



**Apartments, San Francisco**  
Photo: Noah Berger

## Chapter 2:

# Equity Framework Summary

Decisions about how to organize BAHFA and what programs and policies to pursue must be evaluated through a lens of “just inclusion” to reverse the persistent, systemic racism that has contributed to wide disparities in wealth, educational attainment, homeownership rates and credit access in the Bay Area and nationally. BAHFA will anchor its response to these challenges using its “Equity Framework” – which is both a foundation for this Business Plan and a stand-alone document to guide BAHFA’s future planning and implementation. The full text of the Equity Framework is included as Appendix 1, with accompanying documents included as Appendix 2.

This Chapter summarizes the Equity Framework, including stakeholder engagement, the structure of the Equity Framework, the Equity Objectives and corresponding Metrics, as well as the accompanying documents in Appendix 2.

## 2.1 Equity Framework Development Process and Stakeholder Engagement

The Equity Framework is the culmination of nearly two years of work. Stakeholder engagement played a critical role in scoping, developing, and refining the Framework. Starting with a series of interviews and conversations with local experts and stakeholders across the region, BAHFA staff and the consultant team solicited additional input from multiple sources and conducted an iterative, creative process of drafting, revising and presenting back to engaged collaborators. Specific engagement activities included:

- Over 25 **preliminary interviews** with housing, finance, and equity leaders involved in the 3Ps, conducted between November 2021 and March 2022.
- Three virtual **public listening sessions** held in June 2022, during which 138 stakeholders discussed and provided recommendations on draft equity goals, objectives and metrics. Invitations for the sessions were distributed to over 300 stakeholders and 175 government staff working across all 3Ps.
- Seven **Equity Working Group sessions** held between May 2022 and April 2023. The Equity Working Group, comprised of 11 leaders from across the region, used a consensus-based decision-making process to co-create the Equity Framework and provide input on the Funding Programs. Group members drew from their extensive experience related to the 3Ps and social equity, as well as their relationships to the communities and places most impacted by the region’s ongoing housing crisis. A roster of Equity Working Group members is included as Appendix 2.B.
- Dozens of **one-on-one meetings** with staff from local governments across all nine counties, **presentations** at over 30 convenings of public sector staff and elected officials, and meetings with over 40 stakeholders – including practitioners across all 3Ps, advocacy organizations and members of impacted communities – in **one-on-one** and small group settings.
- Two virtual **public workshops** in February and March 2023 during which BAHFA staff presented the draft Equity Framework and draft Funding Programs to over 160 stakeholders from across the region. Participants provided feedback on both drafts, including recommendations for how to strengthen the connection between the Equity Framework and Funding Programs. Invitations for the sessions were distributed to over 560 stakeholders.
- Presentations to the **BAHFA Oversight Committee and the ABAG Housing Committee** throughout 2022 about BAHFA’s business planning process. Staff and the consulting team presented the draft Equity Framework and draft Funding Programs to the Joint Housing Committees as well as the BAHFA Advisory Committee starting in January 2023.
- The **Advisory Committee approved** the Equity Framework and Funding Programs in April 2023. The **BAHFA Board approved** the documents in October 2023, followed by the **Executive Board’s approval** in November 2023.

Throughout this process, staff and the consultant team collaborated closely to ensure that the Equity Framework and Funding Programs are aligned in their objectives and approach.

## 2.2 Structure of the Equity Framework

The Equity Framework is divided into four main parts. First, there is an introductory section that highlights the significant disparities that exist in the Bay Area’s housing system and which motivate the strong social and racial equity lens for BAHFA’s work. This section also provides a regional framework for Affirmatively Furthering Fair Housing (AFFH) and gives greater detail on stakeholder engagement activities and the role of the Equity Working Group.

Second, the core of the Draft Equity Framework is a set of Objectives and Metrics that will guide and measure the impact of BAHFA’s work. “Objectives” are the specific outcomes that BAHFA’s actions should seek to achieve. “Metrics” are specific measurements of social equity by which BAHFA will design its programs and evaluate its progress. The Equity Framework establishes objectives and metrics for each of the “3Ps” (Production, Preservation, and Protection) as well as a fourth “Cross Cutting” category for items that advance all 3Ps or do not fit squarely within any of the Ps. Within each program track, the Equity Framework also presents a summary of “opportunities and challenges” identified by stakeholders as important to consider as BAHFA implements the Business Plan and designs programs to further the equity objectives. The objectives and metrics are described in more detail below.

The third part of the Equity Framework begins with a discussion of BAHFA’s role to provide regional leadership and technical assistance that serves to expand, diversify and strengthen the capacity of the region’s housing ecosystem and marshal the collective resources in service of equitable outcomes. Next, the Draft Framework highlights implementation and accountability considerations, which include data collection and reporting, embedding equity in all phases of program design and evaluation, ongoing equity-focused engagement strategies, a need to periodically reevaluate the Equity Framework to accommodate changing circumstances and evolving priorities, and ongoing collaboration with local jurisdictions.

Finally, the Equity Framework ends with a set of broad Social Equity Goals that detail BAHFA’s long-term, aspirational vision for an equitable future in the Bay Area. These goals represent the “north star” for transformation of the region’s housing systems that the equity objectives should strive towards, and which the metrics will help measure. However, importantly, BAHFA cannot achieve these broad social equity goals on its own. Rather than direct measures of BAHFA’s impact, the social equity goals and their associated metrics illuminate regional trends in housing that BAHFA should track and respond to, particularly with regard to any disproportionate impacts connected to inequity in housing.



Residential home, San Mateo County  
Photo: Alain McLaughlin



## 2.3 Equity Objectives

The core of the Equity Framework is a set of equity objectives and metrics for each of the 3Ps and a “Cross Cutting” program track. The equity objectives are as follows:

### 2.3.1 Production Equity Objectives

- 1. Produce more affordable housing, especially for extremely low-income (ELI) households.** Increase production of housing with long-term affordability restrictions across the region and provide special focus on the production of housing types that meet the needs of ELI households and populations most disproportionately impacted by housing inequity.
- 2. Invest in historically disinvested areas.** Address systemic racism by investing in developments identified by impacted communities as priorities and that create stability for residents while transforming historically disinvested neighborhoods (such as Equity Priority Communities) into areas of opportunity.
- 3. Create affordable housing opportunities for lower-income households in historically exclusionary areas.** Address systemic racism by investing in developments that replace segregated living patterns with integrated, diverse and balanced living patterns in areas of concentrated affluence.
- 4. Create programs that address homelessness.** Increase housing types, in coordination with counties, that directly serve the needs of unhoused residents (including permanent supportive housing), while developing strategies to ensure that operating and services subsidies are available and utilized to the greatest extent possible. This Objective recognizes that more housing of appropriate types is a key solution to homelessness.
- 5. Achieve regional climate and environmental justice goals.** Prioritize affordable housing placement near high-quality transit and invest in housing that achieves high performance scores in recognized sustainable building systems.

### 2.3.2 Preservation Equity Objectives

- 1. Preserve expiring-use affordable housing to prevent displacement.** Fund the acquisition and rehabilitation of existing affordable housing with expiring restrictions that without intervention could be converted to market-rate housing and result in displacement of lower-income residents.
- 2. Preserve existing unsubsidized housing and convert to permanently affordable housing.** Convert existing unsubsidized housing to permanently affordable housing for the purpose of preventing displacement and achieving stabilized, healthy living conditions for existing residents, especially low-income households, residents of Equity Priority Communities, and other marginalized communities.
- 3. Target preservation investments for most impacted residents.** Tailor financing products to enable occupancy by ELI households and households at risk of homelessness.
- 4. Create opportunities for community-owned housing.** Invest in developments that enable community control and/or equity growth, especially in Equity Priority Communities and for households facing discriminatory and/or structural barriers to homeownership.

### 2.3.3 Protection Equity Objectives

1. **Increase access to anti-displacement and homelessness prevention services.** Deploy BAHFA funding to programs with a track record of preventing displacement and homelessness, improving tenant quality of life, and increasing housing stability – such as legal assistance, counseling and advice, financial assistance, and enhanced relocation assistance. Support residents across the full spectrum of anti-displacement and homelessness prevention needs, including tenants with formal leases as well as those with more precarious living situations.
2. **Support tenant education and advocacy.** Invest in training, education, advocacy, and outreach that raises awareness of tenant rights and facilitates greater access to community resources available to support housing stability. Support tenant associations and similar organizations that reduce power disparities between renters and property owners.
3. **Prioritize protections and investments in households and communities facing the greatest housing precarity.** Target BAHFA programs so that tenants at greatest risk of displacement and homelessness – disproportionately ELL, residents of Equity Priority Communities, and other impacted households in areas facing displacement pressures – are prioritized.
4. **Ensure adequate funding for tenant protections.** For BAHFA revenue sources that prohibit expenditures on Protections (e.g., general obligation bonds), design BAHFA funding programs so that they generate new revenue streams that can be reinvested in Protections region wide. Proactively seek other revenue such as state and federal grants to enhance BAHFA tenant protection funding.
5. **Elevate the urgency of tenant protections through regional leadership.** Invest in research, data collection, and coordination to inform policy change and region wide adoption of best practices.

### 2.3.4 Cross-Cutting Equity Objectives

1. **Support community-based and community-owned organizations and developers.** Expand, diversify and strengthen the capacity of the region's housing ecosystem by investing in community-based developers and organizations across all 3Ps.
2. **Support individual and community wealth building.** Create opportunities for historically marginalized people and residents historically excluded from homeownership to build wealth through housing, including traditional and shared homeownership opportunities.
3. **Serve as a regional leader on local equitable programs and practices.** Advance local alignment with regional equity priorities across all 3Ps, encouraging counties and cities to incorporate and build upon this Equity Framework.
4. **Commit to ongoing, meaningful, and equitable engagement.** Advance community participation among historically marginalized populations through ongoing engagement with and outreach to stakeholders equally distributed across the 3Ps, with an intentional focus on organizations who are accountable to and part of communities most impacted by housing unaffordability.
5. **Secure more flexible and unrestricted funding.** Seek to expand and secure funding sources to achieve a broader range of equity needs across all 3Ps, including uses that would be difficult to fund with likely fund sources (e.g., general obligation bond).
6. **Target most flexible BAHFA funding to accelerate AFFH.** Develop programs within BAHFA's optional 10% Local Government Grant Program that address any gaps in a comprehensive AFFH approach given the Act's parameters. Target any non-housing investments (i.e., infrastructure, community or cultural spaces, and public services) in communities that have faced historic disinvestment and/or are home to the region's most impacted residents.

## 2.4 Equity Metrics

Each of the four program tracks described above contain a set of metrics designed to measure BAHFA's progress towards meeting the equity objectives. While some of these metrics are particular to an individual program track, many fall within the following broad categories:

- Amount and percentage of funding allocated to each programmatic approach
- Number and type of housing units, disaggregated by attributes, including but not limited to:
  - Affordability levels (e.g., extremely low-income, very low-income, etc.)
  - Location (e.g., Equity Priority Communities, Transit Priority Areas, etc.)
  - Tenure types (e.g., rental vs traditional homeownership, permanent supportive housing, collective ownership models, etc.)
  - Accessibility features for people with disabilities

- Number and characteristics of people served, disaggregated by race, income, family size, disability status, etc.
- Types of organizations funded (e.g., community-based developers, Black, Indigenous, People of Color (BIPOC)-led organizations, etc.)

In some instances, there are different metrics for BAHFA and the cities and counties due to differing requirements in the Act about how revenue may be used. For example, cities and counties may pursue homeownership opportunities with their “production” funds while BAHFA's production funds are limited to rental housing.



**Arnett Watson Apartments, San Francisco**

Photo: Federica Armstrong, courtesy of Non-Profit Housing (NPH)



## 2.5 Equity Framework Accompanying Materials

The development of the Equity Framework yielded a series of additional accompanying materials that provide helpful context for the Business Plan and are resources for BAHFA to use going forward:

- **Appendix 2.A (Definitions)** explains key terms referenced throughout the Equity Framework, including various developer types (for example, “community-based developers,” “BIPOC-led developers”) and geographic typologies (“Equity Priority Communities).
- **Appendix 2.B (Equity Working Group Roster)** lists the 11 members of the Equity Working Group who participated in co-creating the Equity Framework, as well as the criteria used in their selection.
- **Appendix 2.C (Stakeholder Engagement Report)** is a more comprehensive summary of feedback and recommendations received from stakeholders that expands upon discussions of opportunities and challenges contained within the body of the Equity Framework.
- **Appendix 2.D (Guiding Questions for Program Development and Design)** is a set of rubrics that have been developed as planning tools to help generate ideas and evaluate program strategies that further the Equity Objectives. BAHFA will use these questions to apply the Equity Framework as it proceeds with implementation of its business plan and funding programs.
- **Appendix 2.E (Data Sources)** tabulates all Equity Metrics and identifies data sources for each. It also includes a discussion of opportunities and challenges related to data collection.



Fair Oaks Plaza apartments, Santa Clara County

Photo: Frank Domin

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