



July 16, 2020

Honorable Holly Mitchell, Chair
Joint Legislative Budget Committee
Senate Budget and Fiscal Review Committee

Honorable Phil Ting, Chair
Assembly Budget Committee

Honorable Anthony Portantino, Chair
Senate Appropriations Committee

Honorable Lorena Gonzalez, Chair
Assembly Appropriations Committee

Section 11.90—Department of Housing and Community Development – Coronavirus Aid, Relief, and Economic Security (CARES) Act Funding

Pursuant to Section 11.90 of the 2020 Budget Act, the following report is respectfully submitted.

The Department of Finance has received a request from the Department of Housing and Community Development (HCD) to increase its Multifamily Housing Program appropriation by \$550,000,000 to support housing for individuals and families who are experiencing homelessness or who are at risk of homelessness due to the COVID-19 pandemic.

Section 11.90 of the 2020 Budget Act provides for the expenditure of \$9,525,564,744 in federal funds allocated from the Coronavirus Relief Fund in the Coronavirus Aid, Relief, and Economic Security (CARES) Act to support the state's response to the COVID-19 public health emergency. Of these funds, \$550,000,000 is to be allocated to HCD to be used for the acquisition of hotels, motels, and other properties to support housing for individuals and families who are experiencing homelessness or who are at risk of homelessness due to COVID-19.

Given the need to respond to this public health crisis expeditiously and meet the federal Coronavirus Relief Fund expenditure deadline of December 30, 2020, we concur with the necessity of this change.

If you have any questions or need additional information regarding this matter, please call Chris Hill, Principal Program Budget Analyst, at (916) 445-3274.

KEELY MARTIN BOSLER

Director

By:

RICHARD GILLIHAN

Chief Operating Officer

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