



Los Angeles, San Diego, San Jose, San Francisco, Fresno, Sacramento,
Long Beach, Oakland, Bakersfield, Anaheim, Santa Ana, Riverside, Stockton

March 2, 2021

The Honorable Gavin Newsom
Governor of California
State Capitol
Sacramento, CA 95814

The Honorable Nancy Skinner
Chair, Senate Budget Committee
State Capitol
Sacramento, CA 95814

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

Dear Governor Newsom, Senate Budget Chair Skinner and Assembly Budget Chair Ting,

On behalf of the 13 largest cities in California — representing 11 million residents — we thank you for your leadership in confronting the coronavirus pandemic, and the cascading economic impacts that the COVID-19 response has wrought. We recognize and applaud the Administration and the Legislature’s efforts to expand testing and vaccine distribution, to aid families in critical need, and to support our small businesses.

We write for two reasons: first, to ask for your continued partnership in addressing the ongoing and worsening crisis of homelessness, and second, to support the creation of a state funded “Resilience Corps” jobs program to employ struggling young adults.

Last year, we were heartened to hear the Governor’s unprecedented call for action on homelessness at his “State of the State” address. No one could have predicted how quickly new challenges would deluge our cities and the state with the onset of the COVID-19 pandemic. Nonetheless, we saw hopeful signs through Project Roomkey, the creation of the successful Homekey initiative, and through the rapid deployment of HHAP dollars in our communities to drive innovative solutions for our unhoused populations.

Bold action to confront the homelessness crisis continues to be our top priority. Our cities have seen large increases in the numbers of residents experiencing homelessness and issues related to sanitation, safety and blight. Thanks to state investments such as HEAP and HHAP over the last few years, big cities have implemented an array of interim and permanent housing interventions. Many of those solutions—emergency housing, prefabricated dorms, tiny homes, and the like—have operational budgets that lack funding beyond the next year. To avoid unconscionably returning thousands to the streets, we must bridge this fiscal cliff until the we

can identify an ongoing source of homelessness funding. The State Auditor's report identified one-time programs and disjointed funding as insufficient to bend the curve on the State's homelessness problem. California must act boldly, as you called for in your State of the State, and stand up and properly fund a statewide comprehensive strategy that will end homelessness in our state. While we recognize the challenges of creating new revenue sources in these difficult times, we will continue to advocate for an ongoing source of funding of \$2.4 billion per year, and look forward to working with you to identify a sustainable and appropriate source.

In the meantime, California could see a budget surplus of \$15.5 billion, in addition to roughly \$26.3 billion in resources anticipated from the American Rescue Plan. The State has the resources to make a multi-year funding commitment to cities and local communities to prevent and address homelessness. We respectfully request an investment of **\$4.8 billion in flexible homelessness funds**, to be used over two years and until an ongoing source of revenue can be identified, distributed directly to big cities and counties by formula. We applaud the Governor's budget proposal of \$1.75 billion for homelessness, including another round of Homekey grants. We urge you to ensure this funding is used chiefly to serve persons experiencing homelessness. Additionally, cities require additional flexible funding to cover the operating costs to "keep the lights on" at these sites-- and the other homeless housing projects we have built. We embrace accountability, to ensure we satisfy State-mandated outcomes, and need flexibility to locally determine the best path to do so. We believe "accountability" means demonstrating results, and Homekey proved that with strong coordination with the State, aggressive timelines, and flexible but targeted resources, local governments can deliver on the results our State's residents demand. Further, the Homeless Coordinating and Financing Council's recent report on HEAP and HHAP show that cities were able to deploy these flexible resources quickly and effectively.

Additionally, we advocate in the budget for a state funded "Resilience Corps" jobs program. Among the many ways that this pandemic has victimized low-income residents of our communities, hundreds of thousands of our young adults have been displaced from their jobs in restaurants, hotels, retail stores, and other hard-hit industries, placing an entire generation at risk of failing to "launch." We believe a "Resilience Corps" young adult jobs initiative could help employ thousands of young people who desperately need jobs until this recovery takes hold, while simultaneously addressing our pressing community resilience and public health needs. We propose a one-year jobs program for young adults (aged 18-24) residing in high-poverty, high-crime, and high-unemployment census tracts that pays a living wage -- with health insurance -- that can be managed locally. The initiative would focus on work immediately unleashed to improve community resilience by mitigating the impacts of the pandemic and supporting the environment, for example:

- Providing logistical support for testing and vaccination centers, and performing vaccine registration and outreach in high-need neighborhoods
- Clearing defensible space in the wildland-urban interface for wildfire safety
- Tearing out lawns and installing drip irrigation in parks to mitigate drought
- Planting street trees to counter the urban heat island effect
- Cleaning blighted and trash-covered Caltrans sites

We would welcome partnership funding from the State as additional federal stimulus and budget surplus comes available.

Thank you for your leadership in this most difficult time in our history and for considering this request to partner with your largest cities.

Sincerely,



Sam Liccardo
Mayor
City of San José



Eric Garcetti
Mayor
City of Los Angeles



Todd Gloria
Mayor
City of San Diego



London Breed
Mayor
City of San Francisco



Jerry Dyer
Mayor
City of Fresno



Darrell Steinberg
Mayor
City of Sacramento



Robert Garcia
Mayor
City of Long Beach



Libby Schaaf
Mayor
City of Oakland



Karen Goh
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