



ERIC GARCETTI
MAYOR

May 20, 2021

The Honorable Gavin Newsom
Governor of California
State Capitol
Sacramento, CA 95814

The Honorable Anthony Rendon
Speaker of the Assembly
State Capitol, Room 219
Sacramento, CA 95814

The Honorable Toni Atkins
Senate President pro Tempore
State Capitol, Room 205
Sacramento, CA 95814

RE: 2021-2022 Budget Priorities from the Mayor of Los Angeles

Dear Governor Newsom, Speaker Rendon, and Pro Tem Atkins:

As California emerges from the COVID-19 pandemic, this year's state budget and historic budget surplus, alongside funding from the American Rescue Plan, represent a once in a generation opportunity for our state. Working together, we can use these resources to make the critical investments that will pull us out of this economic crisis, stabilize families that have been hit hard, and lay the foundation for progress on our state's biggest challenges. As the Mayor of Los Angeles, I stand ready to work with you to advance these goals and urge you to keep the following priorities in mind as you work to reconcile the competing proposals:

- Homelessness and Housing - I strongly urge you to build on the Governor's revision by adopting the Big City Mayor's proposal for \$20 billion in funding to address homelessness. **Additionally, I support at least \$2 billion of additional funding each year be set aside for direct, flexible grants for local governments** to continue successful programs like A Bridge Home. The City is ready to deploy additional resources for Homekey and urges you to **support reforms to this program, developed jointly by the City and County, and extend CEQA and zoning streamlining**. I also

urge you to support a set aside for Skid Row, which contains three percent of the state's unhoused population and is the epicenter of homelessness in California. Finally, I urge you to adopt the programmatic reforms and permanent funding proposals in AB 71 (Rivas), so these investments can be carried forward for years to come.

- Rental Assistance and Utility Relief - I appreciate and support the reforms to SB 91 included in the Governor's budget that will allow the City's rental assistance programs to cover additional rental arrears for all applicants regardless of landlord participation and cover prospective rent. I continue to be concerned that these resources will not be sufficient to support all eligible low-income renters in Los Angeles and urge that the budget **allocate rental assistance funding provided by the American Rescue Plan by need where the highest concentrations of low-income renters live**, instead of by population. Additionally, I strongly support the proposals by the Governor and Legislature to dedicate **\$2 billion to utilities specifically for utility debt relief**.
- Transportation and Infrastructure - Infrastructure investment will help power our recovery and lay the foundation for our cleaner, greener future, including bringing more equitable public transit and mobility options online by dedicating **\$1 billion to projects that can be realized in time for the 2028 Olympic and Paralympic Games**. I also strongly support the proposed **\$7 billion investment to expand broadband infrastructure for all**, as well as a **\$100 million allocation to complete the bike path system along the Los Angeles River**.
- Water Resilience and Environment - I strongly support the commitment to water resilience and drought relief and urge you to support **at least \$1.5 billion in funding for water recycling and stormwater capture projects**. I also urge you to **increase funding for environmental remediation of toxic sites to at least \$750 million** and expand eligibility to open space projects. For the Taylor Yard open space restoration project along the Los Angeles River, I support a **\$50 million allocation for comprehensive design, remediation, and equitable community workforce development**, which will create environmental-sector jobs at the site for local residents.
- Zero-Emission Vehicles - I support critical investments in zero-emission transportation. Still, we must do more to ensure our ports are fully funded to meet our clean air goals and the Governor's Executive Order and mobilize the market and send a clear signal to manufacturers and drivers this year. I urge you to accelerate the funding proposed in the Governor's budget revision and invest an additional **\$2.25 billion in this year's budget for zero-emission trucks, charging infrastructure, workforce development, and to defray accompanying cost barriers**.
- Guaranteed Basic Income - I strongly support the Governor's proposal to provide **\$35 million in matching grants to local governments to support Guaranteed Basic Income Pilots**, which could allow Los Angeles to expand its forthcoming citywide GBI pilot.
- Sidewalk Vendors - I urge you to ensure that sidewalk vendors can access small business recovery funding by adopting the **Sidewalk Vendor Recovery Fund proposal to provide \$50 million in targeted relief to vendors across California**.

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- Youth Workforce Development and Clean California Initiative - I strongly support the Governor's budget proposals to invest **\$1.5 billion in the Clean California Initiative and \$200 million in grants for cities to expand youth employment opportunities.**
- Preventing Violence - I strongly support the Governor's budget proposal to invest **\$209 million in the CalVIP program**, which helps fund successful violence prevention programs, including the City's Gang Reduction and Youth Development program.
- Economic Development - The tourism sector is a critical component of Los Angeles's economy, and I am pleased to see investments in the budget that will help revitalize this industry. Additionally, I strongly support **an additional \$30 million in funding for the California Film Tax Credit** to attract additional productions and good-paying jobs to our state. Finally, I support the proposal to invest **\$1 billion in the arts and cultural institutions**, including independent venues, community access to arts, workforce development, and museums.

I applaud the Governor, the Senate, and the Assembly for advancing these bold proposals and their commitment to ensuring that California's recovery leaves no one behind. While the Los Angeles City Council has not yet taken a position on some of these items, I urge you to give these critical budget requests every appropriate consideration.

Sincerely,



ERIC GARCETTI
Mayor

Cc: The Honorable Phil Ting, Chair, Assembly Budget Committee
The Honorable Nancy Skinner, Chair, Senate Budget Committee
The Los Angeles Legislative Delegation

