



2022 Mountain Housing Council Draft Policy Platform

The goal of the Mountain Housing Council (MHC) Policy Working Group is to increase opportunities to build achievable and affordable housing in the North Lake Tahoe Truckee region. The Group will build on the data and strategies developed in the 2016 Regional Housing Needs Assessment, the 2021 update of the Regional Housing Needs Assessment, and the 2021 Regional Housing Action Plan to establish targets for action through the development of a regional policy platform. The document is approved by Mountain Housing Council partners and establishes the objectives, priorities, and framework for how the Policy Working Group will use advocacy to address local housing issues in the Tahoe-Truckee region. This includes recommending formal positions on legislative and administration proposals and acting efficiently as these opportunities arise.

Principles

The policy platform is based on a set of core principles or understandings, including the need to:

1. lay the foundation for the creation of affordable homes for all
2. advance housing equity by serving all residents of the North Lake Tahoe Truckee community
3. Focus attention on two top priorities—Affordable Housing at <80% AMI and Achievable Housing between 80% AMI & 195% AMI
4. increase access to a wide range of housing types--from Accessory Dwelling Units, to Single Family Residential, to small scale and/or Multi-family housing
5. reduce homelessness by supporting the creation of housing and housing-related services for the homeless community
6. retain existing affordable and achievable housing, including existing affordable housing and affordable- by- design housing, such as secondary units and mobile home parks
7. advance and encourage a rational planning, zoning and permitting environment with broad-based support from local jurisdictions that are implementing those policies to exceed Regional Housing Needs Allocation targets

What is the achievable local housing problem in the North Lake Tahoe Truckee region?

Affordable housing is a crisis facing the nation, the state, and the Tahoe-Truckee region. The North Tahoe-Truckee region has a population of roughly 30,000 - 100,000, depending upon holiday weekends. There are 33,300 housing units available to provide housing to full and part-time residents, as well as vacationers, consisting mostly of single-family homes built before 1979, and 65% of them are vacant for more than half of the year.



Estimates show that more than 9,528 units are currently needed to serve the local workforce, leaving locals struggling to find housing in our community. Teachers, firefighters, police officers, business owners, and many others can no longer afford to live here and are forced to move away and commute. This is having a rippling impact on our region's economy, environment, culture, and vitality, leaving employers unable to find staff and emergency responders struggling with response times.

To address this shortfall, the community needs to increase the number and diversity of new and old available units and help renters become homeowners. In order to do this, the Policy Working Group will be proactive and maximize the ability for the Tahoe-Truckee region to capitalize on policy solutions proposed and enacted at the state and federal level by supporting policies that address all income levels defined as "achievable local housing," or between 80% AMI and 195% AMI. (2021 Area Median Income (AMI) levels for a family of four: \$92,400 (Nevada); \$91,100 (Placer).

How Does the Policy Working Group Seek to Achieve Its Goals?

The Policy Platform objectives for advocacy outside of the region will help the Group complement the Mountain Housing Council's work within the region. They aim to overcome barriers to achievable local housing that must be addressed at the state or federal (versus local) level.

This document outlines the objectives of the Policy Working Group. A separate complementary document, titled the "Annual Work Plan," will be developed in January of each year and identify the Working Group's positions on specific pieces of legislation, administrative actions, and funding programs for that year, as informed by and consistent with this Policy Platform. Note that, as proposals evolve or are introduced, the Annual Work Plan will be updated periodically throughout the year. The Policy Working Group will strive to make decisions on and updates to the Annual Work Plan by relying on a consensus model, which will be facilitated by Sierra Business Council with the following understandings:

1. The definition of "consensus" spans the range of strong support to "I can live with it." Any of these statements by Working Group members constitutes consensus.
2. Many Policy Working Group representatives cannot act independently on behalf of the agencies and organizations that they represent. Therefore, official communications of MHC policy positions will also include language recognizing that the position conveyed is the general consensus of the MHC, but does not necessarily reflect the official endorsement of every MHC participant. When the Policy Working Group uses a vote to determine a course of action, the meeting notes will reflect the voting detail of those who approved, opposed and abstained.
3. The decision-making process will encourage the early articulation of concerns in order to try to accommodate each party's views.

The Policy Working Group will rely on a variety of public outreach and education channels to deliver its message, including verbal and written communications with legislators, legislative staff, and agency staff,



as well as in legislative hearings. In these communications, specific positions represented in the Annual Work Plan and agreements reached in the Policy Working Group will be represented as the direction of the group. In cases where written communications are delivered, every effort will be made to have Policy Working Group members review those communications in advance, with an “opt out” opportunity provided.

Anticipated Actionable Priorities

Objective #1: Build political identity and influence outside of the region.

Two overarching barriers frustrate this Policy Platform’s objectives: (1) The Tahoe-Truckee region’s small population serves as a barrier to gaining political influence; and (2) The region lacks a unified message on housing priorities in its communications with state and federal policymakers.

To overcome these obstacles, a major priority of the Policy Working Group will be to build strategic partnerships with organizations outside of the region, including statewide organizations that have similar goals and objectives. In order to do this, the Policy Working Group will develop unified messages and priorities through its Policy Platform and the Annual Work Plan in order to ensure that efforts are consistent among all Working Groups and MHC partners.

As such, the Working Group will support activities which:

1. Leverage members’ current relationships and lobbying experience. The Working Group has identified existing partnerships and lobbying relationships that will be essential for collaborations.
2. Support statewide coalitions with similar priorities.
3. Help to coordinate and build relationships with legislators in and outside of our region who have similar goals.
4. Help to build and maintain relationships with state agencies that have programs and regulations that impact achievable local housing.
5. Help to educate MHC members on local barriers to implementing state policies that could benefit achievable local housing solutions.

Objective #2: Support a permanent or at a minimum one-year solution to the California eviction crisis.

The Covid-19 crisis and ensuing economic impacts have led to a significant number of local residents - primarily those from low income households in rental housing - to fall behind in rent payments. Many homeowners have also fallen into arrears on mortgage payments. Recent estimates place the number of



households that have fallen behind in rental payments in Placer, Nevada, and Sierra counties, specifically, at approximately 8,500, with average arrears of approximately \$3,000 per household.

California implemented an emergency eviction moratorium via Executive Order as a temporary solution to this problem. AB 3088 extended California’s eviction moratorium to January 30, 2021, and SB 91 extended the eviction moratorium to June 30, 2021. SB 91 also created a mechanism to distribute \$2.6 billion in Federal Emergency Rental Assistance Program (ERAP) funds to assist struggling tenants and small property owners in California. However, because rental arrears are expected to continue until the end of the pandemic, this is only likely to be a temporary fix.

The ERAP program also unfortunately fails to address mortgage arrears: Under the current federal Coronavirus Aid, Relief, and Economic Security (CARES) Act provisions, there are two protections for homeowners with federally or GSE-backed (Fannie Mae or Freddie Mac) or funded mortgages: lenders and loan servicers cannot foreclose on loans backed by the Federal Housing Administration (FHA), or US Department of Agriculture (USDA), until after March 31, 2021. For loans backed by the Veterans Administration, Fannie Mae or Freddie Mac, they cannot foreclose until after February 28, 2021. In addition, if a mortgage holder experiences financial hardships due to the pandemic, they have the right to request forbearance for up to 180 days. Finally, to prevent pandemic related foreclosures, the Governor’s proposed 2021-2022 state of California budget proposes providing legal services with \$31 million to speed the deployment of \$331 million in National Mortgage Settlement Program funding.

As such, the Working Group supports activities which:

1. Provide financial assistance to landlords and/or third party providers who are at risk due to rental arrears;
2. Provide financial and/or technical assistance to cover the costs of implementing rental and mortgage assistance programs;
3. Contribute to Federal Covid- related or economic recovery programs that provide additional funding for rental assistance and mortgage relief;
4. Support the ability for local municipalities to pass stronger eviction and debt protection.

Objective #3: Support the Governor’s proposed housing actions articulated in the Governor’s Draft 2021-22 budget.

The 2020-2021 California state budget increased funding over previous years for housing and homelessness programs by approximately \$1.75 billion. Specifically, in the 2021-2022 budget, expenditures are estimated to increase by another \$1.5 billion to more than \$10 billion; making it the highest proposed housing budget (as a percentage of overall budget) in California state history. The budget proposal also includes providing approximately \$2.6 billion rental assistance in one-time funding



from federal sources through the CARES ACT (see above). Top priorities in the budget bill for our Policy Working Group would include:

1. Using CARES ACT funding to reimburse landlords for rents in arrears;
2. Supporting the Infill Infrastructure Grant Program (\$500m);
3. Supporting an increase in the Low Income Housing Tax Credit Program (\$500m);
4. Helping to provide technical assistance for homeowners in accessing the National Mortgage Settlement Program;
5. Supporting funding for the Affordable Housing Sustainable Communities Program (\$426m);
6. Supporting the “Homekey” Program (\$750m);

Objective #4: Change or remove policy barriers to implementing achievable local housing in the region.

There are three major barriers to obtaining achievable local housing that are of primary importance in our region: The first involves capital (both public and private) to achieve housing goals. The second involves land use regulations, which complicate using land to create housing. The third involves the conversion of achievable housing to high-income housing. The working group will address the first two barriers via the following:

1. Access to capital:
 - a. State funded programs
 - i. Affordable Housing Sustainable Communities program: Secure increased funding and continuous appropriations for the program and maintain and seek to expand the “rural set aside”-specific portion
 - ii. Low Income Housing Tax Credit program: intervene in the Tax Credit Allocation Committee (TCAC) Opportunity Area mapping process in order to expand the portion of the MHC geography scoring in the high opportunity areas;
 - iii. Supportive Housing: seek to expand permanent sources of funding for projects that serve homeless individuals and families.
 - iv. Work with state legislators to introduce legislation that provides tax credits to construct rental housing for local workforce not tied to income levels
 - v. Advocate for budget surplus to support housing programs for households earning more than 80% AMI
 - b. Federally funded programs
 - i. Seek to expand access to funding by expanding access to rental assistance programs, funding for states and localities, and housing financing and homeownership assistance.
 - c. Leveraging private capital



2. Land Use Regulation:

- a. High Hazard Zones: Track and intervene in landscape-oriented regulatory and policy actions across the “fire transect.” This includes seeking to limit development in high hazard zones, with the goal of ensuring that appropriate mitigations are recognized and policy is developed to allow for and incentivize the transfer of development from high hazard zones to community centers;
- b. Community Fire Safety: Identify and track additional regulatory mechanisms needed, such as those which impact land use and development patterns, home hardening and defensible space, and/or insurance-based cost-avoidance models;
- c. California Fair Plan insurance reform;
- d. Planning, Zoning and Development Law: Identify, track, and selectively intervene in proposed new planning, zoning and land use laws that impact access to affordable and achievable housing. This includes but is not limited to: proposed legislation that affects hazard mitigation planning, climate action planning, state definitions of infill development, up-zoning single-family residential lots, accessory dwelling units, short-term rentals, insurance regulations, and conversion of affordable and achievable housing.