

## **EXECUTIVE SUMMARY**

MEETING DATE: September 15, 2023

SUBJECT: Approve the San Diego Housing Commission's Calendar Year 2024 State and Federal Advocacy and Legislative Engagement Guide

COUNCIL DISTRICT: Citywide

ORIGINATING DEPARTMENT: Strategic Initiatives

CONTACT/PHONE NUMBER: Lisa Jones (619) 578-7696

### **REQUESTED ACTION:**

Approve the San Diego Housing Commission's Calendar Year 2024 State and Federal Advocacy and Legislative Engagement Guide.

EXECUTIVE SUMMARY OF KEY FACTORS:

- The San Diego Housing Commission's (Housing Commission) Strategic Plan for Fiscal Year (FY) 2022 - FY 2024 provides the vision, mission, purpose, core values and strategic priorities for the agency. These include the vision that everyone in the City of San Diego has a home they can afford.
- The Calendar Year 2024 State and Federal Advocacy and Legislative Engagement Guide was created in support of the FY 2022 2024 Strategic Plan to help foster progress toward the Housing Commission's vision, how advocacy-related decisions are made, and to illustrate the agency's legislative platform direction.
- It supports key strategic priority areas by helping garner support and secure funding for the Housing Commission's core work, including increasing quality, affordable housing and preservation solutions, helping families increase the opportunity for self-sufficiency and quality of life, and advancing homelessness solutions.
- Underlying Action No. 1 under Strategic Priority No. 5 in the Strategic Plan includes establishing a policy engagement guide to foster progress toward the Housing Commission's vision and secure additional public funding.
- The Housing Commission regularly engages in state and federal advocacy regarding issues and legislation that could impact the individuals and families the Housing Commission's programs help.
- In addition, the Housing Commission engages with elected leaders and stakeholders to advance policies consistent with the agency's strategic goals.
- Approval of the Calendar Year 2024 State and Federal Advocacy and Legislative Engagement Guide would provide direction to Housing Commission staff during the legislative session, as well as share the agency's legislative platform externally.
- The proposed action has no fiscal impact.

### HCR23-098



# REPORT

### DATE ISSUED: September 7, 2023

### **REPORT NO:** HCR23-098

- **ATTENTION:** Chair and Members of the San Diego Housing Commission For the Agenda of September 15, 2023
- **SUBJECT:** Approve the San Diego Housing Commission's Calendar Year 2024 State and Federal Advocacy and Legislative Engagement Guide

### **COUNCIL DISTRICT:** Citywide

### **REQUESTED ACTION**

Approve the San Diego Housing Commission's Calendar Year 2024 State and Federal Advocacy and Legislative Engagement Guide.

### **STAFF RECOMMENDATION**

That the San Diego Housing Commission (Housing Commission) Board of Commissioners (Board) approve the Calendar Year 2024 State and Federal Advocacy and Legislative Engagement Guide.

### **SUMMARY**

The Housing Commission's Strategic Plan for Fiscal Year (FY) 2022 – FY 2024 provides the vision, mission, purpose, core values and strategic priorities for the agency. These include the vision that everyone in the City of San Diego has a home they can afford.

The Calendar Year 2024 State and Federal Advocacy and Legislative Engagement Guide was created in support of the FY 2022 – 2024 Strategic Plan to help foster progress toward the Housing Commission's vision, how advocacy-related decisions are made, and to illustrate the agency's legislative platform direction. It supports key strategic priority areas by helping garner support and secure funding for the Housing Commission's core work, including increasing quality, affordable housing and preservation solutions, helping families increase the opportunity for self-sufficiency and quality of life, and advancing homelessness solutions.

Strategic Priority 5: Advocacy, Communication, Public Engagement

- 1. Advocacy: Establish priority policy areas and a policy engagement guide to foster progress toward SDHC's vision and secure additional public funding.
  - a. The guide would establish roles for internal support, recommendations for potential partnership-building opportunities, recommendations for assuring that equity and inclusion issues are evaluated and addressed, and direction on how and when SDHC will engage on key issues. It will also outline systems for proactive engagement with City Council/Housing Authority of the City of San Diego with the goal of developing solutions and policies collaboratively.
    - i. Consider policy areas such as land use, naturally occurring affordable housing, social equity issues (e.g., poverty deconcentration), single-room

September 7, 2023 Approve the San Diego Housing Commission's Calendar Year 2024 State and Federal Advocacy and Legislative Engagement Guide Page 3

occupancy ordinance, Housing Impact Fees (also known as linkage fees), tenant protection, Area Median Income levels, etc.

- ii. Pursue public funding, specifically addressing needs outlined in:
  - 1. Strategic Priority 1 Increasing Housing and Preservation Solutions
  - 2. Strategic Priority 2 Helping Families Increase Opportunities for Self Sufficiency and Quality of Life
  - 3. Strategic Priority 4 Advancing Homelessness Solutions

### AFFORDABLE HOUSING IMPACT

The Housing Commission regularly engages in state and federal advocacy regarding issues and legislation that could impact the individuals and families the Housing Commission's programs help. In addition, the Housing Commission engages with elected leaders and stakeholders to advance policies consistent with the agency's strategic goals. Approval of the Calendar Year 2024 State and Federal Advocacy and Legislative Engagement Guide would provide direction to Housing Commission staff during the legislative session, as well as share the agency's legislative platform externally.

### FISCAL CONSIDERATIONS

The proposed action has no fiscal impact.

### HOUSING COMMISSION STRATEGIC PLAN

This item relates to Strategic Priority Area No. 5 in the Housing Commission's Strategic Plan for Fiscal Year (FY) 2022-2024: Advocacy, Communication and Public Engagement.

### EQUAL OPPORTUNITY CONTRACTING AND EQUITY ASSURANCE

The Housing Commission's Strategic Plan for Fiscal Year (FY) 2022-2024 includes the following statement regarding the Housing Commission's commitment to equity and inclusivity: "At SDHC, we are about people. SDHC embraces diverse approaches and points of view to improve our programs, projects and policies.

- We believe in delivering programs and services in innovative and inclusive ways.
- We are committed to advancing equity and inclusion both internally and externally."

### **KEY STAKEHOLDERS and PROJECTED IMPACTS**

The key stakeholders of this action are the Housing Commission and staff for state and federal legislative, executive, and regulatory offices.

This action is expected to have a positive impact on Housing Commission strategic goals and priorities by formalizing and expanding Housing Commission engagement with state and federal legislative, executive, and regulatory offices.

### **ENVIRONMENTAL REVIEW**

### California Environmental Quality Act (CEQA)

This activity is not a project as defined by the California Environmental Quality Act Section 21065 and State CEQA Guidelines Section 15378(b)(5), as it is an administrative activity of government that will not result in direct or indirect physical changes in the environment.

September 7, 2023 Approve the San Diego Housing Commission's Calendar Year 2024 State and Federal Advocacy and Legislative Engagement Guide Page 3

### National Environmental Policy Act (NEPA)

Processing under the National Environmental Policy Act is not required as no federal funds are involved in this action.

Respectfully submitted,

Lisa Jones

Lisa Jones Executive Vice President, Strategic Initiatives San Diego Housing Commission

Approved by,

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Jeff Davis Interim President & Chief Executive Officer San Diego Housing Commission

Attachments: 1) Calendar Year 2024 State and Federal Advocacy and Legislative Engagement Guide

Hard copies are available for review during business hours at the information desk in the main lobby of the San Diego Housing Commission offices at 1122 Broadway, San Diego, CA 92101 Docket materials are also available in the "Governance & Legislative Affairs" section of the San Diego Housing Commission website at <u>www.sdhc.org</u>.



# San Diego Housing Commission Calendar Year 2024 Advocacy and Legislative Engagement Guide September 2023

San Diego Housing Commission 1122 Broadway, Suite 300 San Diego, CA 92101 www.sdhc.org





## San Diego Housing Commission (SDHC) Advocacy and Legislative Engagement Guide September 2023

## Contents

SUMMARY	3
STATE GOALS	4
STATE PRIORITIES	5
FEDERAL GOALS	9
FEDERAL PRIORITIES	10



### SUMMARY

The San Diego Housing Commission (SDHC) monitors legislative and regulatory activities closely to identify issues and legislation that could affect the individuals and families SDHC's programs serve. In addition, SDHC provides policy recommendations to address a variety of issues.

SDHC works to advance policies consistent with SDHC's vision, mission, purpose, core values and strategic priorities, as defined in SDHC's Strategic Plan for Fiscal Year 2022-2024.

SDHC engages with elected leaders and officials at local, state and federal levels of government, as well as stakeholders, on policy initiatives.

SDHC is committed to fostering an environment of belonging that advances diversity, equity and inclusion for all. It is SDHC's priority to affirmatively further equitable access, quality of service provision and outcomes for protected classes and support efforts to direct homelessness funding and service provision through an equity and inclusion lens.

This guide supports SDHC's Strategic Priority Area of Advocacy, Communication and Public Engagement.



## **STATE GOALS**

- 1. Pursue committee testimony opportunities for SDHC leadership to share subject matter expertise and best practices (e.g., proposed legislation and regulations related to affordable housing production and preservation, homelessness programs and services, rental assistance, etc.) and provide SDHC's input regarding the agency's priorities (e.g., statewide housing and homelessness budget allocations).
- Increase engagement with the Governor's office, the San Diego legislative delegation, and state agencies, including the California Debt Limit Allocation Committee (CDLAC), the California Tax Credit Allocation Committee (CTCAC), the Department of Housing and Community Development (HCD), the California Housing Finance Agency (CalHFA), the California Department of Social Services (CDSS), the California Department of Health Care Services (DHCS), and others; regularly meet to discuss and advance SDHC priorities.
- Identify ally and industry organizations including affordable housing development community, homelessness and social services sector stakeholders, and communitybased organizations – and expand advocacy partnerships to advance shared goals; participate in statewide advocacy campaigns that achieve and further SDHC priorities.
- 4. Target key policy proposals for SDHC support positions and advocate on behalf of SDHC priorities.
- 5. Support targeted budget requests and pilot programs based on strategic priorities; monitor and advocate for ideal funding levels and favorable enabling language within the budget process.



## STATE PRIORITIES

### **Overarching**

- Support legislation, regulations, and resources that:
  - Provide ongoing, dedicated state resources for homelessness, including, but not limited to, prevention, diversion and crisis response funding.
  - Continue to identify funding for permanent supportive housing, interim housing, emergency shelters and flexible subsidy pools, including rapid rehousing, outreach and rental assistance.
  - Increase funding and incentives for affordable housing for San Diego communities, including individuals experiencing homelessness, seniors, people with disabilities, veterans, persons who identify as LGBTQ+, transition-age youth, refugees, and moderate- and low-income households.
  - Promote funding and policies that benefit agencies with a Pro-Housing Designation.
  - Provide resources for housing placement costs to low-income renters (e.g., security deposits, application fees, funding for housing navigators, supportive service dollars for high-need/at-risk populations)

#### Homelessness Solutions

- Support legislation, regulations, and resources that:
  - Increase funding for services for residents of projects funded by the state's Homekey program, as well as funding for capital and acquisition projects.
  - Reduce regulatory barriers and enhance flexibility toward the creation and permitting of emergency housing interventions, including, but not limited to, non-congregate shelters, safe havens, bridge shelters, safe parking and safe storage programs.
  - Target services and increase funding for homelessness programming for domestic violence survivors and unaccompanied women.
- Support and continue tracking and monitoring legislation, regulations, and resources related to:
  - Implementation of Community Assistance, Recovery and Empowerment (CARE) Court, as well as measures that reform the Lanterman-Petris-Short Act, Laura's Law, and conservatorship laws to provide equitable and effective legal tools that allow local governments, health providers and law enforcement to more effectively help people access behavioral health treatment.
  - Administration of Encampment Resolution Funding (ERF), including flexibility allowing public housing authorities to administer and expend the funds.
- Support legislation that increases funding and flexibility for local homelessness programming, including broadening funding eligibility to allow public housing authorities to administer funds, as well as ensuring a wide variety of interventions to meet needs of populations served and to protect against housing discrimination, including source of income and lack of credit history.



- Support the Homeless Housing, Assistance and Prevention (HHAP) Grant program or any successor grant program that provides local jurisdictions with flexible funding to continue efforts to end and prevent homelessness.
- Advocate for budget allocations to create statewide housing stabilization and prevention programs to assist households that expend more than 40 percent of their income on rent, including those at risk of being evicted.
  - Prevention and rental subsidy program funding should be prioritized for high-need jurisdictions with a proven record of getting relief to tenants and landlords.
- Support efforts at the intersection of healthcare and homelessness that:
  - Focus on funding for harm reduction strategies and support reframing of the challenge as a public health and housing crisis.
  - Advocate for support of a variety of interventions to meet needs of populations served.
  - Promote the retention and expansion of inpatient, outpatient, step-down, and long-term mental health facilities and services, as well as ongoing resources to secure long-term stabilization.
  - Maximize the use of evidence-based practices within Proposition 63 Mental Health Services Act (MHSA) funding in the San Diego region.
  - Enhance health outcomes for persons with mental health and substance use disorder (SUD) needs to facilitate transitions to permanent housing, including through California Advancing and Innovating Medi-Cal (CalAIM).
  - Encourage community-based behavioral health service delivery models for individuals who frequently use emergency services, including partnerships between Emergency Medical Technicians and psychiatric clinicians.
  - Influence the expenditure of behavioral health dollars to counties, including increasing housing interventions for persons with high-barrier and long-term support needs (e.g., adult independent living care, board and care facilities)
- Highlight the staffing crisis in the homelessness sector.

### Providing Rental Assistance

- Monitor workforce development funding, including partnerships with workforce development funders and the California Labor & Workforce Development Agency, for opportunities for engagement, with a focus on funding to support work readiness, job training, job placement, and financial literacy for SDHC's housing and homelessness program participants.
- Engage local and state stakeholders in advocating the federal government for additional rental housing vouchers, increased administrative funding for special purpose vouchers that serve at-risk or high-need populations, additional funding for supportive services and housing placement costs for vouchers dedicated to people experiencing homelessness, increased administrative Housing Choice Voucher funding to afford landlord incentives, as well as supporting changes to the Emergency Housing Voucher program to make those vouchers permanent.



- Support legislation and funding that provide resources and support for tenants, including:
  - o anti-displacement efforts
  - relocation assistance
  - o legal education and housing law
  - o landlord incentives and housing placement costs
  - o supportive services
  - o tenant protection efforts
  - housing placement to eliminate common barriers such as credit, criminal, and rental history criteria for low-income households seeking to rent in the private market
- Support legislation and funding that would provide shallow subsidies to prevent seniors, people with disabilities, families with children under age 5, individuals previously involved with the criminal justice system, and transition-age youth from experiencing homelessness.
- Support legislation that promotes neighborhood investment through mixedincome housing to incentivize economic development in low-to-moderate-income communities while mitigating housing displacement.

### Creating and Preserving Affordable Housing

- Engage San Diego partners to raise awareness with state leaders of the impact competitive bonds are having on the supply of affordable housing.
  - Encourage CDLAC to increase points awarded in bond applications to developers utilizing recycled bonds to incentivize more widespread use.
  - Advocate to increase California's bond capacity as additional Volume Cap would allow thousands of multifamily affordable housing units to move forward using Private Activity Bonds, as well as allow for an allocation of Mortgage Credit Certificate Bonds to assist first-time homebuyers.
  - Encourage mixed-income housing developments through building incentives, reduced impact and local permitting fees, and an expansion of state and local real estate tax exemptions.
  - Provide short-term relief from state and local real estate taxes to assist property stabilization.
- Support legislation, regulations and resources that:
  - Promote housing production, including but not limited to efforts that would permit increased density in SDHC's real estate portfolio.
  - Preserve existing affordable housing and naturally occurring affordable housing (NOAH), including funding for priority projects identified by the Interagency Preservation Working Group in the City of San Diego.
  - Increase the production of moderate- and middle-income housing, including changes to building standards and construction methods, and provide more flexibility in the use of prefabricated and modular home construction and mass timber.
  - Allocate resources for homeownership accessibility for households with low-, moderate-, and middle-incomes, including exploring opportunities to partner with state agencies, such as the California Housing Finance



Agency (CalHFA), for local distribution of state funding, e.g., California Dream for All.

- Encourage homeownership for historically underrepresented groups, including Black, Indigenous and People of Color (BIPOC) households.
- Increase the production of accessory dwelling units (ADUs), including technical assistance, financing products, local zoning changes and construction methods.
- Continue to support the use of public land for affordable housing development, including via new public-private partnerships, and identify funding to accelerate development.
- Increase the feasibility of the co-location of childcare and affordable housing, and protect and incentivize growth of childcare providers in the home-based setting.
- Advance energy efficiency, electrification, and decarbonization in new and existing affordable housing, when feasible.
- Continue tracking and monitoring legislation, regulations, and resources related to:
  - Homekey funding and support pilot efforts to apply Homekey's streamlined land-use determinations to all affordable housing developments.
  - Funding for technical assistance in support of regional collaboration opportunities.
  - Limiting or eliminating regulatory barriers to housing preservation and production, including reducing the costs associated with affordable housing development.



## FEDERAL GOALS

- Pursue committee testimony opportunities for SDHC leadership to share subject matter expertise and best practices (e.g., emergency rental assistance, Emergency Housing Vouchers, Section 8 Housing Choice Voucher program, homelessness prevention and response, etc.), and provide SDHC's input regarding the agency's priorities (e.g., annual U.S. Department of Housing and Urban Development [HUD] budget allocations, including the Community Development Block Grant Program, HOME Investment Partnerships Program funding, HUD-U.S. Department of Veterans Affairs [VA] Supportive Housing [VASH], McKinney-Vento Homeless Assistance Grants, and Emergency Solutions Grants [ESG]).
- 2. Increase engagement with Congressional delegation and HUD staff; regularly meet to discuss and advance SDHC priorities.
- 3. Identify ally and industry organizations, expand advocacy partnerships to advance shared goals; participate in national advocacy campaigns that achieve and further SDHC priorities.
- 4. Target key policy proposals for SDHC support positions and advocate on behalf of SDHC priorities.
- 5. Support targeted budget requests and community project funding based on strategic priorities; monitor and advocate for ideal funding levels and favorable enabling language within the budget process (e.g., protecting and increasing resources for affordable housing preservation and production, ensuring protections for low-income renters, advancing opportunities to fair housing, and expanding homelessness, rental assistance, and first-time homeownership funding)



## FEDERAL PRIORITIES

### **Overarching**

- Support legislation, regulations and resources that increase funding and incentives for quality, affordable housing opportunities for San Diego communities, including individuals experiencing homelessness, seniors, people with disabilities, veterans, persons who identify as LGBTQ, transition-aged youth, refugees, and moderate- and low-income households.
- Support legislation that increases and oppose attempts to decrease funding to HUD, including to programs such as CDBG, ESG, Section 8 Housing Choice Vouchers, etc.

### Homelessness Solutions

- Support legislation that increases funding and flexibility for local homelessness programming, including ensuring a wide variety of interventions to meet needs of populations served and that protects against housing discrimination, including source of income and lack of credit history.
- Support legislation, regulations and resources that:
  - Expand flexibility in the dollars spent on preventing and addressing homelessness in all programs and identify funding for services.
  - Focus on funding for harm reduction strategies and support reframing of the challenge as a public health and housing crisis.
  - Advocate for revisions to McKinney-Vento program to ensure homelessness services are allocated based on need.
  - Target services and increase funding for homelessness programming for domestic violence survivors and unaccompanied women.

### Providing Rental Assistance

- Advocate for and support legislation that increases funding for:
  - Additional permanent and emergency rental housing vouchers, including measures that would support and fund a universal voucher program, as well as increased administrative funding for special purpose vouchers that serve high-need populations, increased funding for supportive services for vouchers dedicated to people experiencing homelessness, and increased administrative Housing Choice Voucher funding to afford landlord incentives,
  - Ongoing resources for housing placement services for Housing Choice Voucher households, especially for high-need or at-risk populations served with special purpose vouchers.
  - Full administrative fees for public housing authorities (with a minimum of 100% proration), including Housing Assistance Payment funding.
- Monitor workforce development funding, including partnerships with workforce development funders and the U.S. Department of Labor, for opportunities for engagement, with a focus on funding to support work readiness, job training, job placement and financial literacy for SDHC's housing and homelessness program participants.
- Support legislation, regulations, and resources that:



- Advance fair housing opportunities.
- Increase funding for VASH, Section 8 Housing Choice Voucher Program, Mainstream Vouchers, and homeless programs, as well as regulatory flexibility to maximize utilization of these resources. Convert Family Unification Program dedicated to youth and Emergency Housing Voucher programs to a permanent model with no term limits.
- Support efforts to streamline Fair Market Rent (FMR) calculations to adequately reflect current rental market trends in high-cost areas such as San Diego.
- Increase voucher funding levels that align with FMRs and Small Area Fair Market Rents (SAFMRs), allowing public housing authorities to maintain payment standards.
- Support legislation and funding that provide resources and support for tenants, including:
  - o anti-displacement efforts
  - o relocation assistance
  - legal education and housing law
  - o landlord incentives and housing placement costs
  - supportive services
  - tenant protection efforts
  - housing placement to eliminate common barriers such as credit, criminal, and rental history criteria for low-income households seeking to rent in the private market
- Advocate for budget allocations to create federal housing stabilization and prevention programs to assist rent-burdened households, including those at risk of being evicted.
  - Prevention and rental subsidy program funding should be prioritized for high-need jurisdictions with a proven record of getting assistance to tenants and landlords.
- Engage with San Diego's Congressional delegation to communicate local voucher program successes, including MTW efficiencies.

### Creating and Preserving Affordable Housing

- Monitor and advocate for maintaining and increasing funding and other federal resources for low-, moderate-, and middle-income housing production, and lowincome housing preservation, including naturally occurring affordable housing (NOAH).
- Support legislation, regulations and resources that:
  - Promote housing production, including efforts that would permit increased density in SDHC's real estate portfolio.
  - Increase low-income housing tax credit allocation to states not able to meet their housing production goals.
  - Create new sources of capital, including below-market interest rate loans, for affordable housing developments.
  - Incentivize densification, developments near existing or planned mass transit, and renewable energy components as part of affordable housing developments.



- Incentivize high-efficiency green building with capital or additional green tax credits to offset the cost.
- Increase the state cap for multifamily housing revenue bonds and Mortgage Credit Certificate Bonds assisting first-time homebuyers.
- Encourage homeownership accessibility for households with low income, middle income, and Black, Indigenous and People of Color (BIPOC) households.
- Provide resources for permanent supportive housing production and provide funding for comprehensive supportive services, including those related to veterans' affairs and behavioral health.
- Promote neighborhood investment through mixed-income housing to incentivize economic development in low-to-moderate-income communities while mitigating housing displacement.
- Promote limiting or eliminating regulatory barriers to housing preservation and production.
- Allocate funding for the planning and construction of housing for activeduty military members and veterans on federally owned land.
- Increase the feasibility of the co-location of childcare and affordable housing, and protect and incentivize growth of childcare providers in the home-based setting.