



Bay Area Metro Center  
375 Beale Street  
San Francisco, CA 94105

## Meeting Agenda - Final

### Bay Area Housing Finance Authority Oversight Committee

*Chair, Alfredo Pedroza, Supervisor, Napa County*  
*Vice Chair, Nick Josefowitz, Commissioner, MTC*

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Wednesday, April 10, 2024

12:00 PM

Board Room - 1st Floor

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#### Joint meeting with the ABAG Housing Committee

The BAHFA Oversight Committee is scheduled to meet at 12:00 p.m. or immediately following the 9:45 a.m. MTC Programming and Allocations Committee meeting, whichever is later.

This meeting shall consist of a simultaneous teleconference call at the following location(s):  
The EdRedesign Lab, Harvard Graduate School of Education, 8 Story Street,  
Cambridge, MA 02138

Meeting attendees may opt to attend in person for public comment and observation at 375 Beale Street, Board Room (1st Floor), San Francisco, California. In-person attendees must adhere to posted public health protocols while in the building. The meeting webcast will be available at <https://mtc.ca.gov/meetings-events/live-webcasts> Members of the public are encouraged to participate remotely via Zoom at the following link or phone number.

Please click the link below to join the webinar:

<https://bayareametro.zoom.us/j/84965407356>

Or One tap mobile :

+14086380968,,84965407356# US (San Jose)

+16694449171,,84965407356# US

Or Telephone:

Dial(for higher quality, dial a number based on your current location):

+1 408 638 0968 US (San Jose)

+1 669 900 6833 US (San Jose)

877 853 5247 US Toll Free

888 788 0099 US Toll Free

Webinar ID: 849 6540 7356

Members of the public participating by Zoom wishing to speak should use the “raise hand” feature or dial \*9. When called upon, unmute yourself or dial \*6. In order to get the full Zoom experience, please make sure your application is up to date.

Detailed instructions on participating via Zoom are available at:

<https://mtc.ca.gov/meetings-events/how-provide-public-comment-board-meeting>

Members of the public may participate by phone or Zoom or may submit comments by email at [info@bayareametro.gov](mailto:info@bayareametro.gov) by 5:00 p.m. the day before the scheduled meeting date. Please include the committee or board meeting name and agenda item number in the subject line. Due to the current circumstances, there may be limited opportunity to address comments during the meeting. All comments received will be submitted into the record.

**Roster**

Margaret Abe-Koga, Cindy Chavez, Victoria Fleming, Federal Glover,  
Nick Josefowitz, Nate Miley, Gina Papan, Alfredo Pedroza, Hilary Ronen  
Libby Schaaf (nonvoting), Sheng Thao

**1. Call to Order / Roll Call / Confirm Quorum / Compensation Announcement**

*Quorum is a majority of BAHFA Oversight Committee members present.*

**2. Public Comment**

*Committee Members and members of the public participating by Zoom wishing to speak should use the "raise hand" feature of dial \*9. When called upon, unmute yourself or dial \*6.*

**3. Committee Member Announcements**

*Information*

**4. Chair's Report**

- 4a. [24-0406](#) ABAG Housing Committee and BAHFA Oversight Committee Chairs' Report for April 10, 2024
- Action:** ABAG Housing Committee Information  
BAHFA Oversight Committee Information
- Presenter:** Carlos Romero  
Alfredo Pedroza

**5. ABAG Housing Committee Consent Calendar**

- 5a. [24-0407](#) Approval of ABAG Housing Committee Minutes of March 13, 2024
- Action:** ABAG Housing Committee Approval
- Presenter:** Clerk of the Board
- Attachments:** [05a HC Minutes 20240313 Draft.pdf](#)

**6. BAHFA Oversight Committee Consent Calendar**

6a. [24-0408](#) Approval of BAHFA Oversight Committee Minutes of March 13, 2024

Action: BAHFA Oversight Committee Approval

Presenter: Clerk of the Committee

Attachments: [06a BAHFA OC Minutes 20240313 Draft v2.pdf](#)

## 7. Regional Housing Bond Measure

7a. [24-0462](#) BAHFA Regional Expenditure Plan With Labor Standards and Enhanced Reporting Requirements

Referral to the ABAG Executive Board as the Executive Board of the Bay Area Housing Finance Authority and to the BAHFA Board for adoption the BAHFA Regional Expenditure Plan with labor standards and enhanced reporting requirements for permanent supportive/extremely low-income housing

Action: ABAG Executive Board as the Executive Board to the Bay Area Housing Finance Authority Approval  
BAHFA Board Approval

Presenter: Kate Hartley

Attachments: [07a 1 Summary Sheet BAHFA Expenditure Plan Labor Standards Update\\_v11.](#)  
[07a 2 Attachment A Presentation BAHFA's Regional Expenditure Plan w Labor](#)  
[07a 3 Attachment BAHFA's Regional Expenditure Plan\\_v8.pdf](#)  
[07a 4 Attachment C BAHFA TEMP-RES-0032 Adoption BAHFA Expenditure Pl](#)  
[07a 5 Attachment D ABAG Resolution 3 2024 Approval BAHFA Regional Exper](#)

7b. [24-0410](#) Poll Results for a Bay Area Affordable Housing Bond

Overview of Findings from March 2024 Poll Regarding a \$20 Billion Affordable Housing Bond on the November 2024 Ballot

Action: ABAG Housing Committee Information  
BAHFA Oversight Committee Information

Presenter: Rebecca Long, MTC/ABAG, and Ruth Bernstein, EMC Research

Attachments: [07b 1 Summary Sheet Poll Results for Bay Area Affordable Housing Bond v2.pc](#)

## 8. Adjournment / Next Meeting

*The next joint meeting of the BAHFA Oversight and ABAG Housing Committee is on May 8, 2024.*

**Public Comment:** The public is encouraged to comment on agenda items at Committee meetings by completing a request-to-speak card (available from staff) and passing it to the Committee secretary. Public comment may be limited by any of the procedures set forth in Section 3.09 of MTC's Procedures Manual (Resolution No. 1058, Revised) if, in the chair's judgment, it is necessary to maintain the orderly flow of business.

**Meeting Conduct:** If this meeting is willfully interrupted or disrupted by one or more persons rendering orderly conduct of the meeting unfeasible, the Chair may order the removal of individuals who are willfully disrupting the meeting. Such individuals may be arrested. If order cannot be restored by such removal, the members of the Committee may direct that the meeting room be cleared (except for representatives of the press or other news media not participating in the disturbance), and the session may continue.

**Record of Meeting:** Committee meetings are recorded. Copies of recordings are available at a nominal charge, or recordings may be listened to at MTC offices by appointment. Audiocasts are maintained on MTC's Web site ([mtc.ca.gov](http://mtc.ca.gov)) for public review for at least one year.

**Accessibility and Title VI:** MTC provides services/accommodations upon request to persons with disabilities and individuals who are limited-English proficient who wish to address Commission matters. For accommodations or translations assistance, please call 415.778.6757 or 415.778.6769 for TDD/TTY. We require three working days' notice to accommodate your request.

**可及性和法令第六章：** MTC 根據要求向希望來委員會討論有關事宜的殘疾人士及英語有限者提供服務/方便。需要便利設施或翻譯協助者，請致電 415.778.6757 或 415.778.6769 TDD / TTY。我們要求您在三個工作日前告知，以滿足您的要求。

**Acceso y el Título VI:** La MTC puede proveer asistencia/facilitar la comunicación a las personas discapacitadas y los individuos con conocimiento limitado del inglés quienes quieran dirigirse a la Comisión. Para solicitar asistencia, por favor llame al número 415.778.6757 o al 415.778.6769 para TDD/TTY. Requerimos que solicite asistencia con tres días hábiles de anticipación para poderle proveer asistencia.

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Attachments are sent to Committee members, key staff and others as appropriate. Copies will be available at the meeting.

All items on the agenda are subject to action and/or change by the Committee. Actions recommended by staff are subject to change by the Committee.



# Metropolitan Transportation Commission

375 Beale Street, Suite 800  
San Francisco, CA 94105

## Legislation Details (With Text)

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**File #:** 24-0406      **Version:** 1      **Name:**

**Type:** Report      **Status:** Informational

**File created:** 3/8/2024      **In control:** ABAG Housing Committee

**On agenda:** 4/10/2024      **Final action:**

**Title:** ABAG Housing Committee and BAHFA Oversight Committee Chairs' Report for April 10, 2024

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:**

Date	Ver.	Action By	Action	Result
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**Subject:**  
ABAG Housing Committee and BAHFA Oversight Committee Chairs' Report for April 10, 2024

**Presenter:**  
Carlos Romero  
Alfredo Pedroza

**Recommended Action:**  
ABAG Housing Committee Information  
BAHFA Oversight Committee Information

**Attachments:**



# Metropolitan Transportation Commission

375 Beale Street, Suite 800  
San Francisco, CA 94105

## Legislation Details (With Text)

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**File #:** 24-0407      **Version:** 1      **Name:**

**Type:** Minutes      **Status:** Consent

**File created:** 3/8/2024      **In control:** ABAG Housing Committee

**On agenda:** 4/10/2024      **Final action:**

**Title:** Approval of ABAG Housing Committee Minutes of March 13, 2024

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** [05a HC Minutes 20240313 Draft.pdf](#)

Date	Ver.	Action By	Action	Result
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**Subject:**  
Approval of ABAG Housing Committee Minutes of March 13, 2024

**Presenter:**  
Clerk of the Board

**Recommended Action:**  
ABAG Housing Committee Approval

**Attachments:**



Bay Area Metro Center  
375 Beale Street  
Suite 700  
San Francisco, California

## Meeting Minutes - Draft

### ABAG Housing Committee

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Wednesday, March 13, 2024

12:00 PM

Board Room - 1st Floor

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#### Joint meeting with the BAHFA Oversight Committee

##### Roster

Jesse Arreguin, Nikki Fortunato Bas, Pat Eklund, Carroll Fife, Neysa Fligor,  
Lisa Motoyama, Peter Ortiz, David Rabbitt, Belia Ramos, Carlos Romero,  
Aaron Tiedemann, Wanda Williams

#### 1. Call to Order / Roll Call / Confirm Quorum / Compensation Announcement

**Present:** 10 - Arreguin, Bas, Eklund, Fife, Fligor, Motoyama, Ortiz, Ramos, Romero, and Tiedemann

**Absent:** 2 - Rabbitt, and Williams

#### 2. Public Comment

#### 3. Committee Member Announcements

#### 4. Chairs' Report

- 4a. [24-0308](#) ABAG Housing Committee and BAHFA Oversight Committee Chairs' Report for March 13, 2024

Chair Pedroza and Chair Romero gave the report.

#### 5. ABAG Housing Committee Consent Calendar

Upon the motion by Tiedemann and second by Ramos, the ABAG Housing Committee approved the Consent Calendar. The motion passed unanimously by the following vote:

**Aye:** 10 - Arreguin, Bas, Eklund, Fife, Fligor, Motoyama, Ortiz, Ramos, Romero, and Tiedemann

**Absent:** 2 - Rabbitt, and Williams

- 5a. [24-0307](#) Approval of ABAG Housing Committee Minutes of February 14, 2024

**6. BAHFA Oversight Committee Consent Calendar**

The BAHFA Oversight Committee took action on this item.

- 6a.**     [24-0309](#)     Approval of BAHFA Oversight Committee Minutes of February 14, 2024
- 6b.**     [24-0341](#)     Authorization for the Executive Director or his designee to negotiate and enter into a third amendment in an amount not to exceed \$850,000 to the October 1, 2022 contract with Exygy Inc. ("Consultant") for Doorway Housing Portal web design services for a total contract amount not-to-exceed \$3.45 million

**7. BAHFA Regional Expenditure Plan--Labor Standards**

Chair Romero called the ABAG Housing Committee meeting to order.  
Quorum was present.



**7a.**     [24-0306](#)     BAHFA's Regional Expenditure Plan-Labor Standards

Update on labor standards for inclusion in BAHFA's 20% regional funding Expenditure Plan.

Andrew Fremier introduced the presentation.

Kate Hartley gave the report.

The following gave public comment:

Anthony Madden

Ron Brown

Keith Arivenwine

Anne Bradley

Keith D. Brown

Sybil Carpenter

Irving Torres

Scott Littlehale

Davina Srioudon

Noelani Fixler

Ken Chan

Charles Lavery

Bill Barnes

Vivian Wau

Grecia Manch Ayou

Bart Pangela

Greg Hardeman

Monica Strauch

Rudy Gonzalez

Courtney Pal

EJ Cire

Greg L

Julian Ware

Andreas Clover

Judy Jackson

Destination Homes SV

Julie Lind

Calum Weeks

Cheryl Paddock

David Bini

Danny Mangan

Jack Buckhorn

Joe Matekal

Elizabeth Wampler

John Avalos  
Scott Reese  
Michael Baldini  
Rama Pedersen  
Jane Cohen  
Jason Gumataotao

The following submitted public comment:

Ellen Beans  
Louis Flores  
Ellen Long  
Kate Lenhardt  
Scott Littlehale  
Marla Moore  
Shaniah Ritzie-Hernandez  
Judith Weisman

## **8. Adjournment / Next Meeting**

Chair Romero adjourned the meeting. The next regular joint meeting of the ABAG Housing Committee and the BAHFA Oversight Committee is on April 10, 2024.



# Metropolitan Transportation Commission

375 Beale Street, Suite 800  
San Francisco, CA 94105

## Legislation Details (With Text)

**File #:** 24-0408      **Version:** 1      **Name:**

**Type:** Minutes      **Status:** Consent

**File created:** 3/8/2024      **In control:** Bay Area Housing Finance Authority Oversight Committee

**On agenda:** 4/10/2024      **Final action:**

**Title:** Approval of BAHFA Oversight Committee Minutes of March 13, 2024

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** [06a BAHFA OC Minutes 20240313 Draft v2.pdf](#)

Date	Ver.	Action By	Action	Result
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### Subject:

Approval of BAHFA Oversight Committee Minutes of March 13, 2024

### Presenter:

Clerk of the Committee

### Recommended Action:

BAHFA Oversight Committee Approval

### Attachments:



Bay Area Metro Center  
375 Beale Street  
San Francisco, CA 94105

## Meeting Minutes - Draft

### Bay Area Housing Finance Authority Oversight Committee

*Chair, Alfredo Pedroza, Supervisor, Napa County*  
*Vice Chair, Nick Josefowitz, Commissioner, MTC*

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Wednesday, March 13, 2024

12:00 PM

Board Room - 1st Floor

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#### Joint meeting with the ABAG Housing Committee

##### Roster

Margaret Abe-Koga, Cindy Chavez, Victoria Fleming, Federal Glover,  
Nick Josefowitz, Nate Miley, Gina Papan, Alfredo Pedroza, Hillary Ronen  
Libby Schaaf (nonvoting), Sheng Thao

#### 1. Call to Order / Roll Call / Confirm Quorum

Chair Pedroza called the meeting to order. Supervisor Ronen participated remotely under AB 2449. Quorum was present.

**Present:** 8 - Abe-Koga, Chavez, Glover, Miley, Papan, Pedroza, Ronen, and Schaaf

**Absent:** 3 - Fleming, Josefowitz, and Thao

#### 2. Public Comment

#### 3. Committee Member Announcements

#### 4. Chair's Report

- 4a. [24-0308](#) ABAG Housing Committee and BAHFA Oversight Committee Chairs' Report for March 13, 2024

Chair Pedroza and Chair Romero gave the report.

#### 5. ABAG Housing Committee Consent Calendar

The ABAG Housing Committee took action on this item.

- 5a. [24-0307](#) Approval of ABAG Housing Committee Minutes of February 14, 2024

#### 6. BAHFA Oversight Committee Consent Calendar

Upon the motion by Papan and second by Glover, the BAHFA Oversight Committee approved the Consent Calendar. The motion passed unanimously by the following vote:

**Aye:** 8 - Abe-Koga, Chavez, Glover, Miley, Papan, Pedroza, Ronen and Schaaf

**Absent:** 3 - Fleming, Josefowitz and Thao

- 6a. [24-0309](#) Approval of BAHFA Oversight Committee Minutes of February 14, 2024
- 6b. [24-0341](#) Authorization for the Executive Director or his designee to negotiate and enter into a third amendment in an amount not to exceed \$850,000 to the October 1, 2022 contract with Exygy Inc. ("Consultant") for Doorway Housing Portal web design services for a total contract amount not-to-exceed \$3.45 million

## **7. BAHFA Regional Expenditure Plan--Labor Standards**

7a. [24-0306](#) BAHFA's Regional Expenditure Plan-Labor Standards

Update on labor standards for inclusion in BAHFA's 20% regional funding Expenditure Plan.

Andrew Fremier introduced the presentation.

Kate Hartley gave the report.

The following gave public comment:

Anthony Madden

Ron Brown

Keith Arivenwine

Anne Bradley

Keith D. Brown

Sybil Carpenter

Irving Torres

Scott Littlehale

Davina Srioudon

Noelani Fixler

Ken Chan

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Judy Jackson

Destination Homes SV

Julie Lind

Calum Weeks

Cheryl Paddack

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Danny Mangan

Jack Buckhorn

Joe Matekal

Elizabeth Wampler  
John Avalos  
Scott Reese  
Michael Baldini  
Rama Pedersen  
Jane Cohen  
Jason Gumataotao

The following submitted public comment:

Ellen Beans  
Louis Flores  
Ellen Long  
Kate Lenhardt  
Scott Littlehale  
Marla Moore  
Shaniah Ritzie-Hernandez  
Judith Weisman

## **8. Adjournment / Next Meeting**

**The next joint meeting of the ABAG Housing Committee and BAHFA Oversight Committee will be held on Wednesday, April 10, 2024 at the BAY Area Metro Center, 375 Beale Street, San Francisco, CA.**



# Metropolitan Transportation Commission

375 Beale Street, Suite 800  
San Francisco, CA 94105

## Legislation Details (With Text)

**File #:** 24-0462      **Version:** 1      **Name:**  
**Type:** Report      **Status:** Commission Approval  
**File created:** 3/20/2024      **In control:** Bay Area Housing Finance Authority Oversight Committee  
**On agenda:** 4/10/2024      **Final action:**  
**Title:** BAHFA Regional Expenditure Plan With Labor Standards and Enhanced Reporting Requirements

Referral to the ABAG Executive Board as the Executive Board of the Bay Area Housing Finance Authority and to the BAHFA Board for adoption the BAHFA Regional Expenditure Plan with labor standards and enhanced reporting requirements for permanent supportive/extremely low-income housing

### Sponsors:

### Indexes:

### Code sections:

**Attachments:** [07a 1 Summary Sheet BAHFA Expenditure Plan Labor Standards Update\\_v11.pdf](#)  
[07a 2 Attachment A Presentation BAHFA's Regional Expenditure Plan w Labor Standards\\_v5.pdf](#)  
[07a 3 Attachment BAHFA's Regional Expenditure Plan\\_v8.pdf](#)  
[07a 4 Attachment C BAHFA TEMP-RES-0032 Adoption BAHFA Expenditure Plan w Labor](#)  
[07a 5 Attachment D ABAG Resolution 3 2024 Approval BAHFA Regional Expenditure Plan w Labor](#)

Date	Ver.	Action By	Action	Result
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### Subject:

BAHFA Regional Expenditure Plan With Labor Standards and Enhanced Reporting Requirements

Referral to the ABAG Executive Board as the Executive Board of the Bay Area Housing Finance Authority and to the BAHFA Board for adoption the BAHFA Regional Expenditure Plan with labor standards and enhanced reporting requirements for permanent supportive/extremely low-income housing

### Presenter:

Kate Hartley

### Recommended Action:

ABAG Executive Board as the Executive Board to the Bay Area Housing Finance Authority Approval  
BAHFA Board Approval



April 10, 2024

Agenda Item 7.a.

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**BAHFA's Regional Expenditure Plan – Labor Standards**

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**Subject:**

Referral to the ABAG Executive Board as the Executive Board to the Bay Area Housing Finance Authority (Executive Board) and to the Bay Area Housing Finance Authority (BAHFA Board) to adopt BAHFA's Regional Expenditure Plan with labor standards and enhanced reporting requirement for permanent supportive (PSH)/extremely low income (ELI) housing; to direct the Executive Director or designee to bring forward a guideline regarding labor standards; CEQA Determination Exempt Pursuant to Public Resources Code § 21065; Government Code § 64523

**Background:**

At its February 14, 2024 meeting, the ABAG Housing Committee and the BAHFA Oversight Committee (the "Joint Housing Committees") approved a referral to the ABAG Executive Board as the Executive Board to BAHFA ("Executive Board") and to the Bay Area Housing Finance Authority ("BAHFA Board") – collectively referred to as "the Boards" – to adopt BAHFA's Regional Expenditure Plan subject to the condition that staff return to the Joint Housing Committees with recommended labor standards to include in the Plan.

On March 13, 2024, staff provided an informational presentation to the Joint Housing Committees that included:

- A summary of different labor frameworks currently in use in California.
- Background and contextual information regarding how, generally, developers apply various labor standards in the Bay Area.
- A reiteration of BAHFA's approved goals and guiding principles, including:
  - Ensuring that fair and equitable worker protections are integrated into regional housing bond investments.
  - Building and preserving affordable housing at scale, commensurate with need.
  - Preserving the ability to implement innovative finance and development strategies to deliver affordable housing more cost-effectively.

Staff also advised the Committees that labor negotiations would continue, with the goal of bringing written recommendations forward to the Joint Housing Committees' meeting on April 10<sup>th</sup>. This Summary Sheet fulfills the Committees' directive. The labor standards recommended below for inclusion in BAHFA's Regional Expenditure Plan reflect conclusion of staff-level negotiations with representatives of both labor and affordable housing developers and a general consensus regarding terms that will provide an acceptable path forward.

**Recommended Labor Standards for the Regional Housing Bond**

As discussed in further detail below, the proposed labor standards for production and larger preservation projects funded with BAHFA's 20% Regional Housing Revenue are consistent with the labor standards as set forth in AB 2011 (Wicks 2022). However, should BAHFA's enabling

April 10, 2024

Agenda Item 7.a.

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BAHFA's Regional Expenditure Plan – Labor Standards

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legislation be amended to allow for BAHFA to adopt labor standards applicable to projects funded with both the 20% of bond revenue retained by BAHFA ("Regional Housing Revenue" or "the 20%") and the 80% of bond revenue disbursed to counties and direct allocation cities ("County Housing Revenue" or "the 80%"), the proposed labor standards are intended to apply throughout the region on 100% of bond revenues. This would enable BAHFA to have a regional standard in place prior to the expenditure of the bond proceeds from the first issuance but after the certification of the election on the proposed ballot measure for an affordable housing general obligation bond ("Ballot Measure").

Part 1: Regional Housing Revenue Standards (the 20%)

BAHFA's enabling statute, the San Francisco Bay Area Regional Housing Finance Act ("Act") provides that BAHFA may retain up to 20% of general obligation housing bond revenue raised and must disburse the remaining 80% of revenue to counties and direct-allocation cities ("Direct Recipients") based on a return to source formula. BAHFA and the Direct Recipients must spend their funds according to an expenditure plan ("Plan"). In the case of BAHFA, the Regional Expenditure Plan must be approved by the Boards. Counties' Plans must be approved by the Board of Supervisors; city councils must approve Plans for direct-allocation cities.

All Plans must comply with specified requirements of the Act, and any other applicable state law. BAHFA's authority over the Direct Recipients' expenditures may not extend beyond the powers granted to it by the Act. As currently written, the Act does not allow BAHFA to require that Direct Recipients implement any labor standards for their bond investments (the 80%). BAHFA may adopt labor standards only for Regional Housing Revenue expenditures (the 20%).

Based upon discussions with construction labor representatives and affordable housing developers, and pursuant to general guidance of the Boards, staff recommend that BAHFA's Regional Expenditure Plan include the labor standards provided in Part 5 of that document, attached as **Attachment B**. A summary of Part 5's detailed requirements follows.

- 1) Prevailing Wage. For all new construction developments over 10 units, construction workers employed shall be paid at least the general prevailing rate of per diem wages; apprentices registered in programs approved by the Chief of the Division of Apprenticeship Standards may be paid at least the applicable apprentice prevailing rate.
  - a. Contractors and subcontractors must maintain and verify payroll records and make them available for inspection and copying.
    - i. Construction contractors shall submit monthly payroll records directly to BAHFA and, if required by law, to the Labor Commissioner, and the reports shall be considered public records, open to public inspection, with certain redactions to protect the personal identifiable information of individuals as allowed by the Labor Code.

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April 10, 2024

Agenda Item 7.a.

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BAHFA's Regional Expenditure Plan – Labor Standards

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- b. Enforcement of prevailing wage standards for contractors and subcontractors may be enforced by:
  - i. The Labor Commissioner through the issuance of a civil wage and penalty assessment to the extent allowed by law.
  - ii. An underpaid worker through civil action or an administrative complaint to the extent allowed by law.
  - iii. Liquidated damages will apply if a civil wage and penalty assessment is issued by the Labor Commissioner to the extent allowed by law.
  - iv. BAHFA may seek either legal or equitable remedies as appropriate.
- 2) Training and Healthcare. New construction developments of 50 or more housing units shall require in contracts with construction contractors who employ craft employees or will let subcontracts for at least 1,000 hours, the following additional provisions:
  - a. Participation in an apprenticeship program approved by the State of California Division of Apprenticeship Standards.
  - b. A requirement to provide health care payments for each employee in an amount per hour worked on the development equivalent to at least the hourly pro rata cost of a Covered California Platinum level plan for two 40-year-old adults and two dependents 0 to 14 years of age for the Covered California rating area in which the development is located. Qualifying expenditures shall be credited toward compliance with prevailing wage payment requirements.
  - c. Provisions 2(a) and 2(b) above are deemed satisfied for contractors signatory to a valid collective bargaining agreement that requires utilization of registered apprentices and expenditures on health care for employees and dependents.
- 3) Preservation Projects. In acknowledgement of the degree of difficulty inherent in occupied building rehabilitation projects, the lack of available state and federal funds to finance rehabilitation projects, and the smaller-scale, community focus of affordable housing developers and community-based organizations that undertake Preservation Projects for the purpose of preventing displacement of community members, the labor standards provided above in Part 5.1-2 shall only apply to large Preservation projects with substantial rehabilitation scopes. For smaller Preservation projects, prevailing wage will be paid as required by state law. Preservation standards shall be further refined in funding guidelines submitted to the Boards for approval, including defining what constitutes a large and small Preservation project.

April 10, 2024

Agenda Item 7.a.

BAHFA's Regional Expenditure Plan – Labor Standards

Part 2: Direct Recipient Housing Revenue (the 80%)

As stated above, under the existing terms of the Act BAHFA cannot impose labor standards on the 80% of funds administered by Direct Recipients. However, some stakeholders and legislators have expressed an interest in amending BAHFA's enabling statute to authorize BAHFA to apply labor standards to 100% of revenue raised through the Ballot Measure. Staff recommend including an anticipatory provision in the Boards' authorizing resolutions that could expand the labor standards adopted in the Regional Plan to 100% of housing bond funds should the enabling legislation be amended.

In addition, workforce conditions and contexts vary widely among counties, and some counties may want to impose different labor standards than what is proposed for BAHFA's Regional Housing Revenue. An alternate standard that some counties may pursue is a Project Labor Agreement ("PLA"). Approval of such an alternate could happen county-by-county, with the BAHFA standard serving as a baseline applicable to every county. In this manner, BAHFA's labor standards would apply as a "floor" across the region, with Direct Recipients retaining the ability to adopt enhanced labor standards for their 80% of funds where desirable and appropriate.

To facilitate the implementation of a 9-county baseline labor standard, should the Act be amended, and to ensure that a baseline standard is not an obstacle for counties seeking to adopt an enhanced standard, staff recommend the following provision in the Regional Plan's Part 5 on labor standards:

- 4) Project Labor Agreements. Notwithstanding anything to the contrary included in the labor standards described above, contractors and subcontractors performing work on a development that is subject to an applicable project labor agreement ("PLA") that requires the payment of prevailing wages and provides for enforcement of that obligation through an arbitration procedure shall comply with the terms of the applicable PLA and not be bound by the labor standards included here. For purposes of this subparagraph, "project labor agreement" has the same meaning as set forth in paragraph (1) of subdivision (b) of Section 2500 of the Public Contract Code.

For the resolution, staff recommend including the following direction to staff:

Application of Labor Standards to County Housing Revenue. The Board directs the Executive Director or designee to return with an agenda item to adopt a guideline to implement the labor standards as articulated in the Regional Expenditure Plan for Regional Housing Revenue, and if state law is amended to allow BAFHA to impose labor standards for counties and cities receiving a direct allocation of bond proceeds and the Ballot Measure passes, then the guideline brought forward also should extend the labor standards to projects funded with County Housing Revenue portion of the bond proceeds. Such agenda item should be brought forward in a timely manner to allow for adoption of the guideline prior to the actual expenditure of the bond

April 10, 2024

Agenda Item 7.a.

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**BAHFA's Regional Expenditure Plan – Labor Standards**

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proceeds from the first issuance. Note that an amendment to the Act that permits BAHFA to set a 9-county standard could be made after the Boards have taken their actions to approve placing a bond measure on the ballot, and even after voter approval of a bond. The Ballot Measure does not have to reference the specific labor standards because the funds will be spent in accordance with all applicable state law at the time of expenditure, whether there be changes in state labor law, or changes in the California Constitution due to Assembly Constitutional Amendment No. 1 (2023).

But for implementation purposes, the Act must be amended and the Boards adopt a subsequent labor guideline applicable to the County Housing Revenue prior to the first bond issuance, which is expected no earlier than mid-2025. A bill introduced this year to amend the Act could be signed by the Governor in Fall 2024, with the new law effective January 1, 2025. This is sufficient time for the law to become effective, and for BAHFA to follow its own process for adopting a labor standard guideline, prior to expenditure of the bond proceeds from the first issuance.

### Recommended Reporting Amendment

In addition to discussions with labor representatives and affordable housing developers, staff continue to work with other stakeholders. At the request of advocates for households that are acutely low-income and people experiencing homelessness, staff also recommend an amendment to the Regional Expenditure Plan that highlights BAHFA's commitment to prioritize housing for those in greatest need whenever possible, especially unhoused people. The suggested amendment is included in Part 4.1.3, "Production": "BAHFA will report annually on PSH/ELI production achievement." While BAHFA is already committed to detailed reporting on the types of housing investments made and characteristics of the households served, the added language in the Regional Expenditure Plan serves as a point of emphasis for this commitment.

### Next Steps

Once the Boards have approved the value of the bond for the Ballot Measure (i.e., \$10 billion or \$20 billion), the Regional Expenditure Plan, with labor standards, can be finalized. As directed in the proposed resolutions, staff will bring forward a guideline to implement the labor standards as articulated in the Regional Expenditure Plan, and to expand them to projects funded with County Housing Revenue, if state law is amended.

### Issues:

None

April 10, 2024

Agenda Item 7.a.

**BAHFA's Regional Expenditure Plan – Labor Standards**

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**Recommended Action:**

Referral to the ABAG Executive Board as the Executive Board to the Bay Area Housing Finance Authority and to the Bay Area Housing Finance Authority Board to adopt BAHFA's Regional Expenditure Plan with labor standards and enhanced reporting requirement for permanent supportive (PSH)/extremely low income (ELI) housing; to direct the Executive Director or designee to bring forward a guideline regarding labor standards.

**Attachments:**

- A. Presentation
- B. Draft Bay Area Housing Finance Authority Regional Expenditure Plan
- C. Draft Regional Expenditure Plan Approval BAHFA Resolution
- D. Draft Regional Expenditure Plan Approval ABAG Executive Board Resolution

**Reviewed:**



Andrew Fremier





# **BAHFA's Regional Expenditure Plan & Labor Standards**

## **2024 Affordable Housing General Obligation Bond**

**Joint Housing Committees  
April 10, 2024**



ASSOCIATION OF BAY AREA GOVERNMENTS  
METROPOLITAN TRANSPORTATION COMMISSION

# Recap

- BAHFA's 20% Regional Housing Revenue must be spent according to a Regional Expenditure Plan.
- On 2/14/24, the Joint Housing Committees referred for adoption BAHFA's draft Regional Expenditure Plan to their respective Boards, subject to additional discussion on labor standards.
- On 3/13/24, staff presented to the Committees information regarding labor standards currently in use in California and background information and context to assist decision-making.
- Negotiations with labor and developer representatives continued.



# Recap – Legal Limitations

- BAHFA does not have the legal authority to impose labor standards on the 80% of funds directly administered by the counties and direct allocation cities.
- If the state legislature were to amend the San Francisco Bay Area Regional Housing Finance Act at, BAHFA would be bound by state law, as amended.
- However, due to federal law about project labor agreements (PLAs), BAHFA could not regulate the Direct Recipients use of PLAs even with amended state legislation.

# Recap – BAHFA's Goals & Guiding Principles

- Ensure that fair and equitable worker protections are integrated into regional housing bond investments.
- Build and preserve affordable housing at scale to meet the need.
- Preserve the ability to implement innovative finance and development strategies to deliver affordable housing more cost-effectively.

# Recommended Labor Standards: BAHFA

For BAHFA's Regional Expenditure Plan (20% of funds):

- **Prevailing Wage:** For 10+ unit, new construction developments, a prevailing wage with enforceable right of action.
- **Training & Healthcare:** In addition, for 50+ unit, new construction developments and if contractors do not have existing collective bargaining agreement providing such benefits:
  - Use of apprenticeship programs approved by the CA Division of Apprenticeship Standards.
  - Health care payments at a specified level.
- **Preservation:** The standards above shall apply to larger Preservation projects with substantial rehab scopes. Smaller projects will pay prevailing wages according to state law.

# Establishing a Baseline Regional Labor Standard

- BAHFA's enabling statute could be amended to permit BAHFA to require labor standards for 100% of funds raised.
- To ensure fair, equitable worker protections apply to all housing bond investments, include an anticipatory provision in their respective resolutions:

*The \_\_Board directs the Executive Director or designee to return with an agenda item to adopt a guideline that the labor standards to implement the labor standards as articulated in the Regional Expenditure Plan for Regional Housing Revenue, and if state law is amended to allow BAFHA to impose labor standards for counties and cities receiving a direct allocation of bond proceeds and the Ballot Measure passes, then the guideline brought forward should also extend the labor standards as articulated in the Regional Expenditure Plan to projects funded with County Housing Revenue portion of the bond proceeds.*

# Local Option to Exceed the Baseline

- Workforce conditions and contexts vary among counties; some counties may seek enhanced standards such as a Project Labor Agreement (PLA).
- To facilitate a local decision to exceed the baseline regional standard adopted by BAHFA, include a provision in the Regional Expenditure Plan that could apply to a future expansion of the standards to 100% of funds:

*Project Labor Agreements. Contractors and subcontractors performing work on a production or preservation project that is subject to a PLA for projects funded with County Housing Revenue may be exempt from the production and preservation standards set forth herein. (PLA is defined by Section 2500 of the Public Contract Code.)*

# Targeting Investments for the Greatest Need

- In addition to discussions about labor standards, staff have continued to engage with stakeholders about other issues including BAHFA's prioritization of community members with the greatest need (acutely low-income and extremely low-income households).
- To ensure accountability, staff recommend including a provision in the Regional Expenditure Plan to report annually on the number of new units of permanent supportive housing and homes serving extremely low-income households.
- This elevates a commitment already contained in BAHFA's Equity Framework, consistent with the strong accountability measures reflected in BAHFA's statutory reporting obligations.

# Recommended Action

Refer adoption of BAHFA's Regional Expenditure Plan, including:

- Labor standards for BAHFA's Regional Housing Revenue (the 20%)
- Reporting commitment for permanent supportive housing and homes for extremely low-income households
- Direction to staff to return with a guideline regarding labor standards, including expanding BAHFA's labor standard to 100% of bond funds if the Act is amended

# Next Steps: Decision-Making Timeline

## April

### Joint Housing Committees

- Labor standards (recommendation)

### ABAG Exec Board

- Business Plan
- Expenditure Plan (w/ labor standards)
- Initiating Resolution (“up to \$20B”)

## May

### BAHFA Board

- Business Plan
- Expenditure Plan (w/ labor standards)
- Election Resolution (w/ Ballot Question, Full Text, Tax Rate Statement)

## June

### BAHFA Board

- Business Plan
- Expenditure Plan (w/ labor standards)
- Election Resolution (w/ Ballot Question, Full Text, Tax Rate Statement)

Green = action item



# Thank You



ASSOCIATION OF BAY AREA GOVERNMENTS  
METROPOLITAN TRANSPORTATION COMMISSION

## BAY AREA HOUSING FINANCE AUTHORITY

### Regional Expenditure Plan – 2025-2030

#### Introduction: Statutory Requirements

The San Francisco Bay Area Regional Housing Finance Act (Gov. Code § 64500, *et seq.*) (**Act**) gives the Bay Area Housing Finance Authority (**BAHFA**) the power to raise, administer and allocate funding for affordable housing in the San Francisco Bay Area. Pursuant to this authority, BAHFA proposes placing a ballot measure for a \$    billion affordable housing general obligation bond (**Bond**) on the ballots of the nine Bay Area counties in November 2024 (**Ballot Measure**). If the voters approve the Ballot Measure for the Bond, this Regional Expenditure Plan will govern the expenditures of the Regional Housing Revenue (defined below).

Pursuant to Government Code Section 64650, BAHFA will distribute 80% of the net bond revenue, referred to as **County Housing Revenue**, to counties of origin and several cities that will receive direct allocations (currently, Oakland, San Jose, City of Napa, and Santa Rosa). Those funds must be spent in a manner consistent with the expenditure plans adopted by the counties and direct-allocation cities.

BAHFA retains 20% of the net bond revenue, which is the **Regional Housing Revenue** or **RHR**). The Regional Housing Revenue must be spent according to the **Regional Expenditure Plan**, which is adopted by the Association of Bay Area Governments Executive Board, acting as the Executive Board to BAHFA (**Executive Board**), and the BAHFA Board, after consultation with the BAHFA Advisory Committee.<sup>1</sup>

#### Required Elements

The Act requires these elements in the Regional Expenditure Plan:

- 1) Revenue Share and Estimated Funding Allocation Per Spending Category. The Regional Expenditure Plan provides the share of the Regional Housing Revenue and estimated funding amount to be spent for each category (**Spending Category**), so that such amounts achieve the minimum shares of funding listed below over the five-year period identified in the Regional Expenditure Plan.<sup>2</sup> The Spending Categories are:

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<sup>1</sup> Section 64650(d)(5)(A)

<sup>2</sup> The minimum shares of funding per Spending Category are required to be achieved over the full expenditure of the bond proceeds, not necessarily in this time period or issuance.

- a. Production. A minimum of 52% of the Regional Housing Revenue to produce deed-restricted rental affordable housing.<sup>3</sup>
  - b. Preservation. A minimum of 15% the Regional Housing Revenue to preserve affordable housing.<sup>4</sup>
  - c. Tenant Protections. A minimum of 5% of the Regional Housing Revenue for tenant protection programs, as required by the Act. However, the California Constitution currently does not allow for the use of bond proceeds for tenant protection programs.
  - d. Local Government Programs. A maximum of 10% of the Regional Housing Revenue for a grant program for local governments based on funding guidelines adopted by the Executive Board and BAHFA Board, after consultation with the BAHFA Advisory Committee.
  - e. Flexible Funds. The funds remaining after the requirements of a-d are satisfied are referred to as “**Flexible Funds**” and represent 18% of the Regional Housing Revenue.
- 2) Households Served by Income Level. For each Spending Category, the income levels of households to be served.
  - 3) Unit Count. The estimated number of affordable housing units to be built or preserved and the number of tenants to be protected.
  - 4) Specific Programs or Projects. To the extent feasible, the Regional Expenditure Plan shall include a description of any specific project or program to receive funding, including the location, funding amount and anticipated outcomes.

In addition, BAHFA will require construction labor standards for investments of Regional Housing Revenue, as further described in Part 5.

Following adoption of BAHFA’s first Regional Expenditure Plan, the Executive and BAHFA Boards must adopt a Regional Expenditure Plan for the use of Regional Housing Revenue by July 1<sup>st</sup> of every year. Beginning in the second year, BAHFA’s Regional Expenditure Plan shall include reporting on allocations and expenditures made and progress to date meeting the required minimum funding levels for each Spending Category. The Regional Expenditure Plan will guide BAHFA’s annual budgeting process and disbursement of funds for specific programs and projects as discussed herein.

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<sup>3</sup> Section 64650(B)(a)(2)(I) of the Act states that a “minimum of two-thirds” of Regional Housing Revenue must be allocated to affordable housing Production and Preservation, with a minimum of 52% of two-thirds of the funds allocated to Production and a minimum of 15% of two-thirds allocated to Preservation. Language presented in the narrative above is modified for simplicity.

<sup>4</sup> See previous note regarding the Act’s percentage allocation requirements for Regional Housing Revenue and Production and Preservation funds.

## Guiding Principles

On October 25, 2023, and November 16, 2023, the BAHFA Board and Executive Board, respectively, unanimously approved BAHFA's *Equity Framework* and *Funding Programs*, two planning documents that set forth guiding principles for BAHFA's implementation of the Regional Expenditure Plan. BAHFA will strive to incorporate these principles in its program implementation for each Spending Category, as further described in Section 4 below.

### Production

- 1) Prioritize investments for households with the greatest need.
- 2) Work collaboratively with jurisdictions, not competitively, especially when affordable housing funds allocated by the state are oversubscribed.
- 3) Support cost-effective housing able to meet development timeline goals.
- 4) Establish financial feasibility for all housing development phases.
- 5) Integrate a flexible and opportunistic approach in Production program implementation in order to maximize the impact of expenditures and number of affordable homes created.

### Preservation

- 1) Prioritize investments in historically disinvested areas.
- 2) Support cost-effective housing able to meet development timeline goals.
- 3) Establish financial feasibility for all development phases.
- 4) Forestall displacement risk due to market pressure to increase rents for naturally occurring affordable housing or imminent termination of affordable regulatory restrictions.
- 5) Support community-controlled projects through targeted investment set-asides.

### Protections

- 1) 100% of expenditures will be limited to activities authorized by the California Constitution, as it may be amended by Assembly Constitutional Amendment 1 (**ACA 1**) (or any other amendment to the California Constitution), and that also conform with the Act.

### Local Government Grants

- 1) Prioritize investments that provide a benefit to the overall community and address demands from increased affordable housing production.
- 2) Result in the greatest beneficial impact regarding number of households served, directly or indirectly, especially low-income households.
- 3) Prioritize impact in historically disinvested communities.
- 4) Apply a flexible investment approach that recognizes the diversity of needs across Bay Area communities.

- 5) Distribute grants to all nine counties over the life of the Bond.

### Regional Expenditure Plan Assumptions

Parts 1 through 4 below provide the information required by the Act for BAHFA's initial Regional Expenditure Plan, which covers 2025-2030, the five-year period following voter approval in November 2024.

This Expenditure Plan is based on these conditions:

- The total bond proposed is \$ [REDACTED] billion.
- The Regional Housing Revenue, at 20% of the total net bond revenue is \$ [REDACTED] billion.
- Full expenditure of all bond funds is anticipated to occur over a 10-15 year period.
- This first Regional Expenditure Plan assumes 5 separate bond issuances will occur, so that all bonds will be issued over approximately a 15-year period. However, the total number of issuances will be a function of how quickly bond funds can be deployed.
- This first Regional Expenditure Plan describes spending for the first two of the five issuances, or 40% of total Regional Housing Revenue. Spending is anticipated to occur between 2025 and 2030. The total amount of these two issuances is approximately \$ [REDACTED] million.
- Estimates are based on net bond proceeds after certain costs, such as election expenses, costs of issuance and BAHFA's administrative costs, which shall not exceed 5% of the bond proceeds, have been deducted as allowed by the California Constitution and the Act.
- Assembly Constitutional Amendment No. 1 (2023) (ACA 1), which will be considered by California voters at the November 2024 election, passing. ACA 1, if it becomes law, may allow for certain tenant protection programs included in a capitalized operating reserve, such as an emergency rental assistance fund, to be included as part of an affordable housing project's capitalized operating reserve. If ACA-1 does not pass, then the Regional Expenditure Plan will need to



be amended to reallocate the minimum 5% to tenant protections to other Spending Categories as prescribed by the Act.

All information regarding funding, households served, and units presented herein are estimates and projections based on information available at the time of preparation of this document. Actual funding, households served, and units produced or preserved will depend on several variable factors, including market conditions.

### **Part 1: Revenue Share and Estimated Funding Allocation Per Spending Category**

<b>Category</b>	<b>Percent of All Funds: 1<sup>st</sup> and 2<sup>nd</sup> Bond Issuances Only</b>	<b>2025-2030 Regional Expenditure Plan Spending Values: 1<sup>st</sup> and 2<sup>nd</sup> Issuances</b>
Production	61%-70% <sup>5</sup>	TBD
Preservation	15%-24% <sup>6</sup>	TBD
Tenant Protections	5%	TBD
Local Government Grants	10%	TBD
Totals	100%	TBD

### **Part 2: Households Served by Income Level**

<b>Category</b>	<b>Household Income Levels Served</b>	<b>Percent of 1<sup>st</sup> and 2<sup>nd</sup> Bond Tranches Serving Designated Income Level</b>
<b>Production:</b> Extremely Low- and Very Low-Income	0%-50% AMI	Approximately 44%
<b>Production:</b> Low-Income	51%-60% AMI	Approximately 23%
<b>Production:</b> Low-Income	61%-80% AMI	Approximately 33%

<sup>5</sup> This range assumes 70% of funds allocated to Production in the first issuance and the potential that the second issuance could allocate a minimum of 52% of funds to Production.

<sup>6</sup> This range assumes 15% of funds allocated to Preservation in the first issuance and up to 33% of funds (with a minimum of 15%) of funds allocated to Preservation in the second issuance.

<b>Preservation:</b> Extremely Low- and Very Low-Income	30%-50% AMI	Approximately 10%
<b>Preservation:</b> Low-Income	51%-60% AMI	Approximately 15%
<b>Preservation:</b> Low-Income	61%-80% AMI	Approximately 65%
<b>Preservation:</b> Moderate-Income	81%-120% AMI	Approximately 10%
<b>Tenant Protections</b>	0%-80% AMI	100%. <sup>7</sup>
<b>Local Government Grants</b>	0%-120% AMI	Local Government Grants that produce or preserve housing shall serve households with incomes no greater than 120% AMI. However, it is anticipated that Local Government Grants that fund “housing-related uses” could serve the broader community as well.

**Part 3: Unit Count: Estimated Number of Affordable Housing Units Built or Preserved, and Estimated Number of Tenants Protected for this Expenditure Plan Period**

Category	2025-2030 Regional Expenditure Plan Unit Count: 1 <sup>st</sup> and 2 <sup>nd</sup> Issuances, @ 40% of Regional Housing Revenue
Production	Approximately <span style="background-color: yellow;"> </span>
Preservation	Approximately <span style="background-color: yellow;"> </span>
Tenant Protections <sup>8</sup>	TBD
Total	<span style="background-color: yellow;"> </span>

<sup>7</sup> If Tenant Protections are not constitutional at the time of the bond funding, BAHFA will request reprogramming of the funds by the Boards.

<sup>8</sup> If permitted by law.

## **Part 4: Program Descriptions for the Spending Categories**

### **4.1 Production**

BAHFA will spend between 61% and 70% of its Regional Housing Revenue in the first two bond issuances on new housing production (Production). The Production allocation in the first issuance will be 70%, with all “Flexible Funds” (18% of the total allocation) going to Production to address the region’s housing shortage at scale. The second issuance will have a minimum Production allocation of 52%. This aggregate percentage exceeds the minimum allocation to Production required by the Act.

#### **Production Funding Implementation Actions**

To distribute RHR in conformance with this Regional Expenditure Plan, BAHFA will take the following actions for Production investments:

- 1) Set Production investment targets for each county over the life of the bond (not just the first and second issuances) based upon a “return to source” calculation, that is, a value based on each county’s assessed value contribution to the bond funding.
- 2) Issue a Notice of Funding Availability that sets forth:
  - a. Production goals (see the “Guiding Principles” above);
  - b. Minimum applicant and project eligibility criteria;
  - c. Funding targets for each county; and
  - d. Scoring criteria and preferred project types/outcomes, e.g.:
    - i. Prioritization of PSH/ELI developments if financial feasibility criteria are met; and
    - ii. Prioritization of projects demonstrating cost-efficiency and development timeline goals.
- 3) BAHFA will report annually on PSH/ELI production achievement.

### **4.2 Preservation**

#### **Preservation Funding Implementation Actions**

To distribute RHR in conformance with this Regional Expenditure Plan, BAHFA will take the following actions for Preservation investments:



- 1) Issue a Notice of Funding Availability (NOFA) for Preservation projects that will provide funding for the acquisition and/or rehabilitation of existing housing that will become, or is, permanently deed restricted.
  - a. To accommodate market-rate transaction timing demands, the NOFA will be “over the counter” so that BAHFA may quickly fund proposals meeting NOFA requirements.
    - i. If two or more proposals are submitted simultaneously, BAHFA will apply scoring criteria reflecting its Preservation “Guiding Principles” described above to achieve greatest impact.
- 2) 20% of total funds, \$ [REDACTED] million shall be set aside for a certain time period in order to provide developers proposing community-controlled Preservation projects a window during which they are guaranteed access to funding.
  - a. If no eligible community-controlled proposals are submitted during the designated time period, BAHFA will return those funds to the larger Preservation pool.
  - b. Developers proposing community-controlled developments shall at all times have access to the full pool of Preservation funding.
  - c. Requirements for this target shall include:
    - i. Resident participation in ownership, property management decisions, and/or equity-building for individual resident households.
    - ii. Program examples include co-operatives; limited equity ownership housing; rent-to-own opportunities.
- 3) Eligible projects will not be restricted to any particular jurisdiction, but preferred projects will be located in historically disinvested communities, or, more specifically:
  - a. Plan Bay Area 2050 Equity Priority Communities, or
  - b. Areas identified by the Urban Displacement Project as being at risk of or experiencing displacement or gentrification, or
  - c. Areas defined by the Tax Credit Allocation Committee Opportunity Index as “High Segregation and Poverty,” “Low Resource” or “Moderate Resource,” or
  - d. Additional areas as may be identified by the Executive and BAHFA Boards as (i) experiencing or at-risk of displacement/gentrification or (ii) facing historical disinvestment, through an objective and quantifiable methodology.

- 4) Eligible projects include those that have existing occupancy restrictions that may not be close to expiration but do have demonstrated capital repair needs that, if unaddressed, will negatively impact tenants' habitability.

### 4.3 Tenant Protections

#### Protections Funding Implementation Actions

- 1) 100% of expenditures will be limited to activities authorized by the California Constitution, as it may be amended by ACA 1 (or any other amendment to the California Constitution), and that also conform with the Act.

### 4.4 Local Government Grant Program (Grants)

#### Local Government Grant Program Funding Implementation

To distribute RHR in conformance with this Regional Expenditure Plan, BAHFA will take the following actions for Local Government Grants:

- 1) Issue a Notice of Funding Availability (NOFA) with these elements:
  - a. Eligible applicants include local governments (cities, counties, and consortia of any of the foregoing). Local governments may include additional partner agencies with jurisdiction (e.g., park district, water district, etc.) as co-applicants.
  - b. Applications from a single jurisdiction must:
    - i. Identify the lead agency.
    - ii. Identify an individual staff member serving as point of contact.
    - iii. Demonstrate support for the application from the jurisdiction's leadership by submitting a board or council resolution supporting the application or a support letter issued by the jurisdiction's top executive indicating the project is included in a jurisdiction plan document (e.g., General Plan, Specific Plan), that has been approved by the board or council.
  - a. Applications from a consortium must:
    - i. Identify a lead city or county.
    - ii. Identify an individual staff member serving as point of contact.

- iii. Submit an executed Memorandum of Understanding between participating partners memorializing each entity's support for the application and how the partners intend to work together to implement the Grant program.
- 2) Eligible uses of Grant funds must be directly related to the production, or incidental or necessary to the preservation, of affordable housing.
- 3) Scoring criteria based upon the Local Government Grant "Guiding Principles" described above.

## **Part 5: Construction Labor Standards**

BAHFA shall implement or shall cause to be implemented the following labor standards in projects funded with Regional Housing Revenue as described below and as shall be further defined by BAHFA in funding guidelines:

- 1) Production Projects Labor Standards.
  - a. For all new construction developments over 10 units, construction workers employed shall be paid at least the general prevailing rate of per diem wages, except that apprentices registered in programs approved by the Chief of the Division of Apprenticeship Standards may be paid at the minimum applicable apprentice prevailing rate.
  - b. New construction developments of 50 or more housing units shall require in contracts with construction contractors who employ craft employees or will let subcontracts for at least 1,000 hours, the following additional provisions:
    - i. Participation in an apprenticeship program approved by the State of California Division of Apprenticeship Standards pursuant to Section 3075 of the Labor Code, or the request of a dispatch of apprentices from a state-approved apprenticeship program under the terms and conditions set forth in Section 1777.5 of the Labor Code. A contractor without construction craft employees shall show a contractual obligation that its subcontractors comply with this subdivision.
    - ii. A requirement to provide health care payments for each employee in an amount per hour worked on the development equivalent to at

least the hourly pro rata cost of a Covered California Platinum level plan for two 40-year-old adults and two dependents 0 to 14 years of age for the Covered California rating area in which the development is located. A contractor without construction craft employees shall show a contractual obligation that its subcontractors comply with this subdivision. Qualifying expenditures shall be credited toward compliance with prevailing wage payment requirements.

- iii. The foregoing requirements in this subpart are deemed satisfied for contractors signatory to a valid collective bargaining agreement that requires utilization of registered apprentices and expenditures on health care for employees and dependents.

2) Preservation Projects Labor Standards.

- a. For smaller preservation developments, construction workers employed shall be paid prevailing wage as set forth in Labor Code Section 1720, et seq.
- b. For larger preservation developments with substantial rehabilitation scopes, the Production Labor Standards provided above in Part 5.1 shall apply.
- c. These standards shall be further defined in funding guidelines approved by the Boards.

3) Project Labor Agreements. Notwithstanding anything to the contrary included in the labor standards described above, contractors and subcontractors performing work on a production or preservation project that is subject to a project labor agreement ("PLA") for projects funded with County Housing Revenue may be exempt from the production and preservation labor standards set forth herein. For purposes of this subparagraph, "project labor agreement" has the same meaning as set forth in paragraph (1) of subdivision (b) of Section 2500 of the Public Contract Code.

4) Records. Contractors and subcontractors must maintain and verify payroll records pursuant to Section 1776 of the Labor Code and make them available for inspection and copying. The records shall include a statement of fringe benefits.

- a. Construction contractors shall maintain payroll records in a format prescribed by the Labor Commissioner in accordance with subparagraph (A) of paragraph (3) of subdivision (a) of Section 1771.4 of the Labor Code. These payroll records shall be submitted at least monthly directly to BAHFA for new construction developments described in Part 5.1, and preservation developments described in Section 5.2.b and, if required by law, to the Labor Commissioner.
- b. The reports shall be considered public records pursuant to the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1) and shall be open to public inspection, with the exception that an

individual's name, address and full social security shall be redacted, with only the last four digits of the social security number disclosed as allowed pursuant to Section 1776(e)(1) of the Labor Code.

- 5) Enforcement. Enforcement of prevailing wage standards for contractors and subcontractors may be enforced by:
- a. The Labor Commissioner through the issuance of a civil wage and penalty assessment pursuant to Section 1741 of the Labor Code, which may be reviewed pursuant to Section 1742 of the Labor Code, within 18 months after the completion of the development if allowed by law.
  - b. An underpaid worker through a civil action or administrative complaint, if allowed by law.
  - c. If a civil wage and penalty assessment is issued pursuant to this section, the contractor, subcontractor, and surety on a bond or bonds issued to secure the payment of wages covered by the assessment shall be liable for liquidated damages pursuant to Section 1742.1 of the Labor Code to the extent allowed by law.
  - d. BAHFA may seek either legal or equitable remedies as appropriate.

-END-

Date: June 26, 2024

W.I.:

Referred by:

ABSTRACT

Resolution No. 0032

This resolution adopts the expenditure plan as required by the San Francisco Bay Area Regional Housing Finance Act (Gov. Code, § 64500, *et seq.*) to govern expenditures of BAHFA's portion of bond proceeds if a ballot measure for an affordable housing general obligation bond in an amount of \$ \_\_\_\_\_ billion submitted to the voters of the counties of Alameda, Contra Costa, Marin, Napa, San Mateo, Santa Clara, Solano and Sonoma and the city and county of San Francisco (the "Nine Bay Area Counties") at the November 2024 general election passes and directs the Executive Director or designee to return with a guideline to implement certain labor standards in certain circumstances.

Further discussion of this action is contained in the Bay Area Housing Finance Authority Summary Sheet dated June 26, 2024.

Date: June 26, 2024

W.I.:

Referred by:

RE: Adoption of Regional Expenditure Plan as Required By the San Francisco Bay Area Regional Housing Finance Act (Gov. Code, § 64500, *et seq.*) to govern expenditures of BAHFA's portion of proceeds from an affordable housing general obligation bond measure to be Submitted to the voters of the San Francisco Bay Area at the November 2024 General Election

BAY AREA HOUSING FINANCE AUTHORITY  
RESOLUTION NO. 0032

WHEREAS, the San Francisco Bay Area Regional Housing Finance Act (Gov. Code, § 64500, *et seq.*) (the "Act") finds that the San Francisco Bay Area is facing the most significant housing crisis in the region's history because as a region, it has failed to produce enough housing at all income levels; preserve enough affordable housing; protect existing residents from displacement; provide adequate housing at all income levels in close proximity to jobs; and address the housing issue regionally; and that regional funding is necessary to help address the housing crisis, based upon an estimated annual funding shortfall in the San Francisco Bay Area as of January 1, 2020, of \$2.5 billion (Gov. Code, § 64501); and

WHEREAS, pursuant to the Act, the Bay Area Housing Finance Authority ("BAHFA") was formed to be a regional finance authority for housing in the counties of Alameda, Contra Costa, Marin, Napa, San Mateo, Santa Clara, Solano and Sonoma, the cities within those counties, and the City and County of San Francisco (collectively referred to as the "San Francisco Bay Area"), with the purpose to raise, administer, and allocate funding and provide technical assistance at a regional level for tenant protection, affordable housing preservation and new affordable housing production; and

WHEREAS, the Act requires the BAHFA Advisory Committee to consult and make recommendations to the BAHFA Board and the Association of Bay Area Governments

Executive Board acting in its capacity as the Executive Board to BAHFA (“Executive Board”); and

WHEREAS, since June 2022, staff have conducted an extensive public participation process to educate the San Francisco Bay Area community about the region’s housing crisis and to solicit input from a broad range of stakeholder groups, including affordable housing and homelessness advocates, nonprofit developers, neighborhood and community groups, environmental advocates, equity organizations, home builder representatives, business organizations, and the boards, councils and staff at cities and counties throughout the San Francisco Bay Area; and

WHEREAS, the Regional Expenditure Plan includes construction labor standards reflective of the public participation process and to ensure that housing development work sites maintain equitable workforce protections; and

WHEREAS, since its inaugural meeting on January 12, 2023, the BAHFA Advisory Committee has met regularly to discuss how to create programs to fulfill BAHFA’s purpose as articulated in the Act and how to leverage funding for those programs; and

WHEREAS, at its January 25, 2024, regular meeting, the BAHFA Advisory Committee considered a draft of the attached regional expenditure plan and recommended adoption; and WHEREAS, at its April 18, 2024, regular meeting, the Executive Board for the Association of Bay Area Governments acting in its capacity as the Executive Board to BAHFA approved the regional expenditure plan, attached hereto as Attachment A, (“Regional Expenditure Plan”); and

WHEREAS, the BAHFA Board considered a draft of the Regional Expenditure Plan at its May 22, 2024, meeting; and

WHEREAS, pursuant to the Act, and subject to the Executive Board’s approval, at its June 26, 2024, meeting, the BAHFA Board adopted BAHFA Resolution No. 34 to submit to the qualified electors of the San Francisco Bay Area a ballot measure for an affordable housing general obligation bond in an amount of \$ [REDACTED] billion (“Ballot Measure”); and

WHEREAS, if the required number of qualified electors of the San Francisco Bay Area as set by state law vote in favor of said Ballot Measure, the Act requires BAHFA to adopt a regional expenditure plan to govern the expenditure of its portion of the bond proceeds, known as Regional Housing Revenue, as prescribed by the Act; and



WHEREAS, the Regional Expenditure Plan is not subject to review under the California Environmental Quality Act (Public Resources Code, § 21000) because BAHFA's funding activities do not constitute a project under Public Resources Code Section 21065 and are exempt from review under Government Code Section 64523; and

WHEREAS, BAHFA Board desires to adopt the Regional Expenditure Plan as required by the Act in the event that the Ballot Measure passes.

NOW, THEREFORE, THE BAHFA BOARD HEREBY RESOLVES AS FOLLOWS:

Section 1. The BAHFA Board hereby finds and determines that the foregoing recitals are true and correct.

Section 2. The BAHFA Board adopts the Regional Expenditure Plan attached hereto as Attachment A to govern its portion of the bond proceeds allocated as Regional Housing Revenue.

Section 3. The BAHFA Board directs the Executive Director or designee to return with an agenda item to adopt a guideline to implement the labor standards as articulated in the Regional Expenditure Plan for Regional Housing Revenue, and if state law is amended to allow BAFHA to impose labor standards for counties and cities receiving a direct allocation of bond proceeds and the Ballot Measure passes, then the guideline brought forward also should extend the labor standards as articulated in the Regional Expenditure Plan to projects funded with County Housing Revenue portion of the bond proceeds. Such agenda item should be brought forward in a timely manner to allow for adoption of the guideline prior to the actual expenditure of the bond proceeds from the first issuance.

Section 4. This Resolution shall take effect upon the BAHFA Board adopting a resolution declaring the results of the election in favor of the Ballot Measure passing.

BAY AREA HOUSING FINANCE  
AUTHORITY

Alfredo Pedroza, Chair

The above resolution was entered into by the Bay  
Area Housing Finance Authority at a duly called and

noticed meeting held in San Francisco, California  
and at other remote locations, on June 26, 2024.

BAY AREA HOUSING FINANCE AUTHORITY  
RESOLUTION NO. 0032

**ATTACHMENT A**

**BAHFA REGIONAL EXPENDITURE PLAN**

**ASSOCIATION OF BAY AREA GOVERNMENTS  
EXECUTIVE BOARD**

**RESOLUTION NO. 3-2024**

**ABSTRACT**

This resolution adopts the regional expenditure plan as required by the San Francisco Bay Area Regional Housing Finance Act (Gov. Code, § 64500, *et seq.*) to govern expenditures of BAHFA's portion of bond proceeds if a ballot measure for an affordable housing general obligation bond in an amount not to exceed \$20 billion submitted to the voters of the counties of Alameda, Contra Costa, Marin, Napa, San Mateo, Santa Clara, Solano and Sonoma and the city and county of San Francisco (the "Nine Bay Area Counties") at the November 2024 general election passes and directs the Executive Director or designee to return with a guideline to implement certain labor standards in certain circumstances.

Further discussion of this action is contained in the ABAG Executive Board Summary Sheet dated April 18, 2024.

**ASSOCIATION OF BAY AREA GOVERNMENTS  
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**BAHFA REGIONAL EXPENDITURE PLAN APPROVAL**

**WHEREAS**, the San Francisco Bay Area Regional Housing Finance Act (Gov. Code, § 64500, *et seq.*) (the “Act”) finds that the San Francisco Bay Area is facing the most significant housing crisis in the region’s history because as a region, it has failed to produce enough housing at all income levels; preserve enough affordable housing; protect existing residents from displacement; provide adequate housing at all income levels in close proximity to jobs; and address the housing issue regionally; and that regional funding is necessary to help address the housing crisis, based upon an estimated annual funding shortfall in the San Francisco Bay Area as of January 1, 2020, of \$2.5 billion (Gov. Code, § 64501); and

**WHEREAS**, pursuant to the Act, the Bay Area Housing Finance Authority (“BAHFA”) was formed to be a regional finance authority for housing in the counties of Alameda, Contra Costa, Marin, Napa, San Mateo, Santa Clara, Solano and Sonoma, the cities within those counties, and the City and County of San Francisco (collectively referred to as the “San Francisco Bay Area”), with the purpose to raise, administer, and allocate funding and provide technical assistance at a regional level for tenant protection, affordable housing preservation and new affordable housing production; and

**WHEREAS**, the Act requires the BAHFA Advisory Committee to consult and make recommendations to the BAHFA Board and the Association of Bay Area Governments Executive Board acting in its capacity as the Executive Board to BAHFA (“Executive Board”); and

**WHEREAS**, since June 2022, staff have conducted an extensive public participation process to educate the San Francisco Bay Area community about the region’s housing crisis and to solicit input from a broad range of stakeholder groups, including affordable housing and homelessness advocates, nonprofit developers, neighborhood and community groups, environmental advocates, equity organizations, home builder representatives, business organizations, and the boards, councils and staff at cities and counties throughout the San Francisco Bay Area; and

**WHEREAS**, the Regional Expenditure Plan includes construction labor standards reflective of the public participation process and to ensure that housing development work sites maintain equitable workforce protections; and

**WHEREAS**, since its inaugural meeting on January 12, 2023, the BAHFA Advisory Committee has met regularly to discuss how to create programs to fulfill BAHFA’s purpose as articulated in the Act and how to leverage funding for those

**ASSOCIATION OF BAY AREA GOVERNMENTS  
EXECUTIVE BOARD**

**RESOLUTION NO. 3-2024**

programs; and

**WHEREAS**, at its January 25, 2024, regular meeting, the BAHFA Advisory Committee considered a draft of the attached regional expenditure plan and recommended adoption; and

**WHEREAS**, pursuant to the Act, the Executive Board adopted Resolution No. \_\_\_\_\_ at its April 18, 2024, meeting approving the BAHFA Board's submission of a ballot measure for an affordable housing general obligation bond in an amount that does not exceed \$20 billion ("Ballot Measure") to qualified electors of the San Francisco Bay Area; and

**WHEREAS**, if the required number of qualified electors of the San Francisco Bay Area as set by state law vote in favor of said Ballot Measure, the Act requires the Executive Board to adopt a regional expenditure plan to govern the expenditure of BAHFA's portion of the bond proceeds, known as Regional Housing Revenue, as prescribed by the Act; and

**WHEREAS**, the Regional Expenditure Plan is not subject to review under the California Environmental Quality Act (Public Resources Code, § 21000) because BAHFA's funding activities do not constitute a project under Public Resources Code Section 21065 and are exempt from review under Government Code Section 64523; and

**WHEREAS**, the ABAG Executive Board, acting as Executive Board to BAHFA, desires to approve the Regional Expenditure Plan as required by the Act in the event that the Ballot Measure passes.

**ASSOCIATION OF BAY AREA GOVERNMENTS  
EXECUTIVE BOARD**

**RESOLUTION NO. 3-2024**

**NOW, THEREFORE, BE IT RESOLVED**, that:

Section 1. The Executive Board hereby finds and determines that the foregoing recitals are true and correct.

Section 2. The Executive Board approves the Bay Area Housing Finance Authority Regional Expenditure Plan attached hereto as Attachment A, which may be amended by the Executive Director or designee if the bond amount is less than \$20 billion to conform the estimates to the actual bond amount.

Section 3. The Executive Board directs the Executive Director or designee to return with an agenda item to adopt a guideline to implement the labor standards as articulated in the Regional Expenditure Plan for Regional Housing Revenue, and if state law is amended to allow BAFHA to impose labor standards for counties and cities receiving a direct allocation of bond proceeds and the Ballot Measure passes, then the guideline brought forward also should extend the labor standards to projects funded with County Housing Revenue portion of the bond proceeds. Such agenda item should be brought forward in a timely manner to allow for adoption of the guideline prior to the actual expenditure of the bond proceeds from the first issuance.

Section 4. This Resolution shall take effect immediately.

The foregoing was adopted by the ABAG Executive Board this 18<sup>th</sup> day of April, 2024.

Belia Ramos  
President

**Certification of Executive Board Approval**

I, the undersigned, the appointed and qualified Clerk of the Board of the Association of Bay Area Governments (Association), do hereby certify that the foregoing resolution was adopted by the Executive Board at a duly called and noticed meeting held in San Francisco, California, and at other remote locations, on the 18<sup>th</sup> day of April, 2024.

Frederick Castro  
Clerk of the Board

**ASSOCIATION OF BAY AREA GOVERNMENTS  
EXECUTIVE BOARD**

**RESOLUTION NO. 3-2024**

**ATTACHMENT A**

**BAHFA REGIONAL EXPENDITURE PLAN**





# Metropolitan Transportation Commission

375 Beale Street, Suite 800  
San Francisco, CA 94105

## Legislation Details (With Text)

<b>File #:</b>	24-0410	<b>Version:</b>	1	<b>Name:</b>	
<b>Type:</b>	Report	<b>Status:</b>		Informational	
<b>File created:</b>	3/8/2024	<b>In control:</b>		ABAG Housing Committee	
<b>On agenda:</b>	4/10/2024	<b>Final action:</b>			
<b>Title:</b>	Poll Results for a Bay Area Affordable Housing Bond				
	Overview of Findings from March 2024 Poll Regarding a \$20 Billion Affordable Housing Bond on the November 2024 Ballot				

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** [07b 1 Summary Sheet Poll Results for Bay Area Affordable Housing Bond v2.pdf](#)

Date	Ver.	Action By	Action	Result
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**Subject:**

Poll Results for a Bay Area Affordable Housing Bond

Overview of Findings from March 2024 Poll Regarding a \$20 Billion Affordable Housing Bond on the November 2024 Ballot

**Presenter:**

Rebecca Long, MTC/ABAG, and Ruth Bernstein, EMC Research

**Recommended Action:**

ABAG Housing Committee Information  
BAHFA Oversight Committee Information

**Attachments:**

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April 10, 2024

Agenda Item 7.b.

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Regional Housing Bond Measure

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**Subject:**

Poll Results for a Bay Area Affordable Housing Bond: Overview of Findings from March 2024 Poll Regarding a \$20 Billion Affordable Housing Bond on the November 2024 Ballot.

**Background:**

In March 2024, EMC Research, Inc. conducted a poll of 1,000 Bay Area voters in the nine-county region testing voter sentiment and specific ballot language regarding a \$20 billion affordable housing bond for the November 2024 ballot. EMC staff will present high-level findings from the poll and answer questions.

A final poll among over 2,000 likely voters will be conducted in mid-April 2024 to advise the final BAHFA vote in June 2024 to place a measure on the ballot.

**Issues:**

None

**Recommended Action:**

Information

**Attachment:**

None

**Reviewed:**



Andrew Fremier