



# BAHFA's Regional Expenditure Plan

## 2024 Affordable Housing General Obligation Bond

BAHFA Board  
May 22, 2024



ASSOCIATION OF BAY AREA GOVERNMENTS  
METROPOLITAN TRANSPORTATION COMMISSION

# Requested Action and Legal Authority

**Request:** Adoption of BAHFA's Regional Expenditure Plan, as approved by the ABAG Executive Board

## **Authority:**

- The San Francisco Bay Area Regional Housing Finance Act (Act) gives BAHFA the authority to raise, administer, and allocate funding for affordable housing in the San Francisco Bay Area
- BAHFA may retain 20% of the net bond proceeds, which must be spent according to a Regional Expenditure Plan adopted by the Executive and BAHFA Boards

# BAHFA's Initial Expenditure Plan Assumptions

- **Bond Value: \$20 billion**
- **At \$20B, BAHFA's Regional Housing Revenue, at 20%, is \$4 billion**
- **7 separate bond issuances (counties and direct-allocation cities may request issuances at their own speed)**
- **For the initial Expenditure Plan spending period of 2025-2030, with two bond issuances totaling ~30% of funds, the total approximate expenditure value, net of administrative fees is \$1.1 billion**

# Households Served by Income Level

Category	Percent of 1 <sup>st</sup> and 2 <sup>nd</sup> Bond Issuances Serving Households at Designated Income Level
Production: Extremely Low- and Very Low-Income (0%-50% AMI)	Approximately 44%
Production: Low-Income (51%-80% AMI)	Approximately 56%
Preservation: Extremely Low- and Very Low-Income (0%-50% AMI)	Approximately 10%
Preservation: Low-Income (51%-80% AMI)	Approximately 80%
Preservation: Moderate-Income (81%-120%)	Approximately 10%

# Program Descriptions

Category	Program Description
Production	<ul style="list-style-type: none"> <li>▪ Prioritize PSH &amp; ELI housing when financially feasible</li> <li>▪ Set “return to source” investment targets for each county</li> <li>▪ Work collaboratively with jurisdictions, not competitively</li> <li>▪ Adopt a flexible approach; pursue beneficial opportunities</li> <li>▪ Pursue cost efficiencies to maximize impact</li> </ul>
Preservation	<ul style="list-style-type: none"> <li>▪ Prioritize investments in historically disinvested areas</li> <li>▪ Forestall immediate eviction risk or affordability loss</li> <li>▪ Support community-controlled housing through a 20% set-aside target</li> </ul>
Protections	<ul style="list-style-type: none"> <li>▪ If constitutional, Protection programs will assist households and communities facing the greatest housing precarity</li> </ul>
Local Government Grants	<ul style="list-style-type: none"> <li>▪ Prioritize investments benefitting overall community and addressing need for more affordable housing</li> <li>▪ Target one investment (minimum) per county</li> </ul>

# BAHFA's Expenditure Plan Labor Standards

For BAHFA's Regional Expenditure Plan (20% of funds):

- **Prevailing Wages With Enforceable Right of Action**
- **Training & Healthcare for 50+ Unit Developments:**
  - Use of apprenticeship programs approved by the CA Division of Apprenticeship Standards.
  - Health care payments at a specified level.
- **Preservation:** The standards above shall apply to larger Preservation projects with substantial rehab scopes. Smaller projects will pay prevailing wages according to state law.



# Setting BAHFA Standard as a Baseline and Pursuing Strong Labor Standards for the Region

As approved by the ABAG Executive Board:

- Staff will work with the state legislature to allow BAHFA to impose strong labor standards on cities and counties receiving a direct bond allocation.
- Staff will keep the BAHFA Committees, ABAG Housing Committee and MTC Joint Legislation Committee informed of state developments.
- Staff will return to the Boards with an agenda item adopting the labor standards enabled by the state
- If BAHFA's adopted labor standards are a baseline, a Project Labor agreement "safe harbor" will be established and supersede the baseline in counties adopting PLAs.

# Thank You



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