



DEPARTMENT OF BUSINESS AND INDUSTRY
OFFICE OF THE DIRECTOR

MINUTES of the PUBLIC MEETING of the
ADVISORY COMMITTEE ON HOUSING

Friday, November 13, 2020 @ 9:00AM

Online Meeting: Join from your computer, tablet or smartphone.
<https://global.gotomeeting.com/join/948174909>

COMMITTEE MEMBERS PRESENT:

Senator Julia Ratti	Amy Jones
Bill Brewer	Rae Lathrop
Nancy Brown	Brooke Page
Audra Hamernik	

COMMITTEE MEMBERS ABSENT:

Chad Williams	Sharon Zadra
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OTHERS PRESENT:

Ariel Estrada-Parra, Praxis	Budd Milazzo, Business & Industry
Christine Hess, NV Housing Coalition	Elaina Mule, Charles Schwab Bank
Eric Novak, Praxis	Jacob LaRow, Nevada Housing Division
Lena Frias, NV Rural Housing	Leslie Olson, Business & Industry
Lorri Murphy, CLSN	Lynda Hascheff, Opportunity Alliance
Michael Holliday, Nevada Housing Division	Peter Keegan, Attorney General's Office
Robert Shaw, Nevada Housing	Stephen Aichroth, Nevada Housing

AGENDA

1. Call to Order and Roll Call

The meeting was called to order at 9:01 a.m.

2. Public Comment

There was no public comment.

3. Approval of the August 26, 2020 meeting minutes (For Possible Action)

Audra Hamernik made a motion to approve the minutes. Bill Brewer seconded the motion. All members voted in favor. The motion passed unanimously.

4. COVID-19 Updates/Responses (For Discussion)

Bill Brewer: We are on track to beat \$180,000 this week. As of last week, we have received 2,655 applications and we are processing 975 of those and have responded to 588 thus far. Of those 588 a total of \$1,317,000 has been expended with an average of \$2,241 per application. If we can continue at that rate, we will expend about \$4.1 million over the course of the program.

Lena Frias stated via chat that they will be at \$1.5 million as of today with over 950 applicants being processed.

Senator Ratti asked if NV Rural is carrying a waiting list if new resources come in.

Bill Brewer: We are carrying a waiting list. Lena has had conversations with NHD and Amy about doing a soft close on that because of the termination of the funding availability in December. We are doing a soft close this week, but we are carrying forward the folks that we do have on the waiting list.

Lena Frias stated via chat that their intent is to try and work all applications in the queue between now and the end of the year. The waiting list is being maintained and they will do their best to assist everyone that they can.

Amy Jones: With our program we received four different funding sources. We received the funding from the Nevada Housing Division, City of Sparks, and City of Reno. With the City of Reno, we received \$1.5 million dollars and we have expended all of those funds. City of Sparks, we received \$402,000 of CDBG funding and we have expended all of those funds. We received \$2 million from the City of Sparks and as of right now we have processed over \$400,000 in payments and we have helped a total of 167 Sparks residents. As far as the NHD funds, we have spent \$1.2 million of those funds. In total, we have helped over 500 residents in Washoe County with this rental assistance. In total with all of the programs we have spent over \$3.2 million dollars helping Sparks residents. As Bill mentioned, we are going to pause the program here in Washoe County so that we can process the files that we currently have. As of this morning, we have 971 files that we have received all of the information and all of the requested documentation. Of those 971, those are being processed for eligibility. We want to get through those files so that we can hopefully get all of those applicants paid. As of 5:00 p.m. today, we will be pausing the program so that we can work through those files and other files that we have on our wait list. We have received over 2,900 files as of today's date. This program has been very labor intensive and the staff here at the Housing Authority has been working non-stop to get this program up and running and making sure that we make those payments.

Brooke Page: I am curious if there is a need to elevate this information to our congressional delegation or our Senators federally to give them an update on where we are and the need for another package.

Michael Holliday: The latest report that we have from Clark County was actually through October 29. We do not have new numbers from them in detail, but I have an overview. At that point, they had in mortgage assistance and utility, for their total program they put out \$12.2 million dollars. They had helped 2,197 families with rent arrears and 2,032 families with rent payments. I do know that as of this week they were at \$15 million. As a reminder, they had \$30 million of their own funds and then another \$20 million from the State. They launched a new portal and added staff. They are trying to increase their throughput. They are starting a media blitz which starts on Monday and will add even more staff. They are really hoping to pick up the

pace because the need is great down there, but they are not moving through quick enough and we are worried about the December 30 date.

Treasurer Conine has been speaking with some of the elected and he has definitely been talking to some of the Clark County folks to see if there are things that they can do to help raise awareness or drive people to the program. To that end, I think it was mentioned that the Governor may do a press conference to remind folks that there is help out there and there are resources especially in Southern Nevada where there is a little more money. The other piece of this program is the eviction mediation program which is up and running. They have 209 cases in the system already unfortunately for Home Means Nevada. So even though we have this CDC moratorium in place, there are still folks that are getting eviction notices and they are going to the courts. Justice Hardesty said that he is surprised at how busy it is, but they have 100 mediators on, and some cases have made it to a settlement. The software that Home Means Nevada is using is working well. One of the things that we will be asking Bill and Amy is even if we are closed down, we are still going to allow processing quickly of people that come through the mediation program. Jake can give us an update on where the ESG-CV funds play into this as far as after December 30 we have another resource that can step in.

Jake LaRow: The State of Nevada received two tranches of money through the CARES Act and through ESG-CV Coronavirus funds. We have authority for approximately \$7.8 million to prevent the spread of the Coronavirus for homeless or people that are at risk of becoming homeless. Most recently at the IFC meeting on October 22, we received authority to move forward with our plan of how we would like to make those funds available. Of the approximately \$7.8 million dollars, we have identified 50% of that that we are setting aside for rental assistance. About \$3.9 million dollars will have available for applicants. What we currently would envision are those partners that are currently undertaking the CHAP programs. Under normal ESG rules, the State cannot provide funds directly to public housing authorities. But, under the waivers made available through the CARES Act, we were able to request and be granted a waiver where the State can potentially directly allocate funds to the Nevada Rural Housing Authority or the Reno Housing Authority for those purposes. Another 25% or about \$1.95 million, we are planning on reserving that for our traditional rural ESG non-profits and units of local government. And for the other 25% or \$1.95 million we are going to open that up for a competitive statewide application for either existing ESG providers or non-traditional folks that maybe have a project that could benefit from the use of ESG funds in order to address the COVID-19 pandemic. We have already received some interest from the City of Henderson about standing up a program of which they would like to potentially compete for some funds. After the October 28 approval, we have a grant application ready to go on ZoomGrants.

Senator Ratti: To circle back to Brooke's question, if we have not expended all of the money in Clark County that is going to be a bit of a difficult conversation. I think it behooves all of us to make sure that those programs are well promoted because we know that it is not a lack of need. How do we make sure as there is another resource coming forward, on the one hand we are announcing closing the waiting lists in rural Nevada and Reno but there are other resources coming? So, how do we communicate that to the public well.

Jake LaRow: The reason why we did seek the waiver for funding directly to PHA's was so we could--if rental assistance is something that we could continue past January 1 at least we would be working with the same partners. I believe Clark County is transitioning from the rental assistance to rapid rehousing. Hopefully, a large number of the evictions will be stemmed but looking at the reality there are probably going to be some people who are displaced. So, they are looking at

standing up a program to have that ready to go when that inevitability happens. They are calling it Operation Home. We envision that not all the money that would be made available for the ESG funds would be for rental assistance. We fully expect that people or organizations like Clark County or the City of Henderson would be coming in and looking to do less laborious type direct rental assistance. We do anticipate them looking at changing what these ESG funds might be used for. We have until September 30, 2022 to expend the ESG funds. So, we have some flexibility in terms of building and constructing long term supports and services.

Nancy Brown: I am on the board for Opportunity Alliance Nevada and because of some of the issues that are happening I think we need to discuss. In September OANV was invited by Clark County to be a CHAP rental assistance administrator. So, they got up and going, they had their application in within two weeks, and it took until November to get an approval for the \$1,000,000 which we know is going to take two months to get out. Discussions have been going on with other non-profits that are asked to administer this, that the reimbursements are taking over thirty days. You know as a small non-profit that the balance sheets cannot afford to advance these approved applications without funding in hand, so we do not know where it is getting bogged down. Now new to the program, Opportunity now has about 50 in the queue, they have plenty of people trained to do these quickly, but the fear is waiting for 30 days for reimbursement will put a non-profit under. I am not sure where the bog is, I know that the front line staff at the County is working hard. But somehow these things are not trickling up to get the money into the hands of the non-profits.

Brooke Page: I wanted to see if there was a way to troubleshoot what the challenges are that are either keeping the bottleneck of applications from not getting approved, if that exists or if it is a capacity issue and who is administering the resources and what are the challenges that they are experiencing at the non-profit level. Especially in Clark County if there are applications in the queue or if there is a backlog and what those challenges are for the non-profits that are administering the resources.

Audra Hamernik: We have tried very, very hard when we are submitting applications to the partner agencies and that is all that we have been doing. We have been getting really quick turn around and I could not give them better applause. We are not submitting applications that do not have everything in it. We are submitting applications that we know should meet the criteria and we have every piece of information in it or we will not submit it. Our bigger problem is our friends that live in our units that have citizenship issues and are too afraid to accept this money due to wanting to become a citizen in the future.

Rae Lathrop: I actually wonder if it is more of a capacity issue on the landlord's side because they are the ones ultimately receiving the payment. Audra has the capacity to do the applications from the landlord's side because she has staff to do that. But if you are talking about Mom and Pop's like one or two people that just have tenants and extra homes then you do not have the ability to shoot off those applications. I wonder if some of that bottleneck might be the smaller landlords and maybe the people that have second or third homes and what the Housing Division could be doing to build in the capacity or something around the paperwork there.

Michael Holliday: That was one of the first bottlenecks was the paperwork was a bit cumbersome. So now we are doing the attestation form, which is very, very simple and we have seen the throughput improve quite a bit since we have done that. So now we have kind of reduced that barrier to most of the tenants we believe. It is a pretty simple form. I do not want to speak for Clark County, but I know that they had a huge backlog before they switched over to the portal and

I think they are playing catch up. We keep hoping that we are going to see this huge uptick when they are able to process the backlog that they had. I hope in a couple of weeks that we have a different story to tell about their program.

Senator Ratti: I am going to open up public comment on this item.

Lynda Hascheff: I want to first preface my comments with my interaction with Clark County and their staff has been more than responsive and exceptional. I am not sure where the actual problem is for Opportunity Alliance Nevada to get started. We were allowed to submit a letter requesting half of our funding up front to get started. No one has any idea where we are at in getting the money provided. Today is November 13th and all monies have to be expended, accounted for, and reported by December 30th. I also want to say the fact that they have added in the attestation form has been incredibly helpful. We have kind of switched around our best practices to start with the landlords, some are not interested in participating for whatever reasons. Our biggest pain point right now is the time it is taking to get any funding whatsoever to keep these people housed. We know the eviction stays were lifted October 15th. We started our process in September. It is November 13th, and no one can give any idea of when funding may come our way. Meanwhile, we have so many applications that we have worked with the landlords and the clients with the anticipation of them being funded. We propped up our program really quickly. We hired independent contractors to run the program, brought folks on to process applications. Our staff time shifted and increased specifically to this program, so we are ready. We are anxious, we want to help. We know we have at least ten people that we can keep housed right now, and we have another twenty-five to fifty that we are ready to process and be done by December 30. But no one can tell us when we can anticipate funding.

Senator Ratti: Thank you Lynda, I think that is a really good clarification. It sounds like we do not have an ongoing cash flow issue in that that was solved for and that you can do the 50% advance. It sounds more like we have an onboarding of new programs issue. We may not know the answer to this because Clark County Human Services Agency is not here, and many folks have given them kudos for the work that they are doing. The feedback loop what is really what we can provide is onboarding of new programs. We do not want to miss out on the opportunity, particularly where it would be painful because you have these individuals who think that they are in the right spot to apply and maybe they have not gone over to another agency to get help. Michael can you please get that feedback back to them? Are all thirteen programs live and we are actually adding new programs? So, Opportunity Alliance Nevada would be a new program in addition to those thirteen programs or is that still the process of the original thirteen getting certified and stood up?

Michael Holliday: No, the other thirteen were actually up and running. They were functioning. They did take a pause when they got overwhelmed at first, but they are all taking applications now. My current understanding is that they go through the Clark County main portal and Clark County Social Services tries to manage the traffic by sending them to the various sub-recipients based on capacity. I think they have taken the right steps to increase the throughput. We have not received an update in a couple of weeks, and I think that is because they are busy. But unfortunately, we are anxious to know how it is going and whether there are things we can do to help. We have a weekly meeting scheduled with them and they were not able to attend this week.

Senator Ratti: It is November 13, and this money has to be spent by December 31. I think the best thing that the Advisory Committee can do is ask you to provide the feedback if there is any help that the Housing Division can provide to make sure that whatever gets stalled because we are

on this six week window and less being concerned about long term and more being concerned to get the resources that we have available to us out in the most efficient way to help the most people.

Bill Brewer: I would like to ask Jake on the Emergency Shelter Grant funds what is the planned distribution for that after December 30, will you be in contact with Reno Housing and Nevada Rural to put some of those monies in action?

Jake LaRow: Yes, the plan is once we go live and we anticipate that happening probably next week, would be that you would receive an email as a head's up to apply for the funds. That would occur prior to the December 30 to hopefully streamline the transition as much as possible regarding the funds that would be set aside for rental assistance.

Bill Brewer: Do you envision those following the same kind of procedure in terms of disbursement?

Jake LaRow: I do not know if we will ever see funds that were as flexible as the Coronavirus Relief funds in the CARES Act. So, this would be largely tracking traditional ESG rules. The biggest one that we certainly would have to discuss amongst others would be the cap that people that have received assistance cannot exceed 50% of the area median income. That would be a large departure from the 120% that I believe it stands now. What we need to do if that is something that RHA and NRHA were looking to participate and use those funds, matching those up and creating a crosswalk to see what would need to be changed in terms of qualifications for people that are seeking assistance.

Senator Ratti: Any other public comment?

Lynda Hascheff: Four of those agencies are not accepting applications right now. We stay in close contact with them, I reach out to people at least weekly. I also was informed by folks who are involved in the mediation program that landlords are ignoring the CDC forms. It is not a law; they have been told by their legal staff that they should not feel obligated to abide by the CDC form and evictions being held until December of this year. It is just word on the street, I have no report.

Senator Ratti: I think where we are seeing the most important work happening in terms of whether or not evictions are legal or not and representing tenants is to work with our legal services agencies across the state and making efforts to make sure that the word gets out about the different programs but also the different eviction moratoriums and what the rules are. Then we will have to get as many people as possible to contest their eviction so that they do end up in either the mediation program or in the courts. So, please help to spread that word as far and wide as you can to be in contact with legal services organizations to get help. And, if nothing else follow the instructions on your eviction notification to contest your eviction so that you can at least have the seven to ten days to get it sorted out.

Jake LaRow provided the following link via chat: <https://helphopehome.org/clark-county-cares-housing-assistance-program/>

5. Nevada Housing Coalition Report (For Discussion)

Senator Ratti: I am going to start by expressing my sincere congratulations to the Nevada Housing Coalition on a phenomenal first housing summit in a virtual environment that had

amazing content and the excellent good work that the Housing Coalition did on putting together that summit. The format, the speakers, the participation were all well done.

Christine Hess: I am going to open my update with a follow on to the comments about the COVID update. The conversations we are having here in Nevada are happening around the country. The same difficulty that we are having distributing the Coronavirus relief funds before December 30th, it is the same issue that is happening around the country. The talk and the push at the national level is to extend that timeline. The unfortunate part is that congress does not seem to be at a place where they are ready to come together to work in that regard right now. That is the push happening nationally and the Coalition is part of those conversations. I will take this conversation directly to our elected officials and make sure that they know that extending the Coronavirus relief fund spending timeline will be extremely helpful.

I also want to express my appreciation to the Housing Division for being open to the ESG-CV funds and thinking about how they may be necessary. Also, Business and Industry for the CDBG funds that can be used for rental assistance and those would go up higher in percent AMI, I believe up to 80%. It is not a place where the State traditionally goes with their CDBG funds, however there may be an opportunity to speak with GOED as these funds have a longer timeline. One of the things the Coalition is speaking with our partners about is also looking at the distribution of the funds. And as we consider the needs that we are making sure that we are reaching some of our most vulnerable population. Clark County in particular is a place that you can access some information from the Urban Institute, and they have lined out where the most susceptible areas are in order to achieve equity and distribution of the assistance.

Additionally, I am on the Operation Home Team in Clark County and that is ramping up. I am leading a landlord engagement component. We are a small working group that includes the Nevada State Apartment Association which is incredible. Susy Vasquez and her Association represent over 60% of the multi-family units. So, to have them at the table actively trying to understand rapid rehousing solutions and what can work well for landlords and recruiting landlords to be part of that engagement particularly in this case with Clark County has been fantastic. Nikki Ramirez with CPLC is also part of that team and they have really provided some excellent feedback in terms of what works and what does not. There are some philanthropic dollars that have come from private industry to help link to technology for the rapid rehousing. They will probably roll that out next month and that will be pretty tremendous in terms of centralizing landlord engagement efforts and making it easier all around for providers and landlords to understand areas where they can connect.

That is an update of what the Coalition has been working on an advocacy perspective and at the federal level of what we are hearing. The City of Houston got \$15,000,000 of their CRF funds out the door in less than two hours. We heard there were no strings attached and with one self-attestation and you get the money. I think from Nevada's perspective how that looks as we go through the auditing procedures, I do think that the State is doing an excellent job through the housing authorities and social services.

From a Summit perspective, I want to say that the engagement from stakeholders around the State for housing has been awesome. We had 245 registered and in the plenary sessions we had between 100 and 170 active participants. In the breakout sessions in the afternoon there were 80. For this group, what I think that means is that housing is on the minds of a lot of people. The audience in the Summit went from housing developers and those directly engaged in housing services all the way to healthcare, education, finance, and the private sector. There is a detailed

report where you can see everything. But, a few of the things that I thought were a stand out; we asked the audience and we did get 40 people participating live, what their ideas were around challenges, funding and policy as we move through the Coronavirus pandemic related to housing. As they spoke about challenges for funding, we did a work cloud. If you are familiar with those, as multiple people put in it gets bigger. The number one challenge that organizations, businesses, agencies are facing that participated was funding challenges. When we asked how would you use your funding it was interesting because it actually mirrors the focus group conversations we had leading up to the Summit which we had again across the spectrum from local governments to housing authorities to community service providers, developers, private and non-profit, the number one thing was education. People want the State of Nevada to invest in education. Not just education for housing resources just education. That ran rampant through our focus group and that is what came out at the Summit. Finally, what was the number one thing we could do for state for policy that is housing related and that was tax reform. Our housing stakeholders are often siloed in our housing world, but we are very engaged in the broader picture for Nevada. The theme of the Summit was collaborating for progress and it is what it has to be moving forward. I am already working to coordinate a banking finance roundtable to discuss the Summit results. Finance and funding are a big conversation in housing.

Additionally, we will be working on policies. There will be some specific policy items that come out of the Summit and out of the focus group work that we will be looking to move forward. This brings me to a quick advocacy update. I wanted to let the Committee know that the Nevada Housing Coalition has engaged Silver State Government Relations for its policy support. Sarah Adler will be the lead from Silver State Government Relations, and she will be supporting us through research and development of policy and potential bills and understanding the opportunities and opposition. Additionally, when the time comes, she will be actively lobbying on the housing specific bills that are identified by the Housing Coalition Policy Committee for action. One of those will be the Early Notification bill.

Jake LaRow: There have been several discussions between the Housing Division and GOED over the course of the summer because they have made the decision that they will make funds available to entitlement grantees which normally is not done. Much like the Division's home funds, a great share of those are reserved for areas that do not receive their own allocation. Because the approximately \$10,000,000 in CDBG-CV round two, the GOED made the decision that they would generate an allocation formula and make those funds available by application from entities such as Clark County and the City of Las Vegas, etc. I worked with Patty Herzog and I got her a list of contacts with the entitlement groups. She or her staff are going to be reaching out to have a training session with potential applicants which will take place on either the 18th or the 19th of this month. The notice for it is posted on GOED's website and applications are open. I know that in conversations with Kristin Cooper and others at Clark County that they are interested in pursuing some CDBG-CV from the State to supplement their Operation Home programs.

Bill Brewer: I have a follow up for Jacob and to mention to the Committee for the CDBG-CV funds, I appreciate Christine bringing this up. I think GOED's approach will work fine for probably the larger jurisdictions. I think it will be very inefficient and ineffective in the rural areas because there are so many small communities who may not want to pursue that and thus their folks will be unserved. We have had this discussion many times and I am a little disappointed the way that GOED decides to push their CDBG money out really in virtual neglect of any housing consideration. If there is an opportunity for us to have some input into that, I would sure appreciate that.

Senator Ratti: I want to thank Bill for really leaning in to make sure that we did all of that founding work. Now we are starting to see the fruits of that labor. This will be a feather in Bill's cap for something that you have done for the State of Nevada that will pay dividends long into the future. Congratulations, it is a big deal.

This is a brand new advisory committee coming out of the last legislative session. We have a brand new housing coalition, and we are getting ready to go into our first legislative session. There will be things that we as individuals and organizational structures agree on and there will be things that we do not. I personally believe that there are some folks who believe that having the Coalition have an agenda item and be active on our agenda is not a big enough separation of keeping advocates and advisory committees and executive agencies in their lane. I actually believe exactly the opposite, that the more that we can structure our systems and our supports so that we do have ongoing communications and there are opportunities for public conversations about what is working and what is not working that we do better. I just want to acknowledge that we are going into a legislative session and there will be moments where we agree and there will be moments when we do not agree. I am grateful for the respect and dialogue and I hope that this sets a model for how the Advisory Committee, the Administrative Agency and the Housing Division and the coalition of independent advocates who are working on housing policy can work together. And when we are aligned do well and when we are not aligned do our very best to make our point but always keep the lines of communication open on behalf of Nevadans who need us to do good work. I think this is working and I hope that this is a model that we will advocate for moving forward into the future.

6. Update on the BDR selected by the Committee for the 81st Legislative Session (For Discussion and Possible Action)

Michael Holliday: The Division received back draft language from the Legislative Counsel Bureau and the only change/question that we had was they had changed the language from project sponsor to owner which kind of disconnects from a lot of other things that are in the Housing Division's statutes. We have bounced back to the Legislative Counsel Bureau to have them look at that and see if they can change it back to project sponsor the way that it was when it was originally submitted because there is a definition of that I believe in 319. Administrator Aichroth had sent that to them and the feedback that he got back from LCB first was that if we do not hear back from you on the 12th, we are going to submit it as is. He submitted it well before the 12th, and we have not heard back from the LCB yet if they are willing to make that change.

Senator Ratti: I will just say that I made a decision not to bring that language to the Committee. We did have a small working group that included members of the Housing Coalition and advocacy group that worked on getting the language to the place that it needed to be. By November 18, the bill has to be pre-filed and so there was not space for back and forth for us to hear it here on the 13th and then to be able to get it back to the Legislative Counsel Bureau in time for them to do the changes that they would need to do to be able to pre-file it. It is the first step in the process and if there are things that we do not feel are technically correct we can have that conversation and amend it once the bill is heard. I chose not to bring language here that folks would start picking apart when it is really too late in the process to do that. We will do that through the legislative process.

7. QAP Update/Status (For Discussion)

Jake LaRow: A quick update on the 2021 QAP for the State of Nevada is that we had a public hearing for the QAP back on November 5 of this month. We had a two week comment period and we received comments from a dozen or so agencies which we posted on the Division website. We

also received verbal comments at the meeting. We had a great discussion at the virtual meeting, and I would say that since my time here that was the first meeting that I have had without any technical glitches. We are still wading through the feedback that we received, and we anticipate that we should have a turnout on the 2021 QAP before Thanksgiving. There were some substantive changes that were proposed, and we want to make sure that we give that due consideration.

Another piece worth noting was that we had a discussion regarding green building and sustainable development goals. Over the summer, the Division had some discussions with Federal Home Loan Bank and their affordable housing program. Robert Steagall is a gentleman that some of his co-workers had reached out and we had some discussions with about how we could better align the green standards with our QAP to coincide or mesh better with the green requirements for the AHP programming. AHP funds are some funding available that can supplement and provide additional funding for our tax credit projects here in Nevada. I think that discussion partly stemmed from Senator Cortez Masto had convened a meeting pre-COVID, maybe it has been a year or longer, concerned about the number of AHP funds that were traveling outside the banks jurisdiction into other states and maybe what things that we could do to try and keep more of those funds here in Nevada. One of them that was suggested was to be aligning our green energy standards with the bank to make our applications more seamless. Unfortunately, with the timing and the Federal Home Loan Bank, their approval and review process, their full board does not meet until December and so the timing just did not work out this year. We had some good discussion and a lot of positive feedback from a number of people who participated in the public hearing on the 5th in support of something like this. So, moving forward we will certainly have more discussions as we look to see how we join Nevada's green certificate and how that aligns with the Federal Home Loan Bank. Realistically, we are looking at the next QAP for potential adoption and inclusion.

I participated in a virtual groundbreaking ceremony for what I believe is the State's first Native American project with the Duck Valley Housing Authority. It was interesting being able to participate virtually. I think that is a good look in terms of the Division's ability to coordinate and support projects that are outside of our normal silos.

Nancy Brown: What banks are there in the State that want to support Nevada because a lot of the AHP banks have a limited pool and sometimes their pool goes to another state or a bigger project.

Senator Ratti: Nancy, you broke up there. I believe what you said is that you would be interested in seeing how we can support banks that are invested in housing programs in Nevada and are keeping their monies in Nevada understanding that the specific program that Jake referenced is a program where that because it is a smaller pot of money those monies are sent out of state but there are other monies that we should be lifting up.

Nancy Brown: A lot of times, take AHP for an example, the bank says we are fully subscribed. They do their projects maybe outside the State of Nevada. How can we attract more federal home loan banks that are in the State of Nevada to do more deals in Nevada or be open to more deals in Nevada? It is a scramble for developers to find banks that will support AHP.

Eric Novak: We very much appreciate that the Housing Division is working with the Federal Home Loan Bank to bring our green building and energy requirements in line with one another. That was very exciting to see and we look forward to participating in those discussions. There are dozens of banks in Nevada that are members of the Federal Home Loan Bank, but they do not

participate in the Affordable Housing Program or other grant programs. So, I think that if there is some way that we could work with the Federal Home Loan Bank to try and get the word out. It is true, we rely heavily on Charles Schwab Bank as an HP sponsor and other than that there are no other banks in Nevada that will sponsor HP grant applications so we are relying then instead on the national banks – Wells Fargo, Bank of America and US Bank and they have a pipeline that is much larger and often is heavily California centric. So, there is a little more competition there. For the smaller banks, they do not really know how to underwrite affordable housing and so it is just hard for them to participate in general in this. They do not like the idea that even though it is a pass through grant they still have to book it as a loan, as an obligation to the Federal Home Loan Bank. Basically, if the member bank defaults, they have to pay back the money, so it is a liability for them. It would be great if the Nevada Housing Division and perhaps the Nevada Housing Coalition could have a meeting with those smaller banks in Nevada to see if we can encourage them to increase their participation.

Senator Ratti: Thank you Eric, and I was thinking the same thing. If you do some investigation and find that there is something that we can do whether that is a small incentive, or it is a policy change. It sounds like it is pretty federally driven, but if there is something that we should be looking at for the next legislative session that might be helpful, please bring that back.

Audra Hamernik: Working with other federal home loan banks often times they have training sessions so it seems like maybe Nevada Housing Coalition and the Federal Home Loan Bank could do a training for these other banks. They just need to get over the shock of how it works.

8. Staff Updates (For Discussion)

Michael Holliday: The Housing Division offices are open for business. Other than multi-family housing inspection compliance, everything else that we do we are doing. For manufactured housing inspections they are using video inspections and different kinds of COVID response tools we have come up with to make sure that we can keep doing what we should be doing. We are not sending inspectors into big apartment complexes, but for the most part we have staff that have come into the office in small groups and everyone else is able to work from home.

One of the big things that we are getting ready to celebrate is that we have reached helping 1,000 teachers through our Home is Possible for teachers' program. It will either be on the 23rd or 25th, the Governor is going to reach out to the 1,000 home buyers and do a video chat with them. It is great that we have been able to help that many teachers, the program did not launch until 2016.

We are up 40% over last year. People are buying homes which through a pandemic is super surprising. I think what we kind of had figured is that if you have a job right now and you are still working, you cannot beat the interest rates. Forbearances are low and our default rate has not changed, so it is healthy. I think we still have an inventory problem with single family homes in the state that is causing part of the price escalation. We also believe that there are people moving to Nevada because companies are allowing them to telecommute.

Update on the State low income housing tax credits. We actually have the first investor who is asking questions. So, we have been back and forth with Russell Guindon from the LCB and also with the AG to clarify some things. They have asked really good questions some of which we have not contemplated and some of which we had. It is one of our traditional federal tax credit investors that is interested. It is a development that is exciting because we are having to work through a lot of the firsts such as forms and timing. So, this is a good exercise for us to be able to do the next one.

Our multi-family program is going like gangbusters. It does not seem to have skipped a beat. So, between your last meeting and this meeting, at the Board of Finance we had approved Springview by Vintage, new construction, 180 units for families in rehab. Highwood Terrace which is an acquisition rehab of 50 units in Reno that has a HAP contract. We call those the unicorns. We have to protect those at all costs, they are the single most powerful housing that we have. If you not only have tax credit housing that has that HAP contract where the tenants no matter what they make pay no more than 30% of their rent, those are hard to replace. You cannot get new HAP contracts so that is good. Lake Mead West, new construction, 156 units for families in North Las Vegas. That is a new developer, and this is the first time they have done affordable housing in Nevada. That was a good sign as well is that we have other folks who are looking at the program and deciding to do things in Nevada. We also got approved a single family mortgage revenue bond issuance of up to \$75,000,000 which can be used for down payment assistance. On top of that, we are closing three multi-family deals right now on the financing. I just got a call from a developer yesterday who has three more. They will all be new construction and wanted to know what the status of the state tax credits, and the gap funds are looking like. I have always said that this is the time to build when interest rates are low.

Bill Brewer: Great report Michael, and it is exciting to hear how many teachers you have served with your program. It is great to hear how well your multi-family program is performing right now and I am glad to see those units coming into the program which raises a concern for me about your resources and bond cap available, how is that looking?

Michael Holliday: I will not go too far, but we all know that the train project got derailed. They are going to have to push off their financing because the market just was not receptive to that particular project at this time. In theory, there is going to be \$200,000,000 worth of 2020 bond cap that the Director of Business and Industry will be allocating in December. I do not think that that means that the train is gone forever, but it is good news for now. So, if we can strike while the iron is hot and take advantage of these low interest rates and build that is a good thing. For the time being, we have cap and let's build and preserve affordable housing while we can.

9. Committee Member Comments

Bill Brewer: We are seeing tremendous activity in the home buying arena and I think primarily due to the fantastic interest rates that are out there. On the other end of the spectrum, while we are trying to create some affordable housing, the interest rates are helpful, but we are also very challenged by cost. Lumber has literally doubled in cost over the last six months and we are having extreme difficulty finding things like air conditioners and refrigerators. Costs are really escalating on those kinds of things. So, building affordably is going to be a great challenge for a while and we hope we can overcome that. I know that all of us in the building industry are going to be challenged with that for a while.

10. Agenda Items for Next Meeting (For Discussion)

Senator Ratti: The next meeting was scheduled for January 8 at 9:00 a.m. It would be good to hear where we are on how the CARES Act dollars wrapped up and transition to any other new housing resources that may or may not be available. New agenda items to include an update on eviction mediation program, an update from Treasurer Conine regarding rental assistance, and discussion on the annual report.

11. Public Comment

Eric Novak: I wanted to let folks know that we have been having discussions with the Bureau of Land Management about the implementation of the Southern Nevada Public Land Managements Act, Section 7B which allows for use of BLM land for affordable housing at a significant discount. The actual statute has three sentences in it that directs the BLM to do this and very little guidance. In the early 2000's we wrote guidance that we have been using for the program and it is old at this point. One of the thoughts was that we work with somebody to update the Section 7B guidance so that it works for affordable housing now. The staff from the BLM seem very interested in getting that input because they are not housing people. One thought would be that the Advisory Committee facilitate that process or comes to the Advisory Committee for review. So that is one thing for a potential future agenda item.

Another is we have been talking about in the policy committee for the Nevada Housing Coalition in introducing changes to NRS 278.235 which is the adoption of measures to maintain and develop affordable housing. Right now, that report is presented to the Housing Division and it just sits there. One thought would be to make the Housing Advisory Committee more relevant, to tie it in that that report actually gets presented to the Advisory Committee on Housing in addition to the Housing Division. It is due every year on January 15th to the Housing Division. We want to make sure that this Advisory Committee does not go away and so to give it functions that are ongoing I think will help keep it relevant. That was one of the thoughts in terms of changes to that statute. We will be reaching out to Senator Ratti and others because we would not want to move forward with that language without getting some agreement that you want to accept that report and agendize it as part of your activities.

Senator Ratti: Eric, would you do me the favor of sending me that language so that I can check in with LCB to see which committee it would likely show up at. It sounds like a relatively small technical change. I want to figure out which standing committee because it might be just something that one of the standing committees could do as a committee bill.

Eric Novak: I think we are also talking about more substantive changes to that statute. We had a discussion with Sara yesterday and it will be taking shape. We do not have the language yet.

Senator Ratti: If I could ask the Housing Division to follow up with Eric about the BLM guidance and see if that does or does not make sense in this space. If it does then make a recommendation that we hear it.

12. Adjournment

Senator Ratti accepted a motion to adjourn from Brooke Page. Amy Jones seconded the motion. The motion passed unanimously. The Chair adjourned the meeting at 10:47 a.m.