STATE OF NEVADA

JOE LOMBARDO
Governor

DR. KRISTOPHER SANCHEZ
Director

STEVE AICHROTH
Administrator

DEPARTMENT OF BUSINESS AND INDUSTRY
HOUSING DIVISION

MINUTES of the PUBLIC MEETING of the
ADVISORY COMMITTEE ON HOUSING
Wednesday, July 24, 2024

COMMITTEE MEMBERS PRESENT:

Senator Dallis Harris
Dr. Hillary Lopez
Audra Hamernik
Fred Haron
Brooke Page
Dagny Stapleton
Erik Novak
Bill Thomas

COMMITTEE MEMBERS ABSENT:
Bill Brewer

1. **Call to Order and Roll Call**

   The meeting was called to order at 11:04AM by Senator Dallis Harris. Steve Aichroth called the roll.

2. **Public Comment**

   There was no public comment.

3. **Approval of the April 8, 2024, meeting minutes (For Possible Action)**

   Member Haron made a motion to approve the minutes as presented. Member Hamernik seconded the motion. Motion passed.

4. **Home Means Nevada Initiative Update (For Discussion)**

   Steve Aichroth provided an update on the Home Means Nevada initiative to the Interim Finance Committee. Key points included:

   Expenditures: As of July 9, $104 million, or 21% of the total funding, has been spent on various projects. Notably, the Ridge at Sun Valley, Buffalo and Cactus, and Pinyon projects have fully utilized their funding.

   Upcoming Event: The Dick Scott Manor project will have its grand opening on August 15, though it conflicts with an IFC meeting.

   Future Projects: $383 million will be allocated for new development, with $75 million already committed. The homeownership and rehab program has nearly exhausted its funds, and while the Jefferson North Project (Habitat for Humanity) was withdrawn,

alternative funding sources are being explored.

Land Acquisition: Approximately $27 million has been expended, with $12 million allocated for the Sunrise Ranch project, which is set to open this fall.

Steve concluded by inviting questions and noting the positive progress of the initiative. Brooke Page thanked Steve Aichroth for the update on the Home Means Nevada initiative and inquired whether the spreadsheet included details on the number of units, types of housing, and affordability levels.

Steve explained that the spreadsheet provided to the Interim Finance Committee focuses primarily on financial details and does not include specific information on unit numbers, housing types, or affordability levels. However, he noted that this information, including details on affordable housing and various types of projects, will be provided in the future. The intent is to offer a more detailed breakdown as projects progress and are finalized.

5. **Housing Division Update (For Discussion)**

Steve Aichroth began by informing the committee that Dr. May Worthy Thomas, the Deputy Administrator in Las Vegas, has left the division to become the Executive Director of Nevada Veterans. He acknowledged the challenge this departure poses but expressed optimism about filling the position soon.

He then provided an update on the Windsor Park project, which is advancing with the developer Community Development Program of Southern Nevada. A community meeting was held in June, and 60 out of 90-95 affected households have returned their questionnaires. The next steps involve securing new land for displaced residents and ensuring project stability.

Steve also mentioned that the division applied for a HUD Pro Housing Grant but was not awarded due to high competition. They have requested a debrief from HUD and plan to apply again in the second round of funding.

Steve concluded by inviting any questions before continuing with further updates.

Member Lopez asked Christine for more details about the HUD Pro Housing Grant. Steve Aichroth explained that the grant was intended to advance affordable housing nationwide but was challenging to fit into their specific project. The division applied for $5 million but didn't receive the grant. They plan to seek feedback from HUD to improve their application and explore future funding opportunities.

Steve also updated that the division successfully funded nearly all tax credit projects, including advancing $1.5 million from the 2025 allocation to support three additional projects, totaling about $118 million in project equity.

Christine Hess provided updates on various initiatives:

AB 310: Regulations were adopted, with paperwork sent to the Legislative Council Bureau for approval. Hiring for two positions is pending.

AB 213: Affordable Housing Progress Reports were due July 15, with southern jurisdictions reporting well and northern jurisdictions needing follow-up.

Staff Updates: Betsy Fadali is contracting back with the division, and Jaylen Hendricks, a new economist starting August 5, will join the team in Las Vegas.

Christine concluded by inviting questions.

6. **Clark County Community Housing Funds Update (For Discussion)**

Member Stapleton provided updates on community housing efforts in Southern Nevada:

Funding and Awards: The county has awarded $170 million in community housing funds, expending about $50 million so far. Additionally, $40 million from other county funds, including $30 million for permanent supportive housing, has been allocated.

Development Projects: The county is supporting the development of 4,700 housing units since 2021 through various funding sources.

Land and Projects: Two county parcels have been awarded for a community land trust project and a multifamily project. An RFP is out for a 17-acre parcel in the southeast valley, paired with up to $11 million in potential funding.

Community Land Trust: The program has 240 single-family homes in the pipeline. The BLM is expected to deliver a patent for a project site by the end of September. The program's website will be rolled out late summer or early fall, with applications starting in 2025 and groundbreaking on homes planned for 2025.

Dagny concluded by offering to answer any questions.

7. **Nevada Housing Coalition Report (For Discussion)**

Maurice Page, Executive Director of the Nevada Housing Coalition, gave an update on the coalition's work since April. He highlighted recent roundtables held in Northern and Southern Nevada, which focused on affordable housing policy solutions. The sessions involved discussions with developers, businesses, and community organizations to identify gaps and propose actionable solutions.

Key findings included:

Strengths: Improved engagement with public leaders, significant state and local investments, and a statewide focus on affordable housing.

Opportunities: The need for tracking investments, public education to reduce NIMBYism, and technical education for evidence-based policy solutions.

Aspirations: Better zoning, streamlined permitting, and improved regional planning.

Risks: Lack of sustainable funding and bureaucratic inefficiencies.

Emerging themes emphasized the need for a statewide information hub, more affordable housing for extremely low-income households, increased HUD vouchers, and better cross-sector collaboration.

The coalition's policy committee will present new policy ideas at upcoming forums in Northern Nevada and Southern Nevada. They are also preparing for their annual housing conference in October. Maurice invited questions and expressed appreciation for the opportunity to share the coalition's progress.

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

Senator Harris opened the floor to discuss the most critical issue to address in the upcoming legislative session, noting the need to focus on impactful actions.

Member Novak suggested that improving the state tax credit legislation should be a priority. He proposed renewing the tax credit with $10 million annually for a few years to counteract reductions in other funding sources and to address gaps in affordable housing financing.

Member Lopez supported Novak's idea and suggested combining it with administrative changes to make the state tax credit applicable to long-term ground leases, which could benefit housing authorities.

Member Hamernik agreed with Novak and Lopez, adding that the state tax credits should be more widely available beyond tax-exempt bond deals to also cover 9% low-income housing tax credit projects.

Steve Aichroth explained that the allocation of state tax credits could be managed through the QAP process, potentially allowing for set-asides, but emphasized the need to maintain flexibility.

Senator Harris proposed focusing on these tax credit improvements and administrative fixes, and tasked Steve Aichroth and the committee members, including Novak, Lopez, and Hamernik, with developing a refined BDR (Bill Draft Request) for review.

Christine Hess and **Steve Aichroth** discussed the possibility of including additional administrative cleanups to streamline the tax credit process.

The committee agreed to move forward with the narrowed focus on tax credit improvements and administrative fixes, with further development to be coordinated by the nominated members.

9. **Committee Member Comments**

Member Lopez announced the upcoming ribbon-cutting for the Dick Scott Manor in Reno, a project funded by HM & I, providing 12 units of supportive housing for homeless or at-risk veterans. She highlighted the support from various organizations and invited everyone to the event on August 15th. She also mentioned an opportunity to comment on the Federal Housing Finance Agency's Affordable Housing Program (AHP) by August 19th.
Member Novak congratulated the Housing Authority for receiving a $50 million Choice Neighborhoods Award, the first of its kind in Nevada. He noted it as a significant achievement for the state.
Member Haron echoed Novak's congratulations, emphasizing the transformative impact of the award on communities and lives, and shared his excitement about the project.
Dallas Harris acknowledged the announcements and asked if there were any other comments from the committee.

10. **Agenda Items for Next Meeting (For Discussion)**

Senator Harris closed out agenda item nine and moved to item ten, which involves setting the agenda for the next meeting. Senator Harris asked if there were any new items to include. Since there were no additional suggestions, it was decided to maintain the standard agenda and update items. Senator Harris encouraged members to contact Steve with any new ideas before the next meeting.

11. **Public Comment**

No public comment.

12. **Adjournment**

Meeting adjourned at 12:01PM.