



Funders Together TO END HOMELESSNESS



COMMUNITY LEGAL SERVICES IN EAST PALO ALTO





The Kelsey



HOUSING ACCELERATOR FUND



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INLAND COUNTIES LEGAL SERVICES



LIFT TO RISE



April 17th, 2023

The Honorable Gavin Newsom
Governor of California
1021 O St., Ste. 9000
Sacramento, CA 95814

Senate President Pro Tempore Toni Atkins
1021 O Street, Ste. 8518
Sacramento, CA 95814

Assembly Budget Chair Philip Ting
1021 O Street, Ste. 8230
Sacramento, CA 95814

Assembly Speaker Anthony Rendon
1021 O Street, Ste. 8330
Sacramento, CA 95814

Senate Budget Chair Nancy Skinner
1021 O Street, Ste. 8630
Sacramento, CA 95814

Re: 2023-24 Housing and Homelessness Budget Blueprint for Impact

Dear Governor Newsom, Senate President pro Tempore Atkins, Assembly Speaker Rendon, Assembly Budget Chair Ting, and Senate Budget Chair Skinner:

As you know, California's affordable housing and homelessness crisis is one of the most pressing challenges facing our state and its residents. You have demonstrated your commitment to addressing this crisis through several years of historic investments and enacting meaningful policy change. We write to you as a united coalition of California's leading affordable housing, homelessness, and housing justice organizations to propose a set of investments that should serve as a blueprint for housing investment in the 2023-24 budget.

We share your commitment to ensuring everyone in every community has access to a safe, stable, affordable home. However, to continue to build on our progress we must go beyond the investment signaled in the Governor's January budget proposal and invest at a greater scale in deeply affordable housing development, preservation, homelessness, tenant protection, and affordable homeownership.

We recognize the complex, difficult choices the Administration and the Legislature face in the months ahead in confronting a major projected budget deficit, and appreciate the Administration's commitment to maintaining many of the planned housing and homelessness investments committed in last year's budget. We also know from previous deficits and recessions that economic downturns are precisely the times when we must invest in resources for our most marginalized neighbors to prevent our housing and homelessness crisis, and its disproportionate impact on people of color, from worsening. Now is the time to build on our momentum in securing a more stable and affordable California.

We are collectively calling for investing **\$6.9 billion in a critical continuum of housing production, preservation, and homelessness programs to advance housing affordability and economic resilience in California.** Our coalition stands by this full suite of investments as a holistic package that can ensure that our state continues to build and preserve deeply affordable housing to address our shortfall of over a million affordable units for people with extremely low incomes, prevent people from falling into homelessness and solve homelessness for thousands of our neighbors living on our sidewalks and in shelters, and address the disproportionate harms of skyrocketing housing costs, housing instability, and homelessness on Black, Indigenous, and other people of color living in poverty.

\$6.9 Billion Investment Strategy to Build on Progress on California's Affordable Housing Goals

- **\$4 billion to unlock and accelerate production of 35,275 new affordable homes.** We propose doubling the current state Low-Income Housing Tax Credit Program (LIHTC) with an additional \$500 million beyond what was allocated in the 2022-2023 state budget. We also urge appropriating \$2 billion to the Multifamily Housing Program (MHP) and \$1.5 billion to the California Housing Accelerator Program (CHAP) and that HCD be given the authority, with DOF approval, to transfer amounts between these two programs in line with demand. Using a portion of MHP funds for

capitalized operating subsidies or in conjunction with augmented HHAP allocations for operating subsidies would allow a significant portion of these funds to provide housing for extremely and acutely low-income households, where the greatest need currently exists.

- **\$1 billion in additional funding for the Homeless Housing, Assistance, and Prevention Program (HHAP) in 2023-2024 for a total of \$23 billion in ongoing funding for future years, allowing 94,000 households to exit homelessness.** This funding will provide local jurisdictions and Continuums of Care (CoCs) with adequate resources to rehouse about 20,000 households experiencing homelessness in year one, increasing to rehousing or preventing homelessness for 94,000 households annually by year five, by focusing investment on solutions like rental subsidies, services to help sustain housing, and homeless prevention programs that keep the most marginalized populations from falling into homelessness. Much of this funding can pay for operating costs of deeply affordable housing also created through this proposal, making state capital funding more effective. The Bring California Home Coalition is proposing pairing this funding with programmatic changes to enhance accountability, drive successful long-term outcomes, eliminate racial disparities, and advance workforce capacity and equity across local homeless response systems
- **\$1 billion to prevent displacement and homelessness for low-income households and preserve new affordable homes, to include:**
 - **\$500 million for the Community Anti-Displacement and Preservation Program (CAPP) as proposed in Senate Bill 225 (Caballero) to spur the preservation of 3,600 homes, preserving low-income housing for 39,600 households over the next 55 years.** This program will prevent displacement and homelessness by financing the acquisition of naturally occurring affordable rental housing and preserving it as permanently affordable. Acquisition preservation directly prevents low-income families from being displaced and potentially falling into homelessness today while also investing in expanding the supply of deed-restricted affordable homes for generations to come. CAPP fills a state funding gap where there are not currently resources to support this type and scale of acquisition preservation.
 - **\$500 million for a targeted rental subsidy program to prevent and end homelessness and displacement for over 13,500 older adults and people with disabilities each year, over four years.** As proposed in Senate Bill 37 (Caballero), this funding will create a grant program to prevent the inflow of older adults and people with disabilities, the fastest-growing populations falling into homelessness, and help these populations exit homelessness.
- **\$500 million for affordable homeownership production through the CalHome Program to provide homeownership opportunities to 5,000 low-income Californians.** CalHome is the only state homeownership program with funding dedicated to the construction of new owner-occupied homes for low-income families. CalHome supports programs prioritizing homeownership in various forms for low-income families so they can build equity, increase community stability, and gain the multi-generational benefits of owning a home.
- **\$200 million to support the affordable housing needs of farmworker and tribal communities.** This allocation should include \$100 million for farmworker housing development through the Joe Serna Farmworker Housing Grant Program. Farmworkers face significant housing disparities and require resources to ensure safe, quality housing that supports migrant families and make a life-changing difference in their children's health and educational outcomes. These investments should also include \$100 million for a new Tribal Housing Grant Program to help finance homes for rent or

purchase on tribal trust and fee land and meet the unique housing, land, and sovereignty conditions of California tribes that are not being met by existing state housing programs.

- **\$100 million a year for 2 years for resources to help tenants utilize federal Housing Choice Vouchers through landlord recruitment, services, and resources to connect landlords and tenants.** These programs have succeeded around the country in increasing voucher utilization and access for voucher holders.
- **In addition, we support the augmentation of funding for the Civil Rights Department (CRD) included in the Governor's January budget proposal to support investigation and enforcement of complaints related to SB 329 (Mitchell, Chapter 600, Statutes of 2019),** which prohibited landlords from discriminating against prospective tenants with housing vouchers and other forms of public rental assistance. CRD receives upwards of 800 voucher discrimination complaints every year but does not have sufficient staff to process them all. Expanding enforcement of the state's voucher non-discrimination law will increase the utilization and effectiveness of both federal- and state-funded rental subsidies.

We realize that these budget requests exceed what is outlined in Governor Newsom's January budget proposal, but are eager to work with the Administration and the Legislature to seek collaborative and creative approaches, including through exploring new, dedicated revenue sources, to provide long-term funding solutions to our housing crisis. Together, we can ensure that deeply affordable housing units do not continue to languish in the pipeline, unhoused Californians need not wait months or years to access an affordable and accessible housing option, and we stem the inflow of Californians into homelessness through protecting their rights and preserving their affordable housing options. As such, our coalition stands fully committed to advocating for this full spectrum of housing and homelessness programs as a package. We recommend that any housing and homelessness investments beyond those proposed in the Governor's January budget reflect the proportionality of the requests in this letter.

Thank you for your ongoing leadership and partnership in creating a more affordable and equitable California. We look forward to working together closely on the budget this year.

Sincerely,

Statewide and National Organizations

Brilliant Corners
CADEM Renters Council
California Association of Local Housing Finance Agencies
California Coalition for Rural Housing
California Homelessness & Housing Policy Funders Network
California Housing Consortium
California Housing Partnership
California Reinvestment Coalition
California Rural Legal Assistance Foundation
California Women's Law Center
CARentersCouncil
Corporation for Supportive Housing
Courage California
CSI Support and Development
Disability Rights Advocates
EAH Management

EBAY Housing Organization
Enterprise Community Partners
Evolve California
Friends Committee on Legislation of California
Fundors Together to End Homelessness
Golden State Opportunity
Habitat for Humanity California
Housing California
Housing Now!
Housing Rights Initiative
Human Impact Partners
Indivisible CA: StateStrong
Inner City Law Center
Justice in Aging
LeadingAge California
Lived Experience Advisers
Mercy Housing California
Merritt Community Capital Corp
Mi Familia Vota
Mogavero Architects
National Alliance to End Homelessness
National Association of Social Workers - California Chapter
National Housing Law Project
Non-Profit Housing Association of Northern California
Novin Development Corp
Parable of the Sower Intentional Community Cooperative
People Assisting The Homeless (PATH)
PICO California
PolicyLink
Public Advocates
RRM Design Group
RUN (Residents United Network)
Social Justice Learning Institute
State Council on Developmental Disabilities
TechEquity Collaborative
The Children's Partnership
The Greenlining Institute
The Kelsey
United Ways of California
Western Center on Law and Poverty

Bay Area Organizations

Berkeley Student Cooperative
Berkeley Tenants Union
Build Affordable Faster
Community Legal Services in East Palo Alto
Compass Family Services
Council of Community Housing Organizations (CCHO)
County of Sonoma Dept. of Health Services
Destination: Home

EAH Housing
East Bay Asian Local Development Corporation
East Bay Housing Organizations
Ensuring Opportunity Campaign to End Poverty in Contra Costa
EPACANDO
Fair Housing Advocates of Northern California
Housing Matters
Housing Trust Silicon Valley
Legal Aid of Sonoma County
MidPen Housing
Mission Economic Development Agency
Monument Impact
Resources for Community Development
Residents United Network (RUN) Northern California
Sacred Heart Community Service
San Francisco Foundation
San Francisco Housing Development Corporation
San Francisco Tenants Union
Santa Clara Methodist Retirement Foundation
Sonoma Valley Housing Group
SPUR
SV@Home
Tenderloin Housing Clinic
Tenderloin Neighborhood Development Corporation
The Race & Equity in all Planning Coalition (REP-SF)
The San Francisco Housing Accelerator Fund
The Unity Council
West Side Tenants Association

Central Valley / Central Coast Organizations

Bend the Arc SLO
California Central Valley Journey for Justice
Central Valley Empowerment Alliance
Faith in the Valley
Hauleys Metal Inc.
HelloTech
Monterey County Renters United
People's Self-Help Housing
San Luis Obispo County Democratic Party Executive Committee
Self-Help Enterprises

Inland Empire / Coachella Valley Organizations

Family Assistance Program
First Congregational United Church of Christ
Inland Counties Legal Services
Inland Equity Community Land Trust
Inland Equity Partnership
Inland SoCal Housing Collective
Lift to Rise
Restoration Transitional Supportive Housing Program

Starting Over, Inc.
Val American Corporation

Sacramento Organizations

Sacramento Housing Alliance
Sacramento Regional Coalition to End Homelessness

Southern California Organizations

A Community of Friends
Bend the Arc: Jewish Action Southern California
Congregations Organized for Prophetic Engagement (COPE)
Florence Aliese Advancement Network, LLC
FSY Architects, Inc
Funders Together to End Homelessness San Diego
Healing and Justice Center
Holos Communities
Housing Authority of the City of Santa Barbara
Imagine LA
Inner City Law Center - Los Angeles
Kitchens For Good
Long Beach Residents Empowered
LTSC Community Development Corporation
Nancy Lewis Associates, Inc.
National Council of Jewish Women Los Angeles
Orange County United Way
People's Budget Orange County
Public Counsel
Resident United Network Los Angeles
Resident United Network San Diego
San Diego Housing Federation
Southern California Association of NonProfit Housing (SCANPH)
Thai Community Development Center
The People Concern
Union Station Homeless Service
United Way of Greater Los Angeles
Viet Vote San Diego
World Famous Skidrow 3x3 Streets Basketball League
WUNZ Apparel in Action

Individuals

Brigitte Battiest-Ray, FKA Realtor Associate
Ginny Madsen
Karen Clark
Joyce E Roberts, RUN/Housing California Board Member
Maureen Puglisi Grover

cc: Lourdes Castro Ramirez, Secretary, Business, Consumer Services, and Housing Agency
Gustavo Velasquez, Director, Department of Housing and Community Development