

**All Show and No Substance**

Proposition HHH First Year  
Performance Assessment

**Report of the Los Angeles  
Community Action Network**

November 2017

## Introduction

For decades, kick-the-can-down-the-road has been the pillar of Los Angeles’s homeless policy. Relying largely on funding emergency shelter beds, with no clear path to long-term recovery, the “crisis intervention” approach would culminate in a homeless state of emergency. Now, thanks to Proposition HHH, City Hall has the financial wherewithal to attack this humanitarian catastrophe with creative thinking and bold solutions. Yet the mayor and city council – those responsible for making sure taxpayers’ money is spent wisely and efficiently – are steadfastly committed to the status quo: a half-baked trifecta of gentrification, criminalization<sup>1</sup> and obfuscation.

Much of what establishment “experts” assert about homelessness – especially its supposed intractability and reluctance of the unhoused to seek social services – is wrong, resulting not only from the limited knowledge of the real situation on the ground but from a prejudicial mindset that does not want to get at the facts, i.e. from wishful thinking.

Instead of self-delusion, all options must be on the table in confronting homelessness. For example: Neither Prop. HHH nor Measure H (an LA County sales tax measure passed in March 2017 to fund homeless services) directly address the urgent short-term needs of people living in the street. Therefore, as the city attempts to implement long-term solutions it also needs to pursue short term alternatives to address the sharp rise in homelessness, which increased 20% this past year. One quick and cost-effective solution would be to establish a pilot program of tiny home communities on surplus city-owned land.

The Los Angeles Community Action Network (LA CAN) created this report out of a sense of urgency – to get homes and facilities for the homeless built at a much faster pace. The city finally has the resources to address the housing crisis. Now comes the hard part: mustering the political will to strike a balance between economic development and the needs of the city’s most vulnerable residents.

## Background

On November 8, 2016, Los Angeles voters approved Proposition HHH “to provide safe, clean affordable housing for the homeless and for those in danger of becoming homeless.”<sup>2</sup> The homeless policy establishment and LA City Hall hailed the passage of the \$1.2 billion bond measure to build permanent supportive housing as a game changer. They promised the overwhelming yes vote, coupled with the city’s Comprehensive Homeless Strategy (CHS) and Measure H revenue for homeless services strengthened their resolve to end homelessness in the city.

One year later it appears their resolve will be sorely tested.

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<sup>1</sup> ‘A Million Dollar Hoods Report’, Policing the Houseless Arrests by LAPD (2011-2016), Danielle Dupuy MPA, Terry Allen MA, and Kelly Lytle Hernández PhD, and the Million Dollar Hoods Team, October 2017

<sup>2</sup> Voter Information Pamphlet, City of LA, Special Municipal Election Tuesday, November 8, 2016, [http://clerk.cityofla.acsitefactory.com/sites/g/files/wph606/f/2016%20November%20County%20WEB\\_English.pdf](http://clerk.cityofla.acsitefactory.com/sites/g/files/wph606/f/2016%20November%20County%20WEB_English.pdf)

Unsheltered homelessness continues to increase dramatically – as some 13,000 residents become homeless in LA County every month<sup>3</sup>. The LAPD continues to conduct quasi-legal street sweeps, confiscate personal property, issue citations for low-level offenses, such as littering or jaywalking, and forcefully remove makeshift dwellings. Recently, Los Angeles County health officials declared a Hepatitis A outbreak<sup>4</sup>, spread by poor sanitation conditions for people experiencing homelessness – despite a long history of community-based demands<sup>5</sup> for more public restrooms, drinking fountains, hand-washing stations, shower facilities, trash cans and trash collection.

Proposition HHH money is the financial cornerstone of the city’s Comprehensive Homeless Strategy, essentially a malleable spending blueprint with 62 recommendations to address homelessness over 10 years. The plan resulted in the creation of a Homeless Strategy Committee and the first-ever Homeless Coordinator, which monitors and oversees the implementation of the city’s homeless strategy. Two additional oversight bodies, the Civilian Oversight Committee and the Administrative Oversight Committee, were created under the provisions of HHH.

The homeless plan’s goal of reducing homelessness to “functional zero”<sup>6</sup> is contradicted by the reality on the ground, where tent cities continue to multiply despite the unprecedented increase in the homeless budget, the waiting time for subsidized housing is measured in decades and rental vouchers depend on landlords’ willingness to accept them. Meanwhile, gentrification and criminalization proceed at pace behind a facade of openness at City Hall. These issues call into question the ability of the status quo to implement HHH for the benefit of all Angelenos and underscore the need for robust independent monitoring of how resources are being spent.

### Integrated Voter Engagement Yields a Winning Strategy

Last November Proposition HHH soared to victory with huge fanfare. A two-thirds (66.67 percent) supermajority vote was required for the approval of HHH and Angelenos did not disappoint. After polling places closed and ballots were counted, Yes votes overwhelmingly exceeded the 66.67% needed for passage. When the dust settled, 77.14% voted Yes while 22.86% voted No. As a result, Los Angeles now had the ability to invest a significant amount of money towards getting a handle on homelessness.

Understanding a winning strategy is important, especially on an issue where there is rarely agreement. Coalition building, across sectors, was key to the Proposition HHH ballot box victory. For the first time *ever* there was alignment around one core idea: that the only way to end homelessness is to build housing and we needed money to start building now. City Hall, business elites, and philanthropic partners would provide an assortment of resources to buoy the

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<sup>3</sup> 13,000 fall into homelessness every month in L.A. County, report says, <http://www.latimes.com/local/lanow/la-me-homeless-pathways-20150825-story.html>

<sup>4</sup> Health officials declare hepatitis A outbreak in L.A. County, <http://www.latimes.com/local/california/la-me-ln-hepatitis-la-20170919-story.html>

<sup>5</sup> “The Dirty Divide in Downtown Los Angeles A Call for Public Health Equity”, Los Angeles Community Action Network, March 2013

<sup>6</sup> Moving Toward ‘Functional Zero’ - Why I’m Optimistic about the LA County Homeless Initiative, February 4, 2016, <http://citywatchla.com/index.php/the-la-beat/10446-moving-toward-functional-zero-why-i-m-optimistic-about-the-la-county-homeless-initiative>

high profile campaign. Churches, community-based organizations, and unions would take the message to their parishioners, stakeholders, and members. Organizations deeply invested in community organizing, civic engagement, and voter engagement would take it to the community, conducting door-to-door canvassing and phone-banking campaigns targeting registered voters. The success of this strategy would be confirmed at the polls.

Integrated Voter Engagement (IVE) is a core part of LA CAN's power-building model. IVE is a multi-year strategy geared towards: 1) increasing voter participation of communities and constituencies traditionally underrepresented in the electorate; 2) year-round engagement of targeted voters to build lasting relationships, conduct voter education, increase voter participation, and motivate them to become actively involved in advocacy and community organizing; 3) use of voter engagement technology to increase the capacity of community-based organizations to reach a new scale of engaging target constituencies; and, 4) systematic tracking of engagement and results through a living and growing voter database.

In October 2016, LA CAN launched a HHH phone-banking program, targeting likely voters that resulted in 190,844 calls and 9723 IDs (contacts), with 6,436 responding they would vote yes on HHH, 1,762 Undecided, and 1,525 No. LA CAN simultaneously conducted a sample community poll of registered voters in Council Districts 8, 9, and 10, seeking their opinion on the following question: "Do you support spending general fund and/or bond money to build housing for homeless individuals and families?"

There were 1,813 total respondents and their responses were: 1,443 = Yes | 59 = No | 80 = Undecided | 231 = Refused to Answer. The sample poll, conducted in areas heavily impacted by homelessness, provided a clearer understanding of the types of financial sacrifice voters were ready to make. This data was especially crucial because while large amounts of polling often takes place before highly anticipated ballot measures and campaigns, these activities rarely take into account the opinion of people in poorer communities of color.

### In 2017 Voters Begin to Question City Leadership

In many ways the Proposition HHH ballot box campaign was the easy part. Implementation, on the other hand, would prove to be the more daunting task. After the victory parties were over, and celebratory speeches ended, a realistic plan to provide housing would need to be created. The pressure was on to make good on campaign promises as homeless encampments continued to grow all across the city. The annual homeless count would report a 23% increase in homelessness across LA County and a 20% increase in the City of Los Angeles. And the media had not packed up and moved on post-election day – as stories and editorials would run highlighting questionable strategies and lifting the voices of Angelenos lack of confidence in the City of Los Angeles leadership to fix this problem. LA leadership would respond by creating multiple committees giving the appearance that work was in fact happening while simultaneously trying to steer clear of tough decisions.

In order to get a birds-eye perspective of how voters felt one year after passage of Proposition HHH, LA CAN launched a 19-Day door-to-door canvassing effort in October 2017 that focused on South Central Los Angeles. Using Political Data Inc. (PDI) mobile software and tablets, the

campaign focused on African American voters residing in three City Council districts, CD8, CD9, and CD10. The polling was centered on two questions: 1) **Do you think Los Angeles is ineffectively handling the homeless crisis after passing HHH & H?** 2) **Do you think all new market rate developments should include affordable housing units?**

The majority of the 4,827 respondents polled in South Los Angeles (3,040 or 63%) felt that Los Angeles was still mishandling the homeless crisis. Of the 2,298 voters who responded to the question of affordable housing being included in all new market rate developments (2219 or 97%) felt that affordable housing should be included. Roughly 2% thought it was not a good idea and only 1% remained undecided.

Voters in council districts impacted greatly by homelessness clearly have a lot to offer when evaluating the City of Los Angeles' current plan of action to address homelessness. Affordable housing continues to be a very high priority in the area. As a result of the IVE program LA CAN had the opportunity to expand its outreach and organizing into additional communities where the battle lines against gentrification and policing aimed at displacing entire communities has been drawn. This fight is far from over and policy makers and elected officials should take heed of the growing pattern of anxiety regarding their inaction.

In most campaigns and for a myriad of reasons too numerous to mention here, the implementation phase is largely abandoned by the vast majority of supporters or organizations that help move the initiative. LA CAN's commitment did not end with the passage of HHH. LA CAN's Housing and Human Rights Committees have been tracking the progress of the city's homeless plan since the rollout of HHH – and the results have been eye-opening:

- The homeless services infrastructure is not up to the job of handling the increased demands of implementing HHH.
- LAPD continues to harass, ticket and arrest homeless people.
- The Proposition HHH oversight committees are packed with business interests and political insiders.
- The public sanitation facilities program is stuck in neutral amid a Hepatitis A outbreak.
- Despite token overtures, the Skid Row community has been effectively locked out of the homeless policy creation and implementation process.
- Homeless outreach programs have received priority funding even though services are extremely scarce.
- Earliest estimated move in date for permanent supportive housing is: July 2019<sup>7</sup>.

### **Current Conditions on the Ground**

For the past decade, LA CAN has worked tirelessly to raise public awareness of the causal link between our housing crisis, gentrification, and homelessness. Traditionally there was political pressure to treat homelessness as something different or not a symptom of our persistent lack of housing options at the deeply-low 0-15% of Area Median Income (AMI), extremely-low or 16-30% of AMI, and very-low 30-50% of AMI. The narrative created, intentional or not, was that

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<sup>7</sup> Office of the City Administrative Officer, Subject: Proposition HHH Administrative Oversight Committee Recommendations Relative to the Permanent Supportive Housing Loan Program and Facilities Program Fiscal Year 2017-18 Project Expenditure Plans and Proposed Programs for the next Fiscal Year, May 16, 2017

homelessness was essentially created by the closure of mental health facilities, or, was a by-product of personal choice, neither of which is true.

Study after study point to one thing: If Los Angeles does not create a realistic plan to address the housing needs of those currently at Deeply-Low, Extremely-Low, and Very-Low AMIs many families and residents will find themselves homeless as a result.

Affordable housing is defined by the Federal Government as paying no more than 30%<sup>8</sup> of your household income towards housing. Using this definition multiple studies concluded that a majority of Angelenos pay far more than 30% of their incomes for housing, meaning at a minimum, that they are cost burdened. To make matters worse many Angelenos are Severely Cost Burdened as more than 50% of their total household income goes towards housing.

Affordable housing is generally targeted at different income ranges, including Extremely-Low income (30% AMI), Very-Low income (50% AMI), Low-Income (80% AMI), or Moderate-Income (120% AMI). However, Deeply-Low 0-15% of Area Median Income (AMI), and Extremely-Low or 16-30% of AMI is said to be the hardest to build. LA CAN believes that it is important for Angelenos to know who actually is in need of affordable housing and what AMI targeting corresponds with their current incomes:

<i>Professions and average incomes</i>	
*30% AMI Dishwashers \$21,139 Street Vendors \$22,542 Sports Officials \$22,288 Host/Hostess \$23,525	50% AMI Nursing Assistants \$31,102 EMT/ Paramedics \$36,501 Janitors \$30,368 Carpenters \$33,643
60% AMI Flight Attendants \$47,880 Secretaries \$41,098 Substitute teacher \$41,178 Reporters \$48,442	80% Police, Fire, Ambulance Dispatchers \$55,445 Mail Carriers \$54,401 Kindergarten Teachers \$63,162
120% Middle School Teachers \$69,259 Healthcare Practitioners \$69,513	

Sky high rents are the new normal throughout the City of Los Angeles. For example, in the Hyde Park neighborhood located in Council District 8, the median rent was \$2,458 in May 2017,

<sup>8</sup> See at <https://affordablehousingonline.com/housing-common-questions>

which is \$29,496 in annual rent payments requiring a minimum income of \$98,320 to be affordable.

The aforementioned ranges are far below the incomes needed to afford available market rate housing. The median rent of available rental housing in the City of Los Angeles was \$2,880 in May 2017, which translates to \$34,560 in annual rent payments, requiring a minimum income of \$115,200 to be considered affordable<sup>9</sup>.

In April 2017 the California Housing Partnership Corporation released its report, *The Los Angeles County Annual Affordable Housing Outcomes Report*. The report painted a vivid picture of what's at stake if we fail to seriously address the Los Angeles housing crisis. The authors note:

““Unfortunately, although the existing inventory of affordable homes and rental assistance programs in the County are helping stem the tide of homelessness and address the affordability crisis, they are not commensurate with the need for affordable homes, which extends well beyond the 47,000 officially homeless”. The Report finds that the County needs to add more than 550,000 affordable homes to meet current demand among renter households at or below 50 percent of Area Median Income (AMI). The report further notes that nearly all lower-income renter households in the County are severely cost-burdened, meaning they spend more than half of their income on rent and are in danger of becoming homeless. This includes 92 percent of those who are Deeply Low Income (DLI), 73 percent of those who are Extremely Low Income (ELI) and 42% of those who are Very Low Income (VLI). Meanwhile, virtually no higher-income households are severely cost burdened and the vast majority—including 92 percent of renter households with incomes above 120 percent of AMI—spend less than 30 percent of their income on rent”<sup>10</sup>.

Los Angeles is on the precipice, in an almost Dickensian fashion, of becoming a real-life tale of two cities. As Apartment List/Rentonomics found in its 2016 report, “Southern California is one of the most unaffordable regions in the US – each of the four metros have cost-burden rates of 56% or more. Most worryingly, affordability has not improved much in recent years, as wage growth fails to outpace rent increases”<sup>11</sup>. The report would go on to document an increase of cost burdened renters from 55.6% in 2005 to 58.6% in 2015.

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<sup>9</sup> Coalition for A Just Los Angeles, To: Councilmember Marqueece Harris-Dawson and Staff, 2017 (see professions and average incomes)

<sup>10</sup> Los Angeles County Annual Affordable Housing Outcomes Report, California Housing Partnership Corporation, 2017

<sup>11</sup> Which Metros Have the Most Cost-Burdened Renters? Andrew Woo and Chris Salviati, Apartment List, 2016

## House Keys Not Handcuffs

Alex Vitale scrupulously describes policing in the United States in his latest book, *The End of Policing*. His depiction encapsulates the ways in which Los Angeles is responding to the housing crisis:

“As poverty deepens and housing prices rise, government support for affordable housing has evaporated, leaving in its wake a combination of homeless shelters and aggressive broken-windows-oriented policing... As mental health facilities close, police become the first responders to calls for assistance with mental health crises. As youth are left without adequate schools, jobs, or recreational facilities, they form gangs for mutual protection or participate in the black markets of stolen goods, drugs, and sex to survive and are ruthlessly criminalized. Modern policing is largely a war on the poor that does little to make people safer or communities stronger, and even when it does, this is accomplished through the most coercive forms of state power that destroy the lives of millions.<sup>12</sup>”

In 2017, criminalization continues to be Los Angeles’s default option for “ending” homelessness. The city has attempted to change how it describes law enforcement’s involvement in the Comprehensive Homeless Strategy, but the fact remains that sweeps, arrests and laws making it easier to banish houseless people are integral to the city’s rollout of HHH. A study released in 2015 reported that the city spent \$100 million a year dealing with homelessness, and much of that money was spent on law enforcement response calls, prompted Councilman Mike Bonin to say “for the most part, we’re wasting \$100 million a year”<sup>13</sup>.

Strategically, political rhetoric remains a powerful tool in the hands of council members who are unwilling to pursue real housing solutions for poor and houseless people in their districts. Priority continues to be given to the wants of the privileged while neglecting the needs of the most vulnerable. So much so that “it’s left cities in a quandary as they try to protect the rights of residents and business owners who complain that the encampments and street-corner begging leads to an overall decline in the area, creating a hardship for everyone else”<sup>14</sup>.

Councilmember Jose Huizar recently opposed a Permanent Supportive Housing development being built in his district saying, “it’s not good for the people who go get those services and it’s not good for the neighborhood”<sup>15</sup>. On another occasion, Huizar, in a televised interview near the site of a proposed market-rate development, advised Angelenos to “never call the police”, while his district tops the list of arresting houseless people in overwhelmingly high numbers.

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<sup>12</sup> ‘Our Ever-Deadlier Police State’, Chris Hedges & Alex Vitale, Truthdig, October 22, 2017

<sup>13</sup> ‘Downtown San Pedro homeless camp being cleared out’, Daily Beast, Updated April 24, 2015 <http://www.dailybreeze.com/2015/04/24/downtown-san-pedro-homeless-camp-being-cleared-out/>

<sup>14</sup> ‘Downtown San Pedro homeless camp being cleared out’, Daily Beast, August 2017

<sup>15</sup> LA City Councilman Jose Huizar on why he opposes a homeless housing project in Boyle Heights, August 17, 2017, <https://www.scpr.org/programs/take-two/2017/08/17/58642/1-a-city-councilman-jose-huizar-on-why-he-opposes/>

Councilmember Bonin, arguably the best informed elected official in Los Angeles regarding the failures of criminalization, recently voted against additional resources for the highly touted HOPE Teams, suggesting instead that more money be allocated to services like restrooms. His district finds itself on the list of communities facing the highest numbers of arrests in the city.

Los Angeles City Attorney Mike Fuerer recently began campaigning for a FEMA type field general to take over efforts to establish shelters and facilities in response to chronic homelessness in Los Angeles. While on its face the call appeared to display a type of political courage absent amongst local elected officials, one missing element was clear: housing. Why, after voters passed a \$1.2 billion bond measure for housing, would the City Attorney fight for more navigation centers (storage centers) and not mention permanent housing?

This strategy is confirmed by Councilmember Buscaino's Policy Director, Dennis Gleason when he stated to a disgruntled audience:

"If the city provides off-street storage, we can limit personal property to one backpack," Gleason said. "We fought to get what we consider to be an ordinance that most protects the rights of you, the property owners... We're confident this will stand up (legally)<sup>16</sup>."

It is in moments like these that rhetoric gives way to reality. The recently amended 56.11, allows the City of Los Angeles to limit the amount of property a homeless person can have to a single back-pack once storage facilities are provided. This is grossly inadequate and puts people in peril as anyone who has to live on the streets, especially in the winter in Los Angeles, can fit all of their essentials into a backpack. You cannot fit your tent or blankets in a backpack. Furthermore, this idea of storage isn't adequate because you cannot always get to it as facilities are not open every day to accommodate people.

\*This is an example of what homeless people living in Skid Row are facing everyday:

*Mr. David Ruther, a 63-year-old disabled man, who has been living on skid row for the past 7 years, complained of being given two tickets by LAPD for 41.18d (a municipal code for no sitting, sleeping or lying) for having his tent up. The same officers who had previously ticketed him came back with "operation healthy streets" and arrested him because the 41.18d tickets had advanced to warrants. Mr. Ruther spent the night in jail. He was released the following day without seeing a judge. When he returned to where he had been living, sanitation had taken his property and left a note for him to collect his belongings at the BIN storage facility. Mr. Ruther had to wait until the next day to retrieve his property and therefore had to sleep without a tent and blankets. The next day BIN refused to give Mr. Ruther his property because he didn't have a valid California identification card. When Mr. Ruther was finally able to get a friend to accompany him to verify he was indeed who he said he was, he noticed that 85% of his property was missing, his blankets, personal items, and tent had been destroyed.<sup>17</sup> (October, 2017)*

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<sup>16</sup> 'San Pedro meeting erupts over homeless storage', Daily Breeze, October 5, 2016, <http://www.dailybreeze.com/2016/10/05/san-pedro-meeting-erupts-over-homeless-storage-center/>

<sup>17</sup> Sean Gregory & General Dogon of LACAN, with David Ruther, October 2017

A deeper look into the arrest patterns of houseless people compared to housed residents illustrates a disturbing pattern. UCLA's Million Dollar Hoods project, which analyzed LAPD data, found that from 2011-2016 while overall arrests were down houseless arrests were on the rise. This damning report sheds light on a time period (2011 – 2016) that the LAPD and City Officials stated publicly that arresting their way out of homelessness was not an option. In a July 2015 interview with CityLab, Mayor Garcetti said that “the City must balance the need to maintain its sidewalks with the rights of people who have no other choice but to live on them.”<sup>18</sup>

The Million Dollar Hoods Report goes on to state that “LAPD arrests of houseless persons are on the rise. In fact, LAPD arrests of houseless persons are increasing at a rate faster than the growth of the houseless population. Whereas the number of houseless persons in the City of Los Angeles increased 21% between 2011 and 2016, LAPD arrests of houseless persons increased 37% in those same years. Moreover, whereas the total number of LAPD arrests have declined since 2011, houseless arrests as a percentage of total LAPD arrests nearly doubled from 7% to 12% between 2011 and 2016.”<sup>19</sup>

The same report showed African Americans represent the majority of all houseless arrests (37%) and the majority of the houseless population (43%). Arrest rates of houseless Latinos doubled between 2011 and 2016, accounting for 53% of the increase in all houseless arrests.

It is clear that the City of Los Angeles has not reduced its reliance on LAPD to arrest its way out of the homeless crisis; in many ways it appears that the city has doubled-down. Also of concern is the blatant push to build storage facilities in order to enforce a newly revised 56.11 and continue this pattern of criminalization.

## **Housing Disparity**

A new report from the nonprofit California Partnership Corporation indicates that Los Angeles County needs more than 500,000 new units of affordable housing to satisfy demand from very low and extremely low-income earners<sup>20</sup>. Previously, the city built around 300 units of permanent supportive housing per year. With the addition of HHH funds, that number is projected to increase to 1,000 units annually.

At the same time, rent-controlled apartments are disappearing due to the Ellis Act, which allows owners to evict if they are selling or transforming their units into condos (many are illegal evictions), and the Costa Hawkins Act, which allows huge increases in rent. Both should be abolished as the two acts allowed thousands of rental units to be taken off the market during a severe shortage and remaining units have soaring rents. “Between 2001 and 2016, almost 22,000 rental units were eliminated in Los Angeles,” according to the Los Angeles Times<sup>21</sup>.

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<sup>18</sup> ‘Now More Than Ever, It Sucks to Be Homeless in L.A.’, July 15, 2015, <https://www.citylab.com/equity/2015/07/now-more-than-ever-it-sucks-to-be-homeless-in-la/398195/>

<sup>19</sup> Ibid #1.

<sup>20</sup> Report: LA County needs more than 500,000 new units of affordable housing, May 23, 2017, <https://la.curbed.com/2017/5/23/15681418/la-county-affordable-housing-shortage-crisis-rental-prices>

<sup>21</sup> ‘L.A. stiffens rules for replacing rent-controlled units’, April 19, 2017, <http://www.latimes.com/local/lanow/la-me-ln-housing-ellis-act-20170404-story.html>

According to LA city councilmember Jose Huizar, “Displacement is a real issue in Los Angeles for people from all backgrounds and communities throughout the city.”<sup>22</sup>

### **Fiscal Year 17-18 PSH Plan<sup>23</sup> – the Pipeline**

As noted by the City Administrative Officer, the nine HHH housing developments being recommended by the FY 2017-18 Project Expenditure Plan (including \$73,157,162 for project costs; and \$1,203,933 for staffing costs) will provide a total of 615 units, of which 416 will be designated as permanent supportive housing units. Of the 416 units that are designated as supportive housing units, approximately 225 of them (54%) will be set aside for the chronically homeless. (All individuals with a disability who have been homeless for at least one year, or on four separate occasions in the last three years). **See Appendix 1**

### **Fiscal Year 17-18 Facilities<sup>24</sup> Plan**

The FY 2017-18 Prop. HHH Facilities Program Project Expenditure Plan recommends \$12,004,219 in Prop. HHH funding for six projects. One of the projects is a proposed City Service Center that would provide storage, bathrooms, showers and service space. The five non-city recommended facilities will serve multiple homeless populations with one specifically for homeless veterans. **See Appendix 2**

### **Recommendations**

**1. Preserve affordable housing stock.** Reflecting an extreme shortage of affordable housing in the city, a majority of Angelenos are cost burdened or severely cost burdened, paying 50% or more of their household incomes in housing. Last year, more than 1,370 rent controlled units were taken off the market through Ellis Act evictions, which doubled in LA from 2013 to 2014<sup>25</sup>. The city is considering new rules to discourage the demolition of rent-controlled apartments<sup>26</sup>. Tenant advocates like LA CAN have long complained that the current rules allow landlords to skirt the terms of LA’s rent control ordinances, calling for stiffer laws to protect vulnerable tenants in Los Angeles. As the city ramps up production of Prop. HHH affordable and permanent supportive housing, it also needs to preserve the inventory of rent-stabilized units.

**2. Use city-owned property for low-income housing.** In October 2016, City Controller Ron Galperin prepared a report for the mayor and city council on the management of the City of Los Angeles’s “vast portfolio of real estate, encompassing nearly 9,000 distinct parcels within the County of Los Angeles alone”<sup>27</sup>. Noting that many properties are “underutilized,” the report listed ways they could “better serve the public – be it as public space, revenue-producing income

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<sup>22</sup> ‘Rent hikes and evictions — is it the last stand for artists in the Arts District?’, October 27, 2017, <http://www.latimes.com/entertainment/arts/miranda/la-et-cam-last-stand-artists-arts-district-20171027-htm1story.html>

<sup>23</sup> Office of the City Administrative Officer, Subject: Proposition HHH Administrative Oversight Committee Recommendations Relative to the Permanent Supportive Housing Loan Program and Facilities Program Fiscal Year 2017-18 Project Expenditure Plans and Proposed Programs for the next Fiscal Year, May 16, 2017

<sup>24</sup> Ibid #22.

<sup>25</sup> Curbed LA, January 27, 2016 “Los Angeles has Mapped Every Building’s Rent Control Status” by Bianca Barragan

<sup>26</sup> Curbed LA September 28, 2017 “LA is mulling new rules to prevent the demolition of rent-controlled apartments” by Elijah Chiland

<sup>27</sup> Letter to Mayor Eric Garcetti from Members of the City Council, Re. Los Angeles City Real Estate Portfolio Management, dated; October 27, 2016

property, low income housing...and much more.<sup>28</sup>” Given the magnitude of the city’s homeless crisis, low income housing should be the priority. All parcels in LA’s real estate portfolio should be examined to see if they are suitable for building/repurposing as affordable housing.

**3. Embrace the unconventional.** In addition to financial resources and political will, innovation is an essential ingredient for addressing homelessness. As the cost of land, materials and labor drive the unit price of PSH to more than \$400,000 (including supportive services), affordable solutions are catching on – in particular tiny- and container homes. Tiny-house villages are an alternative approach to housing the homeless that’s catching on in cities from coast-to-coast. Retail giant Amazon is getting into the business, delivering prefabricated studio-size units for \$40,000. Advancements in technology and manufacturing make it possible to produce small houses that are architecturally consistent with all kinds of neighborhoods – a key selling point given community opposition to homeless housing. Given the city’s history of environmental activism, and the mayor’s pledge to abide by the Paris Climate Agreement, Los Angeles has an opportunity to take the tiny homes movement to a new level by creating energy-efficient “compact green neighborhoods” with solar power, composting toilets, rain water collection to irrigate drought-resistant plants and bike lanes.

**4. Expand access to public sanitation.** A critical lack of hygiene facilities poses health challenges to the homeless and public at large. An audit of the public toilets in Skid Row, June 2017 found that 1,777 unsheltered homeless people had to share 9 toilets, “38% of audited toilets were not operating during supposedly open hours” and the few existing toilets are “poorly maintained and inaccessible”<sup>29</sup>. Additionally, houseless women are far more impacted by the dearth of sanitation in skid row, with the added difficulty of managing menstruation and a of lack access to affordable sanitary supplies.

The City has a responsibility to ensure public streets do not create a substantial risk of injury to members of the general public. This includes keeping public restrooms in good repair, free from dirt, adequately supplied with running water, furnished with soap and individual towels with a receptacle for their disposal. Much of the potential health hazards burrowed in skid row could be controlled by the city simply adhering to rules that require it to maintain hand-washing facilities for the public. The recent Hepatitis A outbreak may have been avoided had the city complied with health and safety codes in areas that require immediate attention.

Access to adequate sanitation as an issue of public health equity (and compliance with state and federal laws) must be made available to disadvantaged communities who lack basic infrastructure, (including clean drinking water, clean streets, trash cans and trash collection) and disproportionately bear the health impacts of being the most underserved in the US.

**5. LAPD must stop the criminalization of homeless residents.** Criminalizing the poor in the form of “broken windows” policing and “quality of life” initiatives is counterproductive to

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<sup>28</sup> Los Angeles City Real Estate Portfolio Management, October 27, 2016

<sup>29</sup> ‘No Place to Go: An Audit of Public Toilets in Skid Row’, June 2017

efforts to address homelessness – that is, cities cannot arrest their way out of homelessness. Nevertheless, the Los Angeles Police Department has been very busy arresting homeless people in 2017. Arrests of the houseless and individuals with mental illness are up 49% year over year, according to the LAPD’s 2nd Quarter Report on Homelessness and Mental Illness.

**6. Include the community in decision-making process.** Rather than give the homeless policy status quo – which for decades has turned a blind eye as the crisis spread from Skid Row to throughout the city – more money to do what they do, the mayor and city council have an alternative: include the homeless community in the implementation process. To solve homelessness you must include houseless people in the discussion. They know what they need and have proven solutions that foster self-determination, stress the need for housing and do not involve the police at any step in the project. But politicians tend to delegate authority to marginally qualified people. A college degree or success in business means nothing unless you truly understand, and to truly understand you must be homeless. LA CAN and other homeless advocates have the understanding and street cred to assemble a “blue ribbon commission” of houseless people with the life experience and know-how to provide a fresh perspective on what needs to be done to achieve significant results.

**7. Make public education a priority.** One of the biggest obstacles to building permanent supportive housing is finding suitable building sites. Many residents in communities across the city oppose low-income housing developments, a phenomenon known as NIMBY (not in my back yard). Many, including city council member Marqueece Harris-Dawson, who chairs on the council’s homelessness and poverty committee, believe public education is essential to the successful implementation of Prop. HHH. “People don’t understand permanent supportive housing, and we need to educate them,” Harris-Dawson said at a public forum on homelessness earlier this year. HHH funds cannot be used for public relations efforts to combat NIMBYism, leaving developers responsible for community outreach. However, additional opinion-shaping resources are due to arrive from the United Way, which has committed to a countywide PSH awareness campaign including PR, town hall meetings, social media, PSH tours and paid advertising.

## **Conclusion**

For years, Los Angeles has been dubbed the “homeless capital” of America. Officials blame tepid job growth, lack of mental health services, soaring rents and Congress’ failure to fund affordable housing for the city’s dubious honor. What they don’t acknowledge is a legacy of developer-friendly housing policies that have resulted in the forced removal of entire communities at the behest of deep-pocketed campaign donors.

Los Angeles now has more money than ever before to combat homelessness. But one year after the passage of HHH people living on the edge have yet to see any improvement in their plight. “More urgent remedies — getting assistance to the thousands of people living on the city’s sidewalks — have met disappointments,” the Los Angeles Times noted days after voters approved HHH, identifying a shortcoming that still persists.

Mayor Eric Garcetti promised that the city plans more immediate relief by converting motels and developing unused city land for homeless apartments<sup>30</sup>. But residents in the city's poorest communities of South Central and Skid Row, who worked tirelessly during the campaign for passage of HHH, are feeling used because of the lack of progress in delivering on the mayor's words. "What's in it for us?" they want to know. If the city's initial HHH rollout is any indication, the answer will be more of the same – all show and no substance.

The status quo is not an option. Despite a glut of luxury apartments that has prompted landlords to offer juicy incentives in order to fill vacant units, more pricey projects are in the pipeline while affordable housing construction proceeds at a glacial pace. At the same time, the short-term needs of people on the street trying to exit homelessness are not being adequately addressed.

Finally, the goal of Proposition HHH to fund the construction of 10,000 units of permanent supportive housing is predicated on leveraging the \$1.2 billion bond sale proceeds by a factor of three. In addition to seeking additional city, state and federal resources, the mayor has proposed charging a fee on construction and using the funds to build affordable housing. However, the "linkage fee" proposal is stalled in the city council.

Philanthropy can fill the funding gap. LA is home to 20 billionaires<sup>31</sup> and has the second most number of households in the US with wealth of \$5 million or more<sup>32</sup>. The mayor should use his bully pulpit to challenge LA's elites to open their wallets and create a Marshall Plan for ending homelessness in Los Angeles by 2028, when the eyes of the world will be on the city as it hosts the summer Olympics.

## **Epilogue**

Ultimately it gets down to a contest between two competing visions of the city's future: Manhattan of the West Coast versus preserving the historical, diverse and vibrant character of the City of Angels.

Which one prevails likely will be decided behind closed doors unless there is intense community pressure for full transparency and disclosure of homeless policy and spending, as required under Proposition HHH.

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<sup>30</sup> 'L.A. will convert motel units to 500 apartments for homeless vets', May 27, 2016, <http://www.latimes.com/local/lanow/la-me-ln-motel-homeless-conversions-20160527-snap-story.html>

<sup>31</sup> 'L.A. is a Top City for Billionaires', LA Weekly, March 17, 2016, <http://www.laweekly.com/news/la-is-a-top-city-for-billionaires-6723612>

<sup>32</sup> 'See Which U.S. Cities Have the Biggest Number of Millionaires', Fortune, July 26, 2017, <http://fortune.com/2017/07/26/cities-millionaires/>

## Appendix 1

Five of the projects entail demolition/rehabilitation and new construction, four will be new construction. Excerpted project descriptions:

### 88<sup>th</sup> & Vermont

Council District No. 8

Total units: 62

PSH units: 46 (23 chronically)

HHH funding commitment: \$9.68 million

\*Estimated completion date: January 2020

### Path Metro Villas Phase II

Council District No. 13

Total units: 122

PSH units: 90 (46 chronically)

HHH funding commitment: \$3.5 million

Estimated completion date: November 2019

### Six Four Nine Lofts

Council District No. 14

Total units: 55

PSH units: 27 (14 chronically)

HHH funding commitment: \$5.5 million

Estimated completion date: October 2019

### AMRC McCadden Campus – TAY Housing

Council District No. 4

Total units: 26

PSH units: 25 (12 chronically)

HHH funding commitment: \$5.01 million

Estimated completion date: November 2019

### Casa del Sol

Council District No. 6

Total units: 44

PSH units: 43 (22 chronically)

HHH funding commitment: \$8.06 million

Estimated completion date: March 2020

### Flor 401 Lofts

Council District No. 14

Total units: 99

PSH units: 49 (25 chronically)

HHH funding commitment: \$11.98 million

Estimated completion date: June 2020

RISE Apartments

Council District No. 9

Total units: 57

PSH units: 56 (42 chronically)

HHH funding commitment: \$9.5 million

Estimated completion date: October 2019

SP 7 Apartments

Council District No. 14

Total units: 100

PSH units: 55 (28 chronically)

HHH funding commitment: up to \$12 million

Estimated completion date: July 2020

The Pointe on Vermont

Council District No. 8

Total units: 50

PSH units: 25 (13 chronically).

HHH funding commitment: \$7.9 million

Estimated completion date: July 2019

\*Subject to change pending construction start date(s).

## Appendix 2

Three of the projects entail rehabilitation, three will be new construction. Excerpted project descriptions:

### 88<sup>th</sup> & Vermont Youth and Community Center

Submitting agency/organization: Community Build  
Council District No. 8  
Project type: Service Center  
HHH funding commitment: \$3.2 million  
Estimated completion date: July 2018

### Corner of Hope

Submitting agency/organization: JWCH Institute  
Council District No. 14  
Project type: Clinic  
HHH funding commitment: \$435,800  
Estimated completion date: April 2018

### South Campus

Submitting agency/organization: LA Family Housing  
Council District No. 6  
Project type: Service center & transitional housing  
HHH funding commitment: \$1.3 million  
Estimated completion date: August 2018

### Joshua House Health Center

Submitting agency/organization: Los Angeles Christian Health Centers  
Council District No. 14  
Project type: Clinic  
HHH funding commitment: \$3.7 million  
Estimated completion date: May 2019

### Homeless Vets at the Marion

Submitting agency/organization: Volunteers of America Los Angeles  
Council District No. 14  
Project type: Transitional housing  
HHH funding commitment: \$220,765  
Estimated completion date: June 2018

### Service Center

Submitting agency/organization: City of Los Angeles  
Council District No. 8  
Project type: Center  
HHH funding commitment: \$3.1 million  
Estimated completion date: September 2018