

South Bay Cities Council of Governments

Legislative Committee  
December 2, 2021  
Meeting Minutes  
(Held virtually via Zoom)

**COMMITTEE CHAIR ARMATO CALLED THE MEETING TO ORDER AT 5:01 P.M.**

**I. Welcome / Self-Introductions**

**In attendance were the following voting SBCCOG Board Members:**

Stacey Armato, Chair (Hermosa Beach)	Bea Dieringer (Rolling Hills)
Rodney Tanaka (Gardena)	Pat Furey (Torrance)
Bernadette Suarez (Lawndale)	

**The following non-voting elected officials were in attendance:**

Tasha Cerda (Gardena)

**Also in attendance:**

Jacki Bacharach (SBCCOG)	Linda Braunschweiger (Housing Trust Fund Ventura County)
David Leger (SBCCOG)	
Charles Gale (MWD)	

**II. Public Comment** – no public comments received.

**III. Consent Calendar**

**A. November 4, 2021, Meeting Minutes (attachment) – APPROVED**

**MOTION** by Committee Member Tanaka, seconded by Committee Member Furey, to **APPROVE** the consent calendar. No objection. So ordered.

**IV. Overview of Housing Trusts by Linda Braunschweiger**

Ms. Braunschweiger, CEO of Housing Trust Fund Ventura County (HTFVC) and Housing Land Trust Ventura County provided a brief overview of housing trusts and her experiences with the formation and growth of the HTFVC. She explained that in the early 2000s, the Ventura County Economic Development Corporation began meeting to discuss the lack of affordable housing and the impact it was having on both retaining and hiring employees amongst other things. The group decided to explore ways to finance affordable housing projects that were planned but could not get off the ground due to financing troubles. While some housing trusts are created as a Joint Powers Authority of city governments, the HTFVC was created as a non-profit in order to help fundraise. After an initial \$500k investment by Ventura County and donations from philanthropic and business communities, the HTFVC was able to raise \$2M which allowed it to receive an additional \$2M in matching funds from Prop 1C. Over the past decade, all 10 cities in Ventura County eventually became investors as well.

The HTFVC primarily focuses on short-term lending in the 1–5-year timeframe for predevelopment, acquisition, and construction loans. The HTFVC is not the full construction lender in most cases, with a developer using multiple loan sources to complete a project. So far, \$18M in lending has been provided which has led to more than 840 units being built. Ms. Braunschweiger explained that by becoming a

lending trust as opposed to one that makes grants, HFTVC has been able to re-lend the money it had been paid back by a previous borrower. She added that many cities have a housing trust fund that is often a “one and done” where there is a one-time source of funding that pays for a long-term loan for a project and is out of money for additional projects until additional money is secured or the first loan is paid back. The Silicon Valley Housing Trust has become one of the most successful and lends out significant sums of money each year.

Ms. Braunschweiger concluded her presentation by briefly touching on the Housing Land Trust Ventura County which was recently created under the Housing Trust Fund because land is often scarce in Ventura County and cities sometimes have vacant properties and also need affordable housing. The Land Trust makes it so that cities are more willing to donate the excess land they might own. The donated land value is also eligible for a state match.

Committee Member Suarez asked if HTFVC finds the same developers coming back to the table. Ms. Braunschweiger explained that is often the case because they know how to do the work, how to put together funding sources, and get the projects to completion.

Committee Member Furey asked how HTFVC was able to get all of the cities to “play nicely together”. Ms. Braunschweiger noted that a separate non-profit was created specifically for this reason so that the Trust Fund Board is making the decisions on what projects get approved and where, not the cities. Cities are part of the discussions and represented on the HTFVC Board.

Committee Chair Armato asked if the HTFVC only loans funding or if it ever grants funding. Ms. Braunschweiger explained that they have only done two grants under very specific conditions. She added that since there are no annual investments secured by the trust, it makes grants more difficult to sustain as it requires continuous fundraising while loan repayments allow funding to come back in and be re-loaned. She noted that securing annual commitments from the cities and county would be a strong recommendation for anything the South Bay considers. Having a steady income stream makes the trust fund more viable in the long run.

Committee Chair Armato thanked Ms. Braunschweiger for her presentation.

## **V. Discussion on a potential South Bay Regional Housing Trust**

### **A. Examples of other regional housing trust formation documents: San Gabriel Valley Regional Housing Trust & Orange County Regional Housing Finance Trust (*Attachment*)**

Committee Chair Armato noted that after the Ventura County presentation, it is clear that there are significant considerations to be made before the SBCCOG considers moving forward.

Ms. Bacharach proposed a working group consisting of finance directors, Legislative Committee members, and possible planning/community development directors be formed to look into the differences and determine questions and considerations before moving forward.

Committee Member Dieringer added that she would like to hear more about the legal ramifications of the different models as there seem to be benefits and drawbacks to both. Committee Chair Armato shared that BBK Law Firm indicated that they have staff who could help draft the legal documents and potentially provide some of the benefits and drawbacks.

Committee Chair Armato concluded by recommending a request to BBK for additional information on the JPA vs. Non-Profit differences; a meeting with San Gabriel Valley to find out more about

why they elected to go with a granting model as opposed to lending; and develop questions to bring to a group of Finance Directors before returning to the February Legislative Committee meeting with findings.

## **VI. Update on SBCCOG Proposals for legislation and advocacy**

### **A. Discussion on housing voucher concept** *(Attachment)*

Ms. Bacharach shared that the concept was shared with CalCities who's lobbyists thought the idea was worthwhile. Given the bill would apply statewide, the SBCCOG may not be the appropriate entity to propose the bill and perhaps CalCities would be better suited. More information on the proposal will be gathered and brought back for further discussion.

### **B. California Initiative 19-0029A: would legalize retail sports betting at tribal casinos and licensed horse racetracks** *(Attachment)* – **TABLED**

Committee Chair Armato shared that the Contract Cities Legislative Committee voted to oppose the initiative, but asked Committee Member Suarez to speak a little more about the issue.

Committee Member Suarez shared that she had requested the item be agendaized. However, based on more information provided by Inglewood and Gardena, Mayor Cerda is recommending the action be tabled to a future meeting.

Mayor Cerda explained that as a city with legalized gambling, Gardena is part of a JPA called the California Cities for Gaming Authority. She explained that three initiatives from tribal entities are being considered for inclusion on the November 2022 ballot that would allow sports betting on tribal land only. The cities' JPA is working on a competing initiative that would allow sports betting statewide and would bring tax revenues to all cities in the state. She believes that it is premature to take a position at this time and recommended waiting until more is known about the other initiatives.

Committee Member Dieringer noted that opposing the bill now would not preclude the SBCCOG from supporting the JPA's initiative.

Committee Member Suarez recommended bringing in Juan Garza for a future presentation on the topic.

### **C. Request letter to South Bay Legislators to sponsor SBCCOG legislative proposals** *(Attachment)* – **RECEIVED AND FILED**

**MOTION** by Committee Member Tanaka, seconded by Committee Member Furey, to **RECEIVE AND FILE** the letter. No objection. So ordered.

## **VII. Announcements / Adjournment**

Committee Chair Armato adjourned the meeting at 6:22 p.m. to January 6, 2022, at 5:00 p. m.