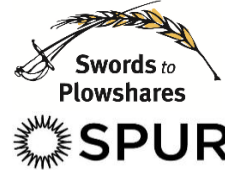


East Bay Housing Organizations





February 12, 2021

The Honorable Nancy Skinner, Chair
Senate Committee on Budget & Fiscal Review
State Capitol, Room 6026
Sacramento, CA 95814

The Honorable Phil Ting, Chair
Assembly Committee on Budget
State Capitol, Room 5019
Sacramento, CA 95814

The Honorable Anna Caballero, Chair
Senate Budget Subcommittee #4
State Capitol, Room 5052
Sacramento, CA 95814

The Honorable Wendy Carrillo, Chair
Assembly Budget Subcommittee #4
State Capitol, Room 4167
Sacramento, CA 95814

RE: Ongoing State Funding to Reverse the Cycle of Homelessness

Dear Chairs Skinner, Ting, Caballero, and Carrillo:

On behalf of a statewide coalition called Bring California Home, the undersigned organizations are writing to request ongoing funding of \$2.4 billion to put the state on a course for ending homelessness. This funding will transform California’s response to homelessness, hold local governments accountable for reductions in homelessness, and avoid costs associated with the state’s currently ineffective response.

Increasing rates of homelessness throughout the State. California leads the nation with the highest homeless population, the highest rate of chronic homelessness, and the largest populations of youth and veterans experiencing homelessness in the nation. With over 150,000 people experiencing homelessness at any given night, California is home to a quarter of the nation’s entire homeless population, despite being home to only 12% of the nation’s population. Moreover, the COVID-19 pandemic has worsened our homelessness crisis by putting hundreds of thousands of Californians into financial distress, and either on the brink of or experiencing homelessness. It has also endangered the health and wellbeing of those experiencing homelessness, and depleted local resources. Even before COVID-19, over 1,000 people experiencing homelessness died each year in Los Angeles alone from causes directly attributable to homelessness.

One-time funding does not meet the scale of the need or voters’ expectations. California has no statewide strategy nor any long-term funding targeted to ending homelessness. That needs to change.

Despite polling showing that combatting homelessness has been voters' top priority for the last few years, the state's investment in solving our crisis has never exceeded more than .5% of the state's total budget.

None of the state's recent one-year programs have made the level of progress we need to significantly reduce the number of people falling into and experiencing homelessness. While the state's investments have helped local governments shelter tens of thousands of people and thwart more dramatic increases in homelessness, one-time investment, by its nature, narrows practical uses, preventing a comprehensive response. It taxes local governments to create administrative structures, complete complex applications year after year, and creatively combine funding sources with different, often inconsistent requirements.

One-time funding also limits the state's ability to hold local governments accountable for lasting results, and frustrates budget committees that have to make new funding appropriations before last year's investments have been allocated. Experience in other states and in other policy areas clearly shows us that steady progress is only possible when governments plan well, fund sufficiently, and track outcomes consistently. California's leadership on greenhouse gas emissions and renewable energy are two of many examples of this approach's success.

For these reasons, the Legislative Analyst's Office stated on February 5th, in response to the Governor's proposal for one-time funding, "[A] clear, long-term strategy would make it more likely that the state's investments would have a meaningful, ongoing impact on its housing and homelessness challenges" than one-time funding. And a recent State Auditor's report indicates the fragmented response of multiple one-time programs has prevented progress on this issue.

Ongoing revenue scaled to meet the need, and invested in proven solutions dramatically reduces homelessness. Other states have succeeded in significantly reducing homelessness through state investment in targeted, effective interventions, including New Jersey and Michigan. Federal and state funding for comprehensive, evidence-based strategies to house veterans experiencing homelessness reduced homelessness among veterans by almost 40% over the last 10 years, even while homelessness among other Californians increased. Thirty years of studies shows providing people experiencing homelessness with housing and services reduces homelessness, as well as decreases in hospital and nursing home admissions, recidivism to jails and prisons, and foster care placement among individuals and families getting housed.

The budget can drive the comprehensive strategy in AB 71 (L. Rivas/Chiu/Bloom/Wicks), which would:

- ✓ Generate \$2.4 billion in new revenue that will free up General Fund dollars currently spent on nursing home and hospital admissions, emergency room visits, and other Medi-Cal costs, prison and juvenile justice costs, child welfare costs, and more.
- ✓ Hold the state and local governments accountable for spending on *evidence-based* approaches to ending and preventing homelessness: permanently-affordable homes, rental assistance, and services to help people access housing stability.
- ✓ Change the state's current approaches to local grants by setting, measuring, and reporting quantifiable outcomes, including *reductions in racial disparities* that result in Black and indigenous Californians vastly over representing—by almost 7 times the general population—Californians experiencing homelessness.

- ✓ Evaluate to make the program more effective through legislative changes.
- ✓ Foster collaboration between local governments and the state.
- ✓ Set aside 10% of funding to promote the needs of unaccompanied homeless youth, which account for 10% of California’s homeless population, using developmentally appropriate services and housing interventions.
- ✓ Make California more competitive for small and mid-sized businesses by addressing quality of life issues, like housing costs that put low-wage workers at risk of homelessness, and Californians with nowhere to sleep other than doorways and sidewalks near storefronts.

To generate \$2.4 billion per year, AB 71 would restore the 1986 corporate tax rate for the corporations with profits of \$5 million or more from business in the state, only 500 of which are based in California—one out of every 3,000 businesses (.03%). *Regardless of where a corporation is located*, this higher rate would apply to any corporation doing \$5 million or more of business in California. Our proposal would also generate revenue by conforming to federal law that taxes multinational corporations that shift their profits overseas. Neither tax measure will touch the businesses most responsible for recent economic growth, or businesses that are suffering during the pandemic.

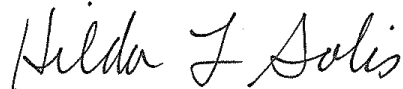
Your committees can alternatively allocate \$2.4 billion per year to reverse the cycle of homelessness through General Fund allocations. Whether through identified revenue sources or the General Fund, we request ongoing funding of \$2.4 billion per year to “bring California home,” and implementation of policy proposals in AB 71 to enact the comprehensive, strategic plan the Legislative Analyst’s Office, the Governor’s Council of Regional Homeless Advisors, and the State Auditor have recommended.

Eighty-five percent of Californians identify homelessness as one of the most important issues facing California. They are counting on all of us as elected, non-profit, and public sector leaders to take dramatic steps to solve homelessness. And that’s why our diverse coalition has come together to ask you to put the state on the path toward solving it. We urge your consideration of this critical budget proposal.

Sincerely,



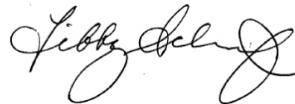
Mayor Eric Garcetti
City of Los Angeles



Supervisor Hilda Solis
Los Angeles County



Bill Pickel
Brilliant Corners



Mayor Libby Schaaf
City of Oakland



Tomiquia Moss
All Home



Sharon Rapport
Corporation for Supportive Housing



Beth Stokes
Episcopal Community Services-San Francisco



Christopher Martin
Housing California



Heidi Marston
Los Angeles Homeless Services Authority



Amie Fishman
Non-Profit Housing Association of N. California



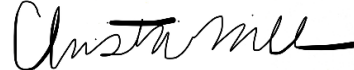
Tommy Newman
United Way of Greater Los Angeles



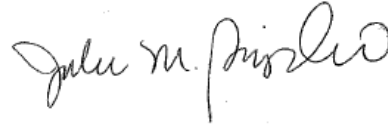
Veronica Lewis
HOPICS



Amy Lemley
John Burton Advocates for Youth



Christina Miller
National Alliance to End Homelessness



Julie Snyder
Steinberg Institute

Supporting Organizations

Michelle Ton
Alexandria House

Diego Cartagena
Bet Tzedek Legal Services

Jennifer Rexroad
California Alliance of Caregivers, Inc.

Mary Ellen Shay
California Association of Local Housing
Finance Agencies

Danielle Wondra
Children Now

Angela LoBue
Coalition for Responsible Community
Development

Jennifer Friedenbach
Coalition on Homelessness, San Francisco

Chandra Alexandre
Community Action Marin

Louise McCarthy
Community Clinic Association of Los
Angeles County (CCALAC)

Elissa Dennis
Community Economics, Inc.

Sammie Rayner
Community Forward SF

Mary Kate Bacalao
Compass Family Services

Greg Comanor
Daylight Community Development

Amy Turk
Downtown Women's Center

John Minot
East Bay for Everyone

Sophia DeWitt
East Bay Housing Organizations

Hector Malvido
**Ensuring Opportunity - Richmond
Community Foundation**

Amy Denhart
**Funders Together to End Homelessness
San Diego**

Wesley Saver
GLIDE

Jonathan Thompson
**Good Seed Community Development
Corporation**

Laura Hernandez
Good Shepherd Center

Wendy Wang
Hathaway-Sycamores Child & Fam Services

Greg Anglea
Interfaith Community Services

Sherilyn Adams
Larkin Street Youth Services

Steven Root
Mutual Housing California

G. Anthony Phillips
**Napa County Democratic Central
Committee**

David Sigala Gomez
Pasadena City College EOPS/NextUp

Zach Schlagel
People Assisting the Homeless (PATH)

Sharon Balmer
Public Counsel

Bob Erlenbusch
**Sacramento Regional Coalition to End
Homelessness**

Sahar Khundmiri
Alex Furtado
Safe Place for Youth

Michael Lane
**San Francisco Bay Area Planning and
Urban Research Association (SPUR)**

Jet Doye
Skid Row Housing Trust

Va Lecia Adams Kellum
St. Joseph Center

Tramecia Garner
Swords to Plowshares

Gabriella Ruiz
Adrian Napolitano
**Tenderloin Neighborhood Development
Corporation**

Lisa Ann Culp
Women's Empowerment

Erica Hickey
VOICES