



BAHFA Business Plan

Part III: Operations and Organizational Sustainability



ASSOCIATION OF BAY AREA GOVERNMENTS
METROPOLITAN TRANSPORTATION COMMISSION

Progress Update

2022-
2023

Done!

EQUITY FRAMEWORK:
Background Research,
Stakeholder Engagement:
Draft Document Completed

Done!

FUNDING PROGRAMS: Background
Research; Stakeholder Engagement;
Incorporation of Equity Framework:
Draft Document Completed

Done!

EXPENDITURE PLAN: Key
Decision Points; Incorporation
of Equity Framework & Funding
Programs
Draft Document Completed

2023

Done!

**EQUITY FRAMEWORK
FUNDING PROGRAMS**
Adoption:
Q4 2023

11/8 Joint Housing

ORGANIZATION & SUSTAINABILITY PLAN: Final
Business Plan Chapter Draft Presentations;
Incorporation of Equity Framework, Funding
Programs, Key Expenditure Plan Decision Points

In progress

**Ballot Measure
Polling**

2024

**FULL BUSINESS PLAN;
BALLOT MEASURE & BALLOT
DOCUMENTS; BAHFA
EXPENDITURE PLAN:**
Adoption: Q2-Q3

**Outreach; Ballot Measure Polling; Resolution
to place BAHFA Bond Measure on November
2024 Ballot; Election Preparations**

Operations & Sustainability Chapter Overview

- Third and final component of BAHFA's Business Plan
- Demonstrates Business Plan viability by modeling revenue and expenses over 10-15 years
- Business Plan Goals:
 - Long-term financial self-sustainability
 - Successful delivery of 3P programs, short- and long-term

Operating Goals: Early Years

- Bond administrative fees cover BAHFA's administrative costs
- Grow regional capacity to deploy strong 3Ps lending programs
- Revenue is reinvested to:
 - Support future funding goals
 - Provide subsidies for future projects
 - Fund reserves

Operating Goals: By Year 10-15

- Revenue will:
 - Launch new financial products
 - Establish BAHFA as a public mortgage lender
 - Provide funding for project and program subsidies
 - Cover BAHFA's expenses
- Expert housing finance leadership to provide technical assistance and be a role model for systems change

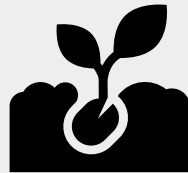
BAHFA's Growth

Early Years

FUNDING SOURCES:
\$2 Billion in GO Bonds



REGIONAL CAPACITY:
Enhanced operational capacity, technical expertise, regional leadership



PROGRAMS:
Mortgage loans, subsidies, local government grants, Doorway



Years 10 and On

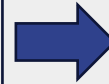
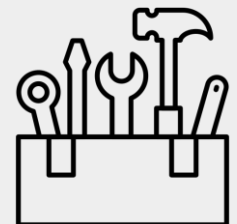
FUNDING SOURCES:
Revenue & capital markets



REGIONAL CAPACITY:
Public mortgage lender, established track record & credibility, financial strength



PROGRAMS:
Broader range of financing products & programs, including technical assistance and protections



Financial Projections

Results from the draft financial model in Year 10-15, assuming a \$10 billion bond:

- **Annual Net Revenue: \$10 million – 17 million***
- **Cumulative Net Revenue: \$150 million – 165 million***

The results were resilient to stress-testing for a range of expenditure scenarios, showing BAHFA can:

- **Achieve financial self-sufficiency**
- **Create strategic investments to secure new resources**
- **Provide new investments and subsidies for the region**

**Amounts are estimates only.*

BAHFA's Projected New & Preserved Homes (20% of funds)

New & Preserved Homes Count: 3,700 – 4,000

Units Produced: 3,220 – 3,490

ELI (<=30% AMI)	VLI (31-50% AMI)	LI (51-80% AMI)	Unregulated <i>(Manager's Units)</i>
32%	12%	55%	1%

44% combined total approximates RHNA target

Units Preserved: 480 - 510

ELI (<=30% AMI)	VLI (31-50% AMI)	LI (51-80% AMI)	Unregulated <i>(Manager's Units)</i>
10%	15%	75%	For 16+ unit bldgs



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Questions, comments?



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