



California Apartment Association
Los Angeles County

May 5th, 2026

Honorable Members of the ULA Ad Hoc Committee
200 N. Spring Street
Los Angeles, CA 90012
VIA EMAIL

Re: Amend Measure ULA to Exempt Multifamily Housing and Prioritize Rental Subsidy

Honorable Committee Members,

If the Council chooses to move forward with amendments to Measure ULA for voter consideration, we respectfully urge the Committee to (1) exempt multifamily residential properties from the tax and (2) eliminate the ordinance's right to counsel elements, reallocating those funds to a direct rental subsidy program.

Less Housing, Higher Rents

The ULA tax was presented as a tax on mansions. It has generated far less revenue than projected while undermining housing production and stability. It complicates land assembly for new development and discourages the sale and reinvestment of multifamily properties.

As housing production slows, supply tightens, leading to greater scarcity and higher costs. When buildings do sell, the cost of the tax is incorporated into the transaction and ultimately borne by residents through higher rents. In practice, the tax is reducing housing supply and increasing housing costs.

Research by UCLA indicates that, following implementation of ULA, sales of parcels with high redevelopment potential declined by roughly half. Broader data shows significant reductions in multifamily and related transactions, creating a direct headwind to future housing production.

Right to Counsel Programs Are Ineffective

Measure ULA dedicates 10% of funds to a "Right to Counsel" (RTC) program. RTC programs are ineffective and counterproductive. The city should focus on funding prevention strategies, not lawyers.

The 2020 Sargeant Shriver study found that legal counsel was not effective in preventing the removal of a tenant from a unit. Overwhelmingly, whether a person was represented or unrepresented, the tenant was required to move out of the unit at the end of their case. *"Three quarters of cases in both study groups ended with possession of the property awarded to the landlord. That is, three out of four tenants, whether Shriver clients or not, had to move out of the unit at the end of their case".*¹

¹ [Judicial Council of California. \(2020\) Sargent Shriver Civil Counsel Act: Report to the Legislature. San Francisco, CA: Judicial Council of California](#)



California Apartment Association
Los Angeles County

In most cases these dollars do not keep people permanently housed; it merely delays the process. The city should prioritize direct emergency rental assistance, the proven way to keep people housed.

A Regressive Impact on Renters

Taxing multifamily transfers is inherently regressive. Apartment buildings house working families, seniors, and residents across all income levels. Policies that reduce supply or increase operating costs ultimately fall on renters in the form of higher rents and fewer housing options.

If the Committee decides to send amendments to voters, we urge you to fully exempt multifamily housing and redirect funding from lawyers to effective housing strategies.

Sincerely,

A handwritten signature in black ink that reads "Fred Sutton".

Fred Sutton
California Apartment Association