support for Seniors & Persons w/ Disabilities

Seniors are usually on a fixed income, so the City's Time-Limited Subsidy (TLS) program for low-income unhoused seniors **should not set an arbitrary two-year time-limit on the rental subsidy and services.** The TLS program should model itself on HUD's Section 202 vouchers, where seniors can access the voucher until the individual no longer needs the voucher or the individual expires - at which point the City can either reuse the subsidy on another senior or reinvest the funding into ongoing cash assistance for severely rent-burdened seniors and persons with disabilities.

We are encouraged to see that there will be a flexible pool of funds to support move-in costs. If designed and executed well, flex funds are a complement to mainstream programs like rental subsidies and case management; *not* a supplement or replacement for those vital publicly-funded programs.

While this initial expenditure plan and program guideline will address the critical issue of immediately securing housing for seniors and persons with disabilities currently experiencing homelessness, there is a second component recommended for this prevention program - Targeted Cash Assistance Based on Need for senior renters who are severely rent burdened. The City should not halt its effort to determine the best ways to

target those dollars once ULA has a more stable financial outlook in the coming years. This will serve as a transitional support for those seniors that were previously homeless and need ongoing rental assistance. Fortunately, LA is already home to several programs, hotlines, and websites that provide similar support to at-risk households (examples include the Guaranteed Basic Income program and Solid Ground Homelessness Prevention). The City must prioritize synergy, collaboration, and consolidation with other prevention and problem-solving programs at LAHSA, the City, and the County levels.

Eviction Defense and Prevention

We support the expansion of Stay Housed LA's legal services capacity. However, it is critical that funding be directed immediately towards Eviction Defense so the hiring of new staff can begin. As we move toward Right to Counsel in L.A., a zip code phase-in plan will be implemented to ensure the most vulnerable and low-income tenants are prioritized to receive legal representation when facing eviction. This is another reason why the City Council must front fund the full \$150 million for ULA programs.

Tenant Outreach & Education

We support and appreciate the tenant outreach and education guideline and reiterate our comments regarding updating compensation rates for contractors who manage this time-intensive work. Community Based Organizations often follow up with tenants numerous times as they help them navigate different systems and agencies. We believe the current level of funding per deliverable needs to be increased in order to reflect the staff hours needed, anticipate inflation, and ensure we are able to retain staff long-term.

Closing

Thank you again for the hard work and attention given to these issues. The United to House LA coalition continues to work in support of a full and effective implementation of Measure ULA. We look forward to continuing this collective effort with you.

Respectfully,

The Steering Committee of the United to House LA Coalition



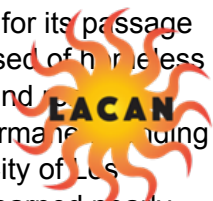
About the United to House LA Coalition

The United to House LA coalition authored Measure ULA and led the campaign for its passage on the November 2022 ballot in the City of Los Angeles. The coalition is composed of homeless service providers, affordable housing nonprofits, labor unions, worker centers, and rights groups. Measure ULA was created to generate an unprecedented and permanent funding stream for affordable housing production and homelessness prevention in the City of Los Angeles. Over 200 organizations signed on in support of the movement, which earned nearly 58% of the vote in November of 2022. The UHLA Coalition remains fully committed to the implementation of Measure ULA, and has pulled together experts from over 140 organizations to draft [proposed guidelines for ULA programs](#)³ submitted to the City of LA in January 2023. These guidelines have been designed to ensure that Measure ULA expenditures closely follow the ballot measure’s language and the original intent of its authors, while providing a clear path forward to address the immediate housing needs in our communities and create a long-term, transformative vision for housing justice in Los Angeles.

LA FAMILY HOUSING



UTLA



³ UHLA coalition proposed program guidelines: <https://unitedtohousela.com/app/uploads/2023/05/ULA-Coalition-Program-Guidelines.pdf>