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Expanding Access to Affordable Housing in the Bay Area

Bay Area residents consistently cite housing affordability as their top regional concern. Public feedback gathered for our recently adopted Plan Bay Area 2050+ revealed the same enduring problem: Not enough housing is affordable even to those with moderate or high incomes. Those with lower incomes all too often face displacement or even homelessness. The Metropolitan Transportation Commission (MTC) and Association of Bay Area Governments (ABAG) are advancing the ambitious housing goals of Plan Bay Area 2050+ by advocating for funding and policies – including lowering construction costs – that support affordable housing preservation and increased housing production for people of all incomes.

Bay Area Housing Finance Authority

The Bay Area Housing Finance Authority (BAHFA) was established in 2019 as California’s first regional housing entity. BAHFA is charged with identifying large-scale solutions for affordable housing production, preservation and tenant protections (the 3 Ps). It is governed by the BAHFA Board, which is made up of the members of MTC, and the ABAG Executive Board, and is operated by MTC-ABAG’s unified staff.

Highlights of the initiatives BAHFA delivered in its first six years include:

- **Seeding the production of 27,000+ new housing units**, including direct capital funding to nearly 1,400 new affordable homes.
- **Publishing the first [Bay Area Eviction Study](#)** and an interactive data tool to shine a light on the eviction landscape across the region.
- **Preserving 1,000+ affordable homes.**
- **Supporting 120+ seniors with rent subsidies and case management** to help them avoid homelessness.
- **Placing 3,200+ households** into affordable homes via the Doorway Housing Portal.



The Meridian Apartments, an affordable housing complex in San Rafael. Photo courtesy of Meridian Apartments.

Positioning BAHFA to Deliver Affordable Housing at Scale

BAHFA’s most powerful tool is the ability to raise revenue across the nine counties, with 80% of the funds flowing directly to counties and large cities. The region came close to realizing this vision in 2024 with an ambitious \$20 billion regional housing bond, but anti-tax sentiment led to its postponement. BAHFA is exploring the next viable opportunity to pursue such a measure, as early as November 2028.

In the interim, BAHFA’s new strategic plan charts a path to financial independence via self-sustaining programs. These include:

- **Mixed-Income Financing Program** to finance new affordable housing developments for households across a mix of income levels. Fees will generate revenue to help make BAHFA self-sustaining.



An affordable townhouse complex, newly completed in San José. Next door is a similar complex still under construction. Photo: Noah Berger.

- **Doorway** is the nation’s first multi-county “search and apply” website for deed-restricted affordable housing. By 2030, Doorway’s operating costs are projected to be covered by local contributions and small fees on property owners who access certain features.

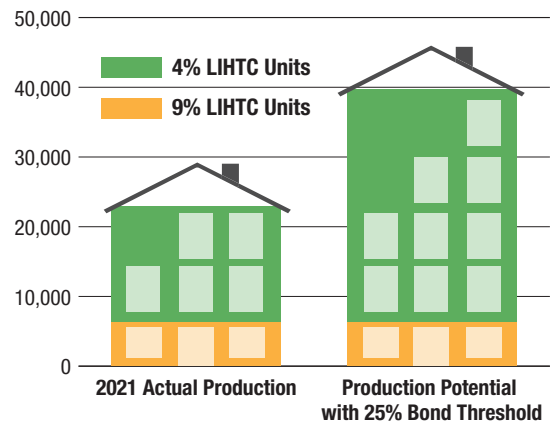
Delivering on the Affordable Housing Credit Improvement Act

MTC and ABAG applaud Congress for the permanent Low Income Housing Tax Credit (LIHTC) expansion in the 2025 tax bill — a 12% increase in 9% tax credits cutting the private activity bond financing threshold for 4% credits in half to 25%. These reforms will enable California to increase affordable housing production by an estimated 20,000 units per year.

But more is needed. Complementary funding programs, including housing vouchers, the HOME Investment Partnership Program and the Community Development Block Grant Program, are essential to make real progress on housing affordability.

Impact of Tax Credit Change on California’s New Apartment Production

New Units Financed With Low-Income Housing Tax Credits



ASSOCIATION OF BAY AREA GOVERNMENTS
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