

# Federal Judge Dismisses Challenge Against Measure ULA

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In a pro bono matter, Irell & Manella LLP, along with Public Counsel, secured a victory when Judge John Kronstadt of U.S. District Court for the Central District of California dismissed the federal challenge filed by a group of property owners against Measure ULA.

Measure ULA is the largest affordable housing ballot initiative passed in Los Angeles history. It was drafted and led by the United to House LA coalition and passed in November 2022 with overwhelming support from nearly 58 percent of L.A. voters. Measure ULA will generate hundreds of millions of dollars annually via a one-time real estate transfer tax on sales of properties over \$5 million. These funds will go toward programs that provide financial assistance to low-income seniors, rental assistance for tenants, the purchase of apartments and hotels for affordable housing, the construction of new affordable housing using both established and innovative models, and legal assistance for tenants threatened with eviction.

In December 2022, the Howard Jarvis Taxpayers Association and the Apartment Association of Greater Los Angeles filed a state court challenge to Measure ULA. In January 2023, Newcastle Courtyards LLC and the Mani Benabou Family Trust filed two additional challenges in state and federal court. The two-state actions have been consolidated into one action, and the federal action was dismissed due to lack of jurisdiction under the Tax Injunction Act. The state court action remains pending.

Irell and Public Counsel represent the Southern California Association of Nonprofit Housing, Koreatown Immigrant Workers Alliance and Service Employees International Union Local 2015, which were deeply involved in the development of Measure ULA and represent constituencies that would benefit from the measure's programs.

The Irell team includes Morgan Chu, Michael Ermer, Dominik Slusarczyk, Charlotte Wen, Connor He-Schaefer, Skyler Terrebonne and Isabella Chestney.