



BAHFA Business Plan Approval BAHFA Advisory Committee – January 25, 2024



ASSOCIATION OF BAY AREA GOVERNMENTS
METROPOLITAN TRANSPORTATION COMMISSION

Business Plan Creation & Structure

- Planning process launched in 2021, led by Forsyth Street Advisors and team, including UCB Othering & Belonging Institute, UCB Turner Center for Housing Innovation, Sperry Capital
- Extensive outreach to public, stakeholders & BAHFA Boards
- 4 substantive chapters:
 - **Legislative and Business Planning Overview**
 - **Equity Framework Summary**
 - **Funding Programs**
 - **Operations and Organizational Sustainability**

Business Plan Component Approvals

- Advisory Committee, BAHFA Board and ABAG Executive Board unanimously approved Equity Framework and Funding Programs chapters
- Advisory Committee and BAHFA Boards provided input and expressed general approval of Operations and Organizational Sustainability plan

Chapter 1: Legislative & Business Plan Overview

Describes BAHFA's legal requirements and governing structure, including:

- San Francisco Bay Area Regional Housing Act (Gov. Code Sec. 64500 *et seq.*) mandates
- Revenue options available to BAHFA
- California Constitutional Requirements
- How the Advisory Committee, BAHFA Board, and ABAG Executive Board, as Executive Board to BAHFA, must work together

Chapter 2: Equity Framework Summary

- Summarizes BAHFA's full **Equity Framework**, which is attached as an appendix
- Describes the need for social and racial equity in Bay Area affordable housing development and preservation
- Provides a regional framework to affirmatively further fair housing
- Sets forth objectives and metrics to guide and measure BAHFA's work

Chapter 3: Funding Programs

- Provides investment strategies to:
 - **Implement Equity Framework goals**
 - **Create strong, lasting “3Ps” housing programs**
 - **Establish BAHFA as a self-sufficient regional financing agency able to reinvest income back into Bay Area communities**
- Describes BAHFA’s **Regional Housing Revenue Expenditure Plan** (20% of funds generated), which implements Board-approved spending and program recommendations

Chapter 4: Operations & Organizational Sustainability

Describes the management and program operations necessary to establish BAHFA as a permanent, self-supporting agency able to provide financing essential to meeting the Bay Area's affordable housing needs over the long term:

- Construction, permanent, and subsidy loans
- Loan and fee income re-invested as new subsidy loans and program grants
- New sources of lending capital, with BAHFA acting as a “public mortgage lender”

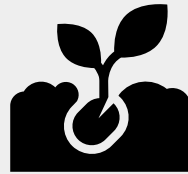
BAHFA's Goals & Growth

Early Years

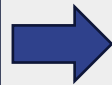
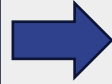
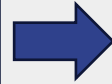
FUNDING SOURCES:
\$2 Billion in GO Bonds



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

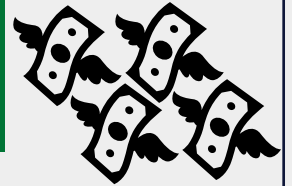


PROGRAMS:
Mortgage loans, subsidies, local government grants, Doorway



Years 10 and On

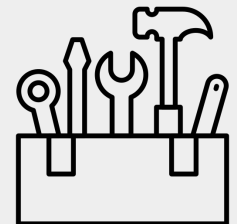
FUNDING SOURCES:
Revenue & capital markets



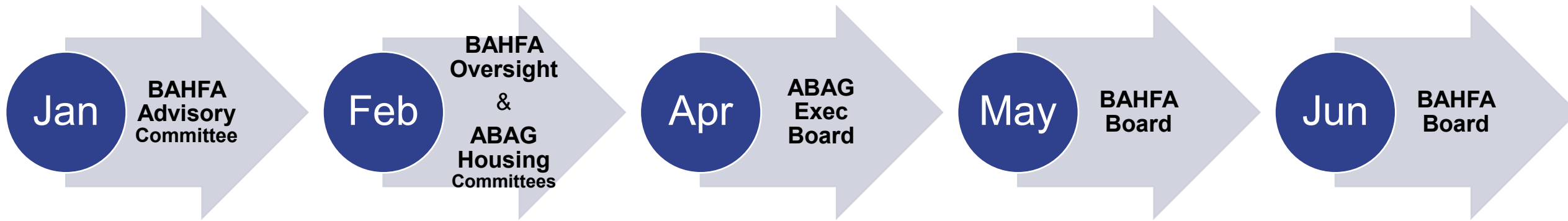
REGIONAL CAPACITY:
Public mortgage lender, established track record & credibility, financial strength



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



2024 Regional Housing Bond Approval Timeline



Documents include:

- Business Plan
- Regional Expenditure Plan
- Resolution to Place Measure on the Ballot (Ballot Question & Text of Ballot Measure)

** Dates are subject to change*

Thank you.



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