



EXECUTIVE SUMMARY

MEETING DATE: September 13, 2024

HCR24-068

SUBJECT: Approve the San Diego Housing Commission's Calendar Year 2025 State and Federal Advocacy and Legislative Engagement Guide

COUNCIL DISTRICT: Citywide

ORIGINATING DEPARTMENT: Policy

CONTACT/PHONE NUMBER: Molly Weber (619) 578-7746

REQUESTED ACTION:

Approve the San Diego Housing Commission's Calendar Year 2025 State and Federal Advocacy and Legislative Engagement Guide.

EXECUTIVE SUMMARY OF KEY FACTORS:

- The San Diego 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 Housing Commission is in the process of developing a new Strategic Plan.
- The Calendar Year 2025 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.
- Underlying Action No. 1 under Strategic Priority No. 5 in the Strategic Plan included establishing a policy engagement guide to foster progress toward the Housing Commission's vision and secure additional public funding.
- The Housing Commission engages with elected leaders and officials at local, state and federal levels of government, as well as stakeholders, including SDHC clients, on policy initiatives.
- The Housing Commission monitors local, state and federal legislative and regulatory activities closely to identify issues and legislation that could affect the individuals and families SDHC's programs serve.
- Specifically, the Housing Commission focuses its legislative priorities on four key areas of programming:
 - Homelessness Prevention & Best Practices in Addressing Homelessness
 - Rental Assistance
 - Preservation of Affordable Housing
 - Production of Affordable Housing
- The Housing Commission is committed to fostering an environment of belonging that advances diversity, equity and inclusion for all.
- The proposed action has no fiscal impact.



REPORT

DATE ISSUED: September 5, 2024

REPORT NO: HCR24-068

ATTENTION: Chair and Members of the San Diego Housing Commission
For the Agenda of September 13, 2024

SUBJECT: Approve the San Diego Housing Commission's Calendar Year 2025 State and Federal Advocacy and Legislative Engagement Guide

COUNCIL DISTRICT: Citywide

REQUESTED ACTION:

Approve the San Diego Housing Commission's Calendar Year 2025 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 2025 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 2025 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.

This action furthers Strategic Priority 5:of the Housing Commission's Strategic Plan for Fiscal Year (FY) 2022-2024 to do the following:

1. Advocacy: Establish priority policy areas and a policy engagement guide to foster progress toward the Housing Commission'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 occupancy ordinance, Housing

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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

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. The Housing Commission is in the process of developing a new Strategic Plan.

EQUAL OPPORTUNITY CONTRACTING AND EQUITY ASSURANCE

We're about people. At the Housing Commission, Diversity, Equity, Inclusion and Access are embedded in our values, mission, and culture. We make an intentional effort to provide equitable access to our programs and services and foster a diverse and inclusive workplace and community. Diversity and inclusion are catalysts for meaningful change. We encourage and welcome diverse approaches and points of view from employees, customers and our community as we continuously improve our programs, projects and policies.

The proposed Legislative Engagement Guide was developed collaboratively with feedback from departments across the agency and reviewed by the Equity Assurance Division to ensure the Housing Commission's commitment to diversity, equity, and inclusion is also incorporated.

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

The proposed activity to approve the advocacy and legislative engagement guide is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15061(b)(3) (Common Sense) which states that CEQA applies only to projects that have the potential for causing a significant effect on the environment. The Common Sense Exemption is applicable where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment. The actions would not, on their own accord, cause a significant effect on the environment.

National Environmental Policy Act

Processing under the National Environmental Policy Act is not required because no federal funds are included in the proposed activity.

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Respectfully submitted,



Molly Weber
Senior Vice President, Policy and Land Use
San Diego Housing Commission

Approved by,



Jeff Davis
Deputy Chief Executive Officer
San Diego Housing Commission

Attachments: 1) 2025 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 available in the "Governance & Legislative Affairs" section of the San Diego Housing Commission website at www.sdhc.org



SAN DIEGO
HOUSING
COMMISSION

Attachment 1

San Diego Housing Commission 2025 Advocacy and Legislative Engagement Guide September 2024

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 August 2024

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Overview & Purpose

The San Diego Housing Commission (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, and subsequent SDHC Strategic Plans. The 2025 Advocacy and Legislative Engagement Guide supports SDHC's Strategic Priority Area of Advocacy, Communication and Public Engagement.

SDHC monitors local, state and federal legislative and regulatory activities closely to identify issues and legislation that could affect the individuals and families SDHC's programs serve. Specifically, SDHC focuses its legislative priorities on four key areas of programming:

- Homelessness Prevention & Best Practices in Addressing Homelessness
- Rental Assistance
- Preservation of Affordable Housing
- Production of Affordable Housing

In addition to the four main policy priorities, the following policy considerations impact each policy priority and guide the work of the policy team:

- Advancing diversity, equity and inclusion
- Addressing regulatory and programmatic barriers
- Local, state and federal funding commitments
- Tenants' rights, eviction prevention, and anti-displacement
- Supporting solutions at the intersection between healthcare and homelessness

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

SDHC is committed to fostering an environment of belonging that advances diversity, equity and inclusion for all. At SDHC, Diversity, Equity, Inclusion and Access are embedded in our values, mission, and culture. We make an intentional effort to provide equitable access to our programs and services and foster a diverse and inclusive workplace and community. Diversity and inclusion are catalysts for meaningful change. We encourage and welcome diverse approaches and points of view from employees, customers and our community as we continuously improve our programs, projects and policies.



Policy Priorities

1. Homelessness Prevention & Best Practices In Addressing Homelessness

- Continue to support the Community Action Plan on Homelessness for the City of San Diego through legislative advocacy at local, state and federal levels, with a strategic focus on initiatives that sustain or increase funding for homelessness services, expand access to critical services necessary for program clients' long-term stability, remove regulatory barriers that adversely impact access to resources, and encourage greater collaboration between the public and private sectors to effectively address homelessness and prevent housing instability.
- Advocate for prevention resources in addition to crisis response interventions. Keeping someone in their home is one of the most effective and cost-efficient ways to prevent and reduce homelessness. SDHC prioritizes homelessness prevention programs, which focus on sparing people the trauma of losing a home and keeps other limited emergency resources – like temporary shelter beds and housing assistance – available for people already experiencing homelessness.

2. Rental Assistance

- Key to SDHC's mission to foster social and economic stability for vulnerable populations in the City of San Diego is the ability to issue rental assistance to more than 17,000 families with low income. However, significant investment in additional resources is needed to pay a portion of the rent for the families SDHC currently serves and to serve the thousands of households currently on the waitlist.

3. Preservation of Affordable Housing

- Preservation of the existing inventory of affordable rental housing is a critical part of a comprehensive strategy to address the housing affordability and homelessness crises, ensuring that affordable options remain available for all residents. According to a trend analysis conducted for SDHC's affordable housing preservation study in 2020 it is projected that 682 affordable units could be lost each year—210 deed-restricted affordable housing units and 472 naturally occurring affordable housing units. This amounts to an estimated potential loss of 2,728 affordable units over the next four years.
- Maintain the physical infrastructure of the more than 4,300 units within the SDHC portfolio to ensure the housing stock continues to provide safe, high-quality housing for our residents, identifying opportunities to inform capital improvement and replacement projects.

4. Production of Affordable Housing

- As a lender, Multifamily Housing Revenue Bond issuer, affordable housing property owner, administrator of City of San Diego land use programs, and monitor of compliance with affordability requirements, SDHC has participated in the creation or preservation of more than 24,000 affordable housing units currently in service in the City of San Diego.



Policy Actions

1. Target key policy proposals for SDHC support positions, and advocate on behalf of SDHC priorities.
2. Develop and advocate for 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.
3. Pursue committee testimony opportunities for SDHC leadership to share subject matter expertise and best practices at the local, state, and federal levels.
4. Increase engagement with the Congressional Delegation, U.S. Department of Housing and Urban Development (HUD) staff, the Governor's office, state legislators, 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 with them to discuss and advance SDHC priorities.
5. Identify ally and industry organizations – including affordable housing development community, homelessness and social services sector stakeholders, and community-based organizations – and expand advocacy partnerships to advance shared goals. Participate in local, statewide, and national advocacy campaigns that achieve and further SDHC priorities.



Policy Priorities

1. Homelessness Prevention & Best Practices in Addressing Homelessness

- a. Support federal legislation, regulations and resources that:
 - i. Focus on preventing homelessness and supporting permanent housing solutions, such as rapid rehousing and permanent supportive housing, as essential interventions to address homelessness.
 - ii. Support solutions at the intersection between health care and homelessness by targeting resources towards innovative programming, such as the Multidisciplinary Outreach Program and harm reduction.
 - iii. Advocate for revisions to McKinney-Vento Homeless Assistance Act programs to ensure homelessness services are allocated based on need.
 - iv. Update HUD's Community Development Block Grant (CDBG) formula for Continuum of Care (CoC) funding so that it is proportional based on local need and adequately supports provision of homelessness services in the City of San Diego.
- b. Advocate for state 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.
 - i. Prevention and rental subsidy program funding should be prioritized for high-need jurisdictions with a proven record of getting relief to tenants and landlords.
- c. Support efforts at the intersection of healthcare and homelessness that:
 - i. Focus on funding for harm reduction strategies.
 - ii. Promote the retention and expansion of inpatient, outpatient, step-down, recuperative care, and long-term mental health facilities and services, as well as ongoing resources to secure long-term stabilization.
 - iii. Maximize the use of evidence-based practices within Proposition 63 Mental Health Services Act (MHSA) funding in the San Diego region, including Homekey +.
 - iv. 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).
 - v. Encourage community-based behavioral health service delivery models for individuals who frequently use emergency services, including partnerships between Emergency Medical Technicians and psychiatric clinicians.
 - vi. 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).

- d. Support state legislation, regulations, and resources that:
 - i. Provide ongoing, dedicated state resources for homelessness, including, but not limited to, prevention, diversion, crisis response, and permanent housing solutions, such as rapid rehousing and permanent supportive housing.
 - ii. 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.
 - iii. Address staffing challenges within in the homelessness sector.
- e. Monitor legislation, regulations, and resources related to:
 - i. 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.
 - ii. Administration of current and future Homeless Housing, Assistance and Prevention (HAPP) Grants and the Encampment Resolution Funding (ERF), including flexibility allowing public housing authorities to administer and expend the funds.

2. Rental Assistance

- a. Support federal legislation that increases, and oppose attempts to decrease, funding to HUD, including to programs such as CDBG, Emergency Solutions Grants (ESG), Section 8 Housing Choice Vouchers, etc.
- b. Support federal legislation, regulations, and resources that:
 - i. Advance fair housing opportunities.
 - ii. Increase funding for Veterans Affairs Supportive Housing (VASH), Section 8 Housing Choice Voucher Program, Mainstream Vouchers, and homelessness programs, as well as regulatory flexibility to maximize utilization of these resources. Convert Youth Family Unification Program and Emergency Housing Voucher programs to a permanent model with no term limits.
 - iii. Implement flexibilities that reduce subsidy program eligibility and leasing barriers.
- c. Increase voucher funding levels that align with Fair Market Rents (FMRs) and Small Area Fair Market Rents (SAFMRs), allowing public housing authorities to increase payment standards to align with FMR and SAFMR increases.
- d. Advocate for and support legislation that increases funding for:
 - i. Additional permanent rental housing vouchers.



- ii. Supportive services for vouchers dedicated to people experiencing homelessness.
- iii. Administration of special purpose vouchers that serve high-need populations.
- iv. Ongoing resources for housing placement incentives and services such as housing navigation, rental application fees, and security deposit assistance for Housing Choice Voucher households, especially for high-need or at-risk populations served with special purpose vouchers.
- v. Full administrative fees for public housing authorities (with a minimum of 100% proration), including Housing Assistance Payment funding.
- e. Advocate for budget allocations through engagement with local and state stakeholders to create federal housing stabilization and prevention programs to assist rent-burdened households, including those at risk of being evicted.
- f. Advocate for the continued support of Moving to Work. This includes protections for MTW reserves from offsets and advocacy for continued flexibility under MTW to design programs that meet local needs.
- g. Increase workforce development funding. Monitor partnerships with state and federal funders, including 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.
- h. Support legislation and funding that would provide shallow subsidies to prevent seniors, people with disabilities, families with children under age 18, individuals previously involved with the criminal justice system, and transition-age youth from experiencing homelessness.
- i. Provide funding for housing programs that bridge healthcare and housing for Medicare users, focusing on the medically vulnerable. By integrating healthcare directly within housing facilities, the programs aims to reduce hospitalizations, improve health outcomes, and lower costs.
- j. Support legislation and funding that provide resources and support for tenants, including:
 - i. Anti-displacement efforts
 - ii. Relocation assistance
 - iii. Legal education about housing law
 - iv. Legal representation and mediation for low-income tenants facing eviction
 - v. Landlord incentives and housing placement costs
 - vi. Supportive services
 - vii. Tenant protection efforts, including assisting low-income tenants to eliminate disparate impact



- viii. Housing placement to eliminate common barriers such as credit history, criminal background, and rental history criteria for low-income households seeking to rent in the private market

3. Preservation of Affordable Housing

- a. Support legislation, regulations and resources that:
 - i. Preserve existing deed-restricted affordable housing and naturally occurring affordable housing (NOAH).
 - ii. Provide short-term relief from state and local real estate taxes to assist property stabilization.
 - iii. Fund the physical preservation of deed-restricted properties to perform adequate and timely capital replacement and capital improvements of building and property systems.
- b. Continue tracking and monitoring legislation, regulations, and resources related to:
 - i. Limiting or eliminating regulatory barriers to housing preservation and production, including reducing the costs associated with affordable housing development.
- c. Monitor and advocate for maintaining and increasing funding and other federal resources for low-income housing preservation, including NOAH.

4. Production of Affordable Housing

- a. Promote funding and policies that benefit jurisdictions with a Pro-Housing Designation.
- b. Engage San Diego partners to raise awareness with state leaders of the impact competitive bonds are having on the supply of affordable housing.
 - i. Encourage CDLAC to increase points awarded in bond applications to developers utilizing recycled bonds to incentivize more widespread use.
 - ii. Advocate to extend the deadline to use recycle bonds and increase California's bond capacity. Additional Volume Cap would allow thousands of multifamily affordable housing units to move forward using Private Activity Bonds and allow for an allocation of Mortgage Credit Certificate Bonds to assist first-time homebuyers.
 - iii. 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.
- c. Support state and federal legislation, regulations and resources that:
 - i. Promote housing production within all communities of the City, as aligned with the most recent Housing Element.
 - ii. Provide opportunities for increased densification of SDHC's real estate portfolio.
 - iii. 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.



- iv. Allocate resources for homeownership accessibility for households with low-, moderate-, and middle-incomes.
 - v. Increase the production of accessory dwelling units (ADUs), including technical assistance, financing products, local zoning changes and construction methods.
 - vi. Continue to support the use of public land for affordable housing development, including via new public-private partnerships, and identify funding to accelerate development.
 - vii. 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.
 - viii. Advance energy efficiency, electrification, and decarbonization in new and existing affordable housing, when feasible.
 - ix. Increase low-income housing tax credit allocations to states not able to meet their housing production goals.
 - x. Create new sources of capital, including below-market interest rate loans, for affordable housing developments.
 - xi. Incentivize densification, developments near existing or planned mass transit, and renewable energy components as part of affordable housing developments.
 - xii. Increase the state cap for Multifamily Housing Revenue Bonds and Mortgage Credit Certificate Bonds assisting first-time homebuyers.
 - xiii. Provide resources for permanent supportive housing production, and provide funding for comprehensive supportive services, including those related to veterans' affairs and behavioral health.
 - xiv. Allocate funding for the planning and construction of housing for active-duty military members and veterans on federally owned land.
 - xv. Allocate funding for the planning and construction of intensive/enhanced care managed housing for individuals who previously experienced homelessness with a need for specialized services and who are not able to thrive in an independent living environment.
- d. Continue tracking and monitoring legislation, regulations, and resources related to:
- i. Regional Housing Agencies or similar programs