



**Mountain Housing Council
Policy Working Group
November 30th, 2020
2:00 - 3:15 pm
Meeting Notes**

Meeting Participants

Steve Frisch, Sierra Business Council
Brittany Benesi, Sierra Business Council
Jeffrey Hentz, North Lake Tahoe Resort Association
Emily Setzer, Placer County
Christine Maley-Grubl, Truckee North Tahoe Transportation Management Association
Fed Iffeld, Olympic Valley Public Service District
Stacy Caldwell, Tahoe Truckee Community Foundation
Yumie Dahn, Town of Truckee
Tyler Barrington, Nevada County
Seana Doherty, Town of Truckee
Shawna Purvines, Placer County

Purpose of Meeting:

Give context of the last legislative session and give an overview of the potential housing priorities that will be introduced in the next legislative session beginning early January.

Identify and prioritize issues based on relevancy to our region, likelihood to pass, and assessment of risk.

Deliverables/Next Steps

1. SBC will distribute a draft policy platform to this working group (hopefully over the holidays) to review and approve by early January.
2. SBC will also distribute materials:
 1. AB 3088
 2. AHSC Funding
 3. State law that can increase the cap on allowable rent.
 4. Committee Assignments
3. It was suggested that we schedule an outreach session with respective policy advocates/lobbyists to talk about housing priorities and reach overall consensus.

Context for Housing in the Next Legislative Session.

1. Legislature feels like they didn't get a lot done in 2020 due to disruption from COVID-19.

- a. MHC [2020 Platform](#) outcomes unrealized due to:
 - i. The State Assembly and Senate shut down for a period of time.
 - ii. About $\frac{2}{3}$ of legislative action focused on COVID relief and the budget.
 - iii. Many housing bills never moved beyond committee hearings.
 - b. MHC success story: Passage of AB 3088, the extension of the eviction of moratorium. Advocacy achieved through three different coalitions: Housing Now, The California Coalition of Rural Housing, Rural Smart Growth Task Force. This will be a big priority in the next session.
2. Current State Financial Situation: 2021 could be a relatively unsettling year because of uncertainty of budget and use of budget dollars.
- a. [Legislative Analyst's Office 2021-2022 Budget: California's Fiscal Outlook](#). Good news in report.
 - i. Projections realize that there is between \$12-40 billion in additional revenue over the 2020/21 budget. This averages to \$26 billion in new revenue.
 - ii. Projections of a 22% increase above what was budgeted will mean that draconian cuts will likely not occur.
 - b. [State Auditor's Report](#) measures the effectiveness of housing programs.
 - i. Findings include that \$2.7 billion approved bond funding for affordable housing developments across the state were not utilized and are likely lost.
 - ii. And only 11% of approved land zoned for housing was actually built.
 - c. EDD Unemployment Projections-- According to recent study by Bloomberg, California has borrowed 15.8 billion dollars from the federal government to backfill unemployment insurance payments this year. Bloomberg projects that there could be a \$40 billion deficit by the end of calendar year 2021.

Priorities for 2021-22 Session: Potential Actionable Priorities:

- 1. Pandemic Response and Eviction Relief Package- potential strategies
 - a. Allocate stimulus relief package funds and budget surplus to pay down a portion of the rents past due. If relief is provided to everyone who triggered the eviction moratorium provision so far, it would be approximately 1.8 billion dollars to help all those in arrears.
 - b. With a 26 billion surplus and assuming assistance from the federal government, LAO recommended 13 billion dollars spent on COVID relief. This could be used for ppe, homelessness programs and services, and relief for some portions of the business community.
 - c. Expansion of the project Homekey program. This is a top priority of the Governor's office in order to avoid a spike as a result of the homelessness crisis.
- 2. Reintroduction of SB 50. The bill preempted local government control of land zoning near public transit stations and jobs centers ($\frac{1}{2}$ mi). It's been a controversial bill as it reduces land use planning authority for some local jurisdictions.
MHC will be keeping an eye on it and will want to advocate for rural inclusion.

3. Reauthorization of AHSC Funding - administered by Strategic Growth Council..
 - a. Automatic 20% continuous appropriation (10% rural set aside). It runs out in 2021.
 - b. This program has been instrumental in funding projects in our region, including the employee housing of Coldstream and Northstar, the Railroad and Artist Loft projects in Truckee and a couple projects in the basin next year.
 - c. Source of funding is the California Cap and Trade program. It runs through 2030. *MHC recommendation to support continuous appropriation through 2030.*

General Tracking/Monitoring Areas for Possible Engagement

1. ADU, STR policy, Project Homekey making motel/hotel conversion easier, mobile home policies
2. High Hazard Mitigation: Need to watch legislation and the policy and program guidelines for distributing funding.
 - a. MHC in the past has advocated that If there is policy that restricts development in high hazard zones, to allow fire mitigation plans in place so housing can move forward.
3. Homeowners policies in high hazard and very high hazard zones. There is talk about a pooled risk fund. Reduces losses down the line and over the long-term will bring costs down.

Other Areas for Possible Engagement - Brainstorm by group.

1. Seeing an issue in our community that residents in existing affordable housing have seen multiple rent increases during a year.
 - a. State can increase the cap on allowable rent (quarterly calculation). They are not requiring rent increases.
 - b. This is the rationale behind capping rent control at 5% or allowing jurisdictions to put rent controls in place. There is talk of putting another initiative on the ballot in 2022.
 - c. SBC will find law and distribute it to the group.
2. ADUs and solar requirements. (See Shawna Purvines for Bill #)
3. Waiving/Moving impact fees to incentivize smaller units which are more affordable by design.
4. Green means Go program. Appropriations for infill development opportunities. This money could incentivize development and could help solve the problem of little development on land already zoned for affordable housing, some have reported an 18% increase.
 - a. It was suggested to calculate the percentages of available land that can serve as infill in our region. This information is easier to pull out of the area plans than unincorporated areas.
 - b. Opportunity zones. There is one on Donner Summit. And there was one identified in Kings Beach but the Governor didn't approve it.

Key Legislative Targets

1. Committee Assignments are not finalized yet and there might be a potential shift in committee chairs.
2. But we do know that we want to reach out to existing contacts between now and January for intel on potential top priorities in both the assembly and state senate. These contacts include:
 - d. Asm. & Senator Megan and Brian Dahle
 - e. Current targets: Assembly Housing Committee
 1. Asm. Chiu, Asm. Gloria, Asm. Kiley, Asm. Quirk-Silva
 2. Chief Consultant: Lisa Engel
 - f. Senate Housing Committee
 1. Sen. Wiener, Sen. Caballero, Sen. Skinner, Sen. Wieckowski
 2. Chief Consultant: Erin Riches
 - g. Housing & Community Development
 1. Gustavo Velasquez
 - h. Strategic Growth Council
 1. Louise Bedsworth
 - i. Governor's Office of Planning and Research
 1. Kate Gordon

Outreach

1. In March, this working group should plan for a housing outreach day at the Capital. It is undetermined if this will be a virtual or in person day. We will organize a series of meetings to advocate for our regional priorities and will schedule testimony at committee hearings.
2. It was suggested that we schedule an outreach session with respective policy advocates/lobbyists to talk about housing priorities and reach overall consensus.
3. Continue to perform outreach with our partners, Housing Now, The California Coalition of Rural Housing, Rural Smart Growth Task Force, etc.