

THE BOLD NEW WAY

**L.A. County Affordable Housing
Solutions Agency**

**Board of Directors
6/26/24**



Key Ballot Measure Components



This measure will help make housing more affordable



This measure will expand access to mental health treatment



This measure will guarantee real accountability

What have we learned?

42 people per day end their homelessness

More than 100,000 people across L.A. County have ended their homelessness over the last 5 years

We have not invested enough in preventing homelessness

Only 3.4% of the current county homelessness funding goes to homelessness prevention

There are 6,400 empty long-term mental health beds

People with serious mental illness need a higher level of support

We are 521,000 units short of affordable housing

We need to scale up faster and lower cost approaches to building housing

5 Legally Required Outcomes



1. **Increase** # of people permanently leaving homelessness



2. **Increase** # of people moving from encampments into permanent housing



3. **Increase** # of affordable housing units in L.A. County



4. **Reduce** # of people with a mental illness and/or substance use disorder experiencing homelessness



5. **Reduce** # of people falling into homelessness (inflow)



Measure Status

**The Measure has
qualified and
been placed on
the November
ballot!**



Los Angeles County Registrar-Recorder/County Clerk

CERTIFICATE

OF INITIATIVE PETITION

I, DEAN C. LOGAN, Registrar-Recorder/County Clerk of the County of Los Angeles, of the State of California, DO HEREBY CERTIFY:

That the **HOMELESSNESS SERVICES AND AFFORDABLE HOUSING TRANSACTIONS AND USE TAX ORDINANCE** petition was filed with this office on May 7, 2024.

That said petition consists of 43,248 sections; containing 393,293 signatures;

That each section contains signatures purporting to be the signatures of qualified electors of this county;

That attached to this petition at the time it was filed was an affidavit purporting to be the affidavit of the person who solicited the signatures, and containing the dates between which the purported qualified electors signed this petition;

That the affiant stated his or her own qualifications, that he or she had solicited the signatures upon that section, that all of the signatures were made in his or her presence, and that to the best of his or her knowledge and belief each signature to that section was the genuine signature of the person whose name it purports to be;

That after the proponent filed this petition, I verified the required number of signatures by examining the records of the registration in this county, current and in effect at the respective purported dates of such signing, to determine what number of qualified electors signed the petition, and from that examination I have determined the following facts regarding this petition:

1. Number of signatures filed by proponent: 393,293
2. Number of signatures verified (3%): 11,800
3. Number of signatures found VALID: 8,649
4. Number of signatures CHALLENGED: 3,151
5. Number CHALLENGED because DUPLICATE: 1
6. Required number of valid Signature: 238,922
7. Projected number of valid signatures (from 3% random Sample): 287,217 (120%)

IN WITNESS WHEREOF, I have hereunto set my hand and a my official seal this 18th day of June 2024.


DEAN C. LOGAN
Registrar-Recorder/County Clerk
County of Los Angeles

The Campaign Begins Now.

- **Elected & Key Stakeholder Engagement & Education**
- **Robust Voter Engagement**
- **Full communications campaign**
 - Digital
 - Streaming TV
 - Direct Mail

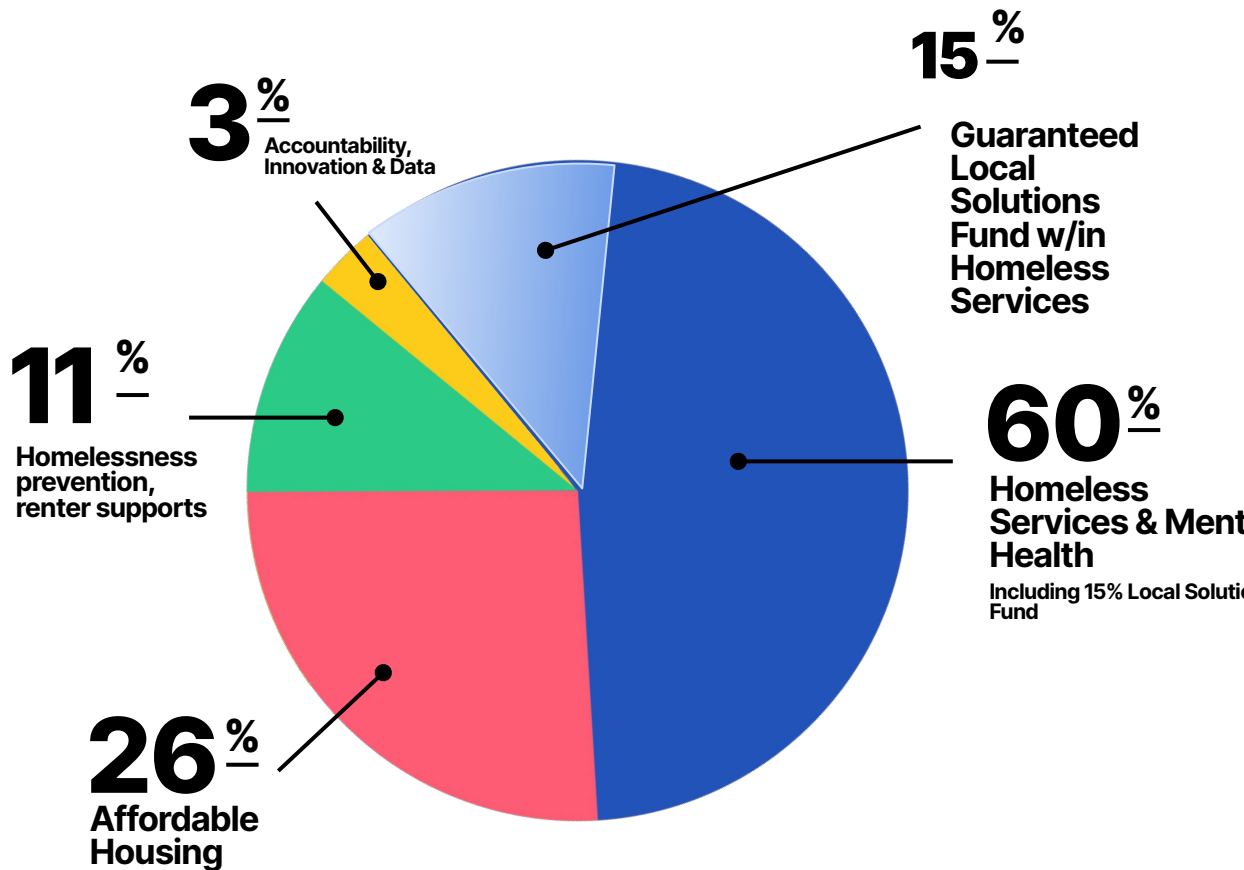


Core Components

Allocation Summary

- Funding Percentages based on total annual revenue of \$1.2B
- Minimum funding level for housing is guaranteed, flexibility between categories is allowed

- 60% Homeless services, including 15% Local Solutions Fund
- 26% Affordable Housing
- 11% Homelessness prevention, renter supports
- 3% Accountability, Innovation & Data



How it Works

Funding source

¼ cent sales tax increase for 82 of 88 cities . ½ cent increase for Compton, Long Beach, Lynwood, Pico Rivera, Santa Monica, & South Gate.

Avg. annual household cost

Low-income: \$2.50 / month

Average income: \$5 / month

Example

If you buy a \$100 pair of shoes, the additional tax from this measure would be 25 cents.

Does not apply to:



Groceries



Gas



Medication



EBT Purchases



Rent



Diapers

A Closer Look at Production, Preservation & Ownership Funding:

Affordable Housing Production, Preservation & Ownership:

- The ballot measure requires dedicating a minimum of 60% of the total Agency funding to affordable housing creation, preservation, and ownership for the first 10 years
 - To achieve this mandate, all of the “annual board priorities” funding needs to be allocated to production, preservation & ownership for the first 10 years
 - Of this amount, LACAHS shall use 77.25% for construction of new affordable housing for the first 10 years.
- The ballot measure Requires 80% of funds to go to buildings larger than 40 units for the first 10 years

Agency Revenue Bonds are *not* included in the 70/30 funding split:

- These bonds can be paid back by sales tax revenues OR other revenues- like income from building rents
- These bonds can also generate revenue for the agency in the form of fees
- This is an important area to further study and build out

A Closer Look at LACAHSAs Allocation:

	Source	Percentage	Dollars	Revenue share calculation per ballot measure / SB679:
	Total Revenue		\$1,225,000,000	
1	LACAHSAs	35.75%	\$437,937,500	<i>Minimum level- could increase through BoS action</i>
2	Production, Preservation & Ownership - total	45.00%	\$197,071,875	
3	-70% Guaranteed Funding for Cities/Regions	31.50%	\$137,950,313	<i>Guaranteed share is calculated based that jurisdiction's percentage of the county's low income RHNA goal</i>
4	-30% At Large / Countywide	13.50%	\$59,121,563	<i>5% is required to go to technical assistance for cities under 50,000 in population</i>
5	Annual Board Priorities	15.00%	\$65,690,625	<i>Per ballot measure, this will need to be allocated to the Production, Preservation & Ownership for the first 10 years of the measure in order to satisfy funding commitments</i>
6	Renter Supports - total	30.00%	\$131,381,250	
7	-70% Guaranteed Funding	21.00%	\$91,966,875	<i>Guaranteed share is calculated based on the jurisdiction's percentage of the county's low income households</i>
8	-30% At Large / Countywide	9.00%	\$27,590,063	<i>5% is required to go to technical assistance for cities under 50,000 in population</i>
9	Technical Assistance	5.00%	\$21,896,875	
10	-70% Guaranteed Funding	3.50%	\$15,327,813	<i>Guaranteed share is calculated based on the jurisdiction's percentage of the county's low income households</i>
11	-30% At Large / Countywide	1.50%	\$4,598,344	<i>5% is required to go to technical assistance for cities under 50,000 in population</i>
12	Admin (Maximum 10%)	5.00%	\$21,896,875	<i>Assumption- Board discretion</i>

Funding Analysis Next Step:

The coalition is putting together an analysis for how the 70% geographic analysis breaks down for the eligible jurisdictions that are entitled to direct funding and will share those analyses in the coming weeks:

5 largest individual jurisdictions (excluded from any COG/Regional Housing Trust allocation):

- City of Los Angeles
- Unincorporated Los Angeles County
- City of Long Beach
- City of Glendale
- City of Santa Clarita

COGs/Housing Trusts:

- LACAHSAs authorizing legislation (SB679) does not define the specific Councils of Government/Regional Housing Trusts that are eligible to receive funding directly– that is left to the Board to define.
- LACAHSAs authorizing legislation (SB 679) allows for LACAHSAs and Councils of Government to negotiate what funds they receive versus what funds are administered by LACAHSAs for the benefit of that COG region. For example, a COG may choose not to administer a rental assistance program, but instead partner with LACAHSAs to ensure the COG receives its guaranteed share of funding.

Thank you!