



Office of the Mayor
City of Los Angeles

ANTONIO R. VILLARAIGOSA

“Building the City of Our Dreams”
Remarks of Los Angeles Mayor Antonio Villaraigosa
Mayoral Housing Summit
September 14, 2006

(As prepared for delivery)

Ladies and Gentlemen:

I want to thank each and every one of you for being here today.

Let’s hear it for Chancellor Norman Abrams and all of the faculty and staff here at UCLA... who have been gracious enough... year after year... to bring us into their home... and to treat us all with such warmth and hospitality!

I want to thank the LA Business Council not just for its organizing role in sponsoring this summit... but for its continuing leadership... in raising the issue of housing affordability in our city... and boldly raising the stakes in this important public policy debate.

And let’s hear it for all of the panelists and presenters who added their voices and vision to this conversation this morning. Thank you all.

Friends, we all know why we’re here.

The issues you are discussing at this summit couldn’t be more critical or more consequential.

While housing affordability may not often lead the eleven o’clock news... and while discussions of smart planning policy don’t always attract the largest crowds... I think we’d all agree... that LA’s housing crisis presents us with the most fundamental question.

We are here to decide... What kind of a city do we want to be?

And to face that question, we also need to confront the hardest issues:

We need to ask ourselves whether we can continue to prosper as a city of such dramatic economic extremes?

We need to ask whether we can sustain our whole community if we continue to lose our middle?

Whether we can ever grow together as one City if we choose to remain a city so unevenly divided?

A city where... increasingly... the dream that has always distinguished and defined us... applies to an ever narrowing number... to a lucky few who've already realized the promise...

Do we want to be a city where you either have a view from the Hills or you're looking permanently up?

Where for too many of our people there is no clear ladder or pathway connecting the glitter and the gutter?

Where growing numbers of nurses, teachers, police and firefighters can no longer afford to live in the very communities that they protect and serve?

Where just 12 percent of our people can afford a median-priced home?

Can we continue with a straight face to call ourselves a "City of Dreams" when we boast the third-lowest rate of home-ownership in the nation... and according to one recent study... we have the nation's smallest middle class?

In short, will we remain a city of unparalleled opportunity if we continue to witness the removal of the middle rungs on the economic ladder?

And, friends, we need to ask ourselves an even harder question... whether we can consider truly ourselves "rich" in the midst of such profound and persistent poverty... whether we can be a truly great city if we keep neglecting the emergency of homelessness in the City of Los Angeles... where again... we face the worst crisis in America... a tragedy that is compounding every day in the tent encampments and open air drug markets of Skid Row.

Ladies and gentlemen, this audience knows better than any other: Our failures to face the twin crises of middle class affordability and chronic homelessness carry profound moral and economic consequences for our city.

For employers, the high cost of housing is making it more and more difficult to attract and retain workers with the right skills. And in every economic quarter...we see businesses tempted to take their headquarters and their payrolls elsewhere.

For middle class workers, it means longer commutes, more traffic, more time away from their families.

For the residents and businesses located Downtown now enjoying a renaissance of new development, we risk seeing progress fade and falter if we don't address the needs of our growing population of chronically homeless and permanently poor.

Now, I know that our history has not exactly been synonymous with smart planning and growth. But our future needs to be.

For too many years, we've been a city without a larger housing plan or strategy. It's time to come together, roll up our sleeves, and face this challenge as a community.

Angelenos, we need to decide what kind of a city we want to be.

Now, as you all know, we are in a situation today where demand for housing is greatly outpacing supply.

We need to build more housing, both affordable and market-rate.

We need to build smart.

We need to build in areas that we've traditionally overlooked.

We need to put new housing where the transit is.

And we need to do so with the vision of making LA a City more livable for people who work here, for employers staking their futures here, and for the families who want to grow here.

Let me tell you about the specific elements of our strategic plan.

First, we are using City resources to aggressively expand housing opportunities for the poor and the middle class.

I'm pleased to announce today that for the second consecutive year, I am fully funding the Affordable Housing Trust Fund at \$100 Million!

Last year at this summit – and within my first few months in office - I announced a \$50 million infusion into the Trust Fund for a broad range of affordable housing options and an additional \$50 million for permanent supportive housing.

We are making that same commitment again this year.

And I want to put the word on the street: The City's Permanent Supportive Housing Program, designed under the able and dynamic leadership of LA

Housing Department General Manager Mercedes Marquez, is expected to be approved by our City Council any day now. It's ready to go. We're launching it at the end of this month, and we'll be making the first \$50 million available by October 1st.

This program was made possible by the coordination of funds from the Community Redevelopment Agency, the Department of Water and Power, the Housing Authority of the City of Los Angeles, the LA Housing Department and the Department of Transportation.

I've formed the Mayor's Housing Coordinating Team to enact citywide housing policy. The city family is working together, coordinating programs, and leveraging one another's efforts in the provision of affordable housing for the people of Los Angeles.

And we're doing more.

We're reevaluating how and where we build throughout the City.

We're taking a hard look at our urban form and function.

We're committed to mixing land uses... to providing our residents with viable public transportation . . . and designing our city in a way that gets people's feet on the street.

In short, we're staking our claim in green urbanism.

That means demanding walkable communities and livable neighborhoods.

It means respecting each neighborhood's unique character identity.

It means seeing to it that our housing dollars are invested in projects that are woven into a larger fabric and that reflect green ideals.

It means encouraging sustainable practices in the ways we build.

I want to be clear: I want to establish *green* building as the way *all* building is done in this City.

And here's where I have the market on my side. As you all know, green is already going mainstream.

Now, I understand that some of the biggest hurdles to building green in this city have traditionally come from a lack of support from city staff and from a lack of resource materials for the development community.

That's why I'm creating a green building team - The Sustainable Practices Cabinet - to get the conversation started across city departments and bureaus.

We need to tap our knowledge, coordinate our efforts across departments, and make green urbanism the guiding policy of the City of LA.

And ladies and gentlemen, we need to think big.

We need to dramatically change the funding equation for affordable housing in the City of LA.

A year ago, I announced my support for a \$1 billion housing bond, and thanks to hard work of Council President Eric Garcetti, Prop. H will appear on the November 7th ballot.

This measure represents the cornerstone of an historic and comprehensive strategic plan addressing the City's housing crisis at every level.

Led by a broad coalition of business leaders, housing advocates, policy experts, and elected leaders... led by many of you here in this room... Prop H will expand opportunities for first-time home-buyers, create more affordable housing for middle class families, and redouble the city's efforts at finding permanent solutions for the chronically homeless.

Specifically, the bond will provide \$350 million in new affordable rental housing for people living on fixed incomes, including seniors, veterans and the disabled.

It will provide \$250 million in direct assistance to working families to help make the dream of home ownership a tangible reality for more of our people.

And it will fund \$250 million in permanent housing solutions for the chronically homeless and those living just a paycheck away from the streets.

LA's residents can expect to see the returns on this investment magnify over time. For every dollar invested by City taxpayers, we estimate that the City will be able to attract up to \$5 more in state and federal funding. That's a \$1 billion investment with a \$6 billion impact.

And ladies and gentlemen, as these investments accrue, I believe that we will see the face of our City transformed.

We'll see entire neighborhoods blossoming to life.

We'll see new housing that people can afford cropping up along our transit corridors.

Just visit the once-troubled corner of Hollywood and Western, which today is home to a model mixed-use building surrounded by a half-dozen like it and situated next to a bustling Red Line station, and you can see the future of Los Angeles taking shape!

Angelenos, we need to plan and build that future strategically.

We need to lock arms and drive toward that future together.

We need to be like those communities of Pennsylvania Dutch who gather on a Saturday to raise a barn for a neighbor.

We need to see that we are all enriched when we grow and prosper together and that the fabric of our democracy is strengthened with every added thread of individual ownership.

Let's create a new LA!

Let's build green!

Let's plan smart!

Let's build the City of Our Dreams!

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