

**Mountain Housing Council  
Policy Working Group Meeting Summary  
Monday, January 24, 2022**

Attendees: Hilary Hobbs, Sara Monson, Shawna Purvines, Emily Setzer, Karen Fink, Lori Marquette, John Falk, Tara Zuardo  
Facilitation; Steve Frisch and Jill Sanford

Topic	Discussion	Next Steps
<p><b>SBC summary for all budget, housing bill and other budget items of interest is linked <a href="#">here</a>. Discussion summaries below expand on SBC's summary memo.</b></p>		
<p>1a. Review of Governor's Budget proposal</p>	<ul style="list-style-type: none"> <li>• The budget has to be approved by June 15th, expected to be revised by the end of the first week of May.</li> <li>• California Revenue forecasts are strong, with 65% of revenue coming from personal income tax; however revenue surplus amount could still be volatile as 50% of the 65% comes from the top 1% of personal income taxpayers.</li> <li>• CA has a Gann Limit - requiring CA to return surplus above the limit threshold to taxpayers unless spent on capital improvements. Seems highly likely that this current legislature will invest excess revenue into housing and infrastructure.</li> </ul>	
<p>1b. Summary of Housing Budget Items</p>	<ul style="list-style-type: none"> <li>• The 2022-2023 budget explicitly calls out housing as a critical California climate adaptation</li> </ul>	<p><b>John Falk will send Steve Frisch relevant California Association of Realtors Policy memos.</b></p>

	<p>strategy and identifies funding in four climate-related areas.</p> <ul style="list-style-type: none"> <li>● The State Housing Plan is expected to be released in early 2022, likely changing housing allocations.</li> <li>● Comparing last year’s budget surplus to this year, it has gone down which means that funding for these things has been taken seriously.</li> </ul> <p><b>Homelessness:</b></p> <ul style="list-style-type: none"> <li>● The budget builds on last years \$10 billion (500% increase over previous years) investment in homelessness funding to add \$8 billion in additional funding to combat homelessness, including <ul style="list-style-type: none"> <li>○ To expand support for “civil conservatorships” (This marks a major change in State policy)</li> </ul> </li> </ul>	
<p>1c. Other Items of Interest to MHC Wildfire and Forest Resilience</p>	<p>Wildfire and forest resilience</p> <ul style="list-style-type: none"> <li>● As long as we continue to have a budget surplus, sustained investment is likely to continue.</li> <li>● Commitment from the Governor, Assembly, Senateto focus on home hardening. This previously lagged behind forest management, but is catching up.</li> <li>● Lots of activity around trying to solve the insurance problem in the state. <ul style="list-style-type: none"> <li>○ Commitment to working</li> </ul> </li> </ul>	

	<p>with the CA insurance commissioner to increase availability and decrease cost. On the heels of the two largest insurers pulling out of California last week.</p>	
<p>1d. Multiple ideas floating out there regarding how to spend the increasing budget surplus....</p>	<ul style="list-style-type: none"> <li>● Community Based Insurance <ul style="list-style-type: none"> <li>○ The insurance commissioner would like to have 5 pilots to model legislation to do some substantial insurance industry reform. <ul style="list-style-type: none"> <li>■ SBC is trying to get 2 of the 5 projects in the Sierra Region (Truckee and Plumas County)</li> <li>■ Insurance companies already required to cover properties under fair plan, they might push back on that</li> <li>■ Reinsurers are the ones pushing for this.</li> </ul> </li> </ul> </li> <li>● Budget/Infrastructure and financing incentives for one time spending <ul style="list-style-type: none"> <li>○ We have an opportunity to engage here between now and the May Budget revise. <ul style="list-style-type: none"> <li>■ Could seek funding</li> </ul> </li> </ul> </li> </ul>	

	<p>for temporary housing on public land (vanlife) amenities</p> <ul style="list-style-type: none"><li>● New definition of infill<ul style="list-style-type: none"><li>○ Important because the budget is tied to direct funding to infill development</li></ul></li><li>● Tax incentives for “achievable” housing<ul style="list-style-type: none"><li>○ This is not a “this year” thing. Probably be a two year bill. Will require a ton of organizing. Get something into Leg Council to get a finding this year. Sets us up for the beginning of 2023.</li><li>○ Push for discussion around local workforce housing. There are enough areas- Napa, Santa Barbara that can be case studies on this.</li><li>○ Legal council could make an interpretation under fair housing. Goldfarb and Lipman law firm has some experience.</li><li>○ Previous proposals have gone up to 160% AMI</li><li>○ Opposition would be affordable housing advocates</li></ul></li></ul>	
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<p>1e. Other things to note</p>	<ul style="list-style-type: none"> <li>● Housing investments are increasingly focused on reducing risk in the wild land urban interphase and increasing density in urban and rural centers</li> <li>● Ben Metcalf of the Turner Center - pushing for the idea that the state can't meet its numbers in urban centers, and needs to focus more on rural areas. Indicates shift.</li> </ul>	
<p>2a. Assembly and Senate direction</p>	<p>Assembly and Senate direction: both came out with statements on budget priorities,</p> <ul style="list-style-type: none"> <li>● Both indicated they want additional one time state funding to go through to avoid Gann Limit</li> <li>● High priority should be housing &amp; homelesses, wildfire resilience, new activities in WUI</li> <li>● Likely that transportation will be high priority in the surplus</li> </ul>	
<p>2b. Leadership Changes.</p>	<ul style="list-style-type: none"> <li>● By 2023, there is expected to be 30% turnover in the legislature.</li> <li>● This is an opportune time to make a bi-partisan play. <ul style="list-style-type: none"> <li>○ McGuire (SB12 author) takes Senate Majority Leader post</li> <li>○ Buffy Wicks takes housing committee chair (SBC has</li> </ul> </li> </ul>	

	<p>a great relationship with her, She would be amenable to MHC).</p> <ul style="list-style-type: none"> <li>○ Kevin Kiley now on committee</li> </ul>	
<p>3. Legislative Action (<a href="#">Bill Tracking Sheet</a>)</p>	<p>Legislative session is in the second year of a 2 year session.</p> <ul style="list-style-type: none"> <li>● Expect to see some substantial changes as legislation is introduced</li> </ul> <p>Legislation Timeline:</p> <ul style="list-style-type: none"> <li>● 2/18: submittal of new legislation</li> <li>● 3/1: final day to pass committee</li> </ul> <p>Submitting New legislation would likely be a two year process.</p> <p><b>Identifying MHC's 2022 Priorities</b></p> <ol style="list-style-type: none"> <li>1. Align Jurisdictional and MHC priorities: <ul style="list-style-type: none"> <li>● One outcome of a recent meeting between the 4 jurisdictions and MHC is to set up regular meetings to align priorities and build a higher level of coordination and influence.</li> <li>● Aiming for a meeting next week between lobbyists and general staff to identify</li> </ul> </li> </ol>	<ol style="list-style-type: none"> <li>1. <b>SBC will compile a list of priorities for us to discuss at our next meeting Feb 22nd.</b> <ol style="list-style-type: none"> <li>a. In the next 10 days, Legislative tracking list.</li> <li>b. In the next few weeks, full priority list from state-wide housing coalitions/groups</li> </ol> </li> <li>2. <b>Tara is scheduling a meeting with jurisdictions and their lobbyists to identify common goals.</b></li> <li>3. <b>SBC will send dates for the 3rd week of Feb- 1st week in March to meet virtually with Legislators (30 min meetings</b></li> </ol>

	<p>priorities that we can jointly support.</p> <p>2. Align with like-minded housing advocacy groups and coalitions across the state. (Housing CA, CA Rural Housing, Housing Now)</p>	<p><b>with Assembly. &amp; Senate, then Budget committee and HCD &amp; OPR).</b></p>
<p>Next Meeting</p>		<p><b>February 28, 2022 at 2:00 PM</b></p>