

# News to Build On *September-October* 2009

THE NON-PROFIT HOUSING ASSOCIATION OF NORTHERN CALIFORNIA

## Housing Advocates in Marin Protect Housing Trust Fund

The Marin Community Housing Action Initiative (MCHAI) and other housing advocates racked up an important advocacy victory in mid-August with a rapid-response campaign to preserve \$80,000 at risk in the County's Affordable Housing Trust Fund.

The advocacy effort sprang into action in early August to counter a surprise ordinance introduced by the Marin County Board of Supervisors to suspend the County's new Affordable Housing Impact Fee for all but its largest homes. The County assesses a sliding scale fee on new single-family homes over 2,000 square feet. Revenues from the fee support the County's Affordable Housing Trust Fund, to help address the need for affordable housing generated by the construction of large, custom-built homes. While the fee is projected to generate a modest \$80,000 per year during the economic downturn, its biggest potential value may be symbolic. Many of the County's 12 local jurisdictions are eyeing the affordable Housing Impact Fee as a model for generating flexible affordable housing revenue of their own.

On August 4th, at the bill's first reading, the Affordable Housing Impact Fee was considered all but suspended. Only one of the five County Supervisors (Charles McGlashan) expressed opposition. The County's draft Housing Element – released a week earlier – featured a place-holder announcing the fee's suspension as fact. Two Supervisors known as sympathetic to affordable housing (Supervisors Kinsey and Arnold) were co-sponsoring the ordinance, following negotiations with the Marin Homebuilders' Association, who asked for the fee waiver in order to put contractors back to work and counter the effect of the County's proposed increase in other impact fees.

Marin's housing advocates, however, were not ready to lose any source of local affordable housing funding, particularly at a time of growing workforce housing needs in the County. "With Redevelopment and State resources at near-zero, and with other local jurisdictions watching the County's lead, there was no way we were going to just let this impact fee get tossed overboard as the most expedient way to provide relief to possible projected impacts of the down housing market," said MCHAI and Non-Profit Housing Association (NPH) staffer Robert Hickey. Hickey and Greenbelt Alliance's Whitney Merchant responded by working closely with Marin Continuum to coordinate local housing advocates in a flurry of hearing

*(Advocates Protect Housing Trust Fund continued on page 11)*

Published with funding from



**Special Thanks to Partner Members:**

- Charities Housing Development Corporation
- City of Sunnyvale
- EAH Housing
- Eden Housing, Inc.
- Goldfarb & Lipman LLP
- Low Income Investment Fund
- Mid-Peninsula Housing Coalition
- Segue Construction, Inc.

**Major NPH Funders & Supporters:**

- Association of Bay Area Governments
- Bank of America
- Citibank
- Greenbelt Alliance
- Evelyn & Walter Haas, Jr. Fund
- Local Initiatives Support Corporation
- Marin Community Foundation
- Mid-Peninsula Housing Corporation
- N.K. McInnis, Jr.
- The San Francisco Foundation
- Silicon Valley Bank
- Surdna Foundation
- Union Bank of California
- U.S. Bank
- Wachovia Bank
- Wells Fargo Bank

**Conference Update** ..... 3-5  
**Federal Update** ..... 6  
**State Update** ..... 7  
**Regional Update** ..... 8  
**It's About Our Members** ..... 9-10

# From the Desk of the Executive Director

## Dear Members and Friends,

The NPH office is abuzz with activity preparing for our **30th Fall Conference**, to be held on October 13, 2009 in San Francisco. In light of the economic challenges we are all facing, I feel more grateful than ever for the generosity of our sponsors this year, as well as those who are digging deep to be able to register for the conference.

We are carrying the conference theme, “Back to Basics: Taking Care of Business for the Next Thirty Years” through to every level, making sure that the speakers and workshops concentrate on the practical skills, efficiency measures and advocacy strategies that will help our members. We had many proposals for workshops this year and our conference planning committee had tough decisions to make. Upon review of the offerings, I think you will agree that the committee chose an interesting variety of topics for this year. And no ideas will be lost – many of the workshop proposals we could not accommodate in the conference schedule will be offered in the form of Brown Bag workshops throughout the coming year.

### NPH in the Year Ahead

Like many of our members, NPH has taken a hard look at our finances and have made decisions that will cut our costs but ensure that we stay in fighting trim. As I often say, “NPH is small but mighty” and we intend to maintain our mighty level of advocacy and service to our members. Please take time to read the article, **At NPH, It’s All About the Members**, in this issue of News to Build On. This article resulted from conversations I have had with members, long time and new, who were not aware of all the opportunities we provide for member involvement in policy making, planning activities and advocacy initiatives here at NPH. I encourage you to consider how you and your staff want to be involved with NPH efforts in the coming year.

### Champion Advocacy

I was deeply saddened by the death of Senator Ted Kennedy in late August. He was an unrivaled champion of the poor, disabled, and elderly whom we at NPH also try to serve. He remains an inspiration for my advocacy work, beginning with my work in the early 80’s with seniors! I want to acknowledge three of his advocacy principles, which inspire our work at NPH:

**Bipartisanship:** Senator Kennedy knew there would be no legislative success without supporters from both parties. His efforts to “work across the aisle” not only helped enact major legislation, it was based on his ability to find connection and common ground with Republicans as well as Democrats.

**Results, not Credit:** Senator Kennedy had an ego the size of any when it came to standing before a crowd of supporters and relishing their applause. But when it came to his legislative work, according to his former staffer and now Supreme Court Justice Stephen Breyer, he was more interested in getting results than getting credit. Breyer recalled, “He used to tell us, if you are successful, there will be plenty of credit to go around and if you fail, well, who wants the credit!”

Finally, the principle that summarized Senator Kennedy’s legacy: **Take the moral position, whether or not it is popular.**

In closing, we have much work to honor and much work still to do. Let’s all get together on October 13th and keep our movement alive!

Sincerely,



*Dianne J. Spaulding*

Dianne J. Spaulding  
Executive Director

## News to Build On

News to Build On is the monthly newsletter of the Non-Profit Housing Association of Northern California (NPH). It is published with generous support from the Wells Fargo Foundation. NPH’s vision is a safe, decent affordable home for every Northern California resident.

### Staff:

**Ann Gressani**, Policy Development & Communications Director  
**Robert Hickey**, Program Manager, Marin Community Housing Action Initiative  
**Megan Kirkeby**, Policy Associate  
**Peggy Lee**, Development Director  
**Shannon Rice**, Administrative Assistant  
**Patrice Sipsos**, Bookkeeper  
**Dianne J. Spaulding**, Executive Director  
**Evelyn Stivers**, Field Director  
**Clarice Veloso**, Conference Coordinator

### Board of Directors:

**President**  
Ann Silverberg, Vice President, BRIDGE Housing  
**Vice President**  
Barbara Gualco, Director of Housing, Mercy Housing California  
**Secretary**  
Kara Douglas, Affordable Housing Program Manager, Contra Costa County Department of Conservation and Development  
**Treasurer**  
Mary Hennessey, Director of Property Management, East Bay Asian Local Development Corporation

Chris Block, Chief Executive Officer, American Leadership Forum – Silicon Valley  
Sally Carlson, Managing Principal, Terra Search Partners  
Ryan Chao, Executive Director, Satellite Housing  
Diep Do, Director of Housing Development, Tenderloin Neighborhood Development Corporation  
Susan Friedland, Executive Director, Affordable Housing Associates  
Ben Golvin, Principal, Equity Community Builders  
Phillip Kilbridge, Executive Director, Habitat for Humanity Greater San Francisco  
Kevin Knudtson, Consultant, Community Economics, Inc.  
Mary Murtagh, CEO and President, EAH Housing  
John Stewart, Chairman, The John Stewart Company

**Featured Panel of Keynote Speakers**

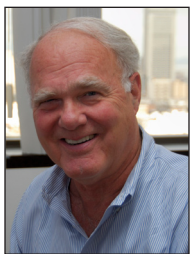
NPH will reprise its popular talk show format for the keynote plenary session at its annual Fall Conference this year, to be held on October 13, 2009 at the Grand Hyatt Hotel at Union Square in San Francisco. The keynote panel will be followed by a networking luncheon.

The panel will address the challenges of building affordable housing in the current economic climate. As we all know it is difficult to develop affordable housing in any environment let alone a down economic cycle where the housing “bubble” has burst and there is continued volatility in the capital markets. These experts have been brought together to stimulate a solutions-oriented conversation about increasing our affordable housing supply and leveraging the federal, state, local and regional resources it takes to build and preserve housing for all.

Topics to be discussed include:

- New, permanent funding sources for the National Housing Trust
- Revenue options for a State Permanent Source, in light of the State Budget crisis
- Alternatives for reforming local voter-approved funding sources for affordable housing

There will be ample time for the audience to ask provocative and useful questions of the panelists.



**Panel moderator will be John Stewart,** Founder and Chairman of the John Stewart Company and NPH Board member. John has been a leading voice for affordable housing for over 25 years. He is an astute political observer and frequent columnist for the San Francisco Business Times. His company manages over 250 properties throughout Northern California.

John Stewart has been instrumental in building relationships with non-profit entities, public agencies and private lenders to create unique project owner partnerships, infusing private investor capital into new, existing and some troubled projects to create and preserve sound, long-term affordable housing.



**Sheila Crowley will represent the national perspective,** from her vantage point as the President and CEO of the National Low Income Housing Coalition (NLIHC). Sheila is based in Washington D.C. where she heads a membership organization that is dedicated to achieving socially just public policy that ensures people with the lowest incomes have affordable and decent homes. NLIHC secured a major victory with the passage in 2008 of legislation to create the National Housing Trust Fund. Sheila worked many years toward this goal which has been endorsed by over 5,700 organizations across the country, including NPH and many of its members. NLIHC is now working to secure dedicated revenue sources for the Fund of at least five billion dollars annually.



**A state perspective will come from Lynn Jacobs,** the Director of the California Department of Housing and Community Development (HCD) since her appointment by Governor Schwarzenegger in April 2006. Lynn Jacobs’ leadership at HCD has been characterized by access and transparency. She has gone out of her way to be available to members of the affordable housing community and others, particularly during these challenging times. She has been a tireless champion for the creation of a Permanent Source of funding for housing in California. Prior to serving at HCD, Lynn Jacobs was founder and President of Ventura Affordable Homes, developing homes for more than 20 years.



**Assemblyman Jared Huffman will provide a regional perspective** from his point of view as a State Legislator from the Bay Area County of Marin. Assemblyman Huffman was elected in 2006 with priorities of environmental protection, building a “clean and green” economy and promoting sustainable water, land use and transportation policies. Prior to his election he was a Senior Attorney for the Natural Resources Defense Council. He serves on the Assembly Budget Committee and has a public and media presence as a champion for State Budget reform. He is the author of ACA 9, which would lower the threshold for special local tax and property tax increases from 2/3 to 55% if the funds will be used for affordable housing or transportation, sewer, water, park and public safety infrastructure.

## Workshops on Hot Topics in Housing

This year's selection of conference workshops features a broad range of affordable housing seminars including the latest on project financing and unique track of workshops developed by NPH's new working group on Property Stewardship. There are eighteen workshops, fully described in our conference program and on our website. Highlights include:

**Loan Underwriting Circa 2009**, featuring a panel of bankers and addressing tough questions such as: What deals are closing these days and how were those borrowers successful?

**Filling the Gaps: Sources of Predevelopment and Gap Financing**, presenting some of the Community Development Finance Institutions and types of loans that fill those small but difficult to fund financing gaps.

**Making Inclusionary Housing Ordinances Work**, addressing the legal and market challenges presented during the current depressed housing market.

**Boomer Housing Demand: Opportunities, Projections and Models**, examining the increase demand for senior housing and creative solutions that combine desirable housing with health and social support services.

**The Bay Area's Sustainable Communities Strategy**, planning for the new state requirements of an integrated land use and transportation plan to meet greenhouse gas emission reduction targets set under SB 375 of 2008.

**Green Design and Green Rehab**, discussing the wisdom of good design and materials choices that make developments easier to care for as well as reducing replacement and maintenance costs.

**Tenant Organizing**, considering the opportunities and challenges for property managers of organizing tenants for effective advocacy, including small group work, techniques and tools.

**Housing Finance**, including a variety of workshops with the latest information sponsored by the California Tax Credit Allocation Committee, California Housing Partnership Corporation and Community Economics

## 30th Fall Conference Designer Showcase – Special Offer for Architect Members!

NPH is extending a special invitation to our architect members to be a part of the **Designer Showcase** at our 30th Annual Affordable Housing Conference on Tuesday, October 13, 2009, at the Grand Hyatt Union Square in San Francisco.

As a member of NPH's architect community, you have helped elevate the image of today's affordable housing with elegant design solutions. This is your opportunity to highlight your innovative, neighborhood enhancing, award-winning designs – exhibit your work at the Designer Showcase and **reach over 500 conference attendees at a discounted rate of \$500.**

**This is a savings of more than 60% off the exhibitor rate and entitles you to:**

- Admission for one to the 30th Fall Conference – the premier regional affordable housing conference for Northern California
- Exhibitor table, with visibility to attendees representing the spectrum of the affordable housing field
- Acknowledgment in NPH print and online publications that reach thousands of subscribers

*To take advantage of this offer, please contact Clarice Veloso at 415.989.8160 ext. 14, or by email at [clarice@nonprofithousing.org](mailto:clarice@nonprofithousing.org).*

Space is assigned on a first come, first served basis. Act soon to reserve your table!



# NPH's 30TH ANNUAL FALL CONFERENCE



Tuesday, October 13, 2009  
8:00 a.m. to 6:00 p.m.  
Grand Hyatt San Francisco on Union Square  
345 Stockton Street  
(Between Sutter Street and Post Street)

<http://www.nonprofithousing.org/pages/events-and-trainings/fall-conference.html>

## Don't Miss the Early Bird Deadline!

Register online, by mail or by fax, but get in your registration by September 18th to secure the Early Bird Rate!

**Online you will find a complete list of workshop descriptions, an agenda for the day's events, as well as sponsorship forms.**

<http://www.nonprofithousing.org/pages/events-and-trainings/fall-conference.html>

## Property Stewardship

This year's conference will have new opportunities for property and asset managers the hardworking professionals who ensure the health of our properties and the safety of our residents; including a discounted rate for conference passes! Also, this year's Property & Asset Management workshop track aims to support the career development of property management staff.

## Payment Information

Name(s) \_\_\_\_\_

Organization \_\_\_\_\_

Address \_\_\_\_\_

City/State/Zip \_\_\_\_\_

Phone \_\_\_\_\_

Email \_\_\_\_\_

Please fill in the number of attendees next to your rate and indicate your preferred payment method:

\_\_\_\_ Reserve my early bird spot on the guest list!

\_\_\_\_ NPH Members x \$225 = \_\_\_\_

\_\_\_\_ Non-Members x \$325 = \_\_\_\_

\_\_\_\_ Property/Asset Pass x \$150 = \_\_\_\_

**TOTAL** \$ \_\_\_\_



Check Enclosed

Invoice Me

Pay by Credit Card Online at:

<http://www.nonprofithousing.org/pages/events-and-trainings/fall-conference.html>

(Mastercard or Visa only)

\_\_\_\_ Sorry, can't make it, but I would like to donate  
\$ \_\_\_\_\_ to support NPH.

For community rates, please call (415) 989-8160 ext. 10.

Please return this form to NPH by fax (415.989.8166) or mail: 369 Pine Street, Suite 350, San Francisco, CA 94104.

Cancellation Policy: Full refund remitted only if cancellation is made 48 hours prior to scheduled event.

## FEDERAL POLICY UPDATES

*Federal Policy Updates*

### **Trouble Asset Relief Program (TARP) for Main Street**

Congressman Barney Frank, Chairman of the House Financial Services Committee, held hearings in July on his bill, H.R. 3086, known as “TARP for Main Street Act of 2009.” The bill addresses the continued need for housing assistance to fight home foreclosures as a result of the national economic crisis. Of particular interest to affordable housing advocates are the provisions that designate \$1 billion to the National Housing Trust Fund from dividends paid by financial institutions that received funds through the Troubled Asset Relief Program.

The National Housing Trust Fund (NHTF) was created by legislation in July 2008, also authored by Representative Frank, primarily to provide permanent funding for the production, preservation and rehabilitation of rental homes that are affordable for extremely and very low income households. Originally the NHTF was to be funded in part by contributions from Fannie Mae and Freddie Mac. However, those contributions have been suspended in light of the financial difficulties of the two companies.

Sheila Crowley, President of the National Low Income Housing Coalition (NLIHC) testified at the hearing. She pointed out that Fannie and Freddie’s contributions were never intended to be the sole source of revenue [for NHTF]. She noted that the legislation allows Congress to direct any appropriations, transfers or credits into the NHTF.

Ms. Crowley testified that “The notion of ‘TARP for Main Street’ offers some balance and fairness to federal response to the country’s economic crisis. I would recommend that the committee and Congress lay claim now to all current and future dividends that TARP yields for “Main Street” purposes.” She cited a Government Accounting Office report of June 12, 2009 reporting that the Treasury had received approximately \$6.2 billion in dividend payments from financial and other institutions that received TARP funds.

We are very honored to have Sheila Crowley as a speaker at our upcoming Fall conference on October 13, 2009 when she will discuss this further. This bill is a top priority for NPH. In addition we are working through our Federal Issues Committee with NLIHC and others on regulations to implement the federal legislation approved last year.

### **Consumer Financial Protection Agency**

The Obama Administration sent legislation to Congress this summer to establish a Consumer Financial Protection

Agency (CFPA). The proposal H.R. 3126 is sponsored by Congressman Frank and has the potential to provide strong protection for consumers and to restore integrity to credit markets.

The legislation incorporates key elements of the Community Reinvestment Modernization Act of 2009 (HR 1479) authored by Congresswoman Eddie Bernice Johnson of Texas to enhance transparency in lending.

Several elements of the legislation remain to be worked out in Congress. A few areas of concern have been pointed out by the National Community Reinvestment Coalition (NCRC). First, is that the authority to enforce the Community Reinvestment Act (CRA) is left with the existing bank regulatory agencies. John Taylor, President and CEO of NCRC said, “Leaving consumer protections with existing bank regulatory agencies suggest a disregard for their failure to enforce the laws in the first place.” In addition, while the legislation states that the agency will “create consistent standards and enforcement with respect to banks and non-banks alike,” it does not yet explicitly apply CRA to mortgage companies, investment banks or other financial institutions.

NCRC supports the President’s proposal and NPH will continue to work with NCRC, CRC and others to develop the measure as it moves along.

### **Livable Communities Act**

Senate Banking, Housing, and Urban Affairs Committee Chairman Chris Dodd introduced legislation in early August to help towns and regions across the country plan and implement development projects that integrate their community’s needs for transportation, housing, land use, and economic development.

The Livable Communities Act, S. 1619, will create competitive planning grants that towns and regions can use to create comprehensive long-term plans that integrate transportation, housing, land use, and economic development.

Last month, Dodd chaired a hearing at which Transportation Secretary Ray LaHood, Housing and Urban Development Secretary Shaun Donovan and Environmental Protection Agency Administrator Lisa Jackson announced a new interagency Partnership for Sustainable Communities, which will be working together to create a coordinated approach to transportation, housing, energy and environmental policies.

*NPH is actively involved with this and other federal legislation. For more information contact Megan Kirkeby, Policy Associate, [megan@nonprohousing.org](mailto:megan@nonprohousing.org).*

## STATE POLICY UPDATES

### *State Policy Updates*

#### State Budget

On July 28, Governor Schwarzenegger signed a series of bills finalizing the California State Budget for the State's fiscal year (FY) 2009-2010 and addressing the budget shortfall estimated to be about \$23 billion. In round numbers the legislation included approximately:

- \$16 billion in spending cuts,
- \$3.5 billion in new revenues and revenue collection accelerations,
- \$2 billion in borrowing,
- \$2 billion taken from local government property tax revenues,
- \$1 billion in fund shifts,
- \$1.3 billion in other strategies, such as a one-time, one-day shift in paying state employees that moved the salary requirement into the 2010-2011 fiscal year.

The Governor used his line-item veto to cut expenditures by one half billion dollars, with the majority coming from health and human services programs.

#### Redevelopment Agencies

The approved budget includes taking \$1.7 billion in redevelopment funds in in FY 2009-10 and another \$350 million in FY 2010-11. These funds are to be deposited in the counties' Supplemental Educational Revenue Augmentation Funds (SERAF) to be distributed to meet the State's obligations to schools under Proposition 98. The Legislature also voted to borrow about \$2 billion from local governments under the terms of Proposition 1A.

(Note: "Proposition 98" is a term used to refer to the minimum funding guarantees for public education in Kindergarten through community college enacted by ballot initiatives, including Proposition 98 of 1988. It has no relation to the recent Proposition 98 of 2008 relating to eminent domain.)

In response to the taking of redevelopment funds, the California Redevelopment Association (CRA) is preparing another lawsuit to challenge the state action. The structure of this year's taking is similar to that approved last year, which was successfully challenged in court.

The Redevelopment Agencies are the second largest funder of affordable homes in California after the federal government. Affordable housing is affected by the Budget action because the legislation permits an agency to borrow from the

Housing Fund portion of its redevelopment funding in order to make the payment to SERAF. It requires only a finding that there are insufficient other funds to make the SERAF payment. Amounts borrowed from the current year allocation to the Housing Fund must be repaid, but the deadline for repayment is June 30, 2015.

In an effort to get around the finding in CRA's successful lawsuit against the State overturning the ERAF shift last year, the funds must be deposited into the SERAF and distributed to K-12 school districts located in any project area of the redevelopment agency, in proportion to the average daily attendance of the district.

Specifically, the funds distributed to schools from the SERAF must be used to serve pupils living in the project area or in housing supported by redevelopment funds. The total amount of SERAF funds received by a school district is deemed to be local property taxes and will reduce dollar-for-dollar the State's "Proposition 98" obligations to fund education.

#### State Treasurer and PMIB

Housing advocates have been advised informally by staff of State Treasurer Bill Lockyer that with the State Budget resolved, they plan to sell bonds in September or October of 2009. It is hoped that this will be the beginning of the resumption of routine bond sales, and business as usual. Routine state bond sales were stopped in July of 2008 as a result of the national credit crisis and State budget problems. Although successful bond sales were held in March and April, routine bond sales have not yet resumed.

The Pooled Money Investment Board (PMIB) is expected to allocate funds from new bond sales as promptly as possible, however the policy change made by PMIB during its funding freeze is likely to remain in place. Specifically, the Board decided in April 2009 that they would only authorize bond allocations after bonds have been sold and end the "checkbook" analogy which defined PMIB practices prior to the freeze they imposed on December 18, 2008. That is, the Treasurer's regular bond sales were like checkbook deposits, and the PMIB approved allocations enabling the Department of Finance to write checks with the State providing something like overdraft protection that enabled the transactions to operate regularly. As a result in the past at times the State may have been "in the hole" by as much as \$2 billion, but that deficit was replenished by the next routine bond sale.

*(State Policy Updates continued on page 11)*

## REGIONAL UPDATE

### *Regional Update*

## Housing Element Updates

### San Francisco

**Housing Elements:** The San Francisco Council of Community Housing Organization's (CCHO) members, along with interested community people in the Housing Justice Coalition, have drafted an "affordable housing" oriented draft Housing Element containing nine major objectives and some 90 specific policies and submitted it the San Francisco Planning Department in preparation for the drafting of the City's 2009 Housing Element due to be approved later in the year.

**Seismic Standards:** CCHO has formed a Working Committee on affordable housing issues regarding City and state efforts to define new seismic standards for wood frame buildings with the intention of making them more "resilient" after a major earthquake. CCHO members helped draft seismic standards for the "bolts plus" program in San Francisco aimed at unreinforced masonry buildings, which provided a major affordable housing recourse in the City. That program was successful in the sense that seismic upgrades were made to these buildings without the displacement of low-income residents.

The Working Committee is addressing affordable housing issues in the new standards and also helping design a financing program aimed at protecting and enhancing affordable housing in these wood frame buildings. They plan to place a measure on the November 2010 ballot to use bonds to fund the program and to maintain and enhance existing affordability in these buildings. *For copies of the Housing Element recommendations and more information, contact CCHO at: [sfic98@pacbell.net](mailto:sfic98@pacbell.net).*

### San Mateo County

**Housing Elements:** The Silicon Valley Community Foundation awarded a \$85,000 grant to the Housing Leadership Council (HLC) of San Mateo County for its work on local Housing Elements, General Plans and their implementation.

**Housing Leadership Day:** will be October 23, 2009. Organized by Housing Leadership Council, it is a great opportunity for community leaders, housing industry professionals, advocates, business people, and residents to get answers and make connections across sectors.

The day will focus on critical issues for San Mateo County: Where is the housing market headed? How can "shovel-ready" construction contribute to recovery? How can we plan for a more environmentally sustainable, economically robust, and

inclusive community in the recovery? Highlights include a plenary panel discussion, "Grow Smart San Mateo County," as well as workshops on topics such as supportive housing, foreclosures and homeownership today, sustainable development, and more.

The event will be held on October 23, 2009, 7:30 am-3:00 pm, at the Oracle Corp. Conference Center in Redwood City. *For more information, see [www.hlcsmc.org](http://www.hlcsmc.org), or contact Josh Hugg, [jshugg@hlcsmc.org](mailto:jshugg@hlcsmc.org), (650) 872-4444 ext. 2.*

### East Bay

**Housing Elements:** The East Bay Housing Organization's (EBHO) Concord Committee and the Community Coalition are providing input to Concord's draft housing element to promote affordable housing opportunities, and commenting on the Draft Environmental Impact Report (EIR) on preferred alternative reuse plan for the Concord Naval Weapons Station. EBHO's Oakland Committee meets twice a month to discuss the affordable housing issues including SRO protections, area specific rezonings, and funding and political opportunities and challenges. *For more information on Concord activities contact [Joel@EBHO.org](mailto:Joel@EBHO.org) and for Oakland, please contact [Amie@EBHO.org](mailto:Amie@EBHO.org).*

**Interfaith Breakfast Gathering:** will be October 21, 2009. This 5th Annual Gathering of EBHO's Interfaith Communities United for Affordable Housing (ICU): "Shelter in a Time of Storms: Building a National Movement for Housing Justice" with leaders from the Martin Luther King Jr Justice/ Civil Rights Movement: Rev. James Lawson, Distinguish Professor, Vanderbilt University; and Dr. Vincent Harding, Professor Emeritus of Religion and Social Transformation, Iliff School of Theology. The breakfast will take place on Wednesday, October 21, 2009, 8:30 am – 12:00 noon at the Cathedral of Christ the Light, 2121 Harrison Street in Oakland. *For more information, contact (510) 839-3100 or [events@earpevents.com](mailto:events@earpevents.com).*

**Affordable Housing Guide Available:** The East Bay Housing Organization's (EBHO) 13th annual Affordable Housing Guidebook is now available. This comprehensive guide reports on current issues, statistics and campaigns. It provides specific steps to help people find affordable housing and provides an inventory of resources to help. It is intended to educate and inform the East Bay community of the value and need of affordable housing. The report can be reviewed and downloaded from EBHO's website, [www.EBHO.org](http://www.EBHO.org). *For more information, or if you and/or your organization would like additional copies to pick up or be sent to you, please contact [Jennifer@EBHO.org](mailto:Jennifer@EBHO.org) or 510.663.3830 x313.*



# AT NPH, IT'S ALL ABOUT OUR MEMBERS!

NPH is able to do so much because of the active involvement of our members. The policy development, advocacy, training, brown bag seminars, annual conference and organizing is carried out through volunteer efforts that make our impact greater than our numbers. NPH's new initiatives come from the recommendations of our members as well.

## Working Groups

The key to NPH's leadership of the affordable housing sector is our working groups, led by our Board of Directors. All members in good standing are welcome to participate on a regular or occasional basis, either in person at the NPH office or by telephone conference calls. The working groups are chaired by Board members and NPH staff is available to help organize the meeting agendas and coordinate follow up activities. Meeting agendas and materials are posted on the NPH website.

### Monthly Groups

Three working groups addressing NPH's top priorities have regular monthly meetings:

**Legislative Issues:** This group oversees NPH's public policy recommendations to the Board. It focuses on State Legislative activities and the State agencies. It meets the first Thursday of every month.

**In 2009:** The Legislative Issues group has been the focal point of NPH's work advocating for funding following the State imposed freeze on state bond funds and the Permanent Source campaign.

**Federal Issues:** This group recommends policy positions and advocacy on federal legislation, including the budget of Housing and Urban Development (HUD). It manages our alliances with other groups supporting affordable housing nationally. It meets the third Tuesday of every month.

**In 2009:** The Federal Issues group was formed this year to increase our advocacy and coalition building around increased federal support for the Low Income Housing Tax Credit (LIHTC), the National Housing Trust Fund and increased funding for HUD programs including vouchers and senior housing.

**Property Stewardship:** This group addresses the policies and practical issues facing Property and Asset Managers. It works on recommendations to facilitate the staff work in affordable housing buildings and develops staff training programs. It meets the fourth Thursday of every month.

**In 2009:** This group was also formed this year to assist NPH members' staff development and promote the efficient and effective management of properties. The group developed a series of workshops for the NPH Fall Conference intended to attract Property and Asset Managers to the conference for staff development and networking purposes.

### Ad Hoc Groups

**Tax Credit Allocation Committee (TCAC):** This group analyzes proposed changes to the Qualified Allocation Plan of the State TCAC governing the distribution of affordable housing tax credits. It regularly consults with the State TCAC Director, formulates policy recommendations and organizes NPH advocacy on tax credit issues. It meets on an "as needed" basis, often timed in advance of the State TCAC deadlines.

**In 2009:** This group met quite frequently this year due to the increased priority of tax credit funding for NPH members in light of the financial constraints on other funding sources and the state issuing only one round of awards this year. In addition, this group actively worked with the Federal Issues committee in analysis and advocacy of proposals to increase federal funding for the LIHTC.

**Local Government:** This unique group is led by the public sector, the Housing staff of local governments in the Bay Area. It addresses topics of priority concern to public agency staff, though like all working groups, its meetings are open to all NPH members. It usually meets twice a year as issues arise.

**In 2009:** This group met to share information resources to help local governments address the foreclosure crisis and to provide training on subordination agreements which govern loan repayments. It addressed local administration of state and federal programs, including the federal Neighborhood Stabilization Program (NSP).

**Fall Conference Planning:** About two dozen members volunteer every year for this committee which meets for one half day to help organize NPH's fall conference. All members are invited to submit proposals for 90-minute workshops. This committee reviews all the submissions and selects the workshops which will create a balanced and well-rounded schedule that addresses a variety of member interests.

**In 2009:** The committee reviewed over 60 proposed workshops to select the 18 that will be offered at the NPH Conference on October 13th in San Francisco. An enhanced schedule of workshops for Property and Asset Managers was adopted and a unique outreach for an Architects' Showcase was planned.

*(At NPH, It's All About Our Members continued on page 10)*

# AT NPH, IT'S ALL ABOUT OUR MEMBERS!

*(At NPH, It's All About Our Members continued from page 10)*

## Luncheon "Brown Bag" Seminars

A key method for NPH-sponsored Peer-to-Peer learning are monthly "Brown Bag" seminars taught by NPH members and held at the NPH office in San Francisco. These are a "best value" opportunity, peer led and driven and very cost effective. A broad range of topics are offered. The format is similar to a Conference Workshop however more time is provided, two hours, and the meeting usually involves a single speaker, rather than a panel.

**In 2009:** We have increased the number of brown bag seminars, due the large number of member requests to offer trainings and the popularity of the "Brown Bag" format. Some of the topics addressed this year included SB 375, Housing Accessibility, Green Policies, Surviving the Recession, and other affordable housing issues.

## Communications

NPH Communications resources are open to our members to publicize events, make announcements or feature special projects. On-line and printed opportunities include:

**Weekly bulletin:** the Friday email to our members with the latest news and announcements

**Community Calendar:** the on-line calendar posting of all upcoming events of interest to the affordable housing community

**Bi-Monthly newsletter:** the printed 12-page publication to all members six times per year, including the "Housing Spotlight" feature article which highlights unique affordable housing developments nominated by members that demonstrate innovative practices.

## Contact Us

Serving our members is a top priority for everyone on the NPH staff. We are a small team and often out of the office doing field work, so if you do not hear back from us promptly, please be forgiving but forceful and leave a second message! Please contact us:

For Weekly Bulletin, Community Calendar and NPH Scheduling: Contact Shannon Rice ext: 10 or [shannon@nonprofithousing.org](mailto:shannon@nonprofithousing.org)

For Working Groups, Federal Policy and Brown Bags: Contact Megan Kirkeby ext: 19 or [megan@nonprofithousing.org](mailto:megan@nonprofithousing.org)

For State Policy, Advocacy and Communications:  
Contact Ann Gressani ext: 22 or [ann@nonprofithousing.org](mailto:ann@nonprofithousing.org)

For Housing Elements, Inclusionary Ordinances and Regional Policy: Contact Evelyn Stivers ext: 35 or [evelyn@nonprofithousing.org](mailto:evelyn@nonprofithousing.org)

For Fall Conference, Special Events and Fundraising:  
Contact Peggy Lee ext: 32 or [peggy@nonprofithousing.org](mailto:peggy@nonprofithousing.org)

For Marin County Outreach and Action: Contact Robert Hickey (415) 491-4731 or [robert@nonprofithousing.org](mailto:robert@nonprofithousing.org)

For All Matters, Great and Small: Contact Dianne Spaulding ext: 13 or [dianne@nonprofithousing.org](mailto:dianne@nonprofithousing.org)

## Community Calendar

For the latest information about events in the Bay Area Affordable Housing community, visit NPH's new Community Calendar. With a simple click of your mouse, you can get information about upcoming events and trainings, effectively plan for upcoming events and get involved in our community! Some upcoming events that have already been submitted to our Community Calendar:

**September 24:** TOD Marketplace 2009, Hilton San Jose

**October 1-2:** Novogradac's 16th Annual Affordable Housing Conference, InterContinental San Francisco

**October 2:** EBALDC "Return to Paradise," retirement event for Lynette Lee, in Oakland

**October 15:** San Diego Housing Federation's 18th Annual Conference, Marina Village Conference Center on Mission Bay, San Diego

**October 26- 27:** California Coalition for Rural Housing's 2009 Rural Housing Summit, Asilomar

For a daily, weekly or monthly summary of exciting events in your area, visit our Community Calendar online at: <http://www.nonprofithousing.org/calendar.html>

Anyone can submit an event for posting. Events submitted by NPH Members will also appear in the NPH e-mail bulletin distributed to more than 1,500 recipients each week. To make changes or additions to the Community Calendar, just send us an email to [website@nonprofithousing.org](mailto:website@nonprofithousing.org)!

## Inclusionary Housing Decision Appealed to Supreme Court

Affordable housing advocates across California were disappointed when an Appeals Court found that the Inclusionary Zoning ordinance in Los Angeles ran afoul of provisions in the state Costa-Hawkins Act, which allows landlords to set the initial rent for new rental units and whenever a unit was vacant. The court also had a problem with the City's "in lieu" fees on rental housing because it found these fees "inextricably" linked to the Inclusionary Zoning ordinance obligation to build rent restricted housing. The ruling came on July 22, 2009 in the case known as Palmer/Sixth Street Properties LP v. City of Los Angeles decided by the California Court of Appeal for the Second District.

"Don't panic," is the advice to affordable housing advocates from Mike Rawson, Co-Director of the California Affordable Housing Law Project. This ruling will be appealed and it is not clear what the final decision will be. It is important to note that the ruling does not affect the obligations in redevelopment areas nor does it affect projects in which the owner has agreed to provide affordable rents as a condition of receiving financing or one of the many incentives offered by state density bonus law.

### BACKGROUND

The case resulted from the finding in Los Angeles in 1991 that the supply of affordable housing in the Central City area had been reduced by one-third. To address this problem, the City required developers to either reserve 15% of new units for low-income households, or replace low-income units that had been demolished. The particular building addressed in this case was a new 350-unit development, whose developer named Palmer was given the option of replacing the 60 low-income units that had been demolished on the site in 1990 or pay an in-lieu fee of \$96,200 per low-income unit.

It is interesting to note that at the time the Costa-Hawkins bill was enacted in 1995, proponents of the legislation argued that it would only affect rent control programs in five cities, despite the fact that many more cities had Inclusionary Zoning ordinances at that time.

NPH is working with a broad coalition of allies on the active defense and promotion of Inclusionary Zoning ordinances, which have continue to be a great production tool for meeting Californian's demand for the full spectrum of housing choices.

*For more information, contact Evelyn Stivers, Regional Field Director, [evelyn@nonprophousing.org](mailto:evelyn@nonprophousing.org).*

NPH acknowledges and appreciates the work of Mike Rawson, California Affordable Housing Law Project and Barbara Kautz of Goldfarb and Lipman whose expertise and work in this area informed this article and NPH's work on these issues.

*(Advocates Protect Housing Trust Fund continued from page 1)*

testimonies, emails, phone calls and sit-down meetings with undecided Supervisors, in hopes of brokering a compromise.

As a result, Supervisor Steve Kinsey agreed to champion a compromise to preserve the funding, if not the source. On August 11th, the Board voted unanimously to back-fill the Affordable Housing Trust Fund with surplus Educational Revenue Augmentation Funds (ERAF) to cover any lost revenue caused by the fee suspension. While voting to suspend the affordable housing impact fee for one year for homes under 4,000 square feet – the Board stipulated that the County transfer \$80,000 to the Affordable Housing Trust Fund to compensate for projected lost revenues.

MCHAI staff and local housing advocates see this victory as an important first test. "In preserving \$80,000 for predevelopment and other important trust fund uses, I think we did something even bigger: we sent a strong message that affordable housing supporters are organized at a new level in Marin, and won't tolerate any backward steps in the County's commitment to affordable housing," said NPH's Hickey. Flush with this success, MCHAI is now turning attention to passing strong local housing elements this fall.

*For more information on this and other Marin issues, contact Robert Hickey at [robert@nonprophousing.org](mailto:robert@nonprophousing.org).*

*(State Policy Updates continued from page 7)*

When the Treasurer was unable to sell bonds beginning last July 2008, the routine allocations of the PMIB led to a "hole" of \$8 billion which was deemed unacceptable by the PMIB and resulted in the freeze. It was concluded at the PMIB meeting April 6, 2009 that going forward, the policy of the PMIB would avoid any deficit funding of state bond projects. Therefore, housing advocates should not expect any new PMIB allocations greater than or prior to the next state bond sales.

*For more information on state issues, please contact Ann Gressani, Policy Development and Communications Director, [ann@nonprophousing.org](mailto:ann@nonprophousing.org).*

The information in this report was compiled from various resources including the websites of the California Budget Project and the California Redevelopment Association. NPH members are encouraged to check out these websites, which provide thorough reports and analyses on State Budget issues.

**COMING SOON**

*Coming Soon*

**NPH'S 30TH ANNUAL FALL CONFERENCE**

Back to Basics: Taking Care of Business for the Next 30 Years

**Grand Hyatt Union Square**

345 Stockton St. (Between Sutter and Post), San Francisco

October 13, 2009

To register and for more information:

<http://www.nonprofithousing.org/pages/events-and-trainings/fall-conference.html>



A LEGACY OF LEADERSHIP AND LANDMARK LEGISLATION

THE NON-PROFIT HOUSING ASSOCIATION OF NORTHERN CALIFORNIA

369 Pine Street  
Suite 350  
San Francisco, CA  
94104