



**DEPARTMENT OF BUSINESS AND INDUSTRY
OFFICE OF THE DIRECTOR**

**MINUTES of the PUBLIC MEETING of the
ADVISORY COMMITTEE ON HOUSING**

Wednesday, January 22, 2020 @ 9:00AM

**Department of Business & Industry
Nevada Division of Insurance Hearing Room
1818 College Parkway, Suite 100
Carson City, Nevada 89706**

**Department of Business & Industry
Director's Office
3300 W. Sahara Avenue, Suite 425
Las Vegas, Nevada 89102**

The following were in attendance:

Carson City, B&I Location:

Julia Ratti, Nevada State Senate
Sharon Zadra, TMHC
Amy Jones, Reno Housing Authority
Bill Brewer, Nevada Rural Housing Authority
Nancy Brown, Charles Schwab (by Telephone)
Steve Aichroth, Nevada Housing Division
Michael Holliday, Nevada Housing Division
Bob Shaw, Nevada Housing Division
Eric Novak, Praxis
Hilary Lopez, Praxis
Diane Arvizo, Nevada Rural Housing
Stacey Sept, Nevada Rural Housing
Bruce Atkinson, Community Services Agency
J.D. Klippenstein, ACTIONN
Budd Milazzo, B&I
Leslie Olson, B&I

Las Vegas, B&I Location:

Brook Page, CSH
Audra Hamernick, Nevada HAND
Rae Lathrop, RTC
Kara Mergl, CSH
Ariana Saunders, CSH
Jacob LaRow, Nevada Housing
Kanani Espinoza, Rowe Law Group
Russell Rowe, Rowe Law Group
David Paulsen
David Paull, Nevada HAND
Sharon Bullock, CDPCN
Frank Hawkins, CDPCN
Lori Murphy, CLSN
Charity Cage, CLSN
Dan Billmark, ASI
Sharath Chandra, NRED
Mark Calabria, FHFA
Raffi Williams, FHFA
Danielle Walton, FHFA
Cathy Sheehy, MLD
Zeljiana Ajdari, MLD

AGENDA

1. Call to Order and Roll Call

The meeting was called to order at 9:05 a.m.

2. Public Comment

There was no public comment.

3. Approval of the December 13, 2019 meeting minutes (For Possible Action)

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

4. Corporation for Supportive Housing (CSH) Presentation (For Discussion)

Brooke Page provided an overview of supportive housing and CSH. CSH is a national non-profit organization based in New York with offices all throughout the country. A lot of the work that CSH does is predicated around helping communities address supportive housing issues and challenges for the most vulnerable constituents. They have helped developed over 300,000 supportive and affordable housing units by helping with lending, development, training and education. Their consulting team tailors and helps non-profit organizations, local and state governments think strategically about how to address the needs of the communities.

Ariana Saunders provided information on the supportive housing model and best practices. Kara Mergl provided an overview on optimizing qualified allocation plans for supportive housing and housing tax credits. Discussion ensued regarding most states using scoring incentives versus set-asides and thresholds. Discussion ensued regarding use of low-income tax credits as a funding source. Ariana Saunders provided an overview of opportunities in Nevada. Ariana also mentioned that there are helpful tools on their website: [State-by-State Needs Assessment Data](#) and [Supportive Housing Calculator](#).

5. Truckee Meadows Presentation (For Discussion)

Sharon Zadra provided an overview of the Regional Strategy for Housing Affordability which was a product of a partnership with Truckee Meadows Regional Planning Agency and Truckee Meadows Health Communities. TMHC contracted with Enterprise to develop a 10-year regional strategy for housing affordability. The plan is available at www.tmaffordablehousing.org.

Amy Jones stated that Enterprise created the strategic framework and five strategy focus areas were identified. The plan includes short-term, medium-term and long-term goals. Identifying a lead entity and building their capacity to guide implementation is a priority short-term goal.

Sharon asked for help from members in the south to understand Section 108 funding and General Services tax. Jake LaRow discussed the loan program under CDBG. He has a contact with the City of Reno he will share with Sharon.

Bill Brewer asked if there are regulatory barriers that would prevent the plan from being implemented. Eric Novak stated SB103 was passed in the last legislative session which allows local governments to reduce fees for their enterprise funds for affordable housing. Discussion ensued regarding tightening up the qualified contract process. Brooke asked if there is an appetite for the

strategic plan to be expanded across the State. Julia Ratti responded that the economics in Northern Nevada provided a perfect storm for community and government leaders to invest time and effort in the Strategy. It was organized and funded at the local level. Chad Williams has had conversations with Enterprise regarding drafting a similar plan for the South.

6. Status Report on Bonding Capacity (For Discussion)

Steve Aichroth presented an overview on the two Private Activity Bond Summary Projected spreadsheets. One spreadsheet highlights a figure of \$159,000,000 and the other highlights a figure of \$59,000,000. This represents the potential rollover of the bonding capacity from 2019 that will receive the three year extension to be used for housing, industrial development or other uses. There is a difference of \$100,000,000 which relates to the high-speed train project that connects Victorville, CA to Las Vegas, NV. The project will not go to the February Board of Finance meeting as it has been canceled.

The Director's Office has a February 15 deadline to account to the IRS and the Housing Division exactly how rollover bond cap is going to be used. The Private Activity Bond Council is tentatively scheduled to meet on January 28 to firm up.

In current discussions with the Director of Business and Industry the thought process is to front load housing. In looking at the two spreadsheets, the more pertinent sheet is the one showing \$159,000,000 being rolled into housing. Should that occur, it will bring the bonding capacity up to \$241,000,000 with \$126,000,000 dedicated to the multi-family program and \$114,000,000 dedicated to the single family program. The single family program does not change in either scenario as those dollars have come out of 2017 and 2018.

Discussion ensued regarding who makes the decision regarding where the rollover money is allocated and how it has been allocated historically.

7. Review of the Report to be submitted to the Private Activity Bond Council addressing community needs for housing in the state, housing trends, and housing goals for the State (For Possible Action)

Julia Ratti reminded the members that as part of the legislation that was passed with AB476, the Committee is tasked with preparing and submitting an annual report concerning housing to the Private Activity Bond Council. Accordingly, the Housing Division staff prepared a report for the Committee's review. Julia Ratti stated that she is looking for a real call out about the number of units that are needed. Discussion ensued regarding including data points to demonstrate the lack of affordable housing in a more powerful way. Julia Ratti asked for a motion to accept the report with the changes discussed by the Committee and to give the Chair the discretion to approve the report so that it may be delivered to the Private Activity Bond Council before their meeting. Sharon Zadra made a motion to approve the report. Amy Jones seconded the motion. All members voted in favor. The motion passed unanimously.

8. Review draft letter to Private Activity Bond Council (For Possible Action)

Julia Ratti asked the Committee if they still have an appetite to have a letter from the Housing Advisory Committee to make a statement of allocation of bond cap for housing. The consensus of the Committee is to provide the letter. Discussion ensued regarding what to cover in the letter. Bill Brewer stated that the production of housing to support growth has not received any attention. The PAB has an opportunity to influence affordable housing and we need make affordable housing a priority.

Julia Ratti stated that the first point in the letter should be about how far behind we are in housing and that affordable housing has to be the top priority in the State. The second point should be that this money when applied to housing leverages other federal sources. Discussion ensued regarding how strong of a statement to make to the PAB. The letter will come from the Committee and be signed by the Chair. Julia Ratti asked for a motion to approve the concept of the letter and the discretion to approve it and present it to the PAB. Sharon Zadra made a motion to approve. Audra Hamernik seconded the motion. All members voted in favor. The motion passed unanimously.

9. Discussion of the drafting of one legislative measure which relates to matters within the scope of the committee (For Possible Action)

Bill Brewer mentioned that the Nevada League of Cities has five bill draft requests and may be willing to carry one or two if the Committee ends up with more than one. Audra Hamernik discussed real estate tax abatement and expanding it beyond home program to other public monies that have a regulatory agreement that gets recorded. Julia Ratti suggested a presentation at the next meeting.

10. Staff Updates (For Discussion)

Steve Aichroth discussed the QAP process. The adoption hearing was recently held, and we did not adopt due to three minor changes that are going to be made. One is technical language regarding the QCT, the second is including preference points for a Nevada based developer and there were concerns that would exclude tribal entities, so this needs to be amended, and third was the maximum cap on the units. We should be set next week for adoption.

Steve Aichroth would like to have the next QAP out by October. He would like to bring forth some ideas and have the Committee discuss them so that as we go through the process the Committee has had the opportunity to weigh in on everything. A future agenda item will need to be QAP 2021 as an actionable item. Amy Jones suggested that the members bring back their priorities to the Housing Division that they feel are important for consideration in the QAP.

11. Committee Member Comments

Nancy Brown asked if there has been a schedule set. This is discussed on the next agenda item.

12. Agenda Items for Next Meeting (For Discussion)

Julia Ratti stated that a future agenda item should be revisiting the QAP so that the Committee can provide input. We will create a mechanism for Committee members to provide input to staff so that the Division is not flooded with input at the meeting. Discussion ensued regarding Opportunity Zones and that there is not a nexus between Opportunity Zones and the LIHTC program. Julia Ratti requested an agenda item regarding an affordable housing trust fund presentation. The next meeting was scheduled for March 16 at 9:00 a.m. The meeting recessed at 12:05 p.m. and will reconvene at 3:30 p.m.

13. Discussion with Federal Housing Finance Agency (For Discussion)

The meeting reconvened at 3:35 p.m. Julia Ratti welcomed Director Mark Calabria. Director Calabria provided an overview of the Federal Housing Finance Agency. Committee members and members of the public provided input and discussion ensued on the Federal Home Loan Bank, National Housing Trust Fund, and Fannie Mae and Freddy Mac programs.

14. Public Comment

No public comment.

15. Adjournment

Julia Ratti adjourned the meeting at 4:42 p.m.