

## CITY OF OAKLAND

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#LoveLife

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Date: April 7, 2022

To: Members of City Council and Members of the Public

From: Vice Mayor Kaplan

Re: Resolution Urging The State Of California To Fund All Pending Homekey Applications

Dear Colleagues on the City Council and Members of the Public:

In response to the mounting challenges around homelessness, in July of 2020, California launched its Homekey initiative, allocating funding to local public agencies to buy underused properties, and develop a broad range of housing types for permanent or interim affordable housing. Lauded for allowing local jurisdictions to develop housing strategies that best fit the needs of their homeless populations, available resources, and market conditions, Homekey has been a core element of our state and local effort to provide housing to our most vulnerable residents. In order to build on the success of the Homekey program, this resolution urges the State to fund all pending Homekey applications.

California is facing a housing affordability crisis with housing costs exceeding growth in wages, particularly for low-income households. In California, approximately 2.5 million low-income households are cost burdened, spending more than 30% of their incomes on housing. Of those 2.5 million low-income households, 1.5 million face severe cost pressures, spending more than half of their income on housing. Job loss or an unexpected expense could result in homelessness for this group of individuals.

Therefore, the high cost of housing is a significant contributing factor to California's homelessness crisis. This causes many challenges, as homelessness has long-term and serious consequences to the health and safety of those who experience it, and are at risk of health problems including life-long behavioral health challenges. As of the most recent point-in-time count from January 2020, California has approximately 161,500 individuals experiencing homelessness, which represents 20% of the total homeless population in the country. This statistic is even more stark given that California's overall population only represents 12% of the country's total population.

Both the State of California, the City of Oakland, and others have declared that we are facing a homeless crisis, and lack adequate affordable housing. Oakland has sought to remedy this crisis by dedicating public lands and other resources to providing affordable housing. In that same vein, the City Council in December 2021 and January 2022 adopted resolutions which authorized the City

Administrator to jointly apply for, accept, and enter into standard agreements as a local agency partner for funds from the State's Homekey Program with several projects.

The State Homekey Program is currently in the process of awarding approximately \$1.45 billion in grant funding to local public entities to sustain and rapidly expand housing for persons experiencing homelessness or at-risk of homelessness. Although the State of California has issued multiple Homekey awards to other jurisdictions, there are many excellent projects, both in Oakland and elsewhere, which have not yet been approved for funding.

The rising homeless crisis warrants a substantial and urgent response, commensurate with the magnitude of the crisis. Given that the State is anticipating a \$45.7 billion surplus for the 2022-23 fiscal year, and \$20.6 billion will be available for discretionary use, this resolution strongly urges the State of California to fund all pending Homekey Applications in order to promptly respond to our serious affordable housing needs. With multiple pending Homekey applications awaiting awards statewide, a substantial number of individuals could be helped off the streets and into better facilities, for a cost that would be a tiny fraction of the State surplus.

Respectfully submitted,

Vice Mayor Rebecca Kaplan

Alena Caston