HOLLY L. WOLCOTT CITY CLERK

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ERIC GARCETTI MAYOR

May 31, 2022

Honorable Members of the Los Angeles City Council c/o Room 395, City Hall 200 North Spring Street Los Angeles, CA 90012

SUBJECT: CERTIFICATION OF SUFFICIENCY OF AN ORDINANCE INITIATIVE PETITION: FUNDING FOR AFFORDABLE HOUSING AND TENANT ASSISTANCE PROGRAMS THROUGH SPECIAL TAX ON REAL PROPERTY TRANSFERS OVER \$5 MILLION

#### Honorable Members:

On May 2, 2022, an Initiative Petition entitled <u>Funding for Affordable Housing and Tenant Assistance Programs Through Special Tax on Real Property Transfers Over \$5 Million, containing 98,043 signatures, was filed with the Office of the City Clerk (City Clerk). We have completed our review of the signatures on the Petition and have certified the Petition as sufficient.</u>

As provided in City of Los Angeles Election Code Section 711 (b), a random sampling of five percent (5%) or 4,903 signatures were verified to determine the sufficiency or insufficiency of the Initiative Petition. Of the random sample of 4,903 signatures, 3,361 or more were required to be valid for the Initiative Petition to qualify as sufficient. Based on the examination of the signatures compared with the voter registration records maintained by the Los Angeles County Registrar-Recorder, a total of 4,206 valid signatures were identified. Thus, I have determined that the Initiative Petition is SUFFICIENT and I hereby present the attached Certification of Sufficiency to the City Council.

Charter Section 452 generally provides that when presented with a certified initiative petition, the Council must take one of the following three actions within 20 days of the transmittal of the attached Certificate of Sufficiency to the City Council:

- 1. Adopt the proposed ordinance, without alteration; or
- Call a Special Election to be held not earlier than 110 days nor more than 140 days after Council action on the petition to submit the proposed ordinance, without alteration, to a vote of the electors of the City; or

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> Determine to submit the proposed ordinance, without alteration, to a vote of the electors of the City at the next regular City and Statewide election conducted by the County of Los Angeles to be held more than 110 days from the date of Council action.

The first option is not available here because the proposed ordinance would establish a new tax and includes other provisions that require voter approval under the State Constitution. The second option, ordering a stand-alone Special Election, is not recommended since it is by far the most expensive option (approximately \$12 million). The City's regularly-scheduled General Election, which will be conducted on November 8, 2022, meets the requirements of the third option as it occurs more than 110 days from the date of Council action with no additional cost.

#### **ELECTION COSTS**

Option 1: Call a stand-alone Special Election (Citywide) to be held not earlier than 110 days or more than 140 days after the Council's action to submit the ordinance to a vote.

This option would require a Citywide Special Election to be held no earlier than October 8, 2022 and no later than November 7, 2022, assuming Council takes action on June 20, 2022. A standalone, Citywide Special Election would cost approximately \$12 million, which includes preparing Voter Information Pamphlets (VIPs) for City of Los Angeles registered voters along with costs incurred by the Los Angeles County/Registrar-Recorder to conduct the Special Election. This option may also entail possible voter fatigue due to City of Los Angeles voters being asked to vote in two elections within a month.

Option 2: Determine to submit the proposed ordinance, without alteration at the City's 2022 General Election to be held November 8, 2022.

If the City Council determines to submit the proposed ordinance to the electorate at the November 8, 2022 General Election, there will be zero to minimal additional financial impact relative to Election costs since there will be city-wide races included on the ballot.

# **COST OF PROCESSING THE SIGNATURES**

The City Clerk expects to absorb the cost of petition checking by re-allocating approximately \$150,000 from salary savings.

#### RECOMMENDATION

That the City Council take the following action on the certified Initiative Petition:

Determine to submit the proposed ordinance, without alteration, to a vote of the electors of the City at the regularly-scheduled General Election scheduled for November 8, 2022.

## **FISCAL IMPACT**

There is zero to minimal cost for adopting the recommendation in this report, assuming there will be a Citywide race or a moderate number of Council-sponsored measures on the November ballot.

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If, however, the City Council chooses to place this measure before the voters on a Special Election, the cost of that Election is estimated to be \$12 million.

Sincerely,

Holly L. Woloott

City Clerk

Attachments

HLW/PFS/JP/SA:ih EXE-038-22

# **Petition Statistics**

5/27/2022 7:44:25AM FUNDING FOR AFFORDABLE HOUSING CITY OF LOS ANGELES

Petition ID:17825

Total Sigs Required 0
Total Sigs Submitted 98,043
Total Sample Size 4,903
Total Sigs Verified 4,837

		TOTAL CHALLENGED
ADD	DIFFERENT ADDRESS	
	Total	173
CAN	CANCELED	
	Total	17
FP ·	FATAL PENDING	
MADD	Total	5
MADD	PO BOX/MAILING ADDRESS	•
MAX	Total MAX NUMBER OF TIMES SIGNED	6
IVIAX	Total	2
MS	MISCELLANEOUS	2
,	Total	3
MSPET	MISSING SIG ON PETITION	ŭ
	Total	7
NADD	NO ADDRESS	
	Total	47
NR	NOT REGISTERED	
	Total	310
SIG	MISMATCH SIGNATURE	
WDIOT	Total	51
WDIST	WRONG DISTRICT	40
TOTAL	Total	10
TOTAL		631

TOTAL VALID:

4,206

# LOS ANGELES COUNTY REGISTRAR-RECORDER/COUNTY CLERK PETITION STATISTICS REPORT

PETITION ID:

17825

REPORT RUN DATE:

5/27/22

7:46 am

PETITION DESCRIPTION:

FUNDING FOR AFFORDABLE HOUSING

CITY OF LOS ANGELES

**Total Signatures Submitted** 

98,043

Total Sample Size

4,903 (5%)

Total Valid Signatures	4,206	
Total Invalid Signatures	631	
Total Processed	4,837	
Total Not Processed	93,206	
TOTAL	98,043	

### **BREAKDOWN OF INVALID SIGNATURES**

CHALLENGE DESCRIPTION	QTY
DIFFERENT ADDRESS	173
CANCELED	17
FATAL PENDING	5
PO BOX/MAILING ADDRESS	6
MAX NUMBER OF TIMES SIGNED	2
MISCELLANEOUS	3
MISSING SIG ON PETITION	7
NO ADDRESS	47
NOT REGISTERED	310
MISMATCH SIGNATURE	51
WRONG DISTRICT	10
TOTAL	631

STATE OF CALIFORNIA )
COUNTY OF LOS ANGELES ) SS
CITY OF LOS ANGELES )

### CERTIFICATION OF SUFFICIENCY

ORDINANCE INITIATIVE PETITION: FUNDING FOR AFFORDABLE HOUSING AND TENANT ASSISTANCE PROGRAMS THROUGH SPECIAL TAX ON REAL PROPERTY TRANSFERS OVER \$5 MILLION

I, HOLLY L. WOLCOTT, City Clerk of the City of Los Angeles, hereby certify to the Los Angeles City Council that I have verified the signatures submitted with the Initiative Petition for the above referenced initiative ordinance, utilizing the random sampling method provided for in Election Code Section 711 (b); and further certify that the Initiative Petition is **SUFFICIENT** and that the attached summary represents a true, correct, and complete summary validation of the Initiative Petition.

IN WITNESS WHEREOF, I hereunto set my hand and affix the seal of the City of Los Angeles this 27th day of May, 2022.

HOLLY L. WOLCOTT

CITY CLERK