



CASA Technical Committee Workshop  
Meeting Minutes  
June 28, 2017

Start: 2:07 pm

**I. Welcome and Introductions (Co-Chairs)**

**Blackwell – Welcome**

Goal is to put together a set of actionable strategies that will have an impact on the region. We have the opportunity to do something different with this group and the infrastructure we have.

Two things are important:

- 1) Have good, innovative ideas based on best practice
- 2) Coordinated, high-level, united advocacy to push those ideas over the finish line

The Technical Committee is charged with identifying potential solutions. The Steering Committee is the group that we are hopeful that will lead the thoughtful, coordinated, united advocacy to turn those ideas into reality at all levels.

We tried to invite those who agree we have a crisis, but disagree on how we'll get there.

**Covarrubius** (via video): Has been involved in Bay Area real estate for 30+ years. Market is in peril. MTC plus everyone in the room is our best avenue to address those issues. We have 100 jurisdictions, no regional agency. Have to deal with all those city councils. In Washington DC the word "compromise" does not exist. We need to compromise and think about the greater good. We may each have to give something up, put something in for the team. Bay Area Council had some victories at the state level. Goal is to use MTC's clout and get good feedback from all.

**Blackwell:** At SFF we've been thinking a lot about our role as the community foundation. After quite a bit of work, have concluded that the issue of the day is we have a tremendous economic growth occurring, but access to that is limited based on where they live, their family situation, their skin color. Equity is our priority, and the lack of housing production is a serious issue. Doing a lot of work to support the bond measures, renter protection efforts, housing production. This is one of the issues of the day. There have been a lot of frustrating conversations, but it is worthwhile to give this another go. When Ken Kirkey and Steve Heminger asked me if I'd be willing to co-chair, I was enthusiastic, despite the challenges. We have assembled the right folks from a technical and political POV, and the Bay Area has the ability to rise to the occasion. You cannot meet anyone who has not been impacted by this crisis in some way. Be prepared to compromise for the greater good.

**Corsiglia:** This is an exceptional group, happy to work with Steve and his team. This is a big day. I'm hopeful this is the time to make change, want to give it one more try. SV@Home is a new housing advocacy and policy organization. We have some real challenges. We have approximately 100,000 people who drive into Santa Clara County every day for work. We have a supply problem and an affordability problem. Spending a lot of time educating councils and bringing forward our community.

Presentation:

- Population growth plus traffic – soon it will be a full time parking lot. We are adding jobs faster than housing units. In Silicon Valley, 400,000 new jobs, 58,000 new housing unit permits since 2010. We believe we need a ratio of 1 house per 1.4 jobs.
- Jobs - Housing fit also important.
- The hidden costs of development: delays caused by outdated codes that slow down development.
- Second units: many jurisdictions contain building codes that make it challenging, even with new state law.
- Lost 67% of AH funding we had in 2008.
- Land is expensive.
- Political and community will is key. Councilmembers are supportive in private, change their mind when angry neighbors show up.

**Blackwell:** The framework for this work:

1. We need to work on 3 things: Production (at all income levels); Preservation (of existing AH stock); Protection (there are vulnerable populations that need protection)
2. How to get there: Financing, legislation, regulatory environment in local jurisdictions.

**Steve Heminger:**

Why am I here? I'm the transportation guy. I've got three reasons:

- 1) Bay Area has transportation problems, but we have a housing crisis. That crisis itself is becoming a transportation problem. In MTC's Board meeting this morning, housing conversation broke out in the middle of a transportation discussion -- that happens all the time. Housing is driving a lot of our troubles.
- 2) MTC will oversee 60 former staff of ABAG as one consolidated staff. The two boards will still exist, but in the meantime we have consolidated the staff because these two issues belong together. Planning staff for those two agencies plus the Bay Area Air District already sit together.
- 3) I believe that the housing question has a moral dimension. We are failing as human beings if we can't house our people. Founding text of our civilization "clothe the naked, house the homeless."

Presentation:

- 2011-2015, Bay Area wide 500,000 jobs increased but only 65,000 houses built
- We are underperforming on very low, low and moderate rate
- MTC is a \$2 billion a year bank. That money can have effect on how housing is produced – e.g., OBAG. Not a lot of money, but a lesson in the power of incentive (Housing Element).
- Three legged stool:
  - o **Regulatory relief** – will require legislation in Sacramento (possibly a Bay Area pilot)
  - o **MTC allocation conditions** – can we do more like OBAG – how we allocate funds. We can make those changes largely without asking for permission from Sacramento.
  - o **Regional self-help** – will require legislation in Sacramento (possibly a Bay Area pilot) and locally raised money
- Team working on this:
  - o Ken Kirkey is the leader.
  - o UC Berkeley research team
  - o ELP – facilitation and engagement

- We need to compromise, but sometimes we need to argue too. We need to say what we mean -
- not mince words. Hope discussions are candid, maybe pointed. Tell the truth.

## II. Process Overview /Team Introductions

### **Jennifer LeSar: The Process**

- July meeting will be in Mountain View on Wednesday July 19 from 1 to 3 p.m. at SVCF. Agenda will be shaped by what we hear today.
  - o In process: a presentation and briefing on key policies in the region and activities to date. Please email us at [casa@mtc.ca.gov](mailto:casa@mtc.ca.gov) if you have items you want us to include.
  - o Survey for people who will not be involved in the process.
  - o Draft work plan for review and discussion at the July meeting.
  - o Proposal for a governance process.
- Technical Committee will meet 14 times over the next 16 months – will not meet in August nor November.
- Steering Committee will meet 5 times, concluding by October 2018.
- All Technical Committee members will be invited to attend steering committee meetings, and may have a presenting role.

### **Cecilia Estolano: We will ...**

- Make this an inclusive process. We will always start on time and we will end on time.
- Will have post-it notes so ideas can be captured, even if there's no time to speak.
- Will always have fixed time for public engagement, and will have Post-it notes for participants.
- Please share if you have thoughts regarding the survey and methodology to ensure members of the community can engage with us.

## III. Effects of the Crisis /Looking for Solutions

**Janice Jensen, Habitat for Humanity:** before RDA crisis, we did zero advocacy at any level but got organized after that. Most significant action was getting organized to lobby for low-income homeownership. Program expanded due to the needs of constituency expanded. Key obstacles: Lack of comprehensive public policy that treats housing holistically. Lack of dedicated source funding. History of public private partnership going down the drain.

**Linda Mandolini, Eden Housing:** have 22,000 households on waiting list. People are desperately looking for a place to live. For a 150-unit project, 4500 applications. Have invested in local ballot initiatives, as well as legislative advocacy. Chapter 40B in Mass. Part of Los Gatos situation. NIMBYs are really daunting right now. If we don't figure out how to mitigate the local impacts, I don't know how we solve this. How do we incentivize a yes? There is no silver bullet, we need to do everything all at once.

**Jennifer Martinez, Faith in Action Bay Area:** We do AH advocacy, affected by displacement crisis. Getting rent control passed. Take the conversation outside the urban centers of the region, into the suburban places that are often not part of the conversation. We don't have a vision for the region. We don't have a narrative about how our region will look in 20-50 years. That lack of vision is forcing people into thinking about yesterday, being very transactional in their thinking.

**Derecka Mehrens, Working Partnerships:** Addressing inequality. Community is labor unions but also working people who lack a voice. Silicon Valley Rising: working to organize 10,000 tech service workers who are subcontractors. Housing is a huge issue for them. No matter the wage increase, the housing is too expensive. So housing and displacement is a big priority for us. Key obstacles: Power and

constituency and voice in this debate. There is not enough organized infrastructure for folks to have a voice at tables like this. Too much siloed advocacy (housing, labor, health) – these issues are multi-dimensional. How can we give carrots to the NIMBYs, need flexible funds for locals.

**Gabe Metcalf, SPUR:** SPUR started as a housing group in 1910 but we work on a lot of other issues, but still do a lot on housing. Co-chaired SF bond campaign. Most effective at planning work, trying to shift the fight to neighborhood planning scale, rather than project by project. Currently working in Oakland and San Jose on those strategies. Work is broken into 2 categories: Resources (money) and Reform (housing supply at all levels). Obstacles: lack of permanent source, NIMBY opposition, post Prop 13 exactions on developers to pay for public good; process that privileges homeowners over those who need housing; lack of transportation funding fuels NIMBY concerns. What to do: permanent source, need to rethink the delegation of planning authority to cities. Cities that are not good actors should have their authority taken away.

**Tomiquia Moss, Hamilton Families:** Working to end homelessness. The complexion has changed for homeless families. 50% of families we serve were employed. Doubling of homelessness for families. We were housing most of our families before 2012 in San Francisco, are now placing families all over the region, as far as Sacramento. What happens when families lose their communities and networks, when the only available housing is somewhere else? What partnerships do we need to support families when they relocate into new communities? Recognize that homelessness is a regional problem. Establish public private partnerships, which are key.

**Ken Rich, City of San Francisco:** Currently building a lot of housing in SF. Updated area plans to make it easier. \$310m bond, housing trust fund, aggressive inclusionary requirement, invest in using the city land to do deep affordability. We need an attitude adjustment and financial tools (e.g., transportation funding), more regulatory teeth from state so folks do their fair share.

**Matt Schwartz, CA Housing Partnership:** Our constituencies are low income people which the market is not serving, and non-profit housing developers. Provide TA and financing. Our role is to do research and publish reports that become tools for advocates. New report we're doing with UCB displacement project, looking at how displacement patterns in the Bay Area have been triggered by housing changes. We also provide ideas for legislation, e.g., state LIHTC expansions. Bay Area advocates undermine and don't coordinate with one another. Need a governor who believes the market alone can't solve this problem.

**Joseph Villarreal, Contra Costa Housing Authority:** Tens of thousands of people on waiting list. Section 8 landlords getting out of business. Even with Section 8 vouchers, people cannot find housing. It's all about Federal Government for us, but we are now tying project-based vouchers and RAD funding to address homelessness, have housed 300 people. Helped fund 1,500 units throughout the county. On homeless side, have been able to expand. Need \$700 million to rehab public housing, we don't have nearly enough monies to do that -- we will lose a lot of housing if we don't.

**Bill Witte, Related:** Active developers of both 100% affordable and market rate mixed income. Have a waiting list of 4,000 for Mission Bay project. Very concerned about temporarily relocating people during rehab of Sunnyvale project. I believe that most initiatives will have to happen locally. Project on landfill, water authority said no residential. Obstacles: San Francisco has done about as much as any city can do on land use plans, but it takes too long to get entitled in SF, mostly due to CEQA. We need to do for housing what we did for the Kings arena in Sacramento. Also, cost is too high: \$700k per unit in SF, because there are so many bells and whistles required of these projects.

**Denise Pinkston, Bay Area Council:** it's almost like a religious conversion we go through. I get hate twitters on a regular basis. We have to get out of our silos, and it's "us versus everyone else in the Bay Area." Employers can't hire workers because they can't afford to live here. Entire business units are being moved out of California. 47% of people under the age of 35 are planning to leave the Bay Area because it is so expensive. We can't get cities to yes on housing, and pro-housing councils turn over. We need state interventions. ADU bill was a step in the right direction. Stuff should be ministerial. Create a court of last resort. We should not be allowed to turn down 100% affordable projects. Use Housing Accountability Act. That law is being strengthened this year. Amend CEQA, no discretionary review. This problem has to be scaled up to solve it. And the costs are too high.

**Lynn Hutchins, Goldfarb Lipman:** Our clientele are diverse, working a lot on tenant protection and rent control ordinances. In terms of what we can do: ditto to everything, and its money-money-money and regulatory reform. We do need to have some kind of appeal or third party process. I drive by tent cities every day and its worse than it's ever been. This will be politically difficult, but we need to give the locals an out by having the state do it.

**Rich Gross, Enterprise Community Partners:** largest investor in AH through equity and debt programs nationally. We work on regional solutions, also at the state level. Work a lot with HOPE-SF and RAD programs. Our constituencies are cities, counties and non-profit developers. We need to act quickly and on a large scale. We cannot build AH without major subsidy. We have an economy on steroids, and we need to capture that wealth to create equity. We can capture it a lot of ways. We also need regional solutions: fair share, bigger carrots and sticks.

**Raquel Gonzales, Bank of America:** The primary challenge for us is attracting and retaining talent. People come temporarily and then they leave. BofA has long been a partner in AH, have financed 2,000 units in last 10 years, but clearly that's not enough. PPPs are so important, e.g., our partnership with MidPen on projects like Edwina Benner in Sunnyvale.

**Caitlyn Fox, Chan Zuckerberg:** We are not housing experts, we are enablers of experts. We are new to the space, investing in 3 areas: 1) Better data and evidence around housing, e.g., rates of eviction; 2) Building grassroots advocacy locally, enabling communities to have the voice to advocate for their community; 3). Invest in innovation – change how housing is built, delivered and financed. Creating the innovation space for people who build housing. Some reflections: Change the conversation – there are a lot of 'dirty words' like affordable and NIMBY and it becomes volatile – this is a social justice issue and we have a broken system; bring private sector and employers along, pressure them and encourage them to be part of the solution, not just because their employees can't find housing, but also because they benefit from this region.

**Amie Fishman, NPH:** We work to ensure vulnerable families have a home. This is not a crisis, it's a catastrophe. Our constituents are builders of AH. It's harder and harder to build. We created a regional electoral strategy, won \$2 billion in 3 counties. Recently issued a new report highlighting issues: production, preservation, protection. We think there are real solutions to close \$1.4 billion annual gap, want to incentivize agencies to do the right thing. There should be more bonds on next year's ballot. We need more infrastructure to run campaigns that will turn into power. We need to shift the conversation around NIMBYs. Last year's voter engagement – we created infrastructure to engage our voter blocks, and we saw very high support for affordable solutions. It's a top concern over everything else.

**Jonathan Fern, Summerhill Housing Group:** Recently appointed to Oakland planning commission. We are a builder. Los Gatos spent 5 years on specific plan, but when integral projects come through, they get re-litigated. We need to change that. This is a societal problem, needs a societal response. Market

won't be the entire solution. We need a huge public sector intervention. The bonds we've passed won't take care of it. We do need to elevate this at the federal level, despite what it looks like in Washington right now. This is not just a Bay Area problem – it's increasingly national. On a regional basis, wants to explore a regional transfer tax for appreciation that is used for AH or transportation. Don't see us solving this problem if we don't address our land use policy and pattern. If we're going to be zoned for one unit primarily, we cannot solve this problem. We need duplexes, triplexes, quadplexes like pre-war neighborhoods did. Homogenize our communities and even our developers. We are sacrificing our cultural soul for our physical structure.

**Ophelia Basgal, Turner Center:** Has been in this business for 45 years. Markets are not static. When we think about solutions, we need to remember that. Has a foot in public housing, one with philanthropy. We start to coalesce about specific solutions and get tactical, but also wants us to think broadly and in a more innovative way. When I was at HUD, we had huge foreclosure problems – why have some roared back, while some have not? Interconnected to health, education etc. If ACA changes, it will have an impact on dollars available for housing in California. There is no idealized end state, the solutions will be incremental, so think about taming the problem rather than solving it. During foreclosure crisis, SF families moved into homes in Contra Costa County because they were available, but not anymore.

**Carol Galante, Turner Center:** Turner Center was created to provide evidence-based research that is actionable. Both public policy ideas and private sector innovation are needed. This will take more than policy to meet these challenges. We are here in a staff capacity to provide research as needed. I have strong opinions but I will keep them to myself.

**Jennifer Hernandez, Holland & Knight:** Steady erosion of CEQA from a fabulous law to a cynical litigation tool used to oppose infill housing, transit, and renewable energy. The abuse of this statute is unconscionable. Even when hard political votes are taken, a single opponent can derail a project. 1) Require transparency 2) eliminate duplicative lawsuits that comply with plans 3) limit nuclear option – aka Kings Arena. By-right proposal or some other CEQA reform will be a key focus area for Jennifer.

**Linda Mandolini:** Where are the other cities? Answer: the Steering Committee has more members which represent Clayton, Rohnert Park etc. We don't want this group to be too large.

## **Open Discussion: How can we address the obstacles? How can we avoid pitfalls that have undermined similar efforts?**

**Bill Witte:** Everyone regresses to local control. We all agree we should address it regionally. SF alone can't address it, so how do we REALLY do things regionally? How do we have teeth in something regional?

**Linda Mandolini:** We should come up with solutions that more than one city can adopt. For example, Seattle has 12-year property tax abatement for market rate projects that include 20% AFF housing. Could different cities all adopt something similar? Moving affordable supply might not just be about building, it might also be acquisition of older product (NOAH: naturally occurring affordable housing). Get outside the box. There are things we can do that are not as difficult as changing CEQA, maybe backed up by legislation.

**Tomiquia Moss:** Convincing humans to do something different is challenging. How about a parallel process of community engagement. I don't want us to be in an echo chamber without engaging networks and constituencies. As we build recommendations, what is a way for our network partners to

engage who are willing to talk differently about how these issues really play out in people's lives? I want to do that, and I think it will have a multiplier effect.

*Jennifer:* Can we engage our networks of influencers?

*Moss:* When Plan Bay Area started, we had multiple random [people] coming out. Let's not do that on the back end, let's do it on the front end, be strategic about it.

**Ken Rich:** If the "Brisbanes" aren't here in the room, how are we going to get regional agreement? Can 3 big cities muscle it through?

*Blackwell:* There is a relationship between this issue and what Tomiqua just said. Good ideas get cratered by the people who aren't in the room, so we need a process by which people who are not in the room have input.

*Leslye:* We've had conversation about that very issue. We do want to bring those voices in. Fred and I have talked about having our own 'kitchen cabinets' of stakeholders to take what we have and make it broader. I don't know how we get all the cities at the table, but we need to think about it as we develop our policies and suggestions.

*Steve:* There has to be a coalition of the willing, but before we're done we need to engage the adversaries. Those who don't want housing built in their neighborhood have too many tools, so we can take away those tools, but maybe that is too bare-knuckled.

*Cecilia:* organizing and outreach will be key.

*Jennifer:* we have some resources to do a survey, and we should figure out how we do that in a way that brings the voices in, and maybe keep them involved.

**Jennifer Martinez:** We were involved in the Regional Prosperity Plan by MTC, which was not taken up in many parts of the region. So I question if MTC is the vehicle, and if it's not, then is there something else? I have deep concerns about local jurisdictions adopting, have been in many processes. I was making my own list of 10 people. We are partnering with SVCF on a series of conversations about the housing crisis, so perhaps we can leverage that. We want 5,000 people in housing conversation in a single week, 8-10 people around the table. Maybe we think about doing that at the regional scale.

**Amy Fishman:** Lay out what is possible in short, medium and long terms. We should build on successes and deep partnerships from last electoral cycle, and think about this as a campaign. Also, break out areas of agreement and disagreement and dig deep in those places where disagreement exists, then go back to our constituencies. All communities want local control, but they also want transportation funding, and MTC controls that. So I'm very enthusiastic about what could be possible with the resources we have.

**Gabe Metcalf:** I loved the go-around and how much agreement there was but its known if we go a level deeper, it's not quite like that. Getting to pitfalls from similar processes, it's because there are opponents to good ideas. I want to name some of those important constituencies who are not here: Building Trades, doesn't see CEQA like Jennifer Hernandez does. Nothing will happen in the legislature that Building Trades hates. Can we engage them in a different way than other than how it has happened before? Apartment owners are also an important constituency who see things differently. There are smaller cities who see local land use as their primary purpose. The only way I've seen progress made is through grand bargains. If we all make a grand bargain with each other, that's not a grand bargain. It would only be that if we truly had to give something up in exchange for something else. Does that happen inside this process or outside this process?

*Blackwell*: A Building Trades member who will be part of the CASA Steering committee, as well as Andreas Cluver. We agree they, and service workers, are essential. We are looking at a matrix across geography, race, gender, issue area, so we are prepared to defend that, but we are also open to your suggestions about who is missing.

*Corsiglia*: The apartment association is here today.

**Denise Pinkston**: Big coalition that includes cities with a small idea (that's what we did on ADUs), and what we're doing on Housing Accountability Act changes; Lots of folks agree about what developers should do, but often we can't actually do those things. So we should daylight what we can do, and what we can't do. EG higher impact fees, which kill projects. Maybe we let go of some of the type of products where labor doesn't build anyway. Can we come up with possibilities that we can compromise on?

**Janice Jensen**: Ditto. We need more bare-knuckled approaches, we need to be bold and take the tools away. The bad actors are deplorable but we are all enablers. We need to get ballsy and do something.

### **Public Comment**

**Mashaël Majid, Urban Habitat**: CASA must be linked with anti-displacement targets and strategies in Plan Bay Area, which will be adopted next week. Agree with Tomiqua Moss regarding public outreach and non-traditional partners like public health districts, schools, legal service providers. Don't kick the can to a future hypothetical process. Take direction from local housing movement victories e.g., just cause eviction and rent control measures. Frame around a strong racial justice lens. We know that displacement has a disparate impact on families of color. A moral failure.

**Val Menotti, BART**: Abby Thorne-Lyman was not able to be here today. Interested in TOD and AH. BART has several projects, 25-30% of housing on our parking lots has been affordable. Three things to mention: 1) having tools like RDA. 2) gap closure for AH – we have 250 developable acres, board adopted a policy in 2016 with goal of 35% affordable units, especially VLI. 3) Also want to ensure ridership growth over time, so parking is an important issue. Board has given us flexibility to look at non-parking solutions in urban areas, so working with local governments on access to stations very important.

**David Zisser, Public Advocates**: Members of 6 Wins for social equity network. Very involved in Plan Bay Area advocacy. Appreciate the framing laid out here. Lack of AH results in both exclusion of people coming into the bay area, as well as displacement of residents out of the region. So protection must be a co-equal priority. Housing crisis has a racial dimension, black and brown people disproportionately affected. Above moderate units are not the problem. When we talk about public participation, need to go beyond standard, have meaningful engagement. We should not be told a week in advance that we can provide input on a survey, we need more time. We've been promised public comment at 4:30, rather than cutting into that, we can increase the amount of time each speaker has. Focus on communities that experience this crisis the most. They are rarely consulted, and we need buy-in from them. Need to engage them at the beginning and throughout. Consider later time meetings. Don't jump right into policy, start with input. MTC and Six Wins invested a lot of time in Plan Bay Area. Getting an action plan was a very important piece of that, we don't want that pushed aside. The action plan can be a starting point – figure out how to build on that and implement it.

**Ken Bukowski, Regional Video and former member of Emeryville City Council**: statewide ballot measure to re-establish redevelopment. Marijuana businesses can't put their money in the bank – can they put it into housing? Whenever we have a housing project near freeway, we should make the land under freeway available for meeting parking requirements.



## VII. Closing Remarks

- Acknowledgement: Asking for a lot of your time: please come back
- Scary words were spoken: local and regional can be scary but we have to think beyond those two terms.
- We have sub-regional partnerships, doesn't have to be binary.

Meeting adjourned: 5:03 pm