

May 3, 2022

The Honorable Buffy Wicks  
California State Assembly  
1021 O St., Ste. 4240  
Sacramento, CA 95814

**RE: ACA 14 (Wicks) The HOPE Act—SUPPORT**

Dear Assemblymember Wicks:

On behalf of UnidosUS I write to express our appreciation for your leadership and our support of ACA 14 (Wicks), the Housing Opportunities for Everyone (HOPE) Act, which will establish a ten-year funding commitment to address the state's affordable housing and homelessness crisis. Latinos have experienced disproportionate harm to both their lives and livelihoods as a result of the COVID-19 pandemic, which has worsened preexisting disparities in income and housing. This is concerning given that California is already a high-cost state experiencing a housing crisis. Research shows that the housing supply deficit is one of the leading drivers of rising home prices and rents. A group of White House economists explain that "for the past 40 years, housing supply has not kept pace with population growth."<sup>1</sup> And they point to evidence of an inverse correlation between housing supply and prices (i.e., as housing supply decreases, prices increase).<sup>2</sup> We need bold and sustained efforts to shrink that deficit. ACA 14 is critical as it would provide consistent and meaningful funding to create more affordable homes.

UnidosUS, previously known as NCLR (National Council of La Raza), 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.<sup>3</sup> The UnidosUS California-based Affiliates include 63 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. We lead the largest network of community-based nonprofit organizations dedicated to creating new Latino homeowners, and advocate for policies that allow more Latinos to afford to buy a home.

The pandemic has shown us all the essential role of affordable housing in every California community—providing shelter, support, and community to some of the state's most vulnerable populations, from seniors and veterans to teachers, firefighters, and many other hardworking families. California currently has a gap of 1.5 million homes affordable to lower-income households, and on any given night roughly 160,000 people in California experience

homelessness. Last year UnidosUS reported on the housing needs of essential workers in California. We estimated that there are more than 1.1 million low-wage frontline essential workers in California, the majority of whom are Latino, who do not have access to affordable rental housing.<sup>4</sup>

California's housing affordability crisis and high cost of living continue to pose major challenges for Latinos. According to a recent United Ways of California report, 52% of Latino households do not earn enough to meet their basic needs.<sup>5</sup> And given the high cost of living in California and the current housing crisis, we can expect that the number of Latino cost-burdened households in California is even greater. Additionally, in 2019 only 49% of Latinos owned their homes in California, compared to 68% of Whites.

ACA 14 will build on efforts by the governor and legislature—and provide a more permanent, ongoing source of funding at the scale needed to close our state's shameful gaps in affordable housing. ACA 14 will dedicate 5% of the general fund for the next ten years to fund solutions to end homelessness, build affordable rental housing, and develop affordable homeownership opportunities. 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 meaningful change.

UnidosUS would like to offer some recommendations for the legislation:

1. Increase the 5% goal, or a set amount, whichever is higher, to better meet the need of 1.5 million new units to address the crisis.
2. The ten-year investment plan should:
  - Be developed with meaningful inclusion of community-based organizations and stakeholders
  - Include the number of new rentals and homes for sale
  - Include clear language on who will own and manage the rental units and how owners and managers will be selected

We encourage the committee members to join us in supporting ACA 14. If you have any questions regarding our support, please contact me at [elopez@unidosus.org](mailto:elopez@unidosus.org).

Sincerely,



Esmeralda López  
California State Director  
Policy and Advocacy  
UnidosUS

---

<sup>1</sup> Jared Bernstein et al., “Alleviating Supply Constraints in the Housing Market,” *The White House Blog*, September 1, 2021, <https://www.whitehouse.gov/cea/written-materials/2021/09/01/alleviating-supply-constraints-in-the-housing-market/>.

<sup>2</sup> Ibid.

<sup>3</sup> Through its unique combination of expert research, advocacy, programs, and an Affiliate Network of nearly 300 community-based organizations across the United States and Puerto Rico, UnidosUS simultaneously challenges the social, economic, and political barriers at the national and local levels.

<sup>4</sup> UnidosUS, *California’s Essential Workers and Their Housing Needs* (Washington, DC: UnidosUS, March 2021), [https://www.unidosus.org/wp-content/uploads/2021/08/unidosus\\_caessentialworkers\\_housingneeds.pdf](https://www.unidosus.org/wp-content/uploads/2021/08/unidosus_caessentialworkers_housingneeds.pdf).

<sup>5</sup>United Ways of California, *Struggling to Move Up: The Real Cost Measure in California 2021*, <https://www.unitedwaysca.org/realcost>.