



Sent via Email

May 24, 2024

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Mr. Matt Regan
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Bay Area Council
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RE: Legislative Changes re: BAHFA's Enabling Statute

Dear Mr. Campos and Mr. Regan,

Thank you for your letter dated May 22, 2024 regarding requested changes to the Bay Area Housing Finance Authority's enabling statute as relates to potential conditions BAHFA could attach to its funding programs, pending voter approval of the Bay Area's first regional affordable housing bond. Since passage of AB 1487 (Chiu, 2019), BAHFA has been working hard to demonstrate the added value we can bring to addressing the Bay Area's significant housing challenges. Our organizations agree that the Bay Area needs to *massively* increase the number of housing units that are available if we want to be a prosperous, equitable and environmentally sustainable region long-term. While I am concerned about the last-minute nature of this request, in the spirit of partnership, I am directing our staff to work with you on a legislative fix this session that will address your concerns, consistent with the language in the attached.

To the extent issues arise during the legislative process that leads you or BAHFA staff to seek revisions to the attached language, I trust that negotiations will be done in good faith to arrive at a mutually agreed upon path forward that will help get the bond passed.

Sincerely,

Alfredo Pedroza
Chair

AP:rl
Attachment

Attachment

Add new paragraph, Sec. 64650(d)(6)(v):

(v) The authority may not impose any other conditions for an expenditure plan to be deemed complete to allocate funds required pursuant to this section. Notwithstanding the foregoing, the Authority may enter into an agreement with a county or city that receives an allocation of County housing revenue to ensure that the authority or county, city, or city and county take the actions necessary or incidental to implementing the purpose of this section.

Amend Sec. 64650(d)(5)(B) as follows (changes shown in blue):

(B) The regional expenditure plan shall set forth the share of revenue and estimated funding amount to be spent on each of the categories established in subdivision (b), indicate the household income levels to be served within each category of expenditures, and estimate the number of affordable housing units to be built or preserved and the number of tenants to be protected. To the extent feasible, the regional expenditure plan shall include a description of any specific project or program proposed to receive funding, including the location, amount of funding, and anticipated outcomes, as well as the estimated funding level for each of the categories listed in subparagraph (A) or (B) of paragraph (2) of subdivision (b). *The regional expenditure plan shall not render projects ineligible for funding based on the presence or absence of any city or county or city and county land use or housing policies. Notwithstanding the foregoing, BAHFA may use project-specific conditions to prioritize projects for funding.* Beginning the second year, the authority shall include a report in the regional expenditure plan that provides its allocations and expenditures to date of projects and programs funded and the extent to which the minimum targets in subparagraph (A) or (B) of paragraph (2) of subdivision (b) were achieved.