



# Affordable Preservation Technical Assistance Grant Program

BAHFA Advisory Committee – November 21, 2024



ASSOCIATION OF BAY AREA GOVERNMENTS  
METROPOLITAN TRANSPORTATION COMMISSION

# Housing Preservation

## DEFINITION:

*Acquisition and/or renovation of homes occupied by low- and moderate-income people and creation of permanent affordability for those homes*

## BENEFITS:

- Prevents displacement of existing residents
- Ensures long-term affordability for future residents
- Improves building conditions and quality of life
- Supports stability, diversity, and vitality of communities
- Can offer opportunities for resident ownership and building equity



# BAHFA Equity Framework Goals:



Preserve expiring-use affordable housing to prevent displacement



Preserve existing unsubsidized housing and convert to permanently affordable housing



Target preservation investments for most vulnerable and impacted residents



Create opportunities for community-owned housing



Support community-based and community-owned organizations and developers

# Need for Pre-Acquisition Funds

*Pre-acquisition work often relies on a project sponsor's financial capacity to carry upfront costs*

## Pre-Acquisition

- Identify properties
- Resident engagement
- Feasibility analysis
- Identify funding sources
- Evaluate building conditions
- Develop rehab scope
- Negotiate with seller

## Acquisition

- Finalize purchase
- Close acquisition financing
- Finalize construction plans and obtain building permits

## Rehabilitation

- Execute construction plans
- Oversee construction management
- Coordinate rehab work with residents

## Operations

- Property Management
- Asset Management
- Service Provision
- Ongoing resident engagement, sometimes ownership

# Proposed Program Overview

## GOALS:

- \$325,000 budget to provide 7-13 grants to eligible organizations for pre-acquisition, project-based consultant contracts
- Assist with upfront costs of preservation projects to conserve lean organizational budgets
- Accelerate advancement from predevelopment to property acquisition
- Lower the barrier to entry for emerging developers

## GRANT TERMS:

- \$50,000 maximum for one or more Eligible Activities
- One-year term, with an option to extend if progress demonstrated
- Reimbursed upon submission of invoices and deliverables

# Eligible Applicants

The following types of entities actively pursuing preservation projects:

- Community Development Corporations
- Community Land Trusts
- Cooperative Housing Entities
- Non-profit Affordable Housing Developers
- Non-Profit Community Based Organizations



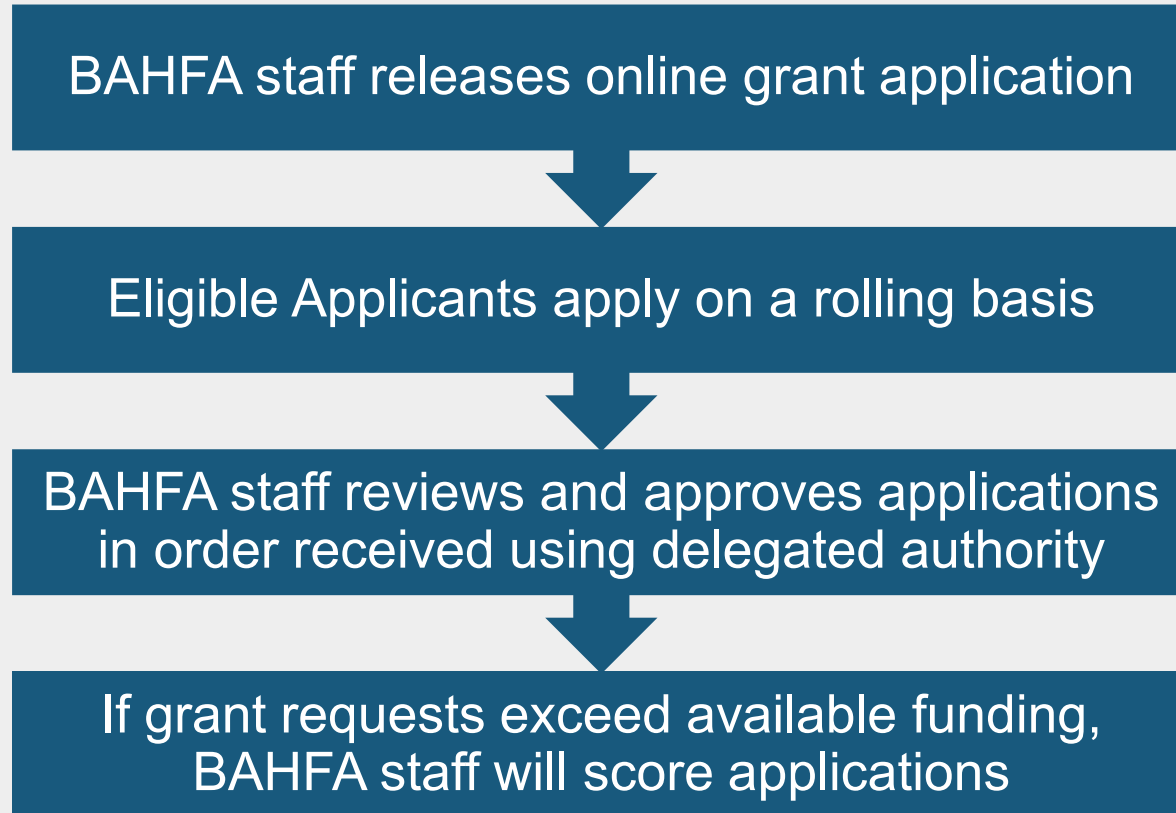
# Eligible Activities

*For the purpose of acquiring and rehabilitating residential properties and converting them to permanently affordable housing:*

- In the nine-county Bay Area
- Proposed rents that do not exceed 30% of 120% AMI and achieve average affordability of 80% AMI across all units
- No displacement of existing residents, regardless of income

- Property Identification
- Financial feasibility analysis
- Property inspections
- Due diligence reports
- Resident engagement
- Architecture and engineering
- Construction management
- Legal support
- Set-up of asset management systems
- Long-term financial sustainability plans

# Application Process



## SCORING CRITERIA:

Criteria	Points
Advancement of Equity	20
Project Readiness	10
Consultant Experience	10
Higher Impact for Emerging Developers	10
<b>Total:</b>	<b>50</b>



# Implementation Timeline



# BAHFA Resolution No. 37

Approves the Expenditure of Funds for the Affordable Housing Preservation Technical Assistance Grant Program and delegates contract execution authority to the Executive Director

# Thank You



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