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Los Angeles, CA 90013-0096

April 10, 2018

Council File 17-0090-S1

Honorable City Council  
c/o Office of the City Clerk  
Los Angeles City Hall  
200 North Spring St. Room 395  
Los Angeles, CA 90012

Dear Honorable Members,

The Downtown Los Angeles Neighborhood Council (“DLANC”) hereby submits this letter as a Community Impact Statement to be added to Council File 17-0090-S1 with additional comments concerning the homeless housing crisis and specifically funding relating to Measure HHH approved by voters in November 2016.

We are writing today to express our opposition to proposed legislation relating to the implementation of the voter-approved Measure HHH for the construction of permanent homeless and supportive housing. It has come to our attention that the Housing Committee of the City Council has recently passed a resolution without debate to mandate that all HHH funded projects in the City effectively be constructed by local union labor. HHH effectively controls \$1.2 billion of self-imposed voter taxes that the residents of the City approved specifically for efficient construction of permanent supportive housing. Local union labor demands higher costs, regulations, and timing for homeless housing projects and effectively sets aside the entire funding pool for these Unions, who will not have to bid competitively for these jobs going forward.

As it stands, there have been few to no projects filed under HHH over a year after its adoption. Our goal as a city should be to use market forces to incentivize this type of development, not find ways to further strain it, like this ordinance would. As stewards of the People’s money, we are urging the Council to veto this proposal so that our dollars can go further to help the people they were meant for – homeless citizens of LA. Every additional dollar spent on inflated construction costs and regulation is a dollar taken away from the Measure’s intended purpose of efficient housing delivered as soon as possible for the most number of people as possible.

To date, no Fiscal Impact Statement or Community Impact Statement has been filed assessing the effects of this Ordinance, which we believe is tantamount to making such a grave change to what voters passed two years ago. As a point of comparison, the majority of new market rate housing being built in LA does not use union labor. That would mean that we as a city would be spending more on homeless housing per unit than private developers use on luxury construction in the majority of the city. We’ve seen the effects of this excess cost in the past. This model is unsustainable and the ordinance before you exacerbates these issues and enshrines this policy into local law. Moreover, the City already has a prevailing wage requirement to mandate City funded projects pay fair wages to workers onsite. This ordinance does not guarantee fair wages, nor does it help provide jobs to local homeless as it seems to imply; it gives the unions a sanctioned monopoly at the expense of the growing homeless population.

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As the Neighborhood Council serving the area representing the majority of LA's homeless population and related services, we speak on behalf of local homeless activists, law enforcement, community leaders, residents, and professionals working to provide services for this community – many of whom have expressed the urgency of this cause to our Council on a regular basis and have expressed support in voicing our opposition to this ordinance. On behalf of our constituents, we strongly urge you to vote down this Ordinance.

Very truly yours,

**\* SUBJECT TO APPROVAL BY DLANC BOARD OF DIRECTORS ON APRIL 10m 2018\***

Patricia Berman  
DLANC President

**DLANC**

DOWNTOWN LOS ANGELES NEIGHBORHOOD COUNCIL

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