

Bay Area Housing Finance Authority

Advisory Committee

April 23, 2026

Agenda Item 5.b.

BAHFA's Enabling Legislation

Subject:

Brief overview of key features of the San Francisco Bay Area Regional Housing Finance Act (California Government Code § 64500, et seq.), which establishes and governs the Bay Area Housing Financing Authority (BAHFA)

Background:

The California Legislature passed AB 1487 (Chiu) in 2019, with the goal of creating regional solutions to address the Bay Area's affordable housing needs. It codified the "3Ps" framework and granted BAHFA regional revenue-generating authority that will enable it to work collaboratively with all Bay Area jurisdictions and produce more housing; preserve affordable housing; and protect vulnerable residents from displacement.

The specific components of AB 1487 include a fair degree of complexity given the need to define rules and responsibilities for BAHFA's regional activities as well as those of counties and cities that receive their own allocations from a potential future revenue measure. The legislation includes:

- Governance, roles, and responsibilities for the BAHFA Board, the ABAG Executive Board (as the Executive Board to BAHFA), as well as county and city governing bodies that would receive direct allocations from a potential future revenue measure.
- The composition and duties of the BAHFA Advisory Committee.
- Detailed descriptions of the five primary revenue mechanisms available to BAHFA and how each source must be allocated.
- Rules for BAHFA and cities/counties pertaining to expenditure of funds raised via a revenue measure for each 3Ps category (e.g., minimum investment levels of 52% for production, 15% for preservation, and 5% for protections).
- Rules pertaining to BAHFA's and cities/counties' "flexible" funds raised via a revenue measure and expenditure categories not included in one of the 3Ps.
- Reporting and accountability requirements for BAHFA and counties.

The San Francisco Bay Area Regional Housing Finance Act has been amended twice by AB 1319, Wicks (2023) and AB 598, Wicks (2024). Updates include:

- Clarifying that BAHFA can serve as an issuer of revenue bonds and own real property.
- With regard to a potential revenue measure advanced pursuant to BAHFA's statutory authority:
 - Adding a requirement that counties must consult with their respective cities when developing their local expenditure plans.

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- Clarifying that BAHFA must accept county expenditure plans as complete if they satisfy the statutory checklist.
- Clarifying that BAHFA cannot deem local projects ineligible for regional funding based on local land-use or housing policies, though BAHFA may use project-specific prioritization criteria.
- Clarifying that BAHFA may enter implementation agreements with counties/cities receiving allocations.

An Overview of BAHFA's Enabling Legislation:

The presentation included as Attachment A and the summary document included as Attachment B created for public outreach in 2022 are meant to provide a high-level summary for stakeholders and policy makers regarding key elements and requirements of BAHFA's enabling legislation. This item is included on the Consent Calendar as informational background for Advisory Committee members; staff will be available to present at the meeting if requested.

Issues:

None

Recommended Action:

Information

Attachment:

- A. PowerPoint summary of BAHFA's enabling statute
- B. BAHFA Explainer

Reviewed:



Andrew Fremier