

MOTION

The affordable housing crisis in Los Angeles is unprecedented and out of control. Reliance on the status quo system of producing housing is not going to solve the problem. Los Angeles needs to explore social housing as a new solution.

Families are struggling, with many paying more than 50% of their income on rent. Thousands of people are being forced onto the streets. Workers are commuting hours between their jobs and homes they can afford. Young professionals are moving to other parts of the country where housing is more affordable.

According to a report from the California Housing Partnership and the Southern California Association of Nonprofit Housing, LA County needs to add 516,946 units of affordable housing to meet **existing** demand from low-income renters. We need a dramatic increase in low-income, affordable, and mid-range workforce housing. We will never meet this demand if we rely just on coaxing the private sector into building affordable housing through tax credits, subsidies, and zoning incentives, or on giving a small percentage of extremely low-income renters a housing voucher.

A potential solution is social housing -- housing built and owned by the government. Unlike the widely disparaged model of U.S. public housing - which suffered from under-investment, poor design, segregation, and lack of political support - social housing is generally: mixed-income, adequately served by public transportation, has access to amenities and shops, located and regulated to deter discrimination, and self-financing after initial public investment, with tenants paying rents on a sliding scale.

Social Housing can mean any rental housing owned and managed by the government, by non-profit organizations, or a combination of the two, in order to provide affordable housing. Cities like Vienna, Austria; and countries like Finland and Sweden have long held that housing should be an entitlement with a public investment; and each has undertaken social housing in unique ways. Singapore also takes an innovative approach to social housing. In most cases, social housing is provided for both low-income and middle-class households. In most cases, management is contracted out to providers; and can include resident councils or other decision-making structures that actively engage residents. Models in these cities and countries are worth examining and considering for their relevance to Los Angeles.

The City of Los Angeles should consider pathways to establishing Social Housing in Los Angeles to accommodate our urgent need for affordable housing. The city should review

FEB 12 2020

different models, determine potential funding sources, advocate for changes to laws that pose barriers to construction, and consider a social housing demonstration project.

I THEREFORE MOVE that the Office of the Chief Legislative Analyst, in cooperation with the Housing and Community Investment Department (HCID), and in consultation with researchers, experts and activists in the field prepare a report on the types and models of social housing used in European communities, Singapore, and any other prominent international examples, with recommendations for their applicability in Los Angeles, including potential benefits and hurdles.

I FURTHER MOVE that City Attorney, CLA, CAO, and HCID report back on: how many additional units of public housing are allowed, per council district, under the voter approved limits of 3500 units per council district; and steps necessary to allow for additional construction of new social housing, including recommendations on legal or electoral steps required to remove caps on public housing.

I FURTHER MOVE that the CLA, in consultation with the CAO and HCID, report back on possible funding sources for a social housing in Los Angeles; including:

- state and federal funds;
- the creation of new revenue sources, including but not limited to: a flipping tax, a land value uplift tax, an out-of-state transaction tax, or a vacancy tax;
- the potential use of a newly-created public bank to facilitate financing; and
- the potential for the City to recoup costs on the back end by renting or leasing units established by the City;

I FURTHER MOVE that CLA, CAO, and Asset Management Division of the Department of General Services report back with recommendations for city-owned properties that could be used for a social housing demonstration in the City of Los Angeles; and to consider how partnerships with other government entities which own property within the City could facilitate the development of social housing on those public lands.

PRESENTED BY:



MIKE BONIN

Councilmember, 11th District

SECONDED BY:

