

Agenda Report

February 6, 2017

TO: Honorable Mayor and City Council

THROUGH: Legislative Policy Committee (January 24, 2017)

FROM: Housing and Career Services Department

SUBJECT: PROPOSAL TO SUPPORT MEASURE H, THE LOS ANGELES COUNTY PLAN TO PREVENT AND COMBAT HOMELESSNESS, ON THE MARCH 2017 BALLOT

RECOMMENDATION:

It is recommended that the City Council

- 1) Find that the recommended action is exempt from the California Environmental Quality Act ("CEQA") pursuant to State CEQA Guidelines per Section 15061 (b)(3), the "General Rule" that CEQA only applies to projects that may have an effect on the environment, and
- 2) Adopt a Resolution in support of Measure H, the Los Angeles County Plan to Prevent and Combat Homelessness, a ¼ cent special sales tax to fund homeless services that has been placed on the March 7, 2017 ballot with approval of the Los Angeles County Board of Supervisors

BACKGROUND:

On August 17, 2015, Los Angeles County (LA County) launched the Homeless Initiative to combat homelessness throughout the County. The County Homeless Initiative resulted from an inclusive and comprehensive planning process, including 18 policy summits on nine topics from October 1 to December 3, 2015, which brought together 25 LA County departments, 30 cities, including representatives from the City of Pasadena, other public agencies, and over 100 community partners and stakeholders. The resulting Homeless Initiative advances 47 coordinated strategies to prevent and end homelessness, including homeless prevention, housing subsidies, services and case management, and new affordable/homeless housing. These efforts will initially be paid

for with \$100 million in one-time LA County funds approved by the Board of Supervisors.

Additionally, other recent funding sources are in place to create housing for the homeless population. In the November 2016 general election, City of Los Angeles voters approved Proposition HHH to fund the construction of approximately 10,000 units of permanent supportive housing over the next 10 years in the City of Los Angeles. Furthermore, the State of California's No Place Like Home Bond would also leverage resources and finance about 5,700 permanent supportive housing units over four funding cycles throughout the State. However, a source of ongoing funding to provide supportive services is still needed.

The Los Angeles Homeless Services Authority (LAHSA) has estimated that \$450 million a year (not counting construction costs) in services funding is required to make serious strides to address homelessness across the County. Though the County has reallocated funds to the Homeless Initiative programs and set aside County general funds, the County determined that the best method to secure necessary funding on an ongoing basis would be to adopt an ongoing revenue measure. As a result, the LA County Board of Supervisors voted on December 6, 2016, to place a measure on the March 7, 2017 ballot asking voters to approve a special ¼ cent sales tax, that will be levied for a period of ten (10) years, to generate ongoing revenue dedicated to preventing and combating the homelessness and to fund the County's Homeless Initiative Plan. A 2/3 majority of votes is required to approve the sales tax.

This sales tax would be levied in incorporated and unincorporated portions of LA County, including Pasadena, and is expected to raise approximately \$355 million/year. The City would likely be eligible to apply for funds made available as part of a competitive process, and funds used regionally will lessen the impact of homelessness on local service providers and the City.

COUNCIL POLICY CONSIDERATION:

Passage of Measure H has the potential to provide funding for supportive services for homeless individuals/families in Los Angeles County, including the City of Pasadena, and supports and promotes the quality of life and the local economy -- a goal of the City Council's Strategic Objectives. Support for this ballot measure is in accordance with the Pasadena Continuum of Care system, General Plan Housing Element, Five-Year Consolidated Plan, and Five-Year Public Housing Authority Plan.

ENVIRONMENTAL ANALYSIS:

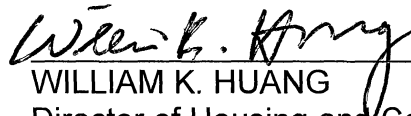
The action proposed herein is exempt from the California Environmental Quality Act (CEQA), pursuant to State CEQA Guidelines Section 15061 (b)(3), the "General Rule" provision of CEQA which applies to projects which may have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is

no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. The approval of this ballot measure would not have a significant effect on the environment and, hence, is not subject to CEQA.

FISCAL IMPACT:

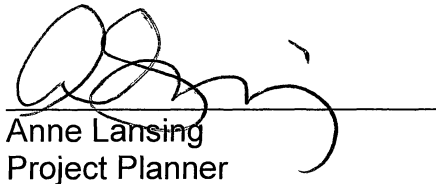
Approval of the recommended action, adoption of a resolution in support of the Measure H, has no anticipated direct fiscal impact. If the measure is passed by the voters, there is potential but unknown economic impact due to a higher sales tax rate on all taxable purchases. Passage of the measure is estimated to raise approximately \$355 million/year County-wide for each of the 10 years the tax will be levied. The City will benefit from the regional impact, and may be eligible to receive a portion of the funds for local services through a competitive process.

Respectfully submitted,



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Director of Housing and Career Services
Housing and Career Services Department

Prepared by:



Anne Lansing
Project Planner

Approved by.



STEVE MERMELL
City Manager

ATTACHMENTS:

ATTACHMENT A: Los Angeles County Board of Supervisor's Motion
ATTACHMENT B: Los Angeles County Analysis and Ordinance