



April 26, 2022

Governor Gavin Newsom
The Honorable Nancy Skinner, Senate Budget Chair
The Honorable Phil Ting, Assembly Budget Chair

RE: Updated Letter from All Home on State Budget Requests

Dear Governor Newsom, Senator Skinner, and Assemblymember Ting:

Thank you for your continued leadership and investments to help California house the increasing number of people who experience homelessness every year. While we do not yet know what the latest Point-in-Time count will show, many Bay Area communities are seeing an increase in homelessness and we know that, similar to the most negative impacts of the pandemic, Black and Brown Californians are also those most disproportionately affected by homelessness. We believe that California has the resources and ingenuity to end homelessness and that now is the time for our state to take immediate action.

As we move closer to the May Revise Budget, we wanted to express our support for various budget proposals. We believe that the majority of the State surplus should go to the issue that is top-of-mind for the majority of Californians—housing our neighbors who are experiencing homelessness.

We support the following January budget proposals and respectfully highlight some additional recommendations for investments that are necessary to scale our response to the homelessness crisis and create a more sustainable affordable housing pipeline:

Governor's January budget proposals

- \$500 million this year to maintain the expansion of the state Low Income Housing Tax Credit, along with additional investment in the Infill Infrastructure Grant Program, Affordable Housing and Sustainable Communities Program, and Portfolio Reinvestment Program.
- \$1.5 billion for the BH-CIP "bridge" housing program for people experiencing homelessness who have co-occurring mental or behavioral health needs.

New investments

Homelessness

- **\$2 billion in HHAP funds** - \$1 billion per year in FY 2024 and 2025 with strong accountability metrics and State oversight requiring overall reductions in unsheltered homelessness and the reduction of racial disproportionality in who is experiencing homelessness prior to disbursement of additional funds. Without these funds, it will not be possible for some jurisdictions to sustain projects that have begun to make progress.
- **\$500 million for a new homelessness prevention competitive grant program**, linked to improving health and reducing racial disparity in who is becoming homeless. We propose a pilot program that is offered through DHCS that compliments CalAIM reform efforts. Prevention is crucial if we are to reduce or end homelessness, but it continues to be underfunded.
- **\$500 million Homekey Supportive Services Fund**. We recommend that the State create a flexible matching fund that Homekey projects can draw on to help resolve the "obligation cliff" inherent in the current financing structure.
- **\$150 million for Right to Counsel in Eviction Defense**.
- **\$100 million to add short-term staffing capacity to county governments** that currently lack capacity to maximize the combination of new state and federal funding sources across departments in a coordinated response to reduce homelessness.

Housing

- **\$5 billion over three years for the Multifamily Housing Program (MHP) and the California Housing Accelerator Program**
- **\$500 million** to create the new Community Anti-Displacement & Preservation Program (CAPP)
- **\$100 million to create the Affordable Housing Preservation Tax Credit**.

We also support the following budget requests from other organizations. These organizations are closely aligned with the mission of All Home and the goals of the Bay Area Regional Impact Council, which include reducing racial disparities in the housing and homelessness response systems and increasing economic mobility options for households with extremely low incomes:

- The Bay Area Regional Health Inequities Initiative for the Bay Area's Black Housing Advisory Taskforce, better known as "Black HAT," for state investments to launch the Bay Area Regional Black Housing Fund.
- The Roberts Enterprise Development Fund's California Regional Initiative for Social Enterprises (CA RISE) Program (AB 2670 – McCarty)

- Housing CA's Reentry Housing and Workforce Development Program to provide stable housing and workforce training for recently incarcerated individuals experiencing or at risk of homelessness. (AB 1816- Bryan) and also the vision for its House California Challenge Grant (AB 2817- Reyes) which would provide flexible rental assistance to 50,000 Californians to end their homelessness.
- The Economic Security Project's Success, Opportunity, and Academic Resilience (SOAR) Guaranteed Income Program (SB 1341- Cortese)

We are very cognizant of the many competing needs and the limited availability of State surplus funds. We appreciate how extremely challenging it is to strike the right balance. We thank you for your leadership and respectfully request that you make reducing homelessness through emergency response and housing investment your utmost priority.

Sincerely,

Tomiquia Moss

Tomiquia Moss
All Home
Founder and CEO