

May 24, 2023

The Honorable Toni Atkins President pro Tempore, State Senate 1021 O Street, Suite 8518 Sacramento, CA 95814

The Honorable Brian Jones Republican Leader, State Senate 1021 O Street, Suite 7640 Sacramento, CA 95814 The Honorable Anthony Rendon Speaker, California State Assembly 1021 O Street, Suite 8330 Sacramento, CA 95814

The Honorable James Gallagher Republican Leader, State Assembly 1021 O Street, Suite 4740 Sacramento, CA 95814

RE: 2023-24 May Revision and Cal Cities Homelessness Budget Priorities

Dear President pro Tempore Atkins, Speaker Rendon, Senate Republican Leader Jones, and Assembly Republican Leader Gallagher:

While the Governor's 2023-24 May Revision upholds funding commitments for the Homeless Housing, Assistance and Prevention Program made in last year's budget, we are disappointed that it does not include ongoing funding to help cities tackle two of the state's top priorities, increasing the supply of affordable housing and reducing and preventing homelessness. Instead, it makes cuts and implements delays to much-needed housing investments.

This is why the League of California Cities is respectfully calling on you to include \$3 billion in ongoing funding in the final budget package to help cities boost affordable housing supply and prevent more Californians from having to live on the streets, under bridges, or in their cars.

The results of a <u>recent statewide survey conducted by Cal Cities</u> shows that nearly 85% of cities report they have implemented programs to prevent and reduce homelessness. However, nearly 90% of cities have concerns over their ability to afford the long-term homelessness services they're currently delivering to those in their communities who rely upon them.

We are living in a time where greater investments to address these crises are not an option — they're a mandate. Delaying or eliminating nearly three-quarters of a billion dollars for housing programs will only exacerbate the housing affordability crisis and, ultimately, increase the number of unhoused residents in our state.

California cities appreciate that a budget deficit forces hard decisions. We also know that budgets are about priorities. Increasing the supply of affordable housing and reducing and preventing homelessness are two priorities our state must address. Local governments, homelessness service providers, housing advocates, business leaders, and lawmakers all agree that ongoing funding is a key part of the solution to ensuring an end to this state's homelessness crisis.



Thank you for your leadership and consideration of this request. Please feel free to contact Melanie Perron, Deputy Executive Director, or me if you have any questions. I can be reached at coleman@calcities.org, and Melanie can be reached at mperron@calcities.org.

Sincerely,

Carolyn M. Coleman

Executive Director and CEO League of California Cities

Cc: Members of the California State Legislature