

## **The Request**

The County of Los Angeles is seeking a change in State law to grant counties the authority to seek voter approval to impose a tax on personal annual income above \$1 million to combat homelessness.

## **What is the problem?**

The homeless crisis in Los Angeles County has been increasing and demands an urgent, coordinated response from the State, County, cities, and community partners throughout the region. The overall number of homeless people in Los Angeles County increased by 6% (46,874 people). In particular, the number of unsheltered homeless people living on the street, in encampments, tents and vehicles increased by 11%<sup>1</sup>. These results demonstrate a critical need to address homelessness that may numerous people with chronic health, serious and untreated mental illness who will benefit from affordable housing coupled with intensive home- and community-based supportive services.

## **What the need is**

The County of Los Angeles estimates \$500 million in ongoing resources are needed to effectively address homelessness system-wide.

## **What the County of Los Angeles did**

In August 2015, in response to the homelessness crisis which pervades Los Angeles County, the County launched the Homeless Initiative, a countywide effort, to develop a comprehensive set of County strategies to reduce homelessness. The inclusive, collaborative planning process brought together over 60 cities and 100 community organizations involving over 1,000 legislators, federal, state, County and state representatives, service providers and advocates.

On February 9, 2016, the Board unanimously approved the coordinated set of multi-pronged strategies that strengthen and build up on current County efforts by supporting evidence-based programs/services and leveraging mainstream criminal justice, health, and social services. The Board allocated \$99.7 million in one-time funding to support the initial implementation of the strategies while emphasizing the critical need for ongoing revenue as the long-term success of these strategies is determined by the County's ability to generate predictable, sustainable funding for the initiative to succeed.

## **(Not thrilled about this section)**

In due diligence, the County assessed revenue-generating options that could be placed before the voters and would be dedicated specifically to combating the homeless crisis. Recent polling results indicated homelessness as the second most cited problem (second to jobs and economy); millionaires tax garnered support from 76% percent of voters.

## **Why we need ongoing revenue**

The millionaires tax (one-half percent tax) is estimated to generate \$243 million per year, an ongoing, dedicated, and sufficient source of revenue, which is needed as current County resources are insufficient to sustain the Initiative and vital services to combat homelessness.

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<sup>1</sup> 2016 Greater Los Angeles Homeless Count, Los Angeles Homeless Services Authority

