

March 19, 2021

The Honorable Gavin Newsom
1303 10th St., Suite 1173
Sacramento, CA 95814

Dear Governor Newsom:

On behalf of UnidosUS (formerly the National Council of La Raza), I write to urge you to align federal and state rental housing aid to combat widespread housing insecurity and help Californians throughout the state keep their homes during the pandemic. This letter includes several recommendations to ensure the equitable distribution of COVID-19 housing assistance to the hardest-hit communities, including Latinos,* immigrants, and other communities of color.

UnidosUS is the nation's largest Hispanic civil rights and advocacy organization and has built a stronger country by creating opportunities for Latinos for more than 50 years. Through its unique combination of expert research, advocacy, programs, and a national Affiliate Network, UnidosUS simultaneously challenges the social, economic, and political barriers at the national and local levels. UnidosUS California-based Affiliates include 58 community-based organizations that invest more than \$1.8 billion and employ more than 15,000 staff to provide direct services to approximately 1.8 million Californians annually. UnidosUS is headquartered in Washington, DC, and has an office in Los Angeles and staff in Sacramento. Through partnerships, community investments, and state research and advocacy on housing, health, and education, UnidosUS advances opportunities for the more than 15 million Latinos who call California home.

The strains of the COVID-19 pandemic and California's ongoing housing affordability crisis is putting California's Latino community at long-term risk for housing and financial insecurity. While the steps your administration and the federal government have taken are providing some degree of relief, action will be needed to bridge the inequities faced by most of California's Latinos who are employed in essential industries and struggling to maintain their housing.

Californians working in frontline essential jobs, the majority of whom are Latinos, Blacks, and immigrants, have been risking their lives to keep California fed, housed, and healthy during the coronavirus pandemic. They have no choice but to show up to work while others shelter in place and work from home. At the same time, the pandemic has hit essential workers, people of color, and their families particularly hard. People of color account for 80% of COVID-19 cases in California, yet comprise less than 64% of the state population.¹ More than 60% of Latino and Black households have lost income during the pandemic, compared to 43% of White

* The terms "Hispanic" and "Latino" are used interchangeably by the U.S. Census Bureau and throughout this document to refer to persons of Mexican, Puerto Rican, Cuban, Central and South American, Dominican, Spanish, and other Hispanic descent; they may be of any race. This document may also refer to this population as "Latinx" to represent the diversity of gender identities and expressions that are present in the community.

households.² And these same communities are getting vaccinated at a lower rate than White Californians.

Existing housing insecurity and overcrowding have compounded the health risks that low-wage essential workers face. More than 1.1 million³ low-wage essential workers in California do not have access to affordable rental housing and are more likely than nonessential workers to live in overcrowded homes. This is especially acute for essential workers in agriculture, food preparation, and service jobs, around 30% of whom live in overcrowded homes.⁴

Latinos are a majority of essential workers in California; most rent their homes, and more than 600,000 Latino essential worker households struggle to afford rental housing. Even before the COVID-19 pandemic, low-income Latino families were struggling to keep up with unaffordable housing costs.⁵ Rental costs in the state have risen faster than wages, increasing the number of cost-burdened households. Between 2001 and 2014, the percentage of Latino renters in the U.S. paying 30% or more of their income on rent grew from 46% to 55.8%.⁶ Moreover, Latino renters lack strong rent control protections, while many suburbs, rural areas, and major cities lack local-level protections. Despite their contributions, many essential workers have been excluded from economic relief, which has further eroded their financial security and placed them at greater risk of housing insecurity and eviction. This is especially true for immigrants and workers living in mixed-status families, who prior to the pandemic already faced discrimination and legal barriers to accessing programs that would help them afford housing and did not receive federal Economic Impact Payments provided by the CARES Act and subsequent relief packages. Also, while undocumented immigrants are ineligible for Unemployment Insurance benefits, immigrants who are eligible face greater technological, linguistic, and cultural barriers to successfully applying for benefits.⁷

Thankfully, your administration and the state legislature recognized this inequity and took steps to address it through the Golden State Stimulus, providing \$600 relief payments to households receiving the California EITC for 2020, taxpayers with Individual Taxpayer Identification Numbers (ITINs) who were excluded from federal Economic Impact Payments, households enrolled in the CalWORKs program, and recipients of SSI/SSP and Cash Assistance Program for Immigrants (CAPI).

Recommendations

Despite important steps, low-wage essential workers continue to face barriers to accessing the aid and relief they need. The recently enacted American Rescue Plan Act will provide an additional \$2.2 billion in emergency rental assistance funds to California, but no additional protection beyond the Centers for Disease Control and Prevention (CDC) halt in evictions order, which expires on March 31. We urge your administration to take further action to ensure that housing aid reaches the hardest-hit communities, especially in areas with large populations of essential workers.

Foremost, your administration must maximize the potential of the State Rental Assistance Program, ushered in with the passage of SB 91, to reduce housing insecurity among essential workers, including immigrants and their families, in every part of California. To achieve this, we recommend the following steps:

- **Ensure that Rental Assistance Outreach Is Culturally and Linguistically Competent.** Your administration should pursue a robust outreach and awareness campaign aimed at reaching essential workers and their families, in the languages they use, in their communities, and through the media platforms they consume, so that they understand what the State Rental Assistance Program is and how to participate.
- **Engage Diverse Community Stakeholders.** As California administers the State Rental Assistance Program, it should regularly include and engage trusted community-based organizations that serve essential workers and their families, communities of color, and low- and moderate-income communities so that the program is designed and implemented in a manner that will successfully serve those most in need.
- **Expand Aid to Renters Facing Unsustainable Housing Debt.** SB 91 provides two paths to rental relief: one based on landlord cooperation and another without it. For those renters whose landlords do not cooperate, the State Rental Assistance Program will provide relief for only 25% of their rental arrears. While SB 91 protects those tenants from eviction, they will continue to carry an unsustainable debt load unless the state provides additional assistance. These funds should be applied toward a further reduction in rental arrears for essential worker households that have been excluded from other forms of relief and face dire economic circumstances. Existing U.S. Treasury Department guidelines for spending emergency rental assistance funds do not preclude such action.

In your State of the State address, you said that “our journey back must also be a path to close inequities. There is no economic recovery without economic justice.” We wholeheartedly agree and welcome the opportunity to discuss our recommendations with you and your administration to ensure that the state’s economic policies, especially housing assistance, equitably reach Latinos—who make up half of the state’s essential workers—to ensure that they can keep their homes. Please contact Viviana Martin, Policy Analyst, Policy and Advocacy at vmartin@unidosus.org.

Sincerely,

A handwritten signature in black ink that reads "Janet Murguía". The signature is fluid and cursive, with the first letter of "Janet" being a large, stylized capital "J".

Janet Murguía
President & CEO

cc: Lourdes M. Castro Ramírez, Secretary, Business, Consumer Services and Housing Agency
Gustavo Velasquez, Director, Department of Housing and Community Development

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- ¹ COVID-19 Race and Ethnicity Data as of March 10, 2021, California Department of Public Health, <https://www.cdph.ca.gov/Programs/CID/DCDC/Pages/COVID-19/Race-Ethnicity.aspx> (accessed March 10, 2021).
- ² Alissa Anderson, *Low-Paid Workers and Their Families Take Another Blow as California Begins to Lose Jobs Again*, (Sacramento, CA: California Budget & Policy Center, February 2021), <https://calbudgetcenter.org/resources/california-is-losing-jobs-again/> (accessed March 11, 2021).
- ³ U.S. Census Bureau, 5-Year Estimates - Public Use Microdata Sample 2018, American Community Survey, <https://www.census.gov/programs-surveys/acs/microdata.html> and Sarah Thomason and Annette Bernhardt, "Front-line Essential Jobs in California: A Profile of Job and Worker Characteristics," *UC Berkeley Labor Center Blog*, May 14, 2020, <https://laborcenter.berkeley.edu/front-line-essential-jobs-in-california-a-profile-of-job-and-worker-characteristics/> (accessed March 11, 2021).
- ⁴ Marisol Cuellar Mejia and Paulette Cha, "Overcrowded Housing and COVID-19 Risk among Essential Workers," *PPIC Blog*, Public Policy Institute of California, May 12, 2020, <https://www.ppic.org/blog/overcrowded-housing-and-covid-19-risk-among-essential-workers/> (accessed March 10, 2021).
- ⁵ UnidosUS, *Struggling to Stay Home: Latino Renters in the COVID-19 Pandemic* (Washington, DC: UnidosUS, September 2020), <http://publications.unidosus.org/handle/123456789/2087> (accessed December 14, 2020).
- ⁶ Algernon Austin, "Net Worth of Latino Renters Drops 22 Percent," *Demos Blog*, October 20, 2017, <https://www.demos.org/blog/net-worth-latino-renters-drops-22-percent> (accessed March 11, 2021).
- ⁷ Kim Bojórquez and David Lightman, "Eligible Latino workers are less likely to access unemployment benefits. Here's why," *Sacramento Bee*, March 5, 2021, <https://www.sacbee.com/news/politics-government/article249609533.html> (accessed March 10, 2021).