

developments

Special Edition, Election 2006

AFFORDABLE HOUSING AND THE NOVEMBER ELECTION

1010 Development Endorses Proposition 1C (California) and Measure H (Los Angeles)



Hope Village & Villa Flores supporting the housing bonds.

While there is no silver bullet to solving California's affordable housing crisis, the state's investment in housing through Proposition 46

has proven to be a crucial catalyst.

Proposition 46, the last housing bond overwhelmingly approved by voters in 2002, is providing thousands of affordable apartments and homes in the Los Angeles area and throughout California—creating real housing choices for working families. 1010's Casa Shalom, 30 units which opened this past April, as well as 1010's Wood Apartments, 61 units currently under construction, received funding from Prop 46.

Proposition 46 funds are now depleted, and in November voters in California will have an opportunity to renew this investment in housing with Proposition 1C, a \$2.85 billion state housing bond that will build on the success of Proposition 46, providing choices for young families buying their first homes, for seniors on fixed-incomes, and for those transitioning out of homelessness. In addition, Los Angeles city voters will be able to contribute even more to this housing investment with Measure H, a \$1 billion city housing bond to fund the same types of housing within Los Angeles city.

Both the state and the city have long histories of investing in housing. Proposition 46 is the latest success in that history. We can use those successes as a blueprint for how housing programs can be productive. 1010 has endorsed both Prop 1C and Measure H. 1010 also is actively involved in Housing L.A., a city-wide coalition working to pass Measure H, secure a dedicated source of funding for the Los Angeles housing trust fund, encourage mixed-income housing, and preserve existing affordable housing.

1010 encourages all of its friends to support these important efforts as well by endorsing the campaigns, donating to the campaigns, and especially VOTING YES on 1C and H (the **last day to register to vote in California is October 23**). If you would like more information about these ballot propositions or the Housing L.A. campaign, please contact Kelle Rose, 1010's Community Liaison, at (213) 749-0214 x201 or KRose@1010dev.org.



www.HomesForLAFamilies.org

Los Angeles City Measure H Highlights:

- Funding to house extremely low-income persons and families in danger of becoming homeless; including seniors, veterans, and the disabled.
- Funds for low-income persons, such as janitors, hotel workers, security guards, store clerks, food service workers, and child care workers, to obtain homes which are affordable to them.
- Funding assistance for homeownership through mortgage assistance programs. These would assist working families for whom homeownership is currently out of reach, including police officers, firefighters, teachers, nurses, and other healthcare workers.
- The creation of affordable homes near major commercial corridors and close to job centers to relieve traffic congestion and improve the jobs/housing balance.
- A citizens' oversight committee to oversee spending of the bond proceeds, and bond programs subject to a yearly independent third party financial audit.



www.Homes4CA.org

California State Prop. 1C Highlights:

- Affordable Homeownership: \$725 million to help an estimated 23,600 families become or remain homeowners. Includes funding for the Building Equity in Neighborhoods Program, CalHome, and the California Down Payment Assistance Program.
- Affordable Rental Housing Construction: \$345 million to provide affordable rental housing to an estimated 4,000 families. Includes rental housing for lower income workers, the elderly, the disabled, and veterans.
- Farm Worker Housing: \$135 million to provide rental and affordable ownership opportunities for over 2,800 farm worker families.
- Homeless Permanent Housing Construction: \$245 million to build over 2,400 permanent housing units for the homeless, those transitioning out of homelessness, and foster care youth.
- Homeless shelter housing construction: \$50 million to construct and expand shelter of last resorts and transitional housing for the homeless.



1 0 1 0 D E V E L O P M E N T C O R P O R A T I O N

1010 Development Opposes California State Proposition 90



www.NoProp90.com

If Prop 90 passes 1010, and especially the low-income residents of the communities 1010 serves, will be negatively impacted in a number of significant ways:

- **Funding for some social services – including community health clinics and children’s health initiatives, mental health services, alcohol and drug treatment programs, etc. – would be jeopardized.** Local governments forced to pay billions in Prop 90 payouts will have less money to spend on social services that low-income families rely upon.
- **Efforts to increase to the state’s minimum wage could be threatened** because businesses could sue the state claiming an economic loss.
- **Housing for seniors and low-income individuals would be jeopardized** because all rent control ordinances, condominium conversion limits, mobile home park protections, and affordable housing requirements will be too costly to implement.
- **Efforts to locate facilities to help people with social services – such as women’s shelters, homeless facilities and halfway houses – will be impossible** because any hostile neighboring homeowner or business will be able to demand compensation for any claimed loss to the value of their property or business.
- **Protections for workers such as mandatory breaks, overtime laws and family leave laws would be impossible to implement** because businesses could claim they resulted in an economic loss and therefore required compensation.
- **Living wage ordinances could no longer be adopted by local governments.**

Proposition 90, dubbed the “Taxpayer Trap,” is a classic bait-and-switch. Proponents want voters to believe the measure is simply about eminent domain reform. But hidden in the fine print of Proposition 90 are unrelated and far-reaching provisions that will cost taxpayers billions of dollars each year and significantly hinder the passage of consumer protection and land-use laws that have *nothing* to do with eminent domain and which will significantly impede the ability of nonprofit housing developers like 1010 to provide affordable housing to those most in need.

Proposition 90 fundamentally changes California’s constitution to require new taxpayer payouts any time a new law or regulation is passed that someone believes has caused him or her “substantial economic loss.” While on its surface this may seem rational, Proposition 90 is anything but. Prop 90 is so poorly written and rife with loopholes that even the most basic and important laws are subject to litigation and new payouts – at the taxpayers’ expense. For instance, under Proposition 90:

- The owner of a bar or nightclub could sue a city and its taxpayers seeking compensation if the city restricts hours of operation to conform to a local noise ordinance;
- A telemarketing firm could sue the state and all taxpayers if the legislature passed a law preventing the company from calling homes during certain hours of the day;
- A large developer could sue seeking compensation if a county restricts development to 500 homes for traffic or environmental concerns when the developer is seeking approval for 750 homes. The city and its taxpayers could be forced to pay for the value of the land as though the remaining 250 homes were built;
- A local group of anti-growth activists could sue claiming “economic damages” for a new project like a school, neighborhood park, or **affordable housing development** that they claim reduces the value of their property.

It’s easy to see how the lawsuits and taxpayer costs would pile up under Proposition 90. At best, Proposition 90 would invite thousands of frivolous and costly lawsuits against agencies (and taxpayers) at all levels. At worst, Prop 90 will cripple the ability of local governments and even voters from enacting the most basic laws and regulations that protect the value of all of our homes and the integrity of our communities.

1010 encourages all of its supporters to VOTE NO on state Proposition 90. You can get more involved in this effort by visiting www.NoProp90.com.

Mission: To preserve, build, and manage quality service-enriched affordable housing and engage in community and economic development opportunities



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