

ACA 14 (Wicks, Bennett, Carrillo, L. Rivas)

Housing Opportunities for Everyone (HOPE) Act

Assemblymember Buffy Wicks (AD-15)

THE HOPE ACT

ACA 14 establishes a ten-year funding commitment in the Constitution that dedicates five percent from the state's general fund, each year, to the state's affordable housing and homelessness crisis. Investments will be based on a funding strategy with specific accountability metrics to measure outcomes and progress.

THE ISSUE

California is facing an affordable housing and homelessness crisis. As of January 2020, an estimated 161,548 people experience homelessness on any given day. Seventy-one percent of homeless Californians were unsheltered, meaning that they were living in streets, parks, or other locations not meant for human habitation.

In many parts of the state, low income residents are severely cost burdened, paying over 50 percent of their income toward housing costs. One small financial setback can push these individuals and families into homelessness. Recent data suggests that 2.2 million extremely low-income and very low-income renter households are competing for 664,000 affordable rental units. Meanwhile, the private market does not provide enough low-income housing to meet the demand.

Over the last five years, California has invested incrementally more general fund dollars each year to finance affordable housing production and fund homelessness solutions. Although these

investments are significant, they are one-time and do not allow the state or local governments to respond to the crisis and achieve measurable progress. With the Administration and Legislature taking steps to address this urgent issue, California must create an ongoing funding source tied to an investment strategy to end homelessness and produce more affordable housing.

THE SOLUTION

ACA 14 will dedicate five percent of the general fund each year for the next ten years to fund solutions to end homelessness and build affordable housing. Based on the 2022 budget revenues of \$200 million, this investment would be approximately \$10 billion each year. This constitutional modification explicitly protects existing constitutional budget commitments including funding for schools and the state's Rainy Day Fund.

Additionally, the Business, Consumer Services, and Housing Agency would be required to develop a ten-year investment strategy with outcome metrics to ensure that funding results in reduced homelessness and creates more affordable housing.

SUPPORTERS

California Housing Consortium
California Housing Partnership
Housing California
Corporation for Supportive Housing

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