

# Additional Policy Items Discussed by the Subpanel

*The following issues and concerns, while discussed, did not achieve consensus among the Subpanel members. They are provided below solely to inform the Task Force about the breadth of issues that received the Subpanel's attention.*

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## **Provide Funding for an Evaluation of Local Government Zoning and Local and State Development Laws, Rules, and Regulations that Impact the Development of Affordable Housing**

- The intent for this assessment is to support local governments in making decisions around affordable housing and for the state and local governments to examine existing regulatory policies that act as a barrier to affordable housing.
- The evaluation is not intended to directly lead to changes in zoning, regulation, or the authority of local or state entities to compel or force jurisdictions to adopt zoning or regulations that do not fit with local needs.
- The evaluation must be sufficiently robust to provide the information necessary to consider well-informed action, avoid unintended consequences, and provide meaningful justification for state action on existing regulations.
- The evaluation should be conducted in collaboration between state and local jurisdictions.
- HB21-1271 was discussed and dismissed as a potential vehicle for this evaluation. The Colorado Housing Toolkit Program was offered as an alternative.
- A significant portion of housing costs (estimated at 30%) stem from regulatory burden. This evaluation will identify how these costs are borne by developers, and later on residents/tenants, as well as avenues to reduce or eliminate unnecessary/obstructive regulatory costs.

## **Short Term Rentals (STRs)**

- Consider STRs as commercial properties and tax accordingly because of their impact on infrastructure resources within local communities.
- Assist in the phased creation of mechanisms for collecting revenue including links to existing county and municipal assessors.
- Consider how statewide policies could support or leave whole any existing county and municipal regulations and ordinances related to STRs.

## **Homelessness Resolution/Response**

- Provide sustainable funding for the Office of Homelessness Initiatives and community partners to assess, create, adopt, and implement a statewide system to respond to individuals and families experiencing homelessness. Concern was expressed about the authority of the state to create such a system, and how that would impact local authority.

## **Statewide Contractor Licensing and Land Use Policy**

- Consider statewide zoning incentive programs. The Subpanel was divided on whether local entities should be incentivized to eliminate single-family zoning limits.
- Consider a statewide contractor licensing program and a statewide building code similar to requirements already instituted for modular housing. Concern was expressed about a statewide

building code, and whether it could be effective at meeting local needs. No concerns were raised about a statewide contractor licensing program.

- Adopt a land use policy, like the 99-year ground lease, that ensures the affordable housing preserved or built today with state and federal dollars will always be a community asset.

### **First Right of Refusal (Renters and Nonprofits/Developers)**

- Assess the feasibility of Tenant Opportunity to Purchase Act (TOPA) and Community Opportunity to Purchase Act (COPA) as a method to limit the loss of existing but expiring affordable housing to the market. Concern was expressed that the first right of refusal could lower property values and/or discourage investor and lender buy-in. It was also mentioned that for existing agreements, this is shifting the grounds for which the owner agreed to.

### **Data and Systems Integration**

- Design, develop, integrate, and sustain the state's public data infrastructure aimed at identifying and supporting needed investments; supporting interagency coordination; and, tracking the impact of the state's affordable housing programs.

### **Workforce**

- Incentivize employers (via payroll tax credits or rebates) in diverse geographies to recruit and train skilled workers in housing related industries with intentional effort to provide training, recruitment, and utilization of diverse workers who are under-represented.
- Consider apprenticeship utilization requirements in conjunction with the State Apprenticeship Agency for qualified projects, with a goal of long-term workforce development.
- Coordinate with the Economic Development Task Force to meet workforce and affordable housing funding priorities.

### **Other**

- Update the Construction Defect laws to encourage more market-provided for-sale affordable housing.
- Prioritize the use of land-banking/land trust strategies for long-term affordable housing planning and development.
- Eliminate IGA's unless a federal requirement; and, eliminate "service area/territory" especially for DOH & CHFA funded projects (including weatherization).
- Adopt an affordable housing policy that speaks to a continuum of affordable housing needs from 0% to 120% AMI that reflects the diversity of needs throughout the state.
- Consider other states' affordable housing programs that provide affordable rental and cooperative housing to moderate- and middle-income families; and, the real estate tax abatement for affordable housing transactions in CA.