

# Bay Area Housing Finance Authority (BAHFA) Local Expenditure Planning

Housing & Federal Grants Division  
Community Development Agency

April 2, 2024



# AGENDA

## I. Overview of Bay Area Housing Finance Authority (BAHFA)

- **Regional Bond** to fund affordable housing in the Bay Area
- **Equity** framework
- **Funding** for all communities
- **Accountability** regionally and locally

## II. Local Expenditure Planning

- **Outreach goals**
- **Schedule** and timeline
- **Next steps**

## Bay Area Housing Finance Authority (BAHFA)

1. Collaborate with cities and counties
2. Add Value
3. Improve housing delivery system

## BAHFA's Core Goal

To **raise revenue** regionally to address systemic challenges in housing affordability and housing stability across the 3Ps:

1. **Production** of new affordable housing
2. **Preservation** of existing affordable housing
3. **Protections** for low-income residents and people at risk of homelessness



ASSOCIATION OF BAY AREA GOVERNMENTS  
METROPOLITAN TRANSPORTATION COMMISSION

# Proposed 2024 Regional Housing Bond

- \$10-20 billion to invest in affordable housing
- Requires voter approval
- Funds disbursed over 10+ years
- Eligible uses set forth in statute and state constitution



# Related 2024 Measure

**Assembly Constitutional Amendment 1** (Aguiar-Curry) will place a measure on the November ballot that would:

1

**Amend the statewide constitution to lower the voter approval threshold** for affordable housing general obligation bonds from two thirds to 55%.

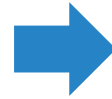
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**Apply to the Bay Area Regional Housing Bond** on the same November 2024 ballot

# BAHFA Equity Framework Principles

- **Target** resources towards people and places most harmed by discriminatory housing practices.
- **Focus** on those that are most housing insecure (extremely-low income, homeless households).
- **Invest** in both historically exclusionary and disinvested communities.
- **Achieve** climate and environmental justice goals.
- **Prevent** displacement and preserve existing affordable housing.
- **Support** community-based and community-owned organizations and developers.
- **Support** individual and community wealth building.
- **Commit** to advancing community participation among historically marginalized populations.

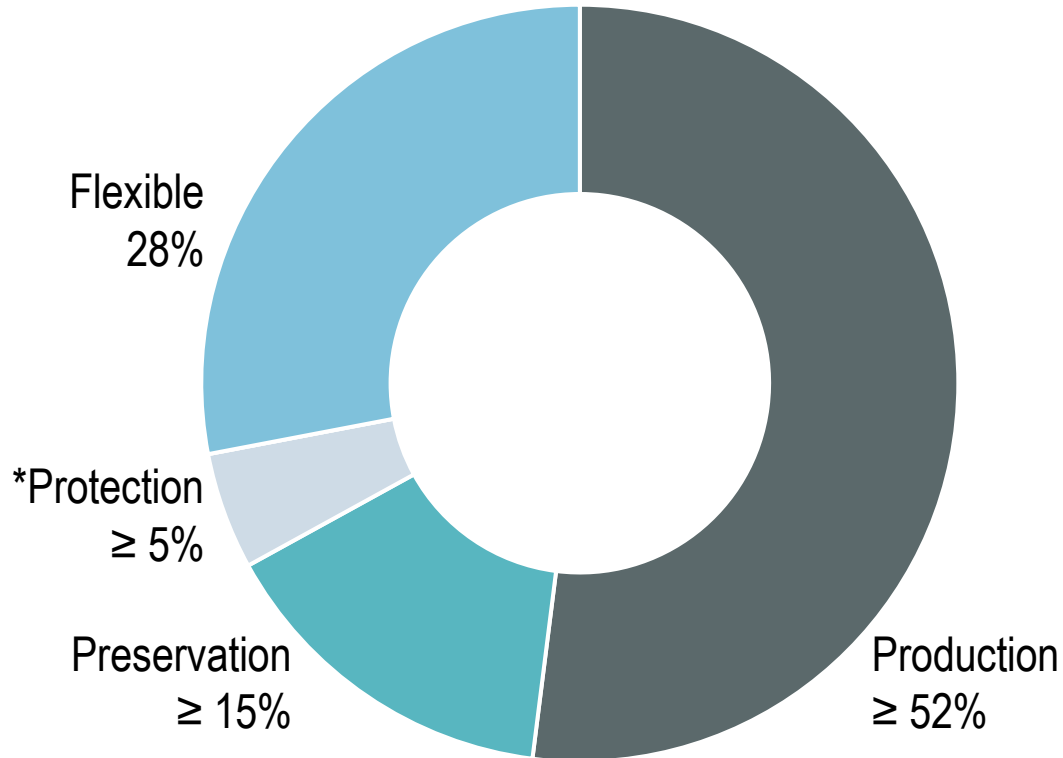
Significant  
funding to  
every  
community



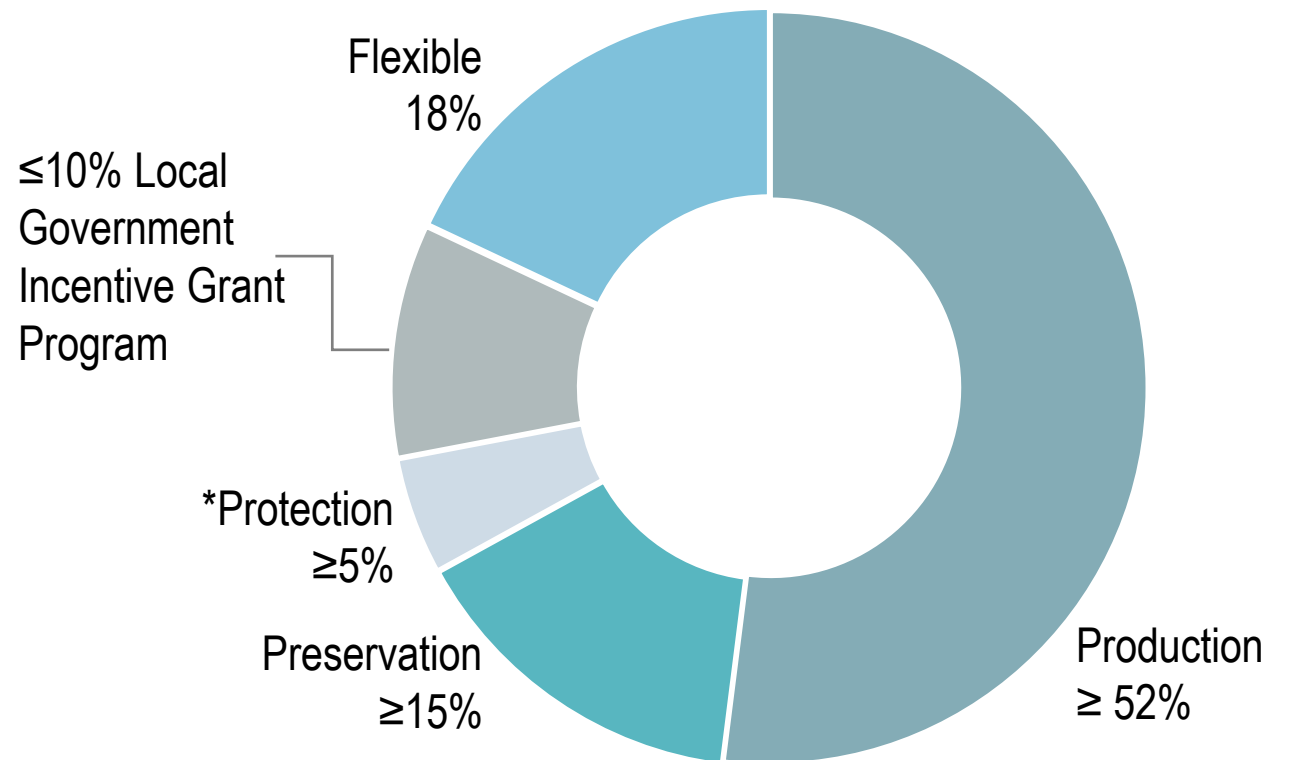
County & Direct City Allocations	\$10B GO Bond	\$20B GO Bond
Alameda County (excluding Oakland)	\$984 M	\$2.0 B
Oakland	\$383 M	\$765 M
Contra Costa County	\$925 M	\$1.9 B
<b>Marin County</b>	<b>\$352 M</b>	<b>\$704 M</b>
Napa County (excluding City of Napa)	\$100 M	\$200 M
City of Napa	\$79 M	\$158 M
San Francisco	\$1.2 B	\$2.4 B
San Mateo County	\$1.0 B	\$2.1 B
Santa Clara County (excluding San Jose)	\$1.2 B	\$2.4 B
San Jose	\$1.0 B	\$2.1 B
Solano County	\$248 M	\$497 M
Sonoma County (excluding Santa Rosa)	\$282 M	\$564 M
Santa Rosa	\$121 M	\$242 M
BAHFA	\$2.0 B	\$4.0 B

# BAHFA: How Can Funds Be Spent?

## County and City: 80%



## Regional Program: 20%



*\*Exception for GO Bonds: currently, state law does not allow bond proceeds to be spent on non-capital (e.g., services) costs.*



# BAHFPA: How Can Funds Be Spent?

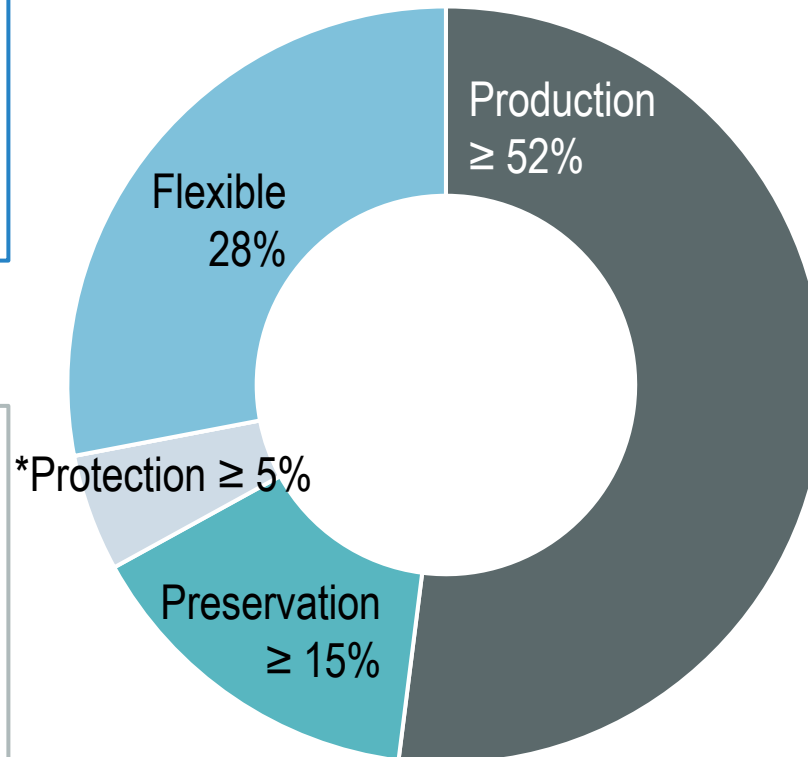
## FLEXIBLE (28%)

- Any of the 3Ps
- Infrastructure
- Neighborhood Amenities

## PROTECTIONS (≥5%)

- Eviction legal services
- Emergency rental assistance
- Data collection
- Relocation assistance

County and City: 80%



## PRODUCTION (≥52%)

- Up to 120% AMI households
- Prioritize Low, Very Low, Extremely Low-Income Households
- Must be deed-restricted

## PRESERVATION (≥15%)

- Rehab of deed-restricted properties
- Convert to affordable housing
- Expiring deed-restricted properties

# BAHFA Regional Coordination and Accountability

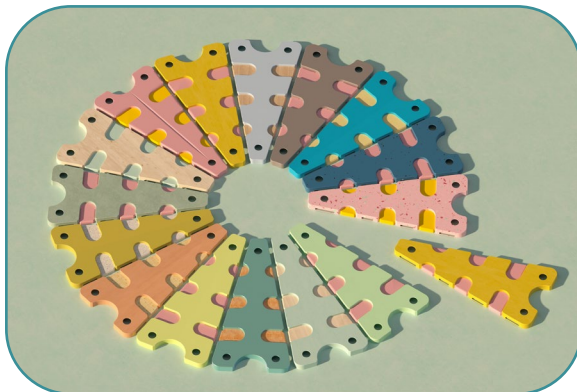
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- Governed by local elected officials across the Bay Area serving on MTC.
- Advisory committee with public members with expertise across the 3Ps.
- Regional and local expenditure plans posted on BAHFA website.
- Annual report to state legislature on how money was spent and outcomes achieved.
- Assists localities with development of local expenditure plans.
- Monitors expenditures for compliance with state law/regulations.

# BAHFA Local Coordination and Accountability

- Counties must conduct public outreach and engage with their cities to inform county expenditure plans.
- Plans are subject to BAHFA and ABAG Executive Board review for completeness.
- County responsible for project-level funding decisions, consistent with local expenditure plans.
- Annually report on how money is spent and outcomes achieved.





# County Expenditure Plan

- County Board of Supervisors must approve Plan at a noticed public meeting
- Must include: minimum 52% for Production, 15% for Preservation, 5% for Protections
- Robust outreach and consultation with cities, towns, and the public
- If Expenditure Plan satisfies all criteria, it will be approved as a matter of law

# Expenditure Plan Outreach Goals

Spring 2024

## EDUCATION

Ensure that the public has a baseline understanding of the County's housing needs, the proposed bond, generate interest on providing feedback on outreach plan.

Summer 2024

## CONSULTATION

Consult and seek guidance from cities and towns and community housing partners. Receive feedback on how flexible funds can be used.

Fall 2024

## ENGAGEMENT

Foster inclusive community outreach, focusing on communities most in need of affordable housing, community-based organization, and build on feedback from the Housing Element.

Winter 2024

## FEEDBACK

Create draft plan informed by community feedback. Receive comments on plan from public. Formally adopt and approve final expenditure plan.

# 2024 BAHFA Work Plan Schedule



# BAHFA Local Expenditure Plan Next Steps

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- Presentations to City Councils
- Presentations to City Manager Association, Housing Working Group and Marin County Council of Mayors and Council Members
- Assemble and initiate meetings with **Steering Committee**: two members each from: Board Subcommittee, Council Members , City Managers, Planning Directors
- Hire outreach consultant and initiate community engagement

