Bay Area Housing Financing Authority (BAHFA) -Supportive Provisions in Fiscal Year 2023 Senate Transportation, Housing and Urban Development (THUD) Bill

The fiscal year 2023 Senate THUD bill includes two BAHFA-supportive provisions. These provisions are found in the bill's <u>Explanatory Statement</u> on page 92 (Regional Approaches to Affordable Housing) and pages 111-112 (Yes in My Backyard Incentive Grant Program) and copied below.

1. Regional Approaches to Affordable Housing.

The Committee encourages the Department to make explicit in competitions for Federal funding that regional councils, councils of government, metropolitan planning organization, and multijurisdictional consortiums may apply whenever these entities are eligible applicants.

Furthermore, the Committee encourages the Department to actively seek opportunities for these entities to serve as lead applicants and grantees in order to promote and expand local, State, and regional collaboration. THUD should work with entities that have experience in developing and carrying out well-coordinated comprehensive approaches to solving multi-jurisdictional affordable housing challenges.

2. Yes In My Backyard Incentive Grant Program.

For decades, housing production across the country has not kept pace with population growth, resulting in a nation-wide housing shortage. This is in part due to local zoning and land use regulations as well as lack of necessary housing-related infrastructure. The Federal Government can support communities that remove barriers to affordable housing production and incentivize others to do so in order to lower housing costs and ensure families have an affordable place to live, particularly in high-opportunity neighborhoods.

The Committee includes \$200million for a new competitive grant program that will reward State, local, and regional jurisdictions that have made progress in improving exclusionary zoning practices, land use policies, and housing infrastructure that will ultimately increase the supply of affordable housing. Improved land use policies may include increasing density, reducing minimum lot sizes, creating transit-oriented development zones, streamlining or shortening permitting processes and timeline, expanding by-right multifamily zoned areas, allowing accessory dwelling units on lots with single family homes, eliminating or relaxing residential property height limitations, and donating vacant land for affordable housing development.