



Bay Area Metro Center
375 Beale Street
San Francisco, CA 94105

Meeting Agenda - Final

Bay Area Housing Finance Authority Advisory Committee

Committee Members:

*Efren Carrillo, Chair Vacant, Vice Chair
Jamie Almanza, Aissia Ashoori, Consuelo Hernandez,
Nevada Merriman, Tomiquia Moss, Hugo Ramirez,
Leelee Thomas, Michelle Whitman*

Thursday, July 27, 2023

10:00 AM

Board Room - 1st Floor

Bay Area Housing Finance Authority Advisory Committee

A Zoom panelist link for meeting participants will be sent separately to committee, commission, or board members.

The meeting webcast will be available at: <https://mtc.ca.gov/meetings-events/live-webcasts>

Meeting attendees may opt to attend in person for public comment and observation at 375 Beale Street, Board Room (1st Floor).

In-person attendees must adhere to posted public health protocols while in the building.

Members of the public are encouraged to participate remotely via Zoom at the following link or phone number:

Please click the link below to join the webinar:

<https://bayareametro.zoom.us/j/88160364986>

Or One tap mobile :

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Or Telephone:

Dial(for higher quality, dial a number based on your current location):

+1 669 900 6833 US (San Jose)

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Webinar ID: 881 6036 4986

Detailed instructions on participating via Zoom are available at:

<https://mtc.ca.gov/meetings-events/how-provide-public-comment-board-meeting>

Committee members and members of the public participating by Zoom wishing to speak should use the "raise hand" feature or dial "*"9" and dial "*6" to unmute and speak.

In order to get the full Zoom experience, please make sure your application is up to date.

Members of the public may participate by phone or Zoom or may submit comments by email at info@bayareametro.gov by 5:00 p.m. the day before the scheduled meeting date. Please

include the committee or board meeting name in the subject line. Due to the current circumstances, there may be limited opportunity to address comments during the meeting. All comments received will be submitted into the record.

The meeting is scheduled to begin at 10:00 a.m.
Agenda, roster, and webcast available at <https://mtc.ca.gov/>
For information, contact Clerk of the Board at (415) 820-7913.

1. Call to Order / Roll Call / Confirm Quorum

Quorum is a majority of members present.

2. Public Comment

Information

3. Advisory Committee Member Announcements

Information

4. Chair's Report

- 4.a. [23-0980](#) BAHFA Advisory Committee Chair's Report of July 27, 2023

Action: BAHFA Advisory Committee Information

Presenter: Efren Carrillo

5. Consent Calendar

- 5.a. [23-0981](#) Approval of BAHFA Advisory Committee Minutes of June 22, 2023

Action: BAHFA Advisory Committee Approval

Presenter: Secretary

Attachments: [05a BAHFA AC Minutes 20230622 Draft.pdf](#)

6. Preparation for 2024 Affordable Housing Bond Measure

- 6.a. [23-0982](#) Continued discussion regarding BAHFA's Regional Housing Revenue Allocation Options - Part Two Decision Points

Action: BAHFA Advisory Committee Information

Presenter: Kate Hartley

Attachments: [06a 1 Summary Sheet 2024 Ballot Decision Points and Recommendations - Pa](#)
[06a 2 Attachment A - Presentation 2024 Ballot Measure Decision Points - Step](#)

7. Adjournment / Next Meeting

The next meeting of the BAHFA Advisory Committee will be on September 28, 2023.

Public Comment: The public is encouraged to comment on agenda items at Committee meetings by completing a request-to-speak card (available from staff) and passing it to the Committee secretary. Public comment may be limited by any of the procedures set forth in Section 3.09 of MTC's Procedures Manual (Resolution No. 1058, Revised) if, in the chair's judgment, it is necessary to maintain the orderly flow of business.

Meeting Conduct: If this meeting is willfully interrupted or disrupted by one or more persons rendering orderly conduct of the meeting unfeasible, the Chair may order the removal of individuals who are willfully disrupting the meeting. Such individuals may be arrested. If order cannot be restored by such removal, the members of the Committee may direct that the meeting room be cleared (except for representatives of the press or other news media not participating in the disturbance), and the session may continue.

Record of Meeting: Committee meetings are recorded. Copies of recordings are available at a nominal charge, or recordings may be listened to at MTC offices by appointment. Audiocasts are maintained on MTC's Web site (mtc.ca.gov) for public review for at least one year.

Accessibility and Title VI: MTC provides services/accommodations upon request to persons with disabilities and individuals who are limited-English proficient who wish to address Commission matters. For accommodations or translations assistance, please call 415.778.6757 or 415.778.6769 for TDD/TTY. We require three working days' notice to accommodate your request.

可及性和法令第六章: MTC 根據要求向希望來委員會討論有關事宜的殘疾人士及英語有限者提供服務/方便。需要便利設施或翻譯協助者，請致電 415.778.6757 或 415.778.6769 TDD / TTY。我們要求您在三個工作日前告知，以滿足您的要求。

Acceso y el Título VI: La MTC puede proveer asistencia/facilitar la comunicación a las personas discapacitadas y los individuos con conocimiento limitado del inglés quienes quieran dirigirse a la Comisión. Para solicitar asistencia, por favor llame al número 415.778.6757 o al 415.778.6769 para TDD/TTY. Requerimos que solicite asistencia con tres días hábiles de anticipación para poderle proveer asistencia.

Attachments are sent to Committee members, key staff and others as appropriate. Copies will be available at the meeting.

All items on the agenda are subject to action and/or change by the Committee. Actions recommended by staff are subject to change by the Committee.



Metropolitan Transportation Commission

375 Beale Street, Suite 800
San Francisco, CA 94105

Legislation Details (With Text)

File #: 23-0980 **Version:** 1 **Name:**
Type: Report **Status:** Informational
File created: 7/6/2023 **In control:** Bay Area Housing Finance Authority Advisory Committee
On agenda: 7/27/2023 **Final action:**
Title: BAHFA Advisory Committee Chair's Report of July 27, 2023
Sponsors:
Indexes:
Code sections:
Attachments:

Date	Ver.	Action By	Action	Result
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BAHFA Advisory Committee Chair's Report of July 27, 2023

Efren Carrillo

BAHFA Advisory Committee Information



Metropolitan Transportation Commission

375 Beale Street, Suite 800
San Francisco, CA 94105

Legislation Details (With Text)

File #: 23-0981 **Version:** 1 **Name:**
Type: Minutes **Status:** Consent
File created: 7/6/2023 **In control:** Bay Area Housing Finance Authority Advisory Committee
On agenda: 7/27/2023 **Final action:**
Title: Approval of BAHFA Advisory Committee Minutes of June 22, 2023
Sponsors:
Indexes:
Code sections:
Attachments: [05a BAHFA AC Minutes 20230622 Draft.pdf](#)

Date	Ver.	Action By	Action	Result
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Approval of BAHFA Advisory Committee Minutes of June 22, 2023

Secretary

BAHFA Advisory Committee Approval



Meeting Minutes - Draft

Bay Area Housing Finance Authority Advisory Committee

Committee Members:

*Efren Carrillo, Chair Jacky Morales-Ferrand, Vice Chair
Jamie Almanza, Aissia Ashoori, Nevada Merriman,
Tomiquia Moss, Hugo Ramirez, Leelee Thomas,
Michelle Whitman*

Thursday, June 22, 2023

10:00 AM

Board Room - 1st Floor

Bay Area Housing Finance Authority Advisory Committee

The meeting is scheduled to begin at 10:00 a.m.
Agenda, roster, and webcast available at <https://mtc.ca.gov/>
For information, contact Clerk of the Board at (415) 820-7913.

1. Call to Order / Roll Call / Confirm Quorum

Chair Carrillo called the meeting to order at about 10:02 a.m. Quorum was present.

Present: 8 - Almanza, Ashoori, Carrillo, Merriman, Morales-Ferrand, Moss, Ramirez, and Whitman

Absent: 1 - Thomas

2. Public Comment

3. Advisory Committee Member Announcements

4. Chair's Report

4.a. [23-0874](#) BAHFA Advisory Committee Chair's Report of June 22, 2023

5. Consent Calendar

Upon the motion by Whitman and second by Merriman, the BAHFA Advisory Committee approved the Consent Calendar. The motion passed unanimously by the following vote:

Aye: 6 - Almanza, Carrillo, Merriman, Moss, Ramirez and Whitman

Absent: 1 - Thomas

Abstain: 2 - Ashoori and Morales-Ferrand

- 5.a. [23-0875](#) Approval of BAHFA Advisory Committee Minutes of May 25, 2023

6. Preparation for 2024 Affordable Housing Bond Measure

- 6.a. [23-0876](#) Discussion Regarding BAHFA's Regional Housing Revenue Allocation
Options

Kate Hartley gave the report.

The following gave public comment: Shatae Jones.

7. Adjournment / Next Meeting

Chair Carrillo adjourned the meeting at about 10:52 a.m. The next regular meeting of the BAHFA Advisory Committee is on July 27, 2023.



Metropolitan Transportation Commission

375 Beale Street, Suite 800
San Francisco, CA 94105

Legislation Details (With Text)

File #: 23-0982 **Version:** 1 **Name:**

Type: Report **Status:** Informational

File created: 7/6/2023 **In control:** Bay Area Housing Finance Authority Advisory Committee

On agenda: 7/27/2023 **Final action:**

Title: Continued discussion regarding BAHFA's Regional Housing Revenue Allocation Options - Part Two Decision Points

Sponsors:

Indexes:

Code sections:

Attachments: [06a 1 Summary Sheet 2024 Ballot Decision Points and Recommendations - Part Two v4.pdf](#)
[06a 2 Attachment A - Presentation 2024 Ballot Measure Decision Points - Step Two v5.pdf](#)

Date	Ver.	Action By	Action	Result
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Continued discussion regarding BAHFA's Regional Housing Revenue Allocation Options - Part Two Decision Points

Kate Hartley

BAHFA Advisory Committee Information

BAHFA Advisory Committee

July 27, 2023

Agenda Item 6.a.

Preparation for 2024 Affordable Housing Bond Measure

Subject:

Continued discussion regarding BAHFA's Regional Housing Revenue Allocation Options – Part Two Decision Points

Background:

On June 16th and June 22nd, 2022, the ABAG Executive Board and the BAHFA Board (“Boards”), respectively, requested that the BAHFA Oversight Committee and ABAG Housing Committee (“Joint Housing Committees”) undertake preparatory work necessary to enable consideration of an affordable housing general obligation bond measure in November 2024 (“2024 Ballot Measure”). Specifically, the Boards directed staff to explore a \$10-20 billion bond pursuant to the authority granted to BAHFA and ABAG in the San Francisco Bay Area Regional Housing Finance Act (Gov. Code § 64500, et seq.) (the “Act”).

On June 22, 2023, the BAHFA Advisory Committee received a report about the next phase of preparation for the 2024 Ballot Measure. This month, the same report was delivered to the Joint Housing Committees (July 12), the ABAG Executive Board (July 20), and the BAHFA Board (July 26). In this report, staff presented a series of key decisions over which BAHFA and ABAG have discretionary authority regarding BAHFA's expenditure plan for regional housing revenue (“Regional Expenditure Plan”). The Regional Expenditure Plan will establish an investment framework to guide the 20% of funds retained by BAHFA from the 2024 Ballot Measure. Investment priorities for the 80% of funds directly administered by the counties and several cities will be set by separate expenditure plans developed by the local governments and are not subject to the Regional Expenditure Plan.

The policy decisions for the Regional Expenditure Plan have been divided into “Step 1” and “Step 2” decision points. The prior report focused on the following “Step 1” decision points and corresponding staff recommendations:

1. 1st Regional Expenditure Plan Programming: Given the fluidity of market conditions and other external factors, staff recommended limiting most regional revenue programming decisions to the first issuance of bonds only. Staff anticipate 3-5 issuances, incorporating lessons learned and adjusting for changed circumstances when recommending expenditure priorities for each successive issuance.
2. Flexible Funds: Due to the region's severe housing shortage and the corresponding scale and urgency to create new homes, staff recommended allocating the 18% of “flexible funds” from the first bond issuance towards Production (as opposed to Preservation).
3. Production Priorities and Collaboration: To implement BAHFA's Equity Framework and to underscore BAHFA's collaborative (as opposed to competitive) relationship with local governments, staff recommended a three-point prioritization strategy for earmarked Production funds from the first bond issuance:

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- a. *First:* Prioritize permanent supportive housing (PSH) and extremely low-income (ELI) new construction investments whenever possible, but only in collaboration with the local government that has jurisdiction and at their invitation.
- b. *Second:* Prioritize low-income housing development that does not require tax-exempt bonds (from the California Debt Limit Allocation Committee, “CDLAC”) and tax-credit funding if this funding is over-subscribed.
- c. *Third:* Retain flexibility in funding approaches. If CDLAC and tax credit funding are readily available, BAHFA investments should rely on those sources of funds to make BAHFA resources go as far as possible.

“Step 2” Decision Points and Recommendations:

The report today focuses on “Step 2” decision points:

1. Geographic Disbursement for Production Funds: How can BAHFA disburse regional housing revenue for new housing production to meet BAHFA’s Equity Framework and Funding Program goals while also achieving appropriate geographic balance?
2. Preservation Expenditure Priorities: For the 15% of funds that must be set aside for preservation (approximately \$60 million in the first bond issuance), which strategies will best achieve BAHFA’s anti-displacement goals and meet the needs of historically disinvested communities?
3. Local Government Grant Program: For the 10% of funds that can be set aside for a local government grant program (approximately \$40 million in the first bond issuance), which eligible uses should be prioritized?

Staff’s recommendations for these decision points are informed by more than a year of extensive engagement with stakeholders and practitioners throughout the region, a thorough analysis of the current housing finance landscape, and research into pathways for BAHFA to advance housing equity across the Bay Area.

For the “Step 2” decision points, staff recommendations are as follows:

1. Geographic Disbursement for Production Funds: **Staff recommend establishing county-level investment goals for BAHFA’s total Production funds over the life of the bond. Staff have prepared two options for establishing county-level investment goals; one that functions as “return to source” based on each county’s tax contribution, and the other based on affordable housing targets in the 6th Cycle Regional Housing Need Allocation (“RHNA”).**

This recommendation differs from the others in that it relates to total bond amount, not just the first issuance. This approach provides BAHFA with the flexibility to make the most strategic and high-impact investments based on the current pipeline of projects while also committing to geographic balance in the long run. Taking the long-term view

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of regional funding disbursements also allows BAHFA to be opportunistic and direct money where it will be most immediately effective. The alternative – to tie BAHFA to established quotas for each county *in each bond issuance* could slow down spending, delay investments in shovel-ready projects, and potentially perpetuate inefficiencies in the existing finance system by requiring small BAHFA investments to layer on an already complex project finance stack. In the recommended approach, BAHFA will actively monitor and report on its performance against the geographic goals and tailor future funding rounds to achieve the overall targets. For example, if a county underperforms in the first issuance, BAHFA could give that county’s projects top-tier priority or a set-aside from the second issuance.

To establish the county-level Production investment goals, staff recommend two options for the Committee’s consideration:

- **Option 1: “Return to Source”** – Goals are set in proportion to each county’s contribution to the regional bond.
 - Pros:
 - Each county is “made whole” for its tax contribution with respect to BAHFA’s Production funding.
 - Easy for voters to understand.
 - Cons:
 - Does not address the differing levels of lower-income housing need across the region.
- **Option 2: “Affordable RHNA”** – Goals are set based on each county’s share of the region’s “low-income” and “very low-income” RHNA.
 - Pros:
 - Prioritizes areas with the greatest lower-income housing need and incorporates a regional affirmatively further fair housing (AFFH) analysis embedded in RHNA.
 - Aligns funding with approved regional plans (RHNA and Plan Bay Area 2050).
 - Cons:
 - May create the perception of “winners” and “losers” across counties.
 - Some counties have very low investment targets (e.g., Napa)

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The table below shows the potential investment goals for each county as a share of BAHFA's regional Production funds:

County	Option 1: "Return to Source"	Option 2: "Affordable RHNA"
Alameda	17.1%	20.6%
Contra Costa	11.6%	11.7%
Marin	4.4%	3.6%
Napa	2.2%	1.0%
San Francisco	15.2%	18.2%
San Mateo	13.1%	10.7%
Santa Clara	28.3%	28.2%
Solano	3.1%	2.4%
Sonoma	5.0%	3.5%

An estimate of the amount of regional Production funds for each county under both options, shown in comparison to the amount of direct funding to be administered within each county, is included as Slide 7 in Attachment A. The percentages and values in the "return to source" option are based on recent tax rolls and may change depending on future tax rolls.

2. **Preservation Expenditure Priorities: Staff recommend prioritizing the first tranche of regional Preservation funds (approx. \$60 million) with four criteria:**
 - a. *Anti-Displacement Best Practices*: Within the Notice of Funding Availability ("NOFA"), BAHFA will incorporate deal terms that draw upon the best practices learned from the Preservation Pilot Program (funded by REAP 2.0). Staff anticipate that this will include caps on rent increases and eviction protections (regardless of whether a building is subject to a local rent stabilization/just cause ordinance).
 - b. *Prioritize Historically Disinvested Areas*: Similar to the Preservation Pilot Program, this will include Equity Priority Communities, Displacement Risk Areas, and Low/Moderate Resource Areas, while ensuring that all counties contain some prioritized geographies.
 - c. *Prioritize Investments to Protect Tenants at Immediate Risk of Eviction or Affordability Loss*: Establish additional criteria to prioritize projects with the highest acuity of displacement risk. E.g., buildings subject to Ellis Act evictions, projects with imminent affordability restriction expirations, properties with indicia of high displacement risk.

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- d. *Support Community Controlled Models*: establish a 20% target (approx. \$12 million) for community land trusts, community-based organizations, and co-ops, with a preference for projects that enable tenant wealth-building. BAHFA will develop a separate funding application process for these projects (though they may also compete for the full amount of funding available). If an insufficient number of projects apply for funding, BAHFA will pivot funding to other prioritized Preservation projects and evaluate the reasons for undersubscription to inform future funding rounds.

The priority criteria above are additive to the threshold requirements in the Act. (See Cal. Gov. Code Section 64650(b)(2)(A)). The threshold requirements will operate as minimum standards that must be satisfied by all Preservation projects seeking BAHFA funding and include: (i) a guarantee that existing residents of any acquired building shall not be displaced because of BAHFA funds, even if the existing residents do not meet income qualifications, and (ii) a guarantee that acquired buildings will achieve 100% occupancy by low- and moderate-income households over time through unit turnover. Additionally, if rehabilitation or demolition is required, the following conditions must be met: (i) no net loss of units by income level, (ii) relocation benefits must be provided to any tenants temporarily displaced, and (iii) temporarily relocated residents have a right of first refusal on the rehabbed/new units at an affordable rent.

3. **Local Government Grant Program: Staff recommend a twofold approach to the first tranche of funds (approx. \$40 million):**

- a. *First*: Prioritize housing-related amenities that enhance benefits for the overall community as well as the residents of affordable housing. This can include parks, infrastructure, school improvements, etc. The need for such amenities is often an obstacle to delivering new affordable housing, especially since they otherwise often have very limited funding options.
- b. *Second*: Retain flexibility to invest in housing programs that directly serve households, especially if general obligation bond rules change to enable non-capital expenditures.

Additionally, staff recommend a goal to fund at least one project in each county over the life of the bond. Given the amount of available funding in each bond issuance and the scale of need from potential applicants, it would not be practical to thinly spread each tranche in all counties.

The staff recommendations are bounded by the statutory and constitutional limits for a Local Government Grant Program. The Act limits the uses of any such program to those that “support housing and related uses” and provides a non-exhaustive list of examples including technical assistance, infrastructure, homelessness alleviation, homeownership, and tenant protections. However, the California Constitution currently limits the eligibility of general obligation bond funds to the acquisition and improvement of real property,

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which precludes many of the potential uses listed in the Act. As recommended above, should the constitutional limits change, BAHFA could incorporate other priorities that suffer from chronic underinvestment (such as operating/services subsidies for permanent supportive housing as well as technical assistance).

Next Steps and Decision-Making Timeline

Subject to direction from the Advisory Committee, the Joint Housing Committees and the Boards, staff anticipate scheduling agenda items on all key regional funding decision points, as follows:

September 2023: Informational Items for Joint Housing Committees, ABAG Executive Board, and BAHFA Board

- Geographic distribution of regional housing revenue
- Preservation and protection program priorities (if protection funding is available)
- 10% Local Government Incentive Grant priorities

October 2023

- Approval of initial funding priorities for regional housing revenue (“Step 1” and “Step 2” decision points)
- Adoption of Business Plan Equity Framework & Funding Programs
- Protection program priorities (if Protection funding may be available per potential proposed Constitutional Amendment)

December 2023

- Adoption of final BAHFA Business Plan, including operational sustainability section

January – May 2024

- Approval of BAHFA’s Regional Expenditure Plan and Resolution to submit the 2024 Ballot Measure to the voters in all nine counties.

Post-Bond (2025)

- Loan Term Sheets and Underwriting Guidelines, including developer preferences

Issues:

None

BAHFA Advisory Committee

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Preparation for 2024 Affordable Housing Bond Measure


Recommended Action:

Information

Attachments:

A. Presentation

Reviewed:

A handwritten signature in black ink that reads "Andrew Fremier". The signature is written in a cursive style with a large initial 'A'.

Andrew Fremier



BAHFA 2024 Ballot Measure:

Step 2 Decision Points for 2024 Affordable Housing Bond



ASSOCIATION OF BAY AREA GOVERNMENTS
METROPOLITAN TRANSPORTATION COMMISSION

BAHFA Advisory Committee
July 27, 2023

Reminder: Context of Decision Points

- Decision points concern BAHFA's **20% Regional Housing Revenue** only
 - Counties and direct-allocation cities create individual expenditure plans
- **Informational presentations** scheduled through the summer; discussed sequentially as “Step 1” and “Step 2” decision points
 - Approval is slated for October
- **BAHFA's value proposition for regional action:** drive equitable outcomes, achieve scale, spur innovation, collaborate towards systems change, create strong regional lending opportunities

Reminder: “Step 1” Decision Points

- **Focus on 1st Bond Issuance (Q3-Q4 2025)**
 - \$400 million of BAHFA’s \$2 Billion total
 - Adjust 2nd and future issuances based on successes
- **Program 1st Issuance “Flexible” Funding for Production**
- **Prioritize PSH and ELI for New Construction Funding**
 - If invited by jurisdictions or collaborative opportunities arise
- **Pursue Non-LIHTC Development in Competitive Conditions**
 - Advance innovation and scale
 - Avoid competition for scarce resources
 - Remain flexible – if market conditions change, adjust for best outcomes

“Step 2” Decision Points

- **How to distribute Production funds, including geographic balance of investments?**
- **What are priorities for the initial Preservation Program?**
 - \$60 million for 1st issuance
- **What are priorities for the initial Local Government Incentive Grant Program?**
 - \$40 million for 1st issuance

Step 2: Production Distribution Parameters

- **Establish county-level goals for BAHFA's total Production funds** over the life of the bond
 - 1st action: seek collaborative investments with jurisdictions for PSH
 - 2nd action: issue competitive Notices of Funding Availability (“NOFAs”) that fund priority projects
- **Track and report on performance** to achieve county-level goals with award recommendations from each NOFA
- Use successive issuances (total of 3-5 anticipated) to **“true up” achievement of targets**
 - Future NOFAs can be tailored to achieve overall goals (e.g., targeted outreach, scoring criteria, sub-regional set-asides, etc.)

Step 2: Production Distribution Options

Option 1: “Return to Source”

Goals established in proportion to each county’s contribution to the bond

Pros:

- Each county “made whole” for its tax contribution
- Easy for voters to understand

Cons:

- Does not address differing levels of need across the region

Option 2: “Affordable RHNA”

Goals established based on each county’s share of the region’s “very low” and “low-income” RHNA

Pros:

- Prioritizes affordable housing need
- Aligns funding with regional plans

Cons:

- Perception of “winners” and “losers”
- Some counties have very low investment goals

Alameda
Contra Costa
Marin
Napa
San Francisco
San Mateo
Santa Clara
Solano
Sonoma
Totals

Option 1: Return to Source	
BAHFA Production Funds^{2,3}	Share of Regional Funding
\$178 - \$239	17.1%
\$120 - \$162	11.6%
\$45 - \$62	4.4%
\$23 - \$31	2.2%
\$158 - \$213	15.2%
\$136 - \$183	13.1%
\$294 - \$395	28.3%
\$32 - \$43	3.1%
\$52 - \$71	5.0%
\$1–\$1.4 billion	100%

Option 2: Affordable RHNA	
BAHFA Production Funds³	Share of Regional Funding
\$215 - \$289	20.6%
\$121 - \$163	11.7%
\$38 - \$51	3.6%
\$10 - \$14	1.0%
\$190 - \$255	18.2%
\$111 - \$149	10.7%
\$294 - \$395	28.2%
\$25 - \$34	2.4%
\$36 - \$49	3.5%
\$1–\$1.4 billion	100%

Direct Funding to Counties^{1,2}	
Direct Production Funds^{2,3}	Total Direct Funds (all 3Ps)²
\$711 - \$1,094	\$1,367
\$481 - \$740	\$925
\$183 - \$282	\$352
\$93 - \$144	\$180
\$633 - \$973	\$1,216
\$544 - \$837	\$1,046
\$1,177 - \$1,810	\$2,263
\$129 - \$199	\$249
\$210 - \$322	\$403
\$4.2–\$6.4 billion	\$8 billion

Assuming \$10B Bond. Funding in millions. Amounts may not sum due to rounding.

- 1 Direct-allocation cities included in their respective counties
- 2 Derived from current tax rolls; amounts could vary based on relative future tax rolls
- 3 Range depends on total allocation of 18% (BAHFA) and 28% (counties) "Flexible Funds"

Step 2: Preservation Priority Recommendations

Legal Parameters:

- No displacement; no net-loss & right of first refusal for tenants (if demo/rehab)
- At least 55-year deed restriction

Additional Priorities:

- **Anti-Displacement Best Practices:** Incorporate lessons from REAP 2.0 Preservation Pilot Program (e.g., rent increase caps and eviction protections)
- **Prioritize Historically Disinvested Areas:** Equity Priority Communities, Displacement Risk Areas, and Low/Moderate Resource Areas
- **Prioritize Investments to Protect Tenants at Immediate Risk of Eviction or Affordability Loss:** E.g., buildings subject to Ellis Act evictions; projects with imminent affordability restriction expirations; buildings with high displacement risk
- **Support Community Controlled Models:** 20% target (~\$12 million) for community land trusts, community-based organizations, and co-ops, with preference for projects that enable tenant wealth-building

Step 2: Local Gov. Grant Program Recommendations

Legal Parameters:

- Must be “housing” or “housing-related uses”
- Current rules for general obligation bonds preclude some options

Additional Priorities:

- Prioritize housing-related amenities that enhance benefits for overall community as well as new affordable housing residents
 - E.g., parks, infrastructure, school improvements, etc.
- Retain flexibility to invest in housing programs that directly benefit households (e.g., homelessness prevention), especially if GO bond rules change
- Establish goal to fund at least one project in each county over the life of the bond

BAHFA Ballot Preparation Timeline

September 2023

- How BAHFA geographically distributes its funds
- Preservation Program priorities
- 10% Local Government Incentive Grant Program priorities

October 2023

- Approval of BAHFA's Initial Funding Priorities (decision points from July & September meetings)
- Adoption of Business Plan Equity Framework & Funding Programs; informational presentation on draft operations and sustainability plan
- Protection Program priorities*

December 2023

- Adoption of final BAHFA Business Plan

January – May 2024

- Approval of BAHFA's Regional Expenditure Plan and Resolution to place bond on county ballots

Post-Bond (2025)

- Loan Term Sheets and Underwriting Guidelines, including developer preferences

Thank You



ASSOCIATION OF BAY AREA GOVERNMENTS
METROPOLITAN TRANSPORTATION COMMISSION