

**Commission on Housing Affordability**  
**Draft Minutes for July 29,, 2020**  
350 N. State Street. SLC, UT 84103

**Members Present**

Senator Jacob Anderegg  
Representative Joel Briscoe  
Representative Val Potter  
Andrew Johnston  
Beth Holbrook  
Chris Gamvroulas  
Grant Whitaker  
Jaycee Skinner  
Janice Kimball  
Jeff Jones  
Julie Humberstone  
Matt Dahl  
Michele Weaver  
Mike Akerlow  
Mike Gallegos  
Mike Ostermiller

**Representing**

Senator  
Representative  
Representative  
Salt Lake City Council  
UTA  
Utah Homebuilders Association  
Utah Housing Corporation  
Salt Lake Chamber  
Housing Connect  
Summit County Economic Development  
Policy Analyst with LRGC  
Utah Redevelopment Association  
Rural Community Assistance Corporation  
Community Development Corporation of Utah  
Salt Lake County  
Summit County Economic Development

**Staff Present**

Jonathan Hardy	Director, HCD
Jess Peterson	HCD
Holly Taing	HCD
Rebecca Banner	HCD
Keith Heaton	HCD
David Fields	HCD

**Visitors**

Andrew Gruber  
Angela Price  
Christy Dahlberg  
Michelle Larsen  
Duncan Evans  
Kaitlyn Pieper  
Karson Eilers  
Megan Townsend  
Melia Dayley

Susan Olson  
Tara Rollins  
Wilf Sommerkorn  
Scott Hess  
Ashley Spatafore  
Dave Spatafore  
Kimberly Madsen  
LaNiece Davenport  
Peter Asplund  
Ted Knowlton  
Evan Curtis  
Valerie Walton

### **Welcome and Introductions**

The Commission on Housing Affordability meeting was held electronically Via Zoom on July 29, 2020. Representative Val Potter called to order at 10:07am.

Motion to approve June 25, 2020 minutes by Senator Jacob Anderegg. Motion carries.

**Rep. Val Potter:** Let's hear from Jonathan on subcommittee meeting updates and due to time, you mentioned you wanted to shuffle that, correct?

**Jonathan Hardy:** Yes, one thing we want to get out upfront and because I know it's going to be a part of a later discussion when we hear from the Housing production subcommittee, is a discussion on the CARES Act and we have here today Kimberly Madsen from the Legislative Fiscal Analysis Office and Duncan Evans from the Governor's Office of Management Budget to answer any questions about CARES Act timing, so the State got a bunch of flexible CARES Act money to respond to COVID 19, we've talked a little bit about that, that part of the 20 million of this went into rental assistance, a variety has gone into other issues and the deadline for those funds into the CARES Act was December 30<sup>th</sup>. I know there are some ideas and there may be some other federal legislation formulating right now that will change some of that and we want to make sure we have our experts here to talk about that and to answer any questions that people may have about the CARES Act funding and I know we have Duncan for a limited time so I wanted to make sure he was here to be part of that discussion.

**Rep. Val Potter:** Why don't we go ahead and start with the CARES Act funding discussion, if no one has anything issues with that.

**Jonathan Hardy:** Dave or Ashley Spatafore, correct me if I'm wrong but I think one of the questions was in the context of rental assistance, what flexibility do we have with the CARES Act on timing? Duncan and Kimberly, it's my understanding that CARES Act has constituted has to be spent by December 30<sup>th</sup> is that correct?

**Duncan Evans:** Correct, as originally passed December 30<sup>th</sup> and in the context of spent should be utilized to and not to prepay on items but with that deadline, we're hoping that could be extended, on Monday the US Senate Republicans released their next stimulus package, kind of their COVID 19 relief package that they're calling it the HEALS Act and that won't give more flexible money for States but it's going to potentially extend the deadline for spending it from December 30<sup>th</sup> to September 30, 2021 so that would give us a lot more flexibility to do that but the only caution with that extra flexibility means that there are now a bunch of other public health and economic assistance programs that we have also told that they need to meet the December 30<sup>th</sup> deadlines, so their funding had been limited because of that. That would potentially free up money for rental assistance or if there are some projects that take longer to implement, they could help with rental assistance, affordable housing or homeless transitions or even something that was used a quarantine housing and then after COVID 19 was retained and converted to some type of affordable housing or transitional housing. That would extend our timeline and would give us a lot more flexibility but we'd now be competing with all those other public health needs, educational needs and economic assistance needs and on top of that, it will add potentially the flexibility where States will be able to use the money to replace lost revenue because in the original CARES Act, we could not use it to replace lost tax revenue and it'll open that up for 25% of the funding if revenue has declined. It's good news with the flexibility but a lot more competing options for how to use the funding.

**Rep. Val Potter:** Great, thank you and Kimberly, do you have anything else to add?

**Kimberly Madsen:** No, Duncan really covered it and again it really needs to be spent before that December 30<sup>th</sup> deadline, so services need to be rendered before that date as it currently stands and so again no prepaying for contracts to be fulfilled, next year on things like construction and keeping an eye on the HEALS Act and seeing how that ends up playing out.

**Rep. Val Potter:** Are there any questions for Kimberly or Duncan?

**Ashley Spatafore:** Thanks for having me and thank you for that explanation, that's really helpful because we've heard that loosely but it's good to have more a definitive answer. My question for you is, I know you mentioned that you said money can be more flexible now but with that 20 million we have allocated right now, is that specifically for rental assistance?

**Jonathan Hardy:** I can answer that, we do have 20 million allocated for rental assistance, the statute is pretty short and it talks about people who are financially harmed after a certain date and then before December 30<sup>th</sup>, we've changed a little bit of the eligibility criteria, so we've gone along with the unemployment benefits expiring and we're about to open it up to the people who are currently on unemployment, previously they were not eligible because they were receiving enhanced benefits there, so we'll be opening that up and we'll probably see a lot more folks accessing that program and if they're on unemployment they're not going to have full replacement wages, so there will be a lot more people seeking rental assistance but right now it is allocated for the rental assistance program to be done before December 30<sup>th</sup>, that's what the 20 million is for right now.

**Rep. Joel Briscoe:** I think I heard someone say that services need to be rendered by December 31, I'm just verifying that, it can't be a contract to do something, maybe the money doesn't need to be spent but the services have to be done and it all has to be over by December 31 or if congress passes another version of the CARES Act, is it possible that could back and reach into the first CARES Act and extend its time frame or is it only the money expended and a second CARES Act would extend through 2021?

**Duncan Evans:** That would retroactively change it so all the original CARES Act money gets extended until September 2021 so that would help is with the 20 million, as of right now if you add up all the money the legislature has appropriated out of the CARES Act for specific projects and sharing with local governments, there's about 150 million that hasn't been tagged for specific projects yet and we've been working with state super attendant and commission higher education to identify any of their unfunded school and higher education needs, there's obviously a lot that needs to be done within that 150 million and for public health still, so if we get the extension then it would be an extension for all of the money, if we get it.

**Rep. Joel Briscoe:** Thank you.

**Janice Kimball:** I just wanted to know, has the State been spending money on rental assistance and so is it that 20 million in play?

**Jonathan Hardy:** Yes, it is in play, I wouldn't say a lot has been spent but \$133,000 has been spent and it's really only been in play for a couple weeks and again the populations have been pretty limited because most people that have been financially effected by COVID 19 have been connected to unemployment insurance so they've had income to cover their housing and haven't been eligible for the program, so we expect it to be a lot more folks but we haven't spent a lot of it yet but it is in play and every area in the State has an agency administering the program.

**Janice Kimball:** Who is doing it for Salt Lake County?

**Jonathan Hardy:** Utah Community Action

**Janice Kimball:** Great, thank you.

**Rep. Val Potter:** I don't see any other questions so let's move on to Land Use with Chris Gamvroulas.

**Chris Gamvroulas:** Thank you, we had a zoom meeting last week and a good conversation and the question posed related to the rough proportionality test of fees to services and the underline hypothesis is that in some cases particularly in high growth cities that the fees that are collected in particularly the building and the planning departments exceeds the costs of providing the services and the excess dollars that flow into the general fund of the city and masks that excess because it's just absorbed into the general fund and spent in areas outside of planning and building. The real question that was raised by several people on the call was how do these increasing costs relate to the cost of housing, is there a

correlation to that? The other underline question is, what is the extent of the problem, is this really a wide spread problem? The answer to both of those from our perspective is yes, how costs increase does relate to the cost to provide that service, in some cases it's probably nominal and in some cases it's probably significant thousands of dollars to the cost of housing, the questions really limited to fees but not impact fees but service fees, so the fees that are paid over the counter when an application is submitted, like a land use application or a building permit etc. and of everyone that was on the call, I wouldn't say there was consensus, we really didn't take a consensus vote on the general question by the commission members on the subcommittee and I would like to ask first for a little direction from the Chairs, I think it would be helpful for the subcommittee members to know if formally we should be taking a vote of the subcommittee simply reporting back? We agreed to go back to our groups and maybe having some of the city folks talk to a few people in their world and reconvene and just get a sense of whether there is consensus on their idea of trying to find an approach that would work for everyone.

**Rep. Val Potter:** Great information and getting back to your comments about the fees and working with the cities and so on, is what you mentioned, you want to go back and do some more work with the cities? With that then would you come up with recommendations for the Commission based upon what you discussed?

**Chris Gamvroulas:** That is the question for the Commission and I'm just looking for a little bit of direction and so is it appropriate to take a vote of the subcommittee or simply just come back with maybe a report?

**Rep. Val Potter:** I would say and help me out Representative and Senator, we would entertain your recommendation and if appropriate we would vote on them.

**Senator Anderegg:** I think when we discussed last time, there were 6 items that you, Chris had expressed were good items for us to dive deep in to and my hope was that the subcommittee would actually dive deep into those and come back with recommendations and from what I'm understanding what you're saying is, that is was a lively debate but didn't reach any consensus, is that right?

**Chris Gamvroulas:** We weren't really trying to reach consensus, we were really trying to get the issues out on the table and listen and there were a lot of participants, so I'm not saying I don't think we can reach a consensus because I think we can, I'm just looking to see through this process if you want to see the subcommittee come back with a formal recommendation or if you want us to come back and report it and then the Commission can take it up from there?

**Senator Anderegg:** I get supply and demand, cost constraints and shrinking margins but what's difficult to wrap my mind around is the price associated with the product and what we're talking about really is aspects of costs that are affecting and limiting the ability to create more affordable housing. My hope is that your subcommittee really can do the leg work and dive into the weeds and come back with a list of recommendations and in my opinion, they don't need to be unanimous, so I would recommend that if

there are good ideas for the what we're trying to do around affordable housing but we can't get consensus as this body, then lets run them with individual legislators, indivual bills separate from this, if however we can get consensus on a couple ideas that will really be a focus effort to help the production side of this, so from my standpoint I was more interested to see what you were able to accomplish in the last meeting, what you're focused on for the next meetings and how you're planning on moving forward.

**Beth Holbrook:** As I'm listening here and I really appreciate what Senator Anderegg was saying because I do think that there are components that this body takes a look at and I'm waiting to hear how WFRC discussion points on Senate bill 34 go but just my initial response to some of what was reported from Chris is that Land Use is a critical component for what a lot of other communities have to make available as an affordable housing component and if there is a way for us to utilize some aspect of that to look at the fee structures and to look at some other component, I think that there's real value for us to take some of the pieces that Chris talked about and use this in any bill that would be crafted.

**Mike Akerlow:** Chris, just a question on this, did the group talk about the process the cities go through to establish fees, I know when I worked at Salt Lake City, we had to do a cost justification for all these fees which would take in time from staff and any other associated costs that then translated into those fees, did the group talk about that process and what that might look like and is that something that is the same for every city or do they each do it differently?

**Chris Gamvroulas:** That's a good question Mike, we really didn't discuss it but I think it's something we could talk about and get some insight from city representatives, either from the league or the elected or appointed officials that are on this commission, that specific question didn't come up, I've watched a lot of fee schedules get approved. One of the big questions here is, should there be a process that is transparent that identifies whether there is a disparity between the costs and providing the service and the amount of money that's collected, I think that's a good question and we could ask that one Mike.

**Andrew Johnston:** Mike, to your point the city administrators and the public officials on that call, I think everybody agreed to post their fees and how they come up with the justification because there is a process that you have to go through to justify the costs and Chris, correct me if I'm wrong but I think all the cities committed to that on the call, there wasn't any holding back saying we're not going to do that, so I don't think the transparency question is a debate in that subcommittee at this point, as far as fees go but to Senator Anderegg's point, we're spending a lot of time on this fee question if there is 5 other pieces to be discussed, we're going to have to figure out how we're going to get to those as well and to be blunt if the price you sell a house or an apartment for is not necessarily tied to the cost of building it, it's hard to say one piece of the cost of building it is going to change that part. I think we need to figure out what's going to be the largest levers to pull in this process as a committee and what's going to give the biggest return on our efforts here because I think the consensus here is that we need more housing across the spectrum but I think there is a clear debate in that subcommittee about if fees are the biggest driver here or if we need to push the lever on the hardest.

**Chris Gamvroulas:** That's a very fair comment from what was stated and I apologize if I didn't make that clear but what I meant was we had a spirited debate and I didn't mean we all left enemies but we debated important things, candidly this is one of the 6 items and the chairs of the commission said, well, this one doesn't seem to be too controversial, why don't you tackle this one first and in fairness to me, this was supposed to be an easy lift, councilman Johnston's point is true, should we be focusing on this as a small win and I think yes, sometimes you get small wins and I don't think it's bad to get a couple small wins before we tackle something really controversial.

**Rep. Val Potter:** Having served as a Mayor and City Councilman, I know that when we came up with building fees, we had justification as a city and made decisions like that and I don't know that there was consistency between other cities and our county or even state wide, I don't know if that's something that should be discussed with the league of cities, is that a criteria along those lines and the consistency between the cities regarding the fees as you may know, some cities are very high with fees and some are not and what was stated in the document we received, there's the idea that some cities use fees as a way to enhance their revenue rather than go to taxes, which of course is a nasty thing to do, so I'm wondering if the league of cities could report back to us and give us some input regarding that, any comments on that?

**Mike Ostermiller:** I think most of what I was going to say has been said already and I appreciate Senator Anderegg and Rep. Potter's comments on this and I think that the leader, it's important for the members of the committee that we have your support to keep grinding away on these topics because in my mind, if the purpose from a global perspective of what we're doing as a commission is to say, lets evaluate all of the major contributing factors that are exasperating the problem of escalating housing costs and therefor deescalating affordability of housing, there's no doubt this is one of them and I don't think Chris Gamvroulas said or meant to say that its limited to just fees that are charged, I think what we're trying to explore here is we know administrative related costs, which include fees and other things are one of the factors that we see going up all of the time and is that contributing to the escalation of housing costs? For sure! I think what we're trying to figure out getting into the weeds on some of these issues is how much is it contributing and can anything be done about it and what is the source of the major contributions of that. There's a lot of work to be done there but in my mind it's just as important as any other topic that this commission will take up so I think as long as well know that we have your support to keep working, let us keep cranking away and let us keep working and we'll keep reporting back to the larger commission to keep you guys posted as to what we're talking about. I've worked with the league of cities in towns for a couple of decades on these issues and here's what I know about working with them, is they are really honorable straight up actors I think who are trying to do the right thing but I also know that these subjects are complicated because they vary city by city and sometimes is just takes time talking through issues and rehashing them and researching and evaluating before all of a sudden we strike gold and say, OK now we've figured it out and gotten to the bottom of it and now we have some consensus at least around a partial solution, I think we all knew this was going to be an ongoing issues that's going to take weeks and months for us to sort through, so that's the process and I'm committed to that because I'm convinced that's part of the problem, of course not all the problem and I'm convinced that there are some solutions out there.

**Rep. Val Potter:** Thank you Mike and Chris, what I see is for you to go back to your committee and discuss and get back to us at a later meeting with some ideas and recommendations.

**Chris Gamvroulas:** I don't want to put an official deadline but I would like to be on the agenda every commission meeting candidly and give you reports and as Senator Anderegg said all of the city officials, it wasn't just Salt Lake City, Midvale and Lehi who were represented on that call, all of them said, yeah we'll go back and we'll talk to our finance folks and we'll address that and come back and evaluate whether it's a real problem or not, so we'll just continue to work and there's going to be some real deep conversations in this subcommittee as well the Land Use Task Force.

**Rep. Val Potter:** Thank Chris for what you're doing with the committee, it's incredibly important and we'll put you on the agenda for the next meeting to discuss and we'll wait to hear back from you then. Let's move on to the Housing Production Preservation with Dave and Ashley Spatafore, which if you have any more discussion on the CARES Act and SB34 next steps with Wasatch Front Regional Council.

**Ashley Spatafore:** (See attached)

Thanks for having us again and just very briefly, most of you know our working group and again we've been working for the past couple years and we have our weekly legislative meetings and we've been doing our work group meetings once a month during the non-legislative session, about 25-30 people in the group varies and some of our commission members are part of our working group and sometimes we have people from DWS and a handful of cities and Janice from Housing Connect.

What we tried to do first off is try to give you an outline of the things that we've been tasked with and give you a little bit of a road map as to where we're going. We're primarily going to focus on items 1 and 2 and number 3 and 4 are more for your reference on how we're going to move forward. # 1 (Ongoing) and I think that this might be something that DWS is already doing and I think it's a good thing that will help better educate the general population and people that are working together, what monies we currently have especially related to the COVID CARES Act funding, what we have, what we're using, what we're spending and where it's going, one of the comments we heard on the 20 million dollars, about \$133,000 is only been spent, some of the other things we're wondering is, do we know where it's going or is there certain parts of the state that it's going to and the idea for documenting and providing this information is, it'll give us a better idea of where the gaps are and maybe where we need to focus a little more attention, so that's one item I think we as a group are suggesting to the commission, focus on or ask that it be provided and as you look through this you'll see in the parentheses, it's (#11 priority determined by the commission) which the numbers in the parentheses is what the commission voted on for prioritization. We had another question on that 5 million dollars from SB39, we were really lucky and I know that the budget got slashed and was reduced in half but that was still awarded for funding, I think you got the 5 million dollars and that was split right down the middle for preservation and for production and I think it would be good for the commission to have an update is to where that money went and how it's being spent and I think it's also helpful as we move forward to the next legislative session so other legislators are aware of where the funding went, how quickly and how it's being utilized

**Rep. Val Potter:** Great suggestion.



**Ashley Spatafore:** We also threw up there continued education, in this working group and through the commission help fill the gaps providing more information to those that aren't working on housing on a daily basis, so with that, I'm going to jump right into our July suggestion meeting and I could be wrong, this might have already been done but our group strongly recommended that the commission send a letter of support to our federal delegation to support the Affordable Housing Credit Improvement Acts which corrects that adjustment on the 4% LIHTC Federal Tax Credits.

**Jonathan Hardy:** So we have drafted that and got a thumbs up from Rep. Potter and if we can get a thumbs up from Senator Anderegg then we'll go ahead and get that sent off, I know that was kind of in process but its drafted and ready to go.

**Ashley Spatafore:** Our group really emphasized that this is the predominant source of funding, the predominant and consistence source of funding are these LIHTC tax credit, so anything we can do to stabilize those funds is going to help us down the road and we appreciate that, as this representative body I think it says a lot for the commission to support that legislation. I will now jump onto the CARES Act funding and our question was very well answered on the previous call that in fact, those funds currently by federal legislation cannot be spent after December 2020, they have to be programmed and spent and services rendered but what I think is maybe hopeful is this HEALS Act that will allow for the extension of those funds and it's my understanding if drafted now that it would extend and allow the money to be used until September 2021.

**Jonathan Hardy:** Ashley, If I could just pipe in and is defined the state law as written requires us to help residence who are financially harmed by COVID 19 between March 2020 and December 30<sup>th</sup>, 2020 so if you are suggesting to help out a different population, that may not fit that definition like there could be McKinney Vento families and other folks that don't meet that definition of "financially harmed" that is not eligible under the state statute right now, so when you get around to talking about these things, they may require some different thought processes on how that law is written.

**Ashley Spatafore:** Thank you, that is very helpful and that brings up two points, the first thing I think potentially that one of these recommendations is, the federal legislation has to be changed to allow the money to be used past December 2020 so if federal legislation is changed perhaps this commission could recommend to our state legislator to change it on the state side, so in the special session in August to also allow for, if the federal legislation is changed then the state would also allow for the money to be extended past the December 2020 date. The second part would be to change state law to expand the allowable uses and two of the allowable uses that Dave and I and our group came to a consensus on that could be really impacted, not necessarily financially but potentially harmed by COVID, situations exasperated by COVID are McKinney Vento families and of domestic violence survivors and the thought behind that is looking at the McKinney Vento families is providing rental assistance for say, the schools and right now we do know that going back to school is still undetermined and one thing we do know for this population is that many don't have a home to go to, they don't have a stable residence or nightly residence and that potentially means they could become homeless and go to the shelters, which we're

having a problem keeping the shelters safe and clean, as well they are doubling and tripling up with families, we know that with these multi-generational families living together and if one of those family members becomes infected with COVID, how do you safely distance and providing a pot of money for rental assistance for McKinney Vento families and also those experiencing domestic violence. So those are a couple of small changes that we recommend that could potentially happen around the CARES Act funding and rental assistance. What we'd like to discuss next and currently we don't have any proposals around this but we thought it was so important to bring up and this commission worked on this bill and all the commission members and so many others who worked on this bill was 2019 SB34. One thing we want to remind everyone of is this bill passed in 2019 but the actual moderate income housing plans, they had to be completed first by December 2019 so in effect, even though this bill went into effect 18 months ago, it's actually only been in effect for 7 months, so we really don't know parameters are and what the impacts fully are and what we're trying to do now is working with Wasatch front regional council and all the work they've been doing and a lot of the work I know the league will be doing and a lot of different entities and I know that DWS will be working on this as well but an update on that bill, the progress and some of the things we've learned and where we're kind of going. I think Wasatch front is also going to touch on their Wasatch choice 2050 plan. We'll turn the time over to LaNiece Davenport.

**LaNiece Davenport:** I'm the government relations manager with the Wasatch front regional council and we also have Ted Knowlton who is the deputy director who will be joining us as well. As Ashley noted SB34 came out of the 2019 legislative session and even though December 2019 was the deadline to get the moderate income housing planning portion of a general plan updated so a short 7 months ago, a lot of great work has been done in rewriting, updating or creating these moderate income housing plans and that's really where a lot of our attention was over the last year was focused on the moderate income housing piece of Senate bill 34 and of note, the planning piece was the first step in moderate income housing planning and the reporting piece was the second step and so December 1 of this year is when communities will look back and look at their goals that they've identified and then report on the implantation of those goals. What we want to talk about today is, there are many other things in the Senate bill 34 that are important such as the Land use elements and the traffic and transportation elements, these other elements that really tie housing plus transportation together, for example the general plans land use element must now consider the housing element and basically what this means is that cities and counties need to implement the goals of their housing element and then consider where to locate housing for all residents, so regardless of income, from extremely low income to high income households. Moving on to the traffic and transportation element and there's four new pieces that local government must do on this element **A)** provide the general location and extent of active transportation facilities. **B)** Plan development around major transit investment corridors to improve connections between housing, employment, education, recreation and commerce. **C)** Correlate the transportation plan with population and employment projections and the proposed land use element. **D)** Consider the regional transportation plan developed by the regions metropolitan planning organization (MPO) or if outside and MPO, the plan developed by UDOT. So there's a lot of work that's been done and we're well on our way and Ted will take it from here.

**Ted Knowlton:** It's great to be here with you all today and many of the items that LaNiece talked about relate to the location of housing not just the production and especially the location of housing relative to infrastructure and opportunities, I'm going to talk about some of the things that communities are doing in the greater Wasatch front including Utah county, communities in our area have already considered strategic places for multi-family housing, mixed use development through the Wasatch choice regional vision which actually pre dates to SB34. We have a map that coordinates Utah's unified transportation plan with where communities want to go with their future development and this was explicitly explored with communities, talk about transportation projects that may make sense including advancements to public transportations and how they fit with locations for growth, for instance if we take a look at Roy, the communities in Roy were asked, what are the transportations investments that make sense for you, investment like front runner improvements, improvements to bus lines and how they dovetail with the concept of growth centers. What's the concept of a growth center? It's the basic notion that identifies the most strategic places for multi-family development and mixed-use development as well. I think a natural question to ask during this time of COVID 19, what is the relationship between centers during this time, centers are places where with a mix of use, you could find gyms, parks, civic destinations, pharmacies intermixed with housing choices and that growth concept takes advantage of an increase of telework by helping people choose to live more locally, without centers we may see a bump up in telework but the variety of the other 65% of trips would be typical to what they used to be prior to COVID 19. If a community has healthy centers then they're presenting this opportunity for a teleworker to have the orient there weekly activities around what they do, now let's about what is happening after Wasatch choice 2050, we're seeing communities take this vision and work to implement it and what we're seeing as communities tackle the implementation of Wasatch choice, they are naturally asking the question how do we meet the needs of SB34 and it just takes time, that's kind of a sense of some of the things happening relative to the relationship of the location of development, center development, transportation, SB34 and how those things come together.

**Rep. Val Potter:** Thank you and we've got a couple comments.

**Andrew Johnston:** I appreciate the presentation from Ted and LaNiece, I think the technical assistance to the cities is a huge piece, I also think if we're talking about levers to move the housing affordability discussion along and the entire spectrum of housing and the diversity of housing, this is one of those levers from a State perspective that I think should be pulled, we're always going to have a hard time finding enough funding for everything and we all know there is just more need than what we've got money for but if we're going to go big on something, I think this is what we should go big on. If we're going to put money to something in a big way, transportation needs ways around city centers, around lowering the overall costs of living in these areas, particularly outside the Salt Lake City and I'd love to see us make recommendations as a committee towards that end of funding these things.

**Beth Holbrook:** I wanted to dovetail on what Andrew was talking about and also talk about some of the other elements that certainly we're looking at, when we talk about development centers and them being adjacent to transit centers, the critical elements that I think we have some real potential value

with is, if we talk about land use in those development centers, we also want to make sure we're talking about the structure of creating this whole entire area of opportunity and that includes grocery stores, child care and those are the elements that I think have some real impact on not only the housing affordability element because if you have access to those in a relatively short span, then you again are spending less of your time and driving costs to get to those places but also creates this infrastructure that allows those units to be able to really maximize that access. I want to say that UTA has been working really closely with WFRC to create this total environment along the Wasatch front and I think that this commission has an opportunity to focus on the land use to help develop more opportunities.

**LaNiece Davenport:** Thank you Beth and we appreciate the relationship and partnership that we have with both UTA and UDOT and I think getting these centers are key and a critical element and we look forward to the next steps.

**Michele Weaver:** I had a question about transportation and housing affordability and you had mentioned the transportation costs going down and that being a big key part of it but do we have any numbers related to that and do we know generally how that improves affordability?

**Ted Knowlton:** We do have some data that shows geographically how location effects transportation costs, there is a link between that and proximity to public transportation, there's also a link between transportation costs and a centrality of development, so if housing is more in convenient locations relative to jobs, driving distances tend to fall so it's both those two things, the transportation choice component as well as lower driving distances that add up to effecting transportation choices but for lower income households, if they're able to live with one less car then it makes a huge difference. There is research on this and a map data that we can provide.

**Michele Weaver:** I understand the general thought behind it but I was just wondering if there were actual numbers on it.

**Beth Holbrook:** If I could make a comment on that, one of the key things we found in transit in the height of COVID and we're talking March and April. Essentially when a lot of companies completely shut down and kept all their workers at home, when you look at the structure of that and even during the most challenging times, UTA carried about 41,000 riders a day so that's 41,000 people that didn't have other alternatives to transportation, we have a website that we're doing our open data portal on that has all of that information and is updated weekly based on all our transit numbers and transportation and transit usage went down dramatically but that was the one thing we noticed, was that core ridership still utilized that service every day.

**Mike Gallegos:** Ted, when you're looking at the areas potential for housing development associated with transportation, did you also look at those areas that are potential for redevelopment where there's already existing infrastructure or however there's a need for redevelopment and if not, shouldn't that be part of the presentation as well?

**Ted Knowlton:** Mike, that's a great question. Locations that would require redevelopment are also the most convenient locations in our region to jobs and as you just noted to existing infrastructure, especially major transit investment corridors, so they really have to be part of the solution if we really want to maximize the strategic benefit of centers, so they're absolutely a component of Wasatch choice. This is really in the communities domain and they have to choose to do this and many of them have made a preliminary commitment to advance centers as part of Wasatch choice, they know we base the transportation plan on that preliminary commitment and that its formally part of how those transportation projects were developed but ultimately it's on them to advance that forward and so then we'll see.

**Rep. Val Potter:** Ashley, did you have anything more to add?

**Ashley Spatafore:** I think our goal or our intentions of bringing this up, again was not to provide a proposal or a suggestion as to where to go but I think what our group was really focused on was this is a work in progress and how do we continue this conversation with Wasatch front regional council, DWS is going to be very important as well because they are going to be the ones that oversee the plans, I think Utah league of city and towns are also doing some research to better understand what each communities are picking and as we get more information and as we better understand the impacts of SB34 or what the impacts are on cities and communities, how can we shift, how can we continue to grow this because SB34 as we see it and how others see it as a living organism that'll continue to grow, so how do we continue to improve it, right now we don't have any specific recommendations but our intent is to keep working on this with many of these partners and potentially bring some things back to this commission to support or look at or discuss.

**Rep. Joel Briscoe:** Can I reserve the right to make a motion?

**Rep. Val Potter:** You certainly do.

**Rep. Joel Briscoe:** I just want to kick out an idea and depending on what you think, one thing I think could be actionable that we received from the report from the housing production group deals with the McKinney Vento, the children who are homeless and I'm wondering if it would be seen as a good idea to prepare the legislation for the next special session that could potentially move that CARES Act funding through the remainder of the 2021 school year, so we don't start helping those families and then leave them short in the middle of the year.

**Rep. Val Potter:** Does that meet the criteria of the CARES Act or does that require an act of congress first?

**Rep. Joel Briscoe:** I think that's an open question, it might and we might want to have it prepared for in case congress acts.

**Rep. Val Potter:** Even with that concept as being considered by congress?

**Senator Anderegg:** I think when it's aspects that we control, it would be good to have the bill in place and I'm not sure where congress is at on this but I do know they are talking about another trillion plus dollar stimulus if you will package here, I don't think it hurts us at all to say "in the event of" if that's a bill we're going to get in play, we need to get senate leadership on board, get it on the call and then we've got to get our caucuses on board which I wouldn't imagine it would be a major lift because we're talking about how we're going to allocate federal dollars but we would probably need to get that in place as soon as possible. What do you think Rep Briscoe?

**Rep. Joel Briscoe:** I'm glad you weighed in and what I'm hearing is that Senate leadership is meeting with speaker Pelosi and the President is pushing this and that means it could happen in a month or it could happen in the next 2 or 3 days, so that's I asked to reserve the right to make a motion depending upon the discussion here and my moto is, they can't say yes if you don't ask and they may not pass it but if they do pass it and allow it to be extended, if we took a motion today to have it prepared "in case of" then we would be able to pull the trigger in case they do pass it. If we wanted to do that, what would you recommend we do as the committee now?

**Senator Anderegg:** I'd like to ask Jonathan, assuming that the stars align on the congressional side, what is the harm of kind of putting the guide rails in place for the next round?

**Jonathan Hardy:** So we've heard that they may extend the date through the HEALS Act but I believe part of the CARES Act money stipulates that the money has to be related to COVID 19 and I worry a little bit, and this is kind of a question, if we develop something and I'll just use McKinney Vento as just a general frame of reference but any other type of program that we want to create out of that, how do we fit it in the definition of a COVID 19 response and I don't understand that requirement to be dropped and that's one of the reasons we have that requirement in there with the rental assistance program, is that you have to be financially harmed by COVID 19 and I think that's applicable to all the CARES Act money and I don't know that is proposed to go away and maybe we have a creative way to say, "hey a McKinney Vento thing is addressing COVID 19" but those are some other things we haven't talked a lot about that would probably warrant a question to our legislative staff.

**Dave Spatafore:** Mr. Chair, since I tend to be the prince of creativity, may I try to answer that?

**Rep. Val Potter:** Yes please.

**Jonathan Hardy:** Can I get the legislative staff to weigh in this before Mr. Spatafore because that's a question I'm posing to them.

**Kimberly Madsen:** I'll just quickly weigh in on that and that's my understanding as well, is that it needs to be COVID related, I haven't seen anything so far that is changing that requirement but I'm happy to go and take a look into that, to see if there are proposals for extending it but from what we've seen so far, it would be just an extension to that September deadline and then being able to use that 25% towards restoring lost revenue, so I have not yet seen any changes on that stipulation that it must be

COVID related but again I'm happy to follow up on that and then if Julie or Peter have any more information, that would be great.

**Dave Spatafore:** My response is, based on Utah's demographics and the demographic information that we have generated from Dr. Dunn, the department of health and our counties department of health, as other areas of the country have been greater hit, you know in the zip codes that deal with our minority population or our multi-generational family living conditions and that is COVID related, we're starting school within the next month and we're going to have students in the class rooms and chances are the students in the class room, a McKinney Vento student probably has a greater likelihood of being in the class room than long distance learning for a couple of reasons. First of their parents have to go work, secondly they may come from household that don't have Wi-Fi access, so when you take a look at those situations and the fact we have multi-generational households then a typical McKinney Vento family in a Utah household is going to be more inclined to be COVID spreaders if they go to school and back home with multi-families or multi-generational families. I think we can show that into the legislation that talks about those kind of families, yes it may be a stretch but I'll tell you if we're going to attempt to have in-person education and continue to have 14,000 students being in McKinney Vento situations, those could become spreaders.

**Jonathan Hardy:** I'd just say there's a lot of things to be worked out and there's no one typical McKinney Vento household, so I agree with Dave and there are definitely lots of those households he's talking about, they would probably qualify for assistance under any other definition as well so carving out specifically for the broad McKinney Vento population, we'll probably need to think more creatively about how to meet the definition of COVID 19 response because not 100% of those households that meet McKinney Vento would probably meet the definition of being effected by COVID 19. I want to throw that out there so there's not some expectation plus we haven't spent a lot of the 20 million so far but the minute you start to put some of these programs in place, it'll go very fast and that is also something to consider. I know we had the 5 million dollar proposal for the McKinney Vento households and that will probably go pretty fast, as well the rest of the money the more we open it up, so I think we just need to be thoughtful about it, right now it's designed to help short term not like an ongoing rental assistance, it's really designed to help people during the COVID 19 to deal with their emergency situations.

**Rep. Joel Briscoe:** I wanted to ask Jonathan, the 20 million dollars that was appropriated by legislation in the special session, is August 1 the start date of the expenditure of the 20 million dollars?

**Jonathan Hardy:** No, we've started spending it already so that \$133,000 has been spent with a really limited eligible population and that eligible population is going to expand in August for September rent payments so we probably won't get the best sense until September 1 what the impact will be over the next few months and again we're trying to adjust on the fly, so we're spending a little bit now but we'll be spending a lot more probably starting September 1 going forward.

**Rep. Joel Briscoe:** Thank you Jonathan. Mr. Chair, for you and Senator Anderegg, I wonder if a good path forward because there are unanswered questions, would it be appropriate to ask Jonathan to come back and give us a limited report and have then look at a couple options on how many families we have that would meet the McKinney Vento definition and what some of our options might be going forward, so we can have a fuller discussion at our next meeting?

**Rep. Val Potter:** It sounds reasonable to me.

**Rep. Joel Briscoe:** I would make a motion that we ask Jonathan and his staff and knowing it will be early and incomplete, to give us a report on the expenditure on those funds and focus on the monies expended for families that are homeless, that have children in school and that would give us an idea of what it potentially might look like going forward.

**Rep. Val Potter:** So we have a motion on the table, any questions to the motion?

**Senator Anderegg:** That's not a bad motion and I would support it however; I would also recommend that we need to approach leadership this week with the concept so that it even becomes a viable action item, unlike a general session where each legislator is empowered to open whatever bills they want, whenever they want, about whatever they want, if we're going to have anything prepared for the special session on the 20<sup>th</sup> we need to get the blessing, if you will, to open a bill file from house and senate leadership, so the question I would have for you Rep. Briscoe, is that something that you and I would like to do together with Rep. Potter and have those discussions and we'll probably going to need to be relatively detailed in concept is to what we're going to be asking for in that legislation, pending a recommendation from this commission, so in essence we kind of don't need the details of this bill but get the blessing because otherwise anything that we'd be asking for Jonathan would need to be punted until a possible future special session and I don't want to miss this window of opportunity.

**Rep. Val Potter:** Let me throw this in, as of last week there were 47 bills proposed for this special session, have you heard that as well?

**Senator Anderegg:** Yes and as a majority caucus in the senate, we've gone through all those and we've kind of coalesced around 8-10 the most.

**Jonathan Hardy:** Let me just throw in that there's other thought processes that exist out there on the 20 million and a couple of those are, people have talked about purchasing motels to help with homeless response and in long term they could be SRO's, so that's something that's been discussed, I know we've heard from some of the landlords that they're worried about some of the federal moratoriums that have been in place, that have prevented people from getting evicted if they haven't paid their rent and what happens when that expires and there's no money for the rent and they've carried somebody for 5 months without receiving any rent. There are some other ideas and we could spend the 20 million pretty quick so if there's a proposal out there, I'd probably say it's not the only one or the only thought process on other ideas on how to spend the 20 million or any other additional funds.



**Senator Anderegg:** Jonathan, I have a follow up question to that information, who has the discretion for what projects are funded?

**Jonathan Hardy:** Right now, the only thing that's authorized to be funded is rental assistance to tenants, so there's no ability to help landlords, there's not ability to purchase a building or anything like that. We're not proposing any of those as an executive branch, we've heard them mostly from other parties, either a legislators talked about it or we've heard it from industry partners that are being affected by this as well, so it's not something we're pushing one way or the other, I'm just saying there's other ideas out there and if this commission is moving forward with one idea, I just want you to be aware there's other ideas that are also helpful in the context of housing and the COVID 19 response other than this particular idea.

**Senator Anderegg:** So any other suggestion that might be out there would still require legislative action in order for it go, I know I've talked to Pamela Atkinson and she had floated the idea of hotels being purchased to help with the homeless housing resources and I get that and it's good to know. I think Mr. Chair we're on the same track as far as, there may be other ideas it's just whether or not those ideas can percolate with house and senate leadership, I do believe that the recommendation of this commission will hold weight as far as what we are trying to accomplish and the effect we have when talking about rental assistance, it still needs to be clearly understood under rental assistance that this is temporary money, this is not a long term solution and anything that we might put into place that then gets pulled back is going to create a scenario where the legislator may have an expectation to continue this afterwards and as we found out this last session, there wasn't the political will for state funds to utilized in that regard. We can always try again.

**Rep. Val Potter:** So from what I understand is that it would be advisable for this commission to vote on taking this to leadership with the data and the reports from legislative research. Representative, do you want to amend your motion or restate it?

**Rep. Joel Briscoe:** I would like to make the following amended motion that we ask DWS, Jonathan and his staff to bring us a report on August 12 on the expenditures to date, authorize the leadership of the housing affordability commission to speak to legislative leadership this week about exploring with them and the possibility that it could be expended on other items or extended for the McKinney Vento families and potentially other items as well, just explore it with them to see what leadership thinks. It doesn't hurt to have a conversation with them, it's the way you get the ball rolling. That would be my motion.

**Rep. Val Potter:** Are there any ideas when we can get this to take to leadership, time wise?

**Senator Anderegg:** Mr. Chair, I would recommend if I may that we follow Rep. Briscoe's motion which is, that we as legislators approach house and senate leadership and just make sure we can get the nod, while simultaneously having Jonathan get the data so that on our August 12 meeting, we can actually fair it out, what we want to put in that legislation and then come back with that recommendation. I just

don't want us to send Jonathan off on this errand, us come back and make recommendations and then we don't have the support of house and senate leadership, we've got to be running both tracks simultaneously on this one.

**Mike Gallegos:** With that motion, I would propose we put a date to start that, looking at other possibilities of uses of September 15 because I agree with Jonathan, we're going to have to know what the response to the rental assistance is going to be and even September 15 may be too soon, however; that doesn't give us much time if we're still dealing with the December 30 date on which to expend funds, so here we are talking about diverting part of those dollars for other uses and we don't have a good idea on the use of the dollars and the availability of those dollars will be to take us through the end of December. That's the reason I'm asking, is that maybe we look at a date that reuse would begin after September 15, if at all.

**Rep. Val Potter:** It seems like a friendly idea but I'd like to hear from DWS.

**Jonathan Hardy:** The report out is not a difficult thing, we collect that on a weekly basis but we won't have the full demand, it's just going to look like our limited population still and just to give you some context, I know some other cities have implemented rental assistance and have blown through 15 million dollars in a morning or rental assistance, so it can go fast depending on how fast you open up the window on it. I'm a little nervous without all the data in front of me to know how quickly that monies going to go and if there's going to be excess to think more creatively, I think it would be more productive on a conversation like now to determine if there's other dollars available and maybe we put those in play to some of these other things but we're not really going to know until September what the demand is going to be for people effected by COVID 19 that need rental assistance.

**Janice Kimball:** Why is the state hesitating to deploy resources to people in need right now?

**Jonathan Hardy:** The only we've said right now is, people that were receiving unemployment, if you made up to 65k a year you were receiving full replacement income so you really weren't financially harmed, we know now that population will be financially harmed because those enhanced benefits are running out, so we're ready to turn up the faucet and get the assistance administered. Everyone's been getting those enhanced payments up until this week, this week is the last week they'll get it. The August payment is not the one we're most worried about, going forward there's going to be folks that have a reduced income level from what they had before COVID that aren't going to need rental assistance and we're not hesitating to issue assistance there, we are going to open that up to that entire population.

**Rep. Val Potter:** We have a motion before and can I ask Rep. Briscoe to restate that motion one last time before we vote?

**Rep. Joel Briscoe:** The motion would be to receive a report at our next meeting from DWS on the expenditure funds and I'm happy to adopt the suggestion from Mike Gallegos that the 20 million dollars be used for the purpose for which its currently appropriated until September 15, so any potential

changes will have to happen after that date and it might all be gone by that date but the motion would be that we receive a report about actual expenditures and who's receiving money and how many, authorize the legislative members of the housing affordability commission to speak to legislative leadership about, to test the waters of legislative leadership about potential amendments to the expenditure of those funds going forward in the future including McKinney Vento.

**Rep. Val Potter:** Thank you. Motion carries unanimously.

**Next proposed Meetings:**

August 12, 2020 at 10am-12pm

September 9, 2020 at 10am-12pm

Motion to adjourn by Jonathan Hardy at 12:17pm



**Schedule next meeting: August 12, 2020**

**Rep. Val Potter:** Motion to adjourn at 12:09 pm.