

**METROPOLITAN  
TRANSPORTATION  
COMMISSION**  
**Meeting Transcript**



February 10, 2021,

1 **METROPOLITAN TRANSPORTATION COMMISSION**

2 **PROGRAMMING AND ALLOCATIONS COMMITTEE**

3 **Wednesday, February 10, 2021, 9:45 AM**

4

5

6 **NICK JOSEFOWITZ, CHAIR:** PLEASE ROLL THE ANNOUNCEMENT.

7 [RECORDED MEETING PROCEDURES ANNOUNCEMENT] DUE TO COVID-19,

8 THIS MEETING WILL BE CONDUCTED AS A ZOOM WEBINAR, PURSUANT TO

9 THE GOVERNOR'S EXECUTIVE ORDER N-29-20 WHICH SUSPENDS CERTAIN

10 REQUIREMENTS OF THE BROWN ACT. THIS MEETING IS BEING WEBCAST

11 ON THE MTC WEB SITE. THE CHAIR WILL CALL UPON COMMISSIONERS,

12 PRESENTERS, STAFF, AND OTHER SPEAKERS BY NAME, AND ASK THAT

13 THEY SPEAK CLEARLY AND STATE THEIR NAMES BEFORE GIVING

14 COMMENTS OR REMARKS. PERSONS PARTICIPATING VIA WEBCAST AND

15 ZOOM, WITH THEIR CAMERAS ENABLED, ARE REMINDED THAT THEIR

16 ACTIVITIES ARE VISIBLE TO VIEWERS. COMMISSIONERS AND MEMBERS

17 OF THE PUBLIC PARTICIPATING VIA ZOOM WISHING TO SPEAK SHOULD

18 USE THE RAISED HAND FEATURE OR DIAL STAR NINE, AND THE CHAIR

19 WILL CALL UPON THEM AT THE APPROPRIATE TIME. TELECONFERENCE

20 ATTENDEES WILL BE CALLED UPON BY THE LAST FOUR DIGITS OF THEIR

21 PHONE NUMBER. IT IS REQUESTED THAT PUBLIC SPEAKERS STATE THEIR

22 NAMES AND ORGANIZATION, BUT PROVIDING SUCH INFORMATION IS

23 VOLUNTARY. WRITTEN PUBLIC COMMENTS RECEIVED AT

24 INFO@BAYAREAMETRO.GOV BY 5:00 P.M. YESTERDAY WILL BE POSTED TO

25 THE ONLINE AGENDA AND ENTERED INTO THE RECORD, BUT WILL NOT BE



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1 READ OUT LOUD. IF AUTHORS OF THE WRITTEN CORRESPONDENCE WOULD  
2 LIKE TO SPEAK, THEY ARE FREE TO DO SO, AND SHOULD RAISE THEIR  
3 HAND AND THE CHAIR WILL CALL UPON THEM ON THE APPROPRIATE  
4 TIME. A ROLL CALL VOTE WILL BE TAKEN FOR ALL ACTION ITEMS.  
5 PANELISTS SHOULD NOTE THAT THE CHAT FEATURE IS NOT ACTIVE TO  
6 ATTENDEES. IN ORDER TO GET THE FULL ZOOM EXPERIENCE, PLEASE  
7 MAKE SURE YOUR APPLICATION IS UP TO DATE.

8

9 **NICK JOSEFOWITZ, CHAIR:** THANK YOU VERY MUCH. THAT CONTINUES TO  
10 BE AS EXCITING AS THE FIRST TIME I WATCHED T ROLL CALL PLEASE.

11

12 **CLERK OF THE BOARD:** ABE-KOGA?

13

14 **DIR. MARGARET ABE-KOGA:** HERE.

15

16 **CLERK OF THE BOARD:** DUTRA-VERNACI?

17

18 **CAROL DUTRA-VERNACI, VICE CHAIR:** HERE.

19

20 **CLERK OF THE BOARD:** EL-TAWANSY? EL-TAWANSY IS ABSENT.

21

22 **CLERK OF THE BOARD:** GLOVER?

23

24 **FEDERAL D. GLOVER:** HERE.

25



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1 **CLERK OF THE BOARD:** JOSEFOWITZ?

2

3 **NICK JOSEFOWITZ, CHAIR:** HERE.

4

5 **CLERK OF THE BOARD:** PAPAN?

6

7 **GINA PAPAN:** HERE.

8

9 **CLERK OF THE BOARD:** RONEN?

10

11 **DIR. HILLARY RONEN:** HERE.

12

13 **CLERK OF THE BOARD:** SCHAFF?

14

15 **LIBBY SCHAAF:** HERE.

16

17 **CLERK OF THE BOARD:** WORTH?

18

19 **AMY R. WORTH:** HERE.

20

21 **CLERK OF THE BOARD:** THANK YOU. QUORUM IS PRESENT.

22

23 **NICK JOSEFOWITZ, CHAIR:** THANK YOU. COMMISSIONER PAPAN SEEMS TO  
24 HAVE A QUESTION ON THE ROLL CALL.

25



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1 **GINA PAPAN:** NOT ROLL CALL, CONSENT WHEN YOU GET THERE.

2

3 **NICK JOSEFOWITZ, CHAIR:** MOVING ON TO CONSENT CALENDAR,  
4 COMMISSIONER PAPAN.

5

6 **GINA PAPAN:** ITEM 2D, THE OVERRIDE, OR THE INCREASE IN THE  
7 SUICIDE BARRIER, IT JUST -- IT WASN'T EXPLAINED WELL, CAN  
8 SOMEBODY -- WHAT BROUGHT ON THE ADDITIONAL COSTS? ANYBODY?

9

10 **THERESA ROMMELL:** COMMISSIONER THIS IS THERESE R WITH FUNDING  
11 POLICY AND PROGRAMS. THIS IS THE COST OVERRUNS ON THE SUICIDE  
12 DETERRENT SYSTEM. I THINK IT'S -- I DON'T KNOW THE PRECISE  
13 REASONS FOR THE OVERRUN IN COST, I THINK IT'S A TIMING ISSUE,  
14 THE LENGTH OF TIME NEEDED TO COMPLETE THE WORK HAS BEEN  
15 EXTENDED, LEADING TO COST ESCALATION OVER TIME. SO THAT'S THE  
16 PRIMARY REASON FOR THE COST OVERRUN.

17

18 **GINA PAPAN:** I'M SORRY TO CATCH YOU OFF GUARD ON THAT IF YOU  
19 HAVE ANYTHING ELSE YOU CAN PLEASE SEND ME AN E-MAIL?

20

21 **THERESA ROMMELL:** SURE.

22

23 **GINA PAPAN:** MY APOLOGIES.

24



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1 **NICK JOSEFOWITZ, CHAIR:** DO I HAVE A MOTION FOR THE CONSENT  
2 CALENDAR?

3

4 **AMY R. WORTH:** MOVE APPROVAL. COMMISSIONER WORTH.

5

6 **CAROL DUTRA-VERNACI, VICE CHAIR:** DUTRA-VERNACI, SECOND.

7

8 **NICK JOSEFOWITZ, CHAIR:** SECONDED BY DUTRA-VERNACI. LET'S TAKE  
9 -- IS THERE ANY PUBLIC COMMENT.

10

11 **CLERK OF THE BOARD:** I SEE NO MEMBERS OF THE PUBLIC WITH THEIR  
12 HAND RAISED, AND I HAVE RECEIVED NOTHING IN WRITING.

13

14 **NICK JOSEFOWITZ, CHAIR:** PERFECT.

15

16 **CLERK OF THE BOARD:** [ROLL CALL VOTE].

17

18 **CLERK OF THE BOARD:** THANK YOU. THE MOTION PASSES UNANIMOUSLY.

19

20 **NICK JOSEFOWITZ, CHAIR:** OKAY. MOVING TO ITEM 3A MTC RESOLUTION  
21 4454 BAY AREA PRESERVATION PILOT PROGRAM PROVISIONS REVISES  
22 SEVERAL PROGRAM GUIDELINES TO MTC'S BAY AREA PRESERVATION  
23 PILOT BAP TO ADDRESS DEPLOYMENT BARRIERS TO IMPROVE EFFICIENCY  
24 FOR HOUSING PRESERVATION PROJECTS. I AM, UNFORTUNATELY, GOING



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1 TO POTENTIALLY BUTCHER YOUR FIRST NAME AND YOUR LAST NAME, SO  
2 IF YOU COULD HELP ME WITH THAT, SO I DON'T MAKE A MISTAKE.

3

4 **SPEAKER:** SURE THING. IT'S SOMAYA ABDELGANY, BUT I'LL HAND IT  
5 OVER TO DANIEL, WHO HAS AN EASIER NAME, TO START.

6

7 **DANIEL SAVER:** I'LL POSE A COUPLE OF INTRODUCTORY REMARKS, THEN  
8 PASS IT OVER TO SOMAYA. I'M DANIEL SAVER DIRECTOR OF HOUSING  
9 IS PLANNING AT MTC. WE'LL BRING TO YOU THE FIRST UPDATE TO THE  
10 BAY AREA PRESERVATION PILOT PROGRAM. THE PROGRAM WAS APPROVED  
11 IN 2018 TO ADDRESS PLACEMENT AND GAP IN THE SPECIFIC  
12 PRESERVATION FINANCING PRESERVATION SYSTEM TO STABILIZE MULTI-  
13 FAMILY PROPERTIES ON THE MARKETS. AND WE'LL GO OVER YEAR ONE  
14 OF THE PROGRAM AND FEEDBACK FROM STAKEHOLDERS IN THE  
15 JURISDICTION. I WANT TO NOTE THE CONNECTION BETWEEN THIS  
16 PROGRAM AND THE EXPANDED REGIONAL HOUSING PORTFOLIO, WHICH  
17 WE'RE LAUNCHING IN PARTNERSHIP WITH ABAG, WHICH INCLUDES THE  
18 BAY AREA HOUSING FINANCE AUTHORITY OR BAHFA. THE EXPAND  
19 REGIONAL HOUSING PORTFOLIO AND BAHFA ARE A CRITICAL  
20 OPPORTUNITY FOR US TO ADDRESS MORE COMPREHENSIVELY THE HOUSING  
21 CRISIS IN THE REGION AND IMPORTANTLY TO BRING SIGNIFICANT NEW  
22 RESOURCES PARTICULARLY CAPITAL RESOURCES TO SUPPORT THE THREE  
23 PS, PRODUCTION, PRESERVATION AND PROTECTION. RESOURCES THAT WE  
24 HAVE AT REGIONAL LEVEL FOR PRESERVATION OF THE THREE PS IT  
25 INDICATES A PILOT PROGRAM INITIALLY ENVISIONED AS A PILOT AND



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1 NOW THAT WE HAVE EXPANDED REGIONAL HOUSING PORTFOLIO AS WELL  
2 AS BAHFA, THERE IS MORE OF A CLEAR LINE IN TERMS OF WHAT THIS  
3 PILOT COULD INFLUENCE IN TERMS OF MORE PERMANENT PROGRAMS. THE  
4 PROPOSED CHANGES THAT YOU WILL BE DISCUSSING TODAY ARE -- THEY  
5 HAVE ALREADY BEEN IDENTIFIED IN SOME OF THE CONVERSATIONS WE  
6 HAVE HAD AS PART OF THE REGIONAL HOUSING PORTFOLIO. THIS IS  
7 INCLUDED AS A KEY COMPONENT TO ONE OF THE FIVE PILOTS THAT WE  
8 ARE HOPING TO LAUNCH WITH THE EXPANDED PORTFOLIO. THE CHANGES  
9 -- SO I GUESS THE KEY TAKEAWAY HERE IS THAT THESE CHANGES ARE  
10 DESIGNED TO HELP MAKE THE BAT PROGRAM ITSELF MORE EFFECTIVE  
11 FOR THE PURPOSES OF THE BAP PROGRAM. ADDITIONALLY THIS WILL  
12 SERVE AS SORT OF A TEST RUN FOR POTENTIALLY FUTURE AND LARGER  
13 FUNDING PROGRAMS THROUGH BAHFA, IF AT SOME POINT WE HAVE A  
14 REGIONAL BALLOT MEASURE, FOR EXAMPLE. BECAUSE A CERTAIN AMOUNT  
15 OF THOSE FUNDS MUST BE SPENT ON PRESERVATION. SO I WANT TO  
16 KIND OF MAKE THAT CONNECTION CLEAR THAT WE'RE OPERATING HERE  
17 IN THE BAP PROGRAM, BUT NOW THAT THERE IS THIS ADDITIONAL  
18 STRUCTURE THAT WE HAVE, THERE IS POTENTIALLY LARGER  
19 IMPLICATIONS INTO THE FUTURE, AND THE LESSONS WE'RE LEARNING  
20 HERE WILL PAY DIVIDENDS NOT ONLY FOR BAP BUT ALSO FOR FUTURE  
21 FUNDING PROGRAMS. WITH THAT CONTEXT I'LL TURN IT OVER TO  
22 SOMAYA TO GET INTO THE DETAILS OF THE PROGRAM AND PROVISIONS  
23 THAT WE'RE RECOMMENDING.  
24





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1 **SOMAYA ABDELGANY:** THANK YOU DANIEL, IF I COULD GET THE SLIDES  
2 UP. THANK YOU VERY MUCH. SO, SORRY, LET ME JUST MAKE SURE I  
3 GET MY SCREEN RIGHT. IF YOU COULD GO ON TO THE NEXT SLIDE,  
4 PLEASE. SO TO BEGIN I'LL START WITH PROVIDING SOME BACKGROUND  
5 ON THE BAPP PROGRAM. IT WAS LAUNCHED IN 2018 IN RESPONSE TO  
6 HIGH DISPLACEMENT PRESSURES TO LOW INCOME AND MODERATE INCOME  
7 RESIDENTS HERE IN THE BAY AREA MAJORITY LIVING IN UNSUBSIDIZED  
8 RENTAL PROPERTIES SUBJECT TO FLUCTUATIONS IN THE SPECULATIVE  
9 MARKET, PUTTING THEM AT RISK DUE TO RAPIDLY RISING RENT PRICES  
10 AND POSSIBILITY OF NO FAULT EVICTION BAPP IS A LOAN FUND  
11 INVOLVED TO ASSIST MISSION DRIVEN DEVELOPERS AND COMMUNITY-  
12 BASED ORGANIZATIONS WITH ACQUISITION AND REHABILITATION  
13 UNSUBSIDIZED MULTI-FAMILY HOUSING PROPERTIES LOCATED IN AREAS  
14 WITH HIGH FREQUENCY TRANSIT AND CONSIDERED AFFORDABLE TO LOW  
15 AND MODERATE INCOME RENTERS. EARLY DEVELOPMENT IMPLEMENTATION  
16 OF THE BAPP PROGRAM HAS SUPPORTED BY THE TOA BAPP JOINT  
17 ADVISORY COMMITTEE WHICH IS THE WORKING GROUP COMPRISED OF  
18 PRESERVATION EXPERTS INCLUDING MISSION DRIVEN DEVELOPERS  
19 COMMUNITY LAND TRUSTS, ADVOCATES AND PUBLIC AGENCIES. MTC  
20 SEEDED THE FUND WITH \$10 MILLION COMMITMENT SUPPLEMENTED BY  
21 ADDITIONAL \$39 MILLION IN COMMUNITY DEVELOPMENT FINANCING  
22 INSTITUTION CAPITAL FROM PROGRAM'S FUND MANAGERS WHO ARE  
23 ENTERPRISE COMMUNITY LOAN FUNDS, WE'LL REFER TO AS ECLS  
24 THROUGHOUT THE PRESENTATION AND LOW-INCOME INVESTMENT FUND OR  
25 LIF, MAKING A TOTAL OF \$49 MILLION AVAILABLE FOR ACQUISITION



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1 REHAB LOANS. NEXT SLIDE PLEASE. SOME OF THE KEY LOAN FEATURES,  
2 AS THE PROGRAM WAS INITIALLY APPROVED INCLUDE THAT THE PROJECT  
3 MUST BE LOCATED IN A PRIORITY DEVELOPMENT AREA OR TRANSIT  
4 PRIORITY AREA. LOANS OFFER A TERM UP TO TEN YEARS ALLOWING  
5 MISSION DRIVEN BUYERS TO STABILIZE THE RENTS OF EXISTING  
6 RESIDENTS WHILE THEY DETERMINE A LONG-TERM FINANCIAL TO ENSURE  
7 LONG-TERM AFFORDABILITY OF THE PROPERTY. AND MTC BAPP LOANS  
8 MUST INCLUDING OTHER FUNDING SOURCE, WHICH CAN INCLUDE CFI  
9 CAPITAL, PUBLIC SUBSIDY FROM LOCAL STATE SOURCES AND SPONSOR  
10 EQUITY WITH A 5 TO 1 LEVERAGING RATIO. BUT FOR SMALLER  
11 PROJECTS LESS THAN TEN UNITS THAT LEVERAGING RATIO REQUIREMENT  
12 IS 4 TO 1. AND FINALLY 75 PERCENT OF UNITS MUST BE RESTRICTED  
13 AT RENTS THAT ARE AFFORDABLE TO RESIDENTS EARNING NO MORE THAN  
14 80 PERCENT OF THE AREA MEDIAN INCOME. AND ON THE RIGHT OF THE  
15 SLIDE, YOU CAN SEE HOW THIS WAS ENVISIONED TO PLAY OUT IN A  
16 PROJECT'S OVERALL FINANCING PLAN. OF THE TOTAL DEVELOPMENT  
17 COST, 64 PERCENT WOULD BE COVERED BY THE BAPP LOAN FROM ECLF  
18 OR LIF, 17 PERCENT FROM MTC'S BAPP LOAN AT THE 5 TO 1  
19 LEVERAGING RATIO, 15 PERCENT ANTICIPATED IN THE FORM OF WHAT'S  
20 REFERRED TO AS SOFT DEBT OR PUBLIC SUBSIDY, AND 5 PERCENT IN  
21 THE FORM OF EQUITY FROM THE PROJECT SPONSOR. NEXT SLIDE  
22 PLEASE. SINCE THE LAUNCH OF BAPP, ECLF AND LIF HAVE MARKETED  
23 THE PROGRAM TO POTENTIAL BORROWERS AND HAVE EVALUATED A NUMBER  
24 OF PROSPECTIVE PROJECTS. AND WHILE THEY HAVE SUCCESSFULLY  
25 CLOSED TWO LOANS, SPECIFICALLY IN OAKLAND, THE MAJORITY OF



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1 BAPP FUNDS HAVE YET TO BE DEPLOYED DUE TO THE FOLLOWING  
2 BARRIERS: FIRST IS THAT THERE HAS BEEN LIMITED SOFT DEBT FROM  
3 PUBLIC SOURCES. SO SOFT DEBT IS REFERRING TO PUBLIC SUBSIDY  
4 THAT HAS MINIMAL TO NO REQUIREMENT FOR REPAYMENT, ALLOWING IT  
5 TO STAY IN THE PROJECT AS PERMANENT FINANCING FOR AS LONG AS  
6 IT REMAINS AFFORDABLE. AND IN PRACTICE, SOFT DEBT HAS BEEN  
7 MUCH MORE LIMITED THAN ASSUMED DURING A PROGRAM DEVELOPMENT  
8 PARTICULARLY OUTSIDE OF SAN FRANCISCO AND OAKLAND, WHICH ARE  
9 THE ONLY TWO CITIES AS OF NOW WHERE DEDICATED PRESERVATION  
10 FUNDS CURRENTLY EXIST. WHILE THERE ARE EMERGING EFFORTS AMONG  
11 CITIES INCLUDING BERKELEY, SAN JOSE AND MOUNTAIN VIEW TO PUT  
12 OUT THEIR OWN SOURCE OF LOCAL PRESERVATION FUNDS. PROJECTS ARE  
13 NOT CURRENTLY COMPETITIVE FOR BAPP FUNDS UNDER ITS EXISTING  
14 STRUCTURE WITHOUT SUCH FUNDS BEING READILY AVAILABLE NOW. DUE  
15 TO THE PROGRAM'S 5 TO 1 LEVERAGING REQUIREMENT, THIS LACK OF  
16 SOFT DEBT HAS RESULTED IN A SIGNIFICANT FINANCING GAP FOR MOST  
17 PROJECTS BY LIMITING CAPITAL THAT CAN BE LEVERAGED AND  
18 THEREFORE THE SIZE OF THE MTC BAPP LOAN. SO, ALL-IN-ALL, IN  
19 ORDER TO ACHIEVE MORE GEOGRAPHIC FLEXIBILITY OF FUNDS THIS  
20 POINTS TO THE NEED FOR MORE PERMANENT SUBSIDY THAT CAN BE  
21 ACCESSED THROUGHOUT THE REGION. SECOND BARRIER IS THAT  
22 PROPERTY INCOME FROM TENANT RENTS HAS BEEN LIMITED. WHILE BAPP  
23 REQUIRES THAT 75 PERCENT OF UNITS BE RESTRICTED TO TENANTS  
24 EARNING NO MORE THAN 80 PERCENT OF THE AREA MEDIAN INCOME  
25 TENANTS INCOMES LIVING IN THE EVALUATES PROPERTIES HAVE BEEN



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1 CLOSER TO 60 PERCENT ON AVERAGE. THIS MEANS THAT TO MAINTAIN  
2 AFFORDABILITY FOR EXISTING RESIDENTS, THE PROJECTED RENTAL  
3 INCOME IS SIGNIFICANTLY LOWER THAN THE AVERAGE 80 PERCENT AMI  
4 LEVELS ORIGINALLY UNDERWRITTEN. REDUCING THE DEBT THAT CAN BE  
5 SUPPORTED FROM CDFI THAT ACQUISITION AND EVENTUALLY FROM  
6 PERMANENT LENDERS AT REFINANCE AFTER THE BAPP LOANS TERM. THIS  
7 AGAIN POINTS TO THE NEED FOR PERMANENT SUBSIDY TO SUPPORT  
8 RESIDENTS OF LOWER INCOME. NEXT, TAX CREDIT EQUITY FOR  
9 PROSPECTIVE PROJECTS HAS BEEN LIMITED. ORIGINAL UNDERWRITING  
10 ASSUMES PROJECTS WOULD BE ABLE TO PURSUE TAX CREDIT EQUITIES  
11 THROUGH THE LOW INCOME HOUSING TAX CREDIT PROGRAM, OR LIHTC AS  
12 A SOURCE OF PERMANENT CAPITAL AT THE END OF THE BAPP LOAN  
13 TREND. BUT THERE IS LIMITED INCENTIVE FOR TAX CREDIT INVESTORS  
14 TO INVEST IN SMALLER SCALE PRESERVATIONS PROJECTS LESS THAN 20  
15 UNITS. DEVELOPERS OF SMALLER PROSPECTIVE PROJECTS HAVE  
16 INDICATED THEY DO NOT PLAN TO PURSUE TAX CREDITS AND AS A  
17 RESULT THE INITIAL AMOUNT OF BAPP THAT CAN BE SUPPORTED AT  
18 ACQUISITION IS FURTHER CONSTRAINED FOR THESE PROJECTS BECAUSE  
19 OF THE LIMITED EXIT FINANCING. THE TAKE AWAY HERE IS NON-STATE  
20 SOURCES OF PERMANENT FUNDING ARE NEEDED TO MAINTAIN LONG-TERM  
21 AFFORDABILITY. AND FINALLY, TOTAL DEVELOPMENT COST, INCLUDING  
22 REHABILITATION NEEDS, TAXES DEVELOPER FEES HAVE BEEN FOUND TO  
23 BE SLIGHTLY HIGHER THAN UNDERWRITTEN DUE TO MARKET SHIFTS.  
24 THIS HAS BEEN EXACERBATED BY THE IMPACT OF COVID, RESULTING IN  
25 HIGHER CONSTRUCTION COSTS DUE TO NEED FOR SAFETY MONITORING,



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1 PERSONAL PROTECTIVE EQUIPMENT, AND ADDITIONAL LABOR HOURS FOR  
2 SANITIZING WORK AREAS AND PHASING OF CONTRACTORS TO MINIMIZE  
3 CROWDING ON-SITE PARTICULARLY FOR TENANT-OCCUPIED REHAB  
4 PROJECTS. THESE HIGHER COST RESULT IN A BIGGER FUNDING GAP  
5 WITH NO EXISTING SOURCE TO FILL IT UP OVER TIME. NEXT SLIDE  
6 PLEASE. ON THE LEFT IS THE FINANCING STRUCTURE INITIALLY  
7 PROJECTED AND ON THE RIGHT IS THE ACTUAL FINANCING STRUCTURE  
8 OF PROSPECTIVE PROJECTS EVALUATED BY THE BAPP FUND MANAGERS  
9 AFTER PROGRAM LAUNCH. YOU CAN SEE THAT PUBLIC SOFT DEBT HAS  
10 BEEN NOT AVAILABLE OUTSIDE OF OAKLAND AND SAN FRANCISCO, WHICH  
11 RESULT IN A FUNDING GAP IN MANY PROJECTS. THIS LACK OF SOFT  
12 DEBT LOWERS THE MTC BAPP LOAN THAT CAN BE OFFERED DUE TO THE 5  
13 TO 1 LEVERAGING RATIO REQUIREMENT, AND BECAUSE TENANT RENTS  
14 ARE LOWER THAN EXPECTED PROJECTS ARE NOT ABLE TO SUPPORT AS  
15 MUCH DEBT FROM THE CDFI BAPP LOAN. AND FINALLY HIGHER  
16 DEVELOPMENT COSTS HAVE ONLY INCREASE THE SIZE OF THE FUNDING  
17 GAP. NEXT SLIDE PLEASE. TO ADDRESS THESE DEPLOYMENT BARRIERS  
18 STAFF RECOMMENDS THE FOLLOWING REVISIONS TO THE BAPP PROGRAM  
19 GUIDELINES PROPOSED BY ECLF AND LIF BASED ON INPUT FROM THE  
20 TOA BAPP ADVISORY COMMITTEE AND POTENTIAL BORROWERS FIRST  
21 DECREASE LEVERAGE RATIO REQUIREMENT ON MTC FUNDS FROM 5 TO 1  
22 TO 3 TO 1 FOR ALL PROJECTS THIS WOULD ALLOW BORROWERS TO  
23 OBTAIN A HIGHER BAPP LOAN FROM MTC WITH LESS FUNDING NEEDED  
24 FROM OTHER SOURCES. THE SECOND IS TO ALLOCATE UP TO \$6 MILLION  
25 OF MTC'S \$10 MILLION COMMITMENT FOR DEPLOYMENT AS LONG-TERM



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1 FORGIVABLE DEBT THAT MAY REMAIN IN A PROJECT AS PERMANENT  
2 SUBSIDY IT'S IMPORTANT TO NOTE THAT THIS FORGIVABLE DEBT WOULD  
3 BE DISBURSED AS NEEDED ON PROJECT BY PROJECT BASIS FULL 6  
4 MILLION ALLOCATED FOR THIS USE MAY NOT BE NEEDED IN WHICH CASE  
5 THOSE FUNDS WOULD CONTINUE TO REVOLVE. A THIRD MINOR PROGRAM  
6 CHANGE NOT ON THIS SLIDE BUT IS INCLUDED IN YOUR PACKETS IS AN  
7 INCREASE OVERALL TERM OF BAPP FUND FROM 10 TO 20 YEARS TO  
8 ACCOUNT FOR DELAY IN DEPLOYMENT IN THE FIRST THREE YEARS OF  
9 THE LOAN, AND ALLOWING NEW LOANS TO BE CONTINUE TO BE OFFERED  
10 WITH A MAXIMUM TEN YEAR LOAN TERM. NEXT SLIDE PLEASE. THIS  
11 SLIDE PROVIDES AN ILLUSTRATION OF THE ANTICIPATED PROJECT  
12 FINANCING STRUCTURE IF THIS PROGRAM REVISIONS WERE ADOPTED ON  
13 THE LEFT THE CURRENT FINANCING FOR A TYPICAL PROJECT WITH 35  
14 PERCENT FUNDING GAP AND TO THE RIGHT YOU CAN SEE THE MTC BAPP  
15 LOAN CAN BE INCREASED TO 25 PERCENT OF TOTAL DEVELOPMENT COST  
16 WITH LEVERAGING RATIO OF 3 TO 1 AND THE REMAINING GAP COULD BE  
17 FILLED WITH THE NEW FORGIVABLE DEBT PRODUCT IF IT CANNOT BE  
18 OBTAINED FROM OTHER PUBLIC SOURCES. NEXT SLIDE PLEASE. THESE  
19 REVISIONS WOULD HAVE THE FOLLOWING IMPACTS: IT WOULD ALLOW THE  
20 FUND MANAGERS TO DEPLOY FUNDS AMIDST RISK EXACERBATED BY THE  
21 IMPACTS OF COVID-19 BY PROVIDING PERMANENT SUBSIDY THAT IS NOT  
22 MADE AVAILABLE FROM OTHER LOCAL SOURCES. IT WOULD ENABLE  
23 MAXIMUM GEOGRAPHIC FLEXIBILITY OF BAPP FUNDS BY OPENING  
24 OPPORTUNITIES FOR PROJECTS IN CITIES THROUGHOUT THE REGION  
25 OUTSIDE OF SAN FRANCISCO AND OAKLAND WHERE LOCAL PRESERVATION



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1 FUNDS DO NOT CURRENTLY EXIST THESE REVISIONS WOULD CLOSE THE  
2 FUNDING GAP FOR POTENTIAL PROJECTS IN CITIES WITH NO  
3 SUPPLEMENTAL FINANCING AT THIS TIME AND WOULD CONTINUE TO  
4 OFFER A SOURCE THAT COULD BE LEVERAGED ALONGSIDE LOCAL FUNDS  
5 WHERE THEY DO EXIST IN PARTICULAR CITIES. THESE REVISIONS  
6 WOULD ALSO DECREASE THE AMOUNT OF FUNDING NEEDED FROM CDFIS  
7 WHICH MUST BE REPAYED IN FULL BY THE END OF THE LOAN TERM AND  
8 ARE LIMITED BY THE AMOUNT OF TENANT RENTAL INCOME THAT CAN  
9 SUPPORT MONTHLY PAYMENTS. THE END RESULT IS BAPP FUNDS WOULD  
10 ACHIEVE DEEPER LEVELS OF AFFORDABILITY AND THUS SUPPORT LOWER  
11 INCOME RESIDENTS. NEXT IS THAT THE FORGIVABLE DEBT PRODUCT  
12 WOULD REDUCE THE RELIANCE OF PROJECTS ON TAX CREDIT EQUITY AS  
13 A TAKE-OUT SOURCE. THIS SHIFT WOULD BE BENEFICIAL FOR ALL  
14 PROJECTS AND WOULD BE HELPFUL IN UNLOCKING SMALL PROJECTS AND  
15 COLLECTIVE OWNERSHIP MODELS WHICH DO NOT PAIR WELL WITH THE  
16 LIVE TECH PROGRAM. FINALLY ALLOWING EACH PROJECT ACCESS TO  
17 MORE FUNDING FROM MTC DEVELOPERS CAN ACCOMMODATE HIGHER  
18 OVERALL PROJECT COST MAINTENANCE ISSUES MAY NOT BE ANTICIPATED  
19 BEFORE ACQUISITION HAVING A SOURCE OF PERMANENT FUNDING BY  
20 TIME ACQUISITION WOULD ALLOW DEVELOPERS TIME TO ADDRESS UP  
21 FRONT RESERVES AS THEY ARISE OVER TIME NEXT SLIDE PLEASE. ONE  
22 CONSIDERATION TO BE WEIGHED ALONGSIDE THE IMPACTS IS THE  
23 REDUCTION IN TOTAL UNITS FUNDED BY THE BAPP PROGRAM FROM THE  
24 ORIGINAL PROJECTIONS OF 200 TO 400 UNITS TO ABOUT 100 TO 200  
25 UNITS HOWEVER IT'S IMPORTANT TO NOTE THAT THE NUMBER UNITS



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1 INITIALLY PROJECTED MAY BE UNREALISTIC GIVEN THE CURRENT  
2 UNEMPLOYMENT CHALLENGES ANOTHER CONSIDERATION MENTIONED BY  
3 DANIEL AT THE BEGINNING OF THE PRESENTATION IS THE ADDITIONAL  
4 BENEFIT AFFORDED BY THESE REVISIONS AS MTC STAFF LAY THE  
5 GROUNDWORK FOR THE BAY AREA HOUSING FINANCE AUTHORITY OR  
6 BAHFA. BECAUSE BAPP CDFI FUND MANAGERS ARE NOT WELL POSITIONS  
7 TO CONTINUE WITH LOAN SERVICING AND ASSET MANAGEMENT BEYOND  
8 THE INITIAL TEN YEAR TERM MTC STAFF WOULD HAVE THE OPPORTUNITY  
9 TO TAKE ON COMPLIANCE MONITORING FOR THE NEW LONG-TERM  
10 FORGIVABLE DEBT PRODUCTS. STAFFING FOR THIS MONITORING IS  
11 ESTIMATED AT 4.5 TO 11 PERCENT OF ONE FTE ANNUALLY, AND THESE  
12 STAFFING COSTS WOULD INCUR AFTER THE INITIAL TEN YEAR LOAN  
13 PERIOD AND COULD BE POTENTIALLY ABSORBED BY MUCH MORE ROBUST  
14 BAHFA MONITORING RESPONSIBILITIES THAT MAY COME IN THE FUTURE.  
15 ON BALANCE STAFF SEES THIS FUTURE COST AS A WORTHWHILE  
16 INVESTMENT TO TAKE ADVANTAGE OF THE UNIQUE OPPORTUNITY TO  
17 BUILD IN-HOUSE CAPACITY FOR LONG-TERM COMPLIANCE MONITORING,  
18 WHICH WILL BE NECESSARY WHEN NEW PERMANENT FINANCING PROGRAMS  
19 ARE CREATED THROUGH BAHFA. ULTIMATELY PROVIDING A VALUABLE  
20 TEST RUN FOR SIMILAR AND WIDER SCALE FINANCING AND  
21 PRESERVATION PROGRAMS. THE RESTRUCTURING PROGRAM HAS BEEN  
22 IDENTIFIED AS A NEAR-TERM PILOT PROJECT FOR THE REGIONAL  
23 HOUSING PORTFOLIO AND HAS RECEIVED POSITIVE FEEDBACK FROM MTC  
24 AND POLICY MAKERS. NEXT SLIDE PLEASE. SO TODAY'S ACTION WOULD  
25 REFER RESOLUTION 4454 TO THE COMMISSION FOR APPROVAL, WHICH





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1 WOULD MEMORIALIZE THE PROPOSED PROVISIONS AMENDING PRINCIPLES  
2 AGREEMENT ORIGINALLY APPROVED BY THE COMMISSION IN FEBRUARY  
3 2018 THIS ACTION AUTHORIZES THE EXECUTIVE DIRECTOR TO EXECUTE  
4 AMENDMENTS TO THE FUNDING AGREEMENTS WITH THE FUND MANAGERS  
5 ECLF AND LIF TO REFLECT THE AMENDED RESTATE PRINCIPLES IN THE  
6 AGREEMENT AT THAT POINT STAFF WOULD WORK TO DEVELOP THE  
7 SPECIFIC TERMS FOR THE PRODUCT AND MARKET THE REVISED PROGRAM  
8 TO POTENTIAL BORROWERS. WITH THAT I'LL PASS IT BACK TO DANIEL  
9 FOR CLOSING COMMENTS.

10

11 **DANIEL SAVER:** I WANT TO ACKNOWLEDGE FOR THOSE WHO OF YOU WHO  
12 ARE NOT FAMILIAR WITH AFFORDABLE HOUSING FINANCE WE UNDERSTAND  
13 THAT WAS QUITE A LOT AND TECHNICAL. WE ARE FORTUNATE TO MANAGE  
14 PROJECTS LIKE THIS, WE'RE HAPPY TO HAVE HER EXPERTISE AT A  
15 STAFF LEVEL TO HELP MOVE THIS FORWARD. OUR FUND MANAGERS ARE  
16 JOINING US FOR THIS CALL TO ADDRESS SPECIFIC TECHNICAL  
17 QUESTIONS ABOUT THE PRODUCT THEY OFFER. IT'S A LOT AND IT'S  
18 QUITE TECHNICAL AND THIS IS THE SORT OF THING THAT AT SOME  
19 POINT IN THE FUTURE BAHFA WILL DO AS PART OF ITS BREAD AND  
20 BUTTER DEPENDING ON THE COMMISSION AND HOW THAT WORK PLAYS OUT  
21 WE'LL CONTINUE TO HAVE CONVERSATIONS TO EXPLORE THE  
22 RELATIONSHIP OF THIS FUND AND ANY FUTURE FUNDS THAT WE HAVE  
23 AND TRY TO UNDERSTAND HOW TO MAKE SURE THAT WE'RE DEALING WITH  
24 ALL OF THAT QUITE EFFICIENTLY. SO WITH THAT, I'LL PASS IT BACK  
25 TO THE CHAIR FOR ANY QUESTIONS. WE'RE AVAILABLE.



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1

2 **NICK JOSEFOWITZ, CHAIR:** THANK YOU VERY MUCH FOR THAT  
3 PRESENTATION. COMMISSIONER ABE-KOGA?

4

5 **DIR. MARGARET ABE-KOGA:** THANK YOU CHAIR, AND THANK YOU FOR  
6 THAT PRESENTATION. I ALSO WANT TO THANK STAFF FOR ANSWERING  
7 SOME OF MY WRITTEN QUESTIONS IN ADVANCE AS I TRY TO LEARN ALL  
8 OF THIS AND GET UP TO SPEED, BEING A NEWBIE HERE. I GUESS I  
9 WAS -- I THINK YOU'RE ABSOLUTELY RIGHT FOR ESPECIALLY SMALL  
10 CITIES LIKE MINE, SINCE SOFT DEBT IS LIMITED WE OFTENTIMES  
11 DON'T HAVE THOSE TYPES OF FUNDS WE OFTEN HAVE TO CHOOSE  
12 BETWEEN BUILDING NEW UNITS VERSUS PRESERVATION LEGALLY I FEEL  
13 THERE IS MORE FUNDING FOR NEW DEVELOPMENTS NOT SO MUCH FOR  
14 PRESERVATION. THAT'S GREAT. I AM TRYING TO UNDERSTAND OF THE  
15 10 MILLION WHY THE 6 MILLION TO 4 MILLION RATIO? IS IT A  
16 PROJECT WOULD GET, OUT OF THE 6 MILLION, THE PERMANENT SUBSIDY  
17 AND THEN IN ADDITION THAT ON TOP OF THAT POTENTIALLY GET A  
18 LOAN FROM THE 4 MILLION POT? IS THAT -- IS THAT HOW IT WORKS?

19

20 **SPEAKER:** THAT'S CORRECT. SO I THINK THE IDEA IS THAT A PROJECT  
21 COULD HAVE BOTH THE BAPP LOAN THAT IS REVOLVING AND COULD  
22 CONTINUE TO FUND NEW PROJECTS AS IT COMES BACK TO US AND AS  
23 NEEDED YOU COULD FILL THE FUNDING GAP WITH THAT FORGIVABLE  
24 DEBT COMPONENT AND THERE MAY BE SOME PROJECTS, FOR EXAMPLE,  
25 THERE ARE TWO PROJECTS THAT WERE ABLE TO BE CLOSED THIS SUMMER



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1 IN THE CITY OF OAKLAND BECAUSE THEY HAPPEN TO HAVE -- OR HAVE  
2 HAD AN ACQUISITION FUND, WHERE THEY WERE ABLE TO DO IT WITHOUT  
3 THAT FORGIVABLE DEBT PIECE, AND WE WANT TO BE ABLE TO CONTINUE  
4 TO LEVERAGE OUR FUNDS AS MUCH AS POSSIBLE, BUT FILL IN THAT  
5 FUNDING GAP WHERE NEEDED.

6

7 **DIR. MARGARET ABE-KOGA:** THANK YOU. AND THEN, I APPRECIATE THE  
8 10 MILLION, FRANKLY IT'S -- IT'S MODEST, AND I REALIZE THIS IS  
9 A PILOT PROJECT. IS THERE A TIMELINE FOR THE PILOT? IS IT  
10 SOMETHING YOU PLAN TO DO UNTIL, POTENTIALLY, THE BAHFA PIECE  
11 COMES INTO PLAY? WHAT IS THE OUTLOOK FOR, FOR THIS PROGRAM?

12

13 **DANIEL SAVER:** I CAN TAKE THAT ONE. THIS FUND, AS PART OF THE  
14 AMENDMENTS THAT WE'RE PUTTING TO YOU INCLUDE AN EXTENSION OF  
15 THE TERM 10 TO 20 YEARS SO THIS COULD LIVE ON FOR THAT TIME.  
16 HOPEFULLY BAHFA AL HAVE NEW SIGNIFICANT RESOURCES THAT WE CAN  
17 PUT OUT TO LOCAL JURISDICTIONS AT SOME POINT DURING THAT  
18 PERIOD AND IF AND WHEN WE ARE IN THAT POSITION, WE'LL NEED TO  
19 HAVE CONVERSATIONS ABOUT WHETHER IT MAKES SENSE TO TRY TO  
20 MIGRATE THIS PILOT INTO A BROADER BAHFA PORTFOLIO OR WORK WITH  
21 AWFUL YOU TO TRY TO IDENTIFY EXACTLY HOW WE WANT TO PLAY THAT  
22 OUT. I THINK WE ARE ANTICIPATING THERE BEING SIGNIFICANT NEW  
23 BAHFA PROGRAMS AT SOME POINT. AND I DO THINK THAT YOUR POINT  
24 IS VERY WELL TAKEN, COMMISSIONER, THAT THIS IS A PRETTY MODEST



February 10, 2021,

1 SIZE PILOT. WE'RE LEARNING A LOT FROM IT. AND WE HOPE THAT  
2 WE'LL LEARN FROM THE PILOT AS WE MOVE INTO THE FUTURE.

3

4 **DIR. MARGARET ABE-KOGA:** THANK YOU.

5

6 **NICK JOSEFOWITZ, CHAIR:** COMMISSIONER SCHAFF?

7

8 **LIBBY SCHAFF:** THANK YOU. I WANT TO START BY COMMENDING STAFF.  
9 YOU KNOW, GOVERNMENT NEEDS TO DO MORE PILOTS, AND YOU HAVE  
10 DONE EXACTLY WHAT YOU SHOULD DO WITH A PILOT, AND THAT IS  
11 LEARN FROM BOTH WHAT HAS WORKED AND ALSO WHAT HASN'T WORKED,  
12 AND YOUR PROPOSALS ARE EXCELLENT, THEY'RE CLEARLY SURGICALLY  
13 DESIGNED TO ADDRESS WHAT HASN'T BEEN SUCCESSFUL AND TO ENSURE  
14 THAT WE MOVE FORWARD. I REMAIN SO PASSIONATE ABOUT THE THREE  
15 PS APPROACH. NO ONE OF THOSE PS, PROTECTION, PRESERVATION, OR  
16 PRODUCTION, IS GOING TO SOLVE OUR HOUSING CRISIS ALONE. BUT  
17 PRESERVATION HAS BEEN A TOOL THAT I THINK HAS NOT BEEN  
18 SUFFICIENTLY USED BY OUR JURISDICTIONS TO UTILIZE EXISTING  
19 HOUSING STOCK, AND ESSENTIALLY CONVERT IT TO AFFORDABLE  
20 HOUSING. SO I'M VERY EXCITED ABOUT THIS PROJECT. I REALLY --  
21 IN FACT, CHAIR JOSEFOWITZ, IF YOU WOULD DO MEET HONOR OF  
22 MOVING THIS RECOMMENDATION TO THE FULL COMMISSION, THAT WOULD  
23 MAKE ME VERY HAPPY, BECAUSE I AM TRULY THRILLED WITH THE  
24 STAFF'S WORK, AND WANT TO GIVE MY RESOUNDING SUPPORT.

25



February 10, 2021,

1 **NICK JOSEFOWITZ, CHAIR:** WELL WHY DON'T YOU DO THAT RIGHT NOW?

2

3 **LIBBY SCHAAF:** I SO MOVE.

4

5 **GINA PAPAN:** STILL QUESTIONS.

6

7 **NICK JOSEFOWITZ, CHAIR:** I'LL GET A SECOND ON THAT PRETTY SOON.

8 COMMISSIONER PAPAN.

9

10 **GINA PAPAN:** GREAT, THANK YOU. MY COMPLIMENTS TO STAFF. AND I

11 AGREE WITH MAYOR SCHAFF, MY QUESTION IS, IF THERE IS A

12 PROPERTY THAT'S STAGNANT AND NOT CURRENTLY IN USE, CAN IT BE

13 USED TO REENVISION SUCH A PROPERTY FOR THIS PURPOSE? OR DOES

14 IT HAVE TO HAVE TENANTS IN IT NOW?

15

16 **SPEAKER:** CURRENTLY, THE -- AS APPROVED IN 2018, THERE IS AN

17 OCCUPANCY REQUIREMENT OF I BELIEVE SOMEWHERE BETWEEN 70 AND 80

18 PERCENT I HAVE TO CONFIRM THAT NUMBER BUT IT IS CONFIRMED TO

19 BE OCCUPANCY REHAB DIVISION IN THAT IT'S ANTI- PROGRAM TO KEEP

20 TENANTS.

21

22 **GINA PAPAN:** THANK YOU. AND COMPLIANCE WITH MONITORING STAFF

23 DON'T LOCAL STAFF HAVE TO ENSURE THAT THESE REQUIREMENTS ARE

24 MET FOR THE TEN YEAR PERIOD?

25



February 10, 2021,

1 **SPEAKER:** THAT COMPLIANCE MONITORING WOULD BE SPECIFICALLY TIED  
2 TO ANY FUNDS COMING FROM MTC. SO WE WOULD BE MONITORING  
3 WHATEVER FUNDS WERE GOING INTO THAT DEAL FROM MTC'S BAPP FUND  
4 TO ENSURE THAT OUR REQUIREMENTS ASSOCIATED WITH OUR FUNDS ARE  
5 BEING MET OVER TIME. BUT LOCAL STAFF WOULD BE MONITORING IT  
6 FOR ANY FUNDS THEY PUT IN, IF THAT MAKES SENSE.

7

8 **GINA PAPAN:** YEAH. MY CONCERN IS DOUBLE PAYING HERE WHEN WE  
9 WANT THE FUNDING TO GO AS MUCH AS POSSIBLE TO THE  
10 PRESERVATION. SO YEAH, I'M JUST -- I KIND OF QUESTION THAT  
11 ASPECT OF IT, IF WE HAVE TWO PEOPLE MONITORING IT SEEMS LIKE  
12 WE'RE RECORDING AWAY FUNDS THAT NEED TO GO DESPERATELY INTO  
13 THE PRESERVATION, THE THREE PS AS MAYOR SCHAFF SAID. IS THAT  
14 NECESSARY?

15

16 **DANIEL SAVER:** ONE -- I'M HAPPY TO CHIME IN HERE COMMISSIONER.  
17 ONE OF THE ISSUES IS THAT THERE ISN'T CURRENTLY  
18 [INDISCERNIBLE] LOCALLY. ESSENTIAL LOCAL JURISDICTIONS FOR  
19 THESE PRESERVATION DEALS IN THE CURRENT CLIMATE ARE NOT -- ARE  
20 GENERALLY NOT ABLE TO PUT MONEY INTO THE PROJECT. SO SINCE  
21 THEY'RE NOT PUTTING MONEY INTO THE PROJECT THEY ACTUALLY  
22 AREN'T PROVIDING ANY OF THAT MONITORING. SO I THINK YOU'RE  
23 RAISING A VERY GOOD POINT, COMMISSIONER, WHICH IS THAT IF  
24 THERE IS A PROJECT THAT HAS SOME OF OUR SUBSIDY, THE SOFT DEBT  
25 IN IT, AND THERE IS AN ADDITIONAL LOCAL SOURCE, THEN WE WOULD



February 10, 2021,

1 NEED TO WORK OUT WITH THE LOCAL JURISDICTION HOW THE MOST  
2 EFFICIENTLY, KIND OF COMONITOR THAT, I THINK THAT'S A VERY  
3 EXCELLENT POINT TO WORK OUT WITH OUR FUND MANAGERS. BUT ONE OF  
4 THE ISSUES WITH THAT I THINK THERE IS ACTUALLY NOT -- IF THERE  
5 IS NO LOCAL MONEY THE LOCAL JURISDICTIONS TYPICALLY AREN'T  
6 DOING THE MONITORING BECAUSE THERE IS NO MECHANISM THROUGH  
7 WHICH THEY'RE ENFORCING IT.

8

9 **GINA PAPAN:** I BEG TO DIFFER. THERE ARE CERTAIN JURISDICTION IN  
10 MY COUNTY WHERE WE'RE REQUIRING SPECIFIC LEVELS OF LOW INCOME  
11 HOUSING, AND PART OF THE APPROVAL PROCESS IS THAT THEY HAVE TO  
12 KEEP REPORTING TO US THAT THAT IS MAINTAINED THROUGHOUT HERE.  
13 SO THE ONE THING THEY WANT TO SEE IS, LET'S MAKE SURE WE DON'T  
14 HAVE TWO PEOPLE DOING THE SAME THING WHERE WE'RE TAKING MONEY  
15 AWAY FROM THE PROJECT BECAUSE THAT IS MOST IMPORTANT THAT WE  
16 HAVE, LIKE YOU SAID, A LIMITED PILOT PROJECT. BUT I WOULD  
17 SECOND MAYOR SCHAFF WHEN WE GET THERE.

18

19 **NICK JOSEFOWITZ, CHAIR:** THANK YOU. DO YOU WANT TO SECOND THAT  
20 NOW COMMISSIONER PAPAN JUST SO WE CAN GET THAT MOTION ON THE  
21 FLOOR.

22

23 **GINA PAPAN:** JUST TWO MORE QUESTIONS BUT YES I WOULD OFFICIALLY  
24 SECOND.

25



February 10, 2021,

1 **NICK JOSEFOWITZ, CHAIR:** OKAY THANK YOU. COMMISSIONER RONEN AND  
2 THEN COMMISSIONER WORTH.

3

4 **DIR. HILLARY RONEN:** YES, JUST REALLY QUICKLY, I WANTED TO ECHO  
5 COMMISSIONER SCHAFF. I THINK SHE EXPRESSED IT PERFECTLY, AND I  
6 DON'T WANT TO REPEAT EVERYTHING SHE SAID, BUT I DID WANT TO  
7 PERSONALLY THANK THE STAFF ON THIS. GREAT WORK. THANK YOU.

8

9 **NICK JOSEFOWITZ, CHAIR:** THANK YOU. COMMISSIONER WORTH?

10

11 **AMY R. WORTH:** THANK YOU MR. CHAIR. YOU KNOW, I WANT TO ECHO  
12 THOSE THANKS. THIS IS SUCH AN IMPORTANT OPPORTUNITY FOR OUR  
13 REGION. I RECOGNIZE THIS IS A PILOT, BUT IT'S MY HOPE THAT  
14 THIS WILL GROW. YOU KNOW, HAVING BEEN INVOLVED IN DEVELOPING  
15 AN AFFORDABLE HOUSING PROJECT IN A SMALL COMMUNITY, I  
16 UNDERSTAND THE COMPLEXITIES OF STATE AND FEDERAL FINANCING,  
17 AND THAT THE SEVERE LIMITATIONS ON DOING REHAB, AND GIVEN THE  
18 HIGH COST OF PRODUCING NEW HOUSING, MANY OF OUR CITIES HAVE  
19 THESE KINDS OF PROPERTIES, THAT THEY WOULD VERY MUCH LIKE TO  
20 REDEVELOP AND TURN THEM INTO PERMANENT AFFORDABLE HOUSING  
21 PROJECTS. SO I GUESS MY QUESTION, DANIEL, AND YOU ARE AN  
22 EXPERT, AND I WANT TO THANK YOU FOR ALL YOUR HELP YOUR  
23 PROVIDING LOCAL JURISDICTIONS AS THEY ARE APPROACHING THE RHNA  
24 PROCESS, AND HOW CAN WE BEST, YOU KNOW, IMPLEMENT OUR STATE  
25 REQUIREMENTS, AND WITH THE WHOLE GOAL OF INCREASING THE SUPPLY





February 10, 2021,

1 OF AFFORDABLE HOUSING. SO WHAT IS THE -- AND SO, I GUESS MY  
2 QUESTION IS PREDICATED WITH THE FACT THEY THINK THE MORE WE  
3 CAN GIVE THIS INFORMATION TO CITIES EVEN THOUGH I RECOGNIZE  
4 THIS PROGRAM WILL BE PROBABLY OVERSUBSCRIBED VERY QUICKLY, ON  
5 THE OTHER HAND, IF WE CAN HAVE CITIES STARTING TO THINK ABOUT  
6 THESE TOOLS THAT IN TERMS OF PRESERVING AFFORDABLE HOUSING, IS  
7 THERE ANY RHNA IMPLICATION TO THIS? SO, FOR EXAMPLE, IF A  
8 SMALL JURISDICTION TAKES AN EXISTING APARTMENT BUILDING WITH  
9 NO RENT, YOU KNOW, THAT, TO TURN INTO AN AFFORDABLE PROJECT,  
10 IS THERE -- ARE THERE OPPORTUNITIES FOR CITIES TO INCORPORATE  
11 THIS INTO THEIR LONG-TERM AFFORDABLE HOUSING GOALS AND  
12 REQUIREMENTS?

13

14 **DANIEL SAVER:** THAT IS AN EXCELLENT QUESTION, COMMISSIONER. AND  
15 THE ANSWER IS SOMEWHAT COMPLEX. I'LL DO MY BEST TO BOIL IT  
16 DOWN IS THEN I'LL BE HAPPY TO FOLLOW UP WITH YOU OFFLINE ABOUT  
17 SOME OF THE DETAILS. IN TERMS OF THE RHNA CREDIT FOR  
18 PRESERVATION RELATED PROJECTS, I THINK OF IT AS HAVING TWO  
19 SIDES OF THE COIN ONE IS WHEN YOU'RE PLANNING AND MOVING YOUR  
20 HOUSING ELEMENT FORWARD ARE YOU ABLE TO COUNT SOME UNIT IN  
21 THAT PLANNING EXERCISE. AND THEN THE SECOND PART IS ON THE  
22 BACK END AFTER YOU'RE HOUSING ELEMENT HAS BEEN ADOPTED,  
23 JURISDICTIONS ARE REQUIRED TO REPORT ON THE NUMBERS OF --  
24 ACTUALLY PRODUCED, PRESERVED, ET CETERA SO ON THE PLANNING  
25 SIDE, THE SHORT ANSWER IS THERE IS AN EXISTING PROVISION OF



February 10, 2021,

1 STATE LAW TO ALLOW JURISDICTIONS TO ACCOUNT FOR SOME PRESERVED  
2 UNIT IN THEIR PLANNING PROCESS, BUT THE -- THERE ARE MANY  
3 RESTRICTIONS ON THAT, AND TO OUR KNOWLEDGE THERE ARE NO  
4 JURISDICTIONS THAT ACTUALLY AVAIL THEMSELVES OF THAT  
5 PROVISION, BECAUSE IT IS SO NARROWLY CONSTRUED. SO ON THE BACK  
6 END, I THINK, TO MY KNOWLEDGE, AND ALSO UNLESS YOU HAVE ONE OF  
7 THESE PLANNING PROGRAMS IN PLACE, IN YOUR LOCAL HOUSING  
8 ELEMENT, YOU'RE GENERALLY NOT ABLE TO COUNT THE PRESERVED  
9 UNITS IN THE SAME WAY. SO ONE THING WE HAVE BEEN DISCUSSING  
10 WITH STAFF IS KIND OF, YOU KNOW, AT SOME POINT IN THE FUTURE,  
11 IF THIS IS SOMETHING WE SHOULD BE LOOKING AT AND TALKING AND  
12 BRINGING TO THE LEGISLATIVE COMMITTEE TO SEEK SOME SORT OF  
13 APPROACH TO THAT, I THINK WE DON'T HAVE A SPECIFIC PROPOSAL  
14 RIGHT NOW, BUT YOUR POINT IS WELL TAKEN THAT THAT WOULD MAKE  
15 AN EVEN MORE FERTILE ECOSYSTEM IF WE CAN ENSURE THE  
16 JURISDICTIONS GET CREDIT FOR THESE UNITS.

17

18 **AMY R. WORTH:** DANIEL I APPRECIATE THAT ANSWER AND I AGREE IT'S  
19 COMPLEX WHEN CITIES ARE DOING THE PLANNING. GIVEN THE FACT HCD  
20 RULES WERE ESTABLISHED IN A DIFFERENT ECONOMIC TIME IN A TIME  
21 WHEN GREENFIELD DEVELOPMENT AND REDEVELOPMENT CREATED A LOT OF  
22 CASH AND OPPORTUNITY FOR NEW CONSTRUCTION AND WE'RE NOW IN A  
23 POINT WHERE WE'RE IN A CRISIS AND WE NEED TO BE DOING  
24 EVERYTHING WE CAN TO SUSTAIN AND PROVIDE PERMANENT AFFORDABLE  
25 HOUSING. SO I'M WONDERING, I THINK YOUR ANSWER IS, OF COURSE,



February 10, 2021,

1 ALWAYS SPOT-ON, AND IN ADDITION TO THE LEGISLATIVE  
2 INITIATIVES, I THINK IT WOULD BE REALLY HELPFUL IF WE HAD SOME  
3 DIRECT CONVERSATIONS WITH HCD TO TRY TO GET SOME OF THESE  
4 ELEMENT IN PLACE FOR THIS CURRENT HOUSING RHNA CYCLE. BECAUSE  
5 I DO BELIEVE THAT CITIES WOULD BE VERY EAGER TO DO THIS.  
6 BECAUSE THE RESOURCES, YOU KNOW, TO FIND THE RESOURCES, BUT  
7 ALSO TO PUT THESE PROPERTIES IN A PERMANENT AFFORDABLE STATUS.  
8 AND YOU KNOW, DURING THE RECESSION, WHEN ALL THOSE HOUSES, YOU  
9 KNOW, PEOPLE LOST THEIR HOMES, THEY WENT TO FORECLOSURE, AND  
10 UNFORTUNATELY WE HAVE LOST A HUGE OPPORTUNITY TO INVEST AND  
11 ACQUIRE AFFORDABLE, YOU KNOW, HOMES FOR FAMILIES, BECAUSE OF  
12 COURSE THE BANKS JUST SOLD THEM TO INVESTORS IN LARGE LOTS,  
13 AND I KNOW IN THE EAST BAY, BY THE TIME PEOPLE REALIZED WHAT  
14 WAS HAPPENING, IT WAS ALREADY TOO LATE. SO I JUST THINK, YOU  
15 KNOW, IF WE CAN TALK DIRECTLY WITH HCD, I THINK IT WOULD BE  
16 REALLY HELPFUL, AND AS ALL THE CITIES, BECAUSE I KNOW WE HAVE  
17 IN OUR CITY IN CONTRA COSTA, THERE ARE A LOT OF THESE  
18 PROPERTIES THAT COULD VERY WELL BE, YOU KNOW, INCORPORATING  
19 THIS KIND OF PROGRAM FOR A FINANCIAL INVESTMENT THAT WOULD BE,  
20 YOU KNOW, MUCH MORE MANAGEABLE THAN TRYING TO BUILD COMPARABLE  
21 NEW CONSTRUCTION. SO THANK YOU, THANKS AGAIN DANIEL FOR ALL OF  
22 YOUR WORK ON THESE ISSUES.

23

24 **NICK JOSEFOWITZ, CHAIR:** THANK YOU COMMISSIONER WORTH.

25 COMMISSIONER PEDROZA THEN COMMISSIONER MAC KINZIE.



February 10, 2021,

1

2 **ALFREDO PEDROZA:** COMMISSIONER WORTHS QUESTIONS IN TERMS OF  
3 PRESERVATION I THINK DOCUMENTING THIS COULD REALLY HELP US  
4 WHEN WE TALK WITH HCD SO WE CAN ILLUSTRATE THE BENEFITS OF  
5 WHAT PRESERVATION IS DOING IN OUR LOCAL COMMUNITIES BECAUSE IT  
6 IS GETTING HARDER FOR BUILT OUT COMMUNITIES TO BUILD NEW UNITS  
7 AND THAT EFFECTIVE PRESERVING A UNIT IS THAT EFFECT THAT KEEPS  
8 FAMILIES IN THEIR HOMES THAT ARE AFFORDABLE. SO I REALLY LIKE  
9 THIS APPROACH, AND I THINK BEING ABLE TO DOCUMENT THE SUCCESS  
10 REALLY POSITIONS US TO GO TO HCD AND HAVE A CONCRETE  
11 DISCUSSION OF, HERE ARE THE UNDERGROUND CONDITIONS OF WHAT  
12 THIS PILOT PROGRAM HAS CREATED. SO I'M GOING TO ASK THAT WE  
13 CONTINUE TO DOCUMENT THIS SO WE CAN TELL THAT STORY.

14

15 **NICK JOSEFOWITZ, CHAIR:** GOOD IDEA. GOOD IDEA. COMMISSIONER  
16 MACKENZIE?

17

18 **JAKE MACKENZIE:** YES. AS A LAST HURRAH, I WANT TO SAY HOW MUCH  
19 I HAVE APPRECIATED THE STAFF REPORT, THE DIRECTION IN WHICH IT  
20 WAS HEADED. IT SEEMS LIKE A REALLY PRACTICAL REALIZATION OF  
21 THE PROBLEMS THAT ARE BEING PHASED OUT IN THE REAL-WORLD. I  
22 WILL SHORTLY BECOME A FULL TIME CITIZEN ACTIVIST AND ONE OF  
23 THE GROUPS I'M WORKING WITH IN SANTA ROSA IS GENERATION  
24 HOUSING. AND WE'RE TRACKING VERY CLOSELY, YOU KNOW, WHAT THESE  
25 POSSIBILITIES ARE. PARTICULARLY AS WE MOVE TOWARDS THE



February 10, 2021,

1 IMPLEMENTATION OF PLANNED BAY AREA AND THE REGIONAL HOUSING  
2 NEEDS ALLOCATIONS. SO THANK YOU, STAFF, VERY MUCH, INDEED,  
3 IT'S REALLY ENCOURAGING TO SEE WHAT HAS HAPPENED SINCE 2018,  
4 THAT WE ARE DEALING WITH A PRACTICAL REALITIES, AND HOPEFULLY  
5 THROUGH THE BAY AREA HOUSING FINANCE AUTHORITY, PART OF THE  
6 CASA COMPACT, A FALLOWED MEMORY; WE'LL ACTUALLY GET THINGS  
7 DONE. THANK YOU, VERY MUCH, TO THERESE AND STAFF FOR THIS  
8 EXCELLENT PRESENTATION WHICH I HAVE ALREADY FORWARDED TO MY  
9 NEW COLLEAGUES AT GENERATION HOUSING IN SANTA ROSA. THANK YOU  
10 VERY MUCH.

11

12 **NICK JOSEFOWITZ, CHAIR:** JAKE AS A CITIZEN ACTIVIST, FULL-TIME,  
13 IT'S A FRIGHTENING THOUGHT. BEWARE SONOMA COUNTY. WE HAVE A  
14 MOTION AND SECOND. LOTS OF ENTHUSIASM; GREAT JOB. DO WE HAVE  
15 ANY PUBLIC COMMENT? AND ONCE WE HAVE DONE PUBLIC COMMENT LET'S  
16 MOVE TO A ROLL CALL VOTE.

17

18 **CLERK OF THE BOARD:** YES, MR. CHAIR, THERE WERE A COUPLE OF  
19 LETTERS RECEIVED. THEY HAVE BEEN POSTED ONLINE, AND YOU HAVE  
20 RECEIVED THEM BY E-MAIL. THE FIRST WAS FROM FRANCES McELVENE  
21 OF NORTHERN CALIFORNIA LAND TRUST AND VALERIE JAMESON OF THE  
22 SAME ORGANIZATION. AND BEFORE I CALL FROM MEMBERS OF THE  
23 PUBLIC HOW MUCH TIME DID YOU WANT TO ALLOW EACH PERSON TO  
24 SPEAK TWO OR THREE MINUTES?

25



February 10, 2021,

1 **NICK JOSEFOWITZ, CHAIR:** TWO.

2

3 **CLERK OF THE BOARD:** GOT IT. 50 SPEAKER IS FRANCES MCELVENE  
4 PLEASE UNMUTE YOURSELF.

5

6 **SPEAKER:** THANK YOU VERY MUCH. I'M FRANCIS M I'M FROM NORTHERN  
7 CALIFORNIA LAND TRUST A COMMUNITY LAND TRUST OPERATING IN THE  
8 BAY AREA AND I WAS ONE OF THE WORKING GROUP MEMBERS THAT  
9 HELPED SETUP THE GUIDELINES FOR THE ORIGINAL BAPP LOAN PROGRAM  
10 OF SEVERAL YEARS AGO. AND AT THAT TIME, I DID SEE THAT THERE  
11 WERE A LOT OF ISSUES THAT WOULD MAKE THIS DIFFICULT FOR THE  
12 TYPE OF PROJECTS THAT WE TYPICALLY DO, WHICH ARE THESE  
13 SMALLER, YOU KNOW, 20, LESS THAN 20 UNIT EXISTING PROPERTIES  
14 THAT ARE REALLY AT HIGH RISK OF DISPLACEMENT, AND I JUST WANT  
15 TO REALLY COMMEND YOU ALL, AND I COMMEND THE STAFF FOR TAKING  
16 THIS ON TO TWEAK THE PROGRAM, AND TO TRY TO IMPROVE IT AND  
17 MAKE IT MORE ACCESSIBLE FOR THE PROJECTS THAT WE SEE AS THE  
18 HIGHEST RISK OF DISPLACEMENT, WHICH ARE THESE EXISTING  
19 OCCUPIED PROPERTIES WITH LOW, VERY LOW, AND EXTREMELY LOW  
20 INCOME FOLKS PAYING BELOW MARKET RATE RENT AND THE SPECULATORS  
21 ARE IN THE REALLY HIGH TARGET FOR THE SPECULATORS, AND ALSO IF  
22 THIS WILL MAKE IT EASIER TO DO PROJECTS IN THE OUTLYING CITIES  
23 THAT DON'T HAVE SOFT DEBT PROGRAMS. AND SO WE'RE REALLY  
24 GRATEFUL, PARTICULARLY FOR US, AS A COMMUNITY LAND TRUST, WE  
25 FOCUS ON PERMANENT AFFORDABILITY, AND HAVING THE OPTION OF



February 10, 2021,

1 CONVERTING SOME OF THIS BAPP LOAN INTO A PERMANENT SUBSIDY  
2 WILL JUST STRENGTHEN OUR ABILITY TO PROVIDE PERMANENT  
3 AFFORDABILITY AND PERPETUITY FOR THESE LOW INCOME HOUSEHOLDS.  
4 THANK YOU.

5

6 **CLERK OF THE BOARD:** THANK YOU. THE NEXT SPEAKER IS ELIZABETH  
7 WOMPLER.

8

9 **SPEAKER:** HI COMMISSIONERS MY NAME IS ELIZABETH W, I WORK AT  
10 THE SAN FRANCISCO FOUNDATION WHERE I LEAD THE GREAT  
11 COMMUNITIES COLLABORATIVE OF FUNDERS COMMUNITY BASED  
12 ORGANIZATIONS AND NON-PROFITS I WANT TO THANK YOU FOR THE  
13 THOUGHTFUL DISCUSSION TODAY I DEFINITELY URGE YOU TO SUSPECT  
14 THE RECOMMENDATION THAT'S COMING FROM STAFF. I COCHAIR THE  
15 JOINT ADVISORY COMMITTEE THAT OVERSEES TOA AND I HAVE BEEN  
16 IMPRESSED WITH ALL OF THE THOUGHTFUL FEEDBACK AND PROVISIONS  
17 THAT KIND OF BRING THIS RECOMMENDATION TO YOU TODAY. AND IN  
18 NEW WORK WITH GTC WE FOCUSED ON ENSURING COMMUNITIES ACROSS  
19 THE REGION HAVE THE RESOURCES TO SUPPORT EQUITABLE DEVELOPMENT  
20 TO ENSURE WE'RE BUILDING A RACIALLY JUSTICE REGION AND THESE  
21 ARE ALIGNED WITH THAT GOAL MAKING SURE THESE RESOURCES ARE  
22 AVAILABLE TO MANY JURISDICTIONS FOR MANY PEOPLE KEEPING  
23 AFFORDABILITY AND THIS CONTRIBUTES TO OUR REGION'S ANTI-  
24 GOALS. I'M ALSO REALLY PARTICULARLY EXCITED THAT THESE CHANGES  
25 WILL MAKE BAPP MORE SUPPORTIVE TO PROJECTS THAT ARE DRIVEN



February 10, 2021,

1 FROM COMMUNITY UP WHICH CONTINUED TO BE SMALLER PROJECTS AND  
2 COLLECTIVE OWNERSHIP MODELS. SO, YEAH, THANK YOU. AND I SHARE  
3 SUPPORT.

4

5 **CLERK OF THE BOARD:** THANK YOU. THE NEXT SPEAKER IS JAMES  
6 YELIN. PLEASE UNMUTE YOURSELF.

7

8 **SPEAKER:** THANK YOU ALL. I AM ACTUALLY DELIVERING A MESSAGE ON  
9 BEHALF OF A SPEAKER ABRE LEVINE WHO COULD NOT STAY ON THE LINE  
10 BECAUSE OF A MEETING CONFLICT ABRE IS THE DIRECTOR OF REAL  
11 ESTATE DEVELOPMENT YIMBY COUNCIL WHICH IS A COMMUNITY-BASED  
12 ORGANIZATION WORKING THROUGHOUT ALAMEDA COUNTY AND CONCORD.  
13 THANK YOU FOR THE OPPORTUNITY TO SPEAK TODAY TO DECLARE OUR  
14 STRONG SUPPORT OF PROPOSED MODIFICATIONS TO THE BAPP PROGRAM  
15 WE RECOGNIZE PRESERVING EXISTING SOCK IS THE ONLY WAY THAT  
16 WILL ACHIEVE SAFE AND AFFORDABLE HOUSING IN THE BAY AREA  
17 COMMUNITIES. ACQUISITION OF MULTI-FAMILY PROGRAMS LIKE ALL  
18 REAL ESTATE PROPERTIES ARE -- [INDISCERNIBLE] MTC PORTION  
19 ALLOWS -- (INAUDIBLE) MORE DEBT. PROPOSED MODIFICATIONS WOULD  
20 EXTEND LEVERAGE REQUIRING MORE DEBT, LESS EQUITY. ANALYSIS ON  
21 ACQUISITIONS LOCATED IN DIFFERENT NEIGHBORHOOD HERE'S IN  
22 OAKLAND DUE TO LACK OF EQUITY BOTH PROJECTS NEEDED THE  
23 LEVERAGING NEEDED FOR MODIFIED TERMS TO BE EQUITABLE. TO  
24 EQUITY I WANT TO THANK MTC FOR THE PROPOSED MODIFICATIONS. MTC  
25 IS BEATING EVERYONE TO THE BUNCH AND DOING SOMETHING ABOUT IT.





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1 EQUITY HAS BEEN A LONG-STANDING CHALLENGE IN THESE PROJECTS  
2 IDEALLY THIS TRANCHE WOULD COME IN AS SOFT DEBT BUT PUBLIC  
3 SOURCE. UNFORTUNATELY, MOST JURISDICTIONS IN THE BAY HAVE  
4 LITTLE FUNDS FOR THIS PURPOSE, EVEN LESS NOW AS THEIR BUDGETS  
5 HAVE BEEN DECIMATED BY THE PANDEMIC. OTHER EQUITY IS AVAILABLE  
6 BUT AT A COST THAT IS OFTEN UNFEASIBLE FOR SUCH LOW-MARGIN  
7 PROJECTS. WITHOUT EQUITY, UNITY COUNCIL AND OTHER  
8 ORGANIZATIONS LIKE OURS ARE FORCED TO PUT OUT OUR OWN  
9 OPERATING CAPITAL OR BORROW AGAINST OUR BALANCE SHEETS TO MAKE  
10 THESE PROJECTS WORK. FOR MANY ORGANIZATION THIS IS NOT  
11 POSSIBLE IT LIMITS OUR ABILITY TO ENGAGE IN THIS WORK. IN  
12 CLOSING THANK YOU FOR YOUR LEADERSHIP ON THIS ISSUE AND YOUR  
13 RESPONSIVENESS ON THE GROUND. THANK YOU.

14

15 **CLERK OF THE BOARD:** THANK YOU. THERE ARE NO ADDITIONAL  
16 SPEAKERS, MR. CHAIR, FOR THIS ITEM.

17

18 **NICK JOSEFOWITZ, CHAIR:** OKAY. TERRIFIC. LET'S HAVE A ROLL CALL  
19 VOTE.

20

21 **CLERK OF THE BOARD:** MOTION BY SCHAFF AND SECOND BY PAPAN.  
22 [ROLL CALL VOTE]. THANK YOU. THE MOTION PASSES UNANIMOUSLY.

23

24 **NICK JOSEFOWITZ, CHAIR:** THANK YOU VERY MUCH. ITEM -- SO THIS  
25 MEETING IS RUNNING A LITTLE BIT LONG. SO I'M GOING TO SUGGEST



February 10, 2021,

1 THAT IF IT'S OKAY WITH THE REST OF MY COMMITTEE MEMBERS THAT  
2 FOR AGENDA ITEM 3B HOUSING INCENTIVE POOL PROGRAM 2018 AND  
3 2019 PROGRESS REPORT, BECAUSE IT'S AN INFORMATION ITEM, MAYBE  
4 WE COULD HAVE AN ACCELERATED PRESENTATION, BECAUSE THE  
5 PRESENTATION WAS INCLUDED IN OUR PACKET, AND THEN MAYBE FOR  
6 SOME OTHER ITEMS COMING UP WE CAN SKIP THE PRESENTATIONS.  
7 BECAUSE THEY ARE IN OUR PACKETS. SO, BUT I DIDN'T WANT TO SKIP  
8 IT FOR THIS ONE BECAUSE IT'S A PRESENTATION WHERE SAN  
9 FRANCISCO COMES OFF WELL. SO CAN'T SKIP THAT ONE.

10

11 **JAKE MACKENZIE:** MICE CALL, MR. CHAIR.

12

13 **NICK JOSEFOWITZ, CHAIR:** MALLORY.

14

15 **SPEAKER:** THANK YOU. I'LL PRESENT AN INFORMATION ITEM PROGRESS  
16 ON THE HOUSING 95 POOL HIP PROGRAM REFRESHER APPROVED BY THE  
17 COMMISSION IN 2018 TO PROVIDE 95 FOR LOCAL JURISDICTIONS TO  
18 BUILD AND PRESERVE AFFORDABLE HOUSING 5 MILLION OF THIS  
19 PROGRAM HAS BEEN PROGRAMMED TO TRANSPORTATION PROJECTS  
20 THROUGHOUT THE NORTH BAY AS PART OF THE SUB-HIP PILOT WHICH WE  
21 THE COMMISSION APPROVED IN JULY OF LAST YEAR THE FOCUS OF THIS  
22 UPDATE IS THAT THE REMAINDER OF THAT, THE 71 MILLION WHICH IS  
23 REMAINING AND WILL BE DISTRIBUTED TO THE 15 JURISDICTIONS THAT  
24 PRODUCE OR PRESERVE THE MOST AFFORDABLE HOUSING BETWEEN 2018  
25 AND 2022, AFTER 2022 TRANSPORTATION FUNDS WILL BE DISTRIBUTED



February 10, 2021,

1 TO THE TOP 15 OF THESE JURISDICTIONS ON A PER UNIT BASIS. AND  
2 AS A REMINDER ON HOW UNITS QUALIFY FOR THIS PROGRAM, THEY HAVE  
3 TO BE CLASSIFIED AS AFFORDABLE TO HOUSEHOLDS OF THE VERY LOW,  
4 LOW, AND MODERATE MECHANIC LEVELS AND THE UNITS ALSO HAVE TO  
5 BE DEED RESTRICTED UNITS LOCATED IN PRIORITY DEVELOPMENT AREAS  
6 AND TRANSIT PRIORITY AREAS AND ALSO WANT TO NOTE THAT FOR THIS  
7 PARTICULAR PROGRAM NEW UNITS ARE COUNTED OR CREDITED AT THE  
8 TIME CERTIFICATE OF OCCUPANCY IS ISSUED RATHER THAN WHEN A  
9 BUILDING PERMIT OR ENTITLEMENT HAS BEEN ISSUED. SO THIS REPORT  
10 TODAY IS SHARING THE RESULTS OF THE FIRST TWO YEARS OF THE  
11 FIVE YEAR PROGRAM. THE SUMMARY OF THE STATUS AND THE RANKINGS  
12 ARE INCLUDED AS AN ATTACHMENT ONE IN THIS ITEM AND IN INTEREST  
13 OF TIME I WON'T GO OVER THE RESULT IN DETAIL BUT WANT TO  
14 HIGHLIGHT THAT 26 JURISDICTIONS OR A QUARTER OF JURISDICTIONS  
15 IN THE BAY AREA HAVE AT LEAST ONE QUALIFYING HIP UNIT IN THIS  
16 TIME PERIOD AND MORE THAN HALF OF THE QUALIFYING UNITS IN THIS  
17 TIME PERIOD WERE IN SAN FRANCISCO LARGER CITIES TEND TO HAVE  
18 HAD THE HIGHEST NUMBER OF QUALIFYING UNITS SO FAR BUT THERE  
19 ARE A FEW MEDIUM AND SMALLER SIZED COMMUNITIES THAT DO PERFORM  
20 WELL BASED ON THEIR SIDE SO THAT'S INTERESTING TO SEE. HIP  
21 QUALIFYING CREDIT SMALL AMOUNT TEN PERCENT OF TOTAL  
22 CERTIFICATES OF OCCUPANCY ISSUED IN 2018 AND 2019 TABLED  
23 INCLUDED IN ATTACHMENT TWO OF THIS PRESENTATION, ILLUSTRATE  
24 THE TOTAL NUMBER OF CERTIFICATES IN THE OCCUPANCY MORE LIMITED  
25 LOOK AT UNITS THAT QUALIFIED FOR HIP CREDIT. AND IN CLOSING I



February 10, 2021,

1 WANT TO EMPHASIZE THESE ARE CURRENT RANKINGS AND THEY DO NOT  
2 GUARANTEE A FUNDING AWARD TO ANY CITY AT THIS TIME. THE  
3 RANKINGS COULD BE EXPECTED TO CHANGE SIGNIFICANTLY WITH  
4 SUBSEQUENT UPDATES TO THE ANNUAL HOUSING DATA AND THE FINAL  
5 JURISDICTION RANKINGS AND TRANSPORTATION AWARDS WILL NOT BE  
6 DETERMINED UNTIL AFTER HOUSING DATA FROM 2022 HAS BEEN  
7 INCORPORATED THAT CONCLUDES MY REPORT ON THE PROGRESS UPDATE  
8 THIS IS AN INFORMATION ITEM AND WE'LL RETURN WITHIN THE NEXT  
9 YEAR WITH 2020 HOUSING DATA.

10

11 **NICK JOSEFOWITZ, CHAIR:** ARE THERE ANY COMMENTS FROM  
12 COMMISSIONERS? SO, I JUST WANTED TO MAKE TWO COMMENTS HERE.  
13 THE FIRST ONE PAROCHIALY I WANT TO REEMPHASIZE WHAT MALLORY  
14 SAID SO ELOQUENTLY, THAT SAN FRANCISCO HAS PRODUCED OR  
15 PRESERVED OVER HALF OF THE ENTIRE REGION'S AFFORDABLE HOUSING  
16 NEAR TRANSIT, WHICH I THINK IS REMARKABLE. BUT THE SECOND  
17 POINT IS MUCH MORE IMPORTANT WHICH IS THAT THESE NUMBERS, I  
18 THINK, JUST REINFORCE HOW FEW UNITS OF AFFORDABLE HOUSING WE  
19 ARE PRODUCING NEAR TRANSIT AS A REGION. AND HOW MUCH WE HAVE  
20 TO GO. THERE ARE MANY UNITS, AFFORDABLE HOUSING UNITS WHICH  
21 ARE BEING PRODUCED AWAY FROM TRANSIT WHICH ARE NOT BEING  
22 INCLUDED IN THESE NUMBERS BUT THE NUMBER OF AFFORDABLE HOUSING  
23 UNITS WE'RE PRODUCING NEAR TRANSIT IS JUST TOO LOW. AND THERE  
24 IS A BUNCH OF SORT OF PLAN IS PLANNED BAY AREA IS ADDRESSING  
25 THIS, AS WELL AS DAVID CHEW TO ENABLE PUTTING AFFORDABLE



February 10, 2021,

1 HOUSING ON THE BALLOT AND I THINK WE NEED TO COMMEND THESE  
2 NUMBERS AND THIS IS JUST ONE OF THE CONTINUED WAKE UP CALLS  
3 THAT WE NEED TO ACT AGGRESSIVELY ON THIS. OKAY. MOVING ON. IF  
4 THERE ARE NO OTHER COMMISSIONER COMMENTS. ARE THERE ANY OTHER  
5 PUBLIC COMMENTS?

6

7 **CLERK OF THE BOARD:** I SEE NO OTHER MEMBERS OF THE PUBLIC WITH  
8 THEIR HAND RAISED AND I HAVE RECEIVED NOTHING IN WRITING FOR  
9 THIS ITEM.

10

11 **NICK JOSEFOWITZ, CHAIR:** AGENDA ITEM 3C, THIS IS MTC RESOLUTION  
12 4347 REVISED SUMMARY PARTICIPATORY BUDGET REVISING LIFELINE  
13 TRANSPORTATION CYCLES PROGRAM BUDGET TO PROGRAM \$400,000 FOR  
14 PARTICIPATORY BUDGET PILOT PROGRAM REVIEWING FINDINGS IN SAN  
15 FRANCISCO BAY AREA SOLANO VALLEJO PARTICIPATORY BUDGET PILOTS.  
16 GIVEN WE'RE ALREADY AT NOON I PROPOSE WE SKIP THE PRESENTATION  
17 ON THIS, AND IF THAT'S OKAY WITH MY COLLEAGUES, AND UNLESS  
18 ANYBODY OBJECTS. IT IS A -- SO MAYBE JUDIS, YOU CAN JUST KIND  
19 OF EXPLAIN TO US WHAT MOTION -- WHAT THE MOTION IS HERE AND  
20 WHY IT'S REQUIRED, AND THEN IF THAT'S OKAY WE CAN KIND OF MOVE  
21 FORWARD ASSUMING PEOPLE HAVE READ THIS INFORMATION IN THEIR  
22 PACKET.

23

24 **JUDIS SANTOS:** YES. GOOD AFTERNOON COMMISSIONERS. THE ITEM  
25 BROUGHT TO YOU TODAY IS TO APPROVE SOLANO COUNTY'S



February 10, 2021,

1 PARTICIPATORY BUDGETING PROJECTS. PB FOR SHORT IS A DEMOCRATIC  
2 PROCESS IN WHICH COMMUNITY MEMBERS DECIDE HOW TO SPEND PART OF  
3 A PUBLIC BUDGET. ITEM BEING PRESENTED IS TO APPROVE THE SOLANO  
4 PROJECTS. WHAT WE FOUND IS THAT THE MOTIVATION OF PB IS TO  
5 BETTER ALIGN THE COMMUNITY NEEDS WITH INVESTMENT DECISIONS  
6 SUCH AS THOSE IDENTIFIED BY THE COMMUNITY-BASED TRANSPORTATION  
7 PLANS AND LIFELINE. THE ITEM BEFORE YOU, THE HIGHEST VOTED  
8 PROJECTS IN VALLEJO WERE IDENTIFIED IN THE PACKET BEFORE YOU  
9 THAT MAINLY INVOLVED BUS STOPLIGHTING AND SAFETY IMPROVEMENTS  
10 SUCH AS ADDING SHELTERS, MAPS, AND CROSSWALK AND SIDE  
11 IMPROVEMENTS. PUBLIC ENGAGEMENT IN VALLEJO WAS EXTENSIVE AS  
12 WELL, THE FINDINGS FROM THE PILOT DEMONSTRATE THE PROCESS AT  
13 NEIGHBORHOOD LEVEL PRODUCE HYPER-LOCAL OUTCOMES AND EFFECTIVE  
14 IN IMPROVING INCLUSION, EDUCATIONS AND HOW PROJECTS GET  
15 FUNDED. THE PB PROCESS DOES NOT ALONE ELIMINATE BARRIERS TO  
16 COMMUNITY NEEDS BUT FACILITATES NECESSARY ELEMENTS SUCH AS  
17 INFRASTRUCTURE AND STAFFING STRATEGIES AND COLLABORATION  
18 RELATIONSHIPS AND OPPORTUNITY LOOKING AT HOW WE CAN BETTER  
19 SUPPORT LOCAL PB EFFORTS AND POTENTIALLY EXAMINING UNIVERSAL  
20 APPLICATION OF EQUITY METRICS AND THE ACTION BEFORE YOU TODAY  
21 IS TO FORWARD FOR APPROVAL PROGRAMMING OF \$400,000 PROVIDED BY  
22 A LIFELINE CYCLE FIVE FUNDS FOR SOLANO COUNTY'S PB PROJECTS  
23 AND THAT CONCLUDES MY VERBAL PRESENTATION.  
24



February 10, 2021,

1 **NICK JOSEFOWITZ, CHAIR:** THANK YOU SO MUCH. AND TERRIFIC WORK  
2 ON THIS. I THINK US WANTING TO KIND OF MOVE THROUGH THIS  
3 QUICKLY IS AN INDICATION OF HOW WELL YOU HAVE TEED THIS UP FOR  
4 US, AND THE QUALITY OF THE WORK, NOT THAT IT'S -- IN NO WAY IS  
5 AN INDICATION THAT WE THINK THIS IS WORTHY OF DISCUSSION AND  
6 TIME. SO VERY GOOD JOB. AND I AM EXCITED ABOUT THIS PROJECT,  
7 AND ABOUT HOW WE CAN THINK ABOUT EXPANDING THIS. DO I HAVE A  
8 MOTION? DO I HAVE ANY COMMENT FROM MY COLLEAGUES? OR IF NOT,  
9 DO I HAVE A MOTION?

10

11 **CAROL DUTRA-VERNACI, VICE CHAIR:** DUTRA-VERNACI MAKES THE  
12 MOTION.

13

14 **NICK JOSEFOWITZ, CHAIR:** THANK YOU.

15

16 **DIR. HILLARY RONEN:** RONEN SECONDS.

17

18 **NICK JOSEFOWITZ, CHAIR:** THANK YOU COMMISSIONER RONEN. SO WE  
19 HAVE A MOTION BY COMMISSIONER DUTRA-VERNACI, A SECOND BY  
20 COMMISSIONER RONEN. DO WE HAVE ANY PUBLIC COMMENT?

21

22 **CLERK OF THE BOARD:** YES. I HAVE RECEIVED NOTHING IN WRITING ON  
23 THIS ITEM AND RON GRAFFI IS ON THE LINE. YOU HAVE TWO MINUTES.

24



February 10, 2021,

1 **SPEAKER:** MY NAME IS RON G WITH SOLANO COUNTY TRANSPORTATION  
2 AUTHORITY AND I JUST WANT TO THANK MTC THIS WAS ACTUALLY A  
3 VERY SUCCESSFUL PROJECT WE HAD THE VALLEJO COMMUNITY VERY MUCH  
4 ENGAGED. WE HAVE ACTUALLY -- IT WAS VERY NICE TO HAVE A --  
5 SOME SEED MONEY TO ACTUALLY SEE SOME LIGHT AT THE END OF THE  
6 TUNNEL AND WE WOULD BE ACTUALLY INTERESTED IN DOING A SIMILAR  
7 COMMUNITY-BASED TRANSPORTATION PROJECT IN THE CITY OF SUISUN,  
8 THEY HAVE MENTIONED INTEREST IN A SIMILAR PROGRAM WE HOPE YOU  
9 CONTINUE THIS PROGRAM AND MAKE ADDITIONAL FUNDING AVAILABLE  
10 HAVING A CARROT AT THE END OF THE PROCESS WAS SOMETHING THAT  
11 WAS HELPFUL FOR THE COMMUNITY KNOWING AT THE ENDS OF THE  
12 PLANNING PROCESS THERE WERE PROJECTS THAT WERE GOING TO BE  
13 IMPLEMENTED AND THE COMMUNITY HAD INPUT IN DECIDING WHAT THOSE  
14 PROJECTS WERE GOING TO BE.

15

16 **CLERK OF THE BOARD:** THERE ARE NO ADDITIONAL SPEAKERS, MR.  
17 CHAIR IF YOU WOULD LIKE I CAN GO LED CALL THE ROLL FOR THIS  
18 ITEM.

19

20 **NICK JOSEFOWITZ, CHAIR:** GREAT. WE CAN'T KEEP THOSE SUISUN CITY  
21 FOLKS DOWN TOO LONG.

22

23 **CLERK OF THE BOARD:** [ROLL CALL VOTE].

24

25 **CLERK OF THE BOARD:** THANK YOU. THE MOTION PASSES UNANIMOUSLY.





February 10, 2021,

1

2 **NICK JOSEFOWITZ, CHAIR:** TERRIFIC. SO WE'RE GOING TO MOVE ON TO  
3 AGENDA ITEM 3D MTC RESOLUTION 4450, FY '21/22 FUND ESTIMATE,  
4 \$790 MILLION IN "LOCAL ON THE 8S" TRANSPORTATION FUND TRANSIT  
5 RELATED BRIDGE TOLL AND LOW CARBON SOMETHING OR OTHER -- LOW  
6 CARBON TRANSIT OPERATION FUNDS FOR FY '21, 22, TERENCE IS  
7 GOING TO PRESENT THIS ITEM.

8

9 **SPEAKER:** THANK YOU. I'LL BE COVERING AGENDA ITEM 3D COULD WE  
10 BRING UP THE PRESENTATION SLIDES PLEASE. MTC RESOLUTION 4450  
11 FOR WHICH STAFF IN RECEIVING COMMITTEE APPROVAL TODAY WOULD  
12 ADOPT FISCAL YEAR 2021, 2022 FUND ESTIMATE CONTAINING \$70  
13 MILLION IN FUNDING FROM VARIOUS SOURCES. BY MARCH 1ST MTC IS  
14 REQUIRED BY STATE LAW TO ADOPT TRANSIT FUNDING TO BE MADE  
15 AVAILABLE TO TRANSIT OPERATORS IN THE UPCOMING FISCAL YEAR  
16 PRESENT THE ANNUALLY TO THIS COMMITTEE AND USED BY TRANSIT  
17 OPERATORS IN THE DEVELOPMENT OF THEIR BUDGETS FOR THE UPCOMING  
18 FISCAL YEAR. MOST FUNDING DERIVED FROM SALES TAX PRIOR TO  
19 COVID-19 PANDEMIC AROUND 40 PERCENT OF TRANSIT [AUDIO  
20 DIFFICULTIES] SALES TAX THIS HAS CHANGED SUBSTANTIALLY SINCE  
21 THE ONSET OF THE PANDEMIC AND WITH SIGNIFICANT DECREASES IN  
22 TRANSIT RIDERSHIP REGION-WIDE OPERATORS ARE NOW MORE RELIANT  
23 ON THESE SALES TAX REVENUES. AND GIVEN THE ONGOING  
24 [INDISCERNIBLE] WE ARE ADVISING BUDGETING CAUTIOUSLY FOR THE  
25 UPCOMING FISCAL YEAR. AS MENTIONED EARLIER, THE FY 2021, '22



February 10, 2021,

1 IS PROGRAM APPROXIMATELY \$790 MILLION. MOSTLY FOR TRANSIT  
2 OPERATIONS. NEXT SLIDE PLEASE. [AUDIO DIFFICULTIES]  
3 [INDISCERNIBLE] WE'RE PRESENTING AS YOU SEE IN THE CHART HERE  
4 THE GENERAL TREND IS THE REVISED ESTIMATES FOR THE CURRENT  
5 FISCAL YEAR WERE REVISED DOWNWARDS FROM ITS ORIGINAL ESTIMATE  
6 LAST YEAR BUT THE FORECAST FOR THE UPCOMING FISCAL YEAR  
7 REFLECTS SOME IMPROVEMENTS. THE FUND ESTIMATE INCLUDES FUNDING  
8 FROM SIX MAIN CATEGORIES AND FUNDING FROM EACH OF THESE ARE  
9 ALLOCATE BY MTC BUT TO VARYING DEGREES OF COMMISSION  
10 DISCRETION OVER HOW FUNDS ARE USED IN APPORTION. I WON'T GO  
11 INTO EACH OF THE FUND SOURCES RIGHT NOW DUE TO TIME BUT WE  
12 WILL REVISIT THESE NEXT TIME AROUND. NEXT SLIDE PLEASE. THE  
13 NEXT FEW SLIDES SPEAK TO ECONOMIC TRENDS THAT DRIVE TAX  
14 REVENUES. ONE KEY DRIVER IS POPULATION. THE BLUE BARS ON THE  
15 CHART REPRESENT ANNUAL POPULATION LEVELS FOR THE BAY AREA. THE  
16 ORANGE LINE REPRESENTS THE GROWTH RATE FOR THE BAY AREA AND  
17 THE DO THE GREEN LINE REPRESENTS THE GROWTH RATE FOR THE  
18 STATE. SINCE THE YEAR 2,000 THE REGION'S POPULATION HAS  
19 INCREASED NEARLY NINE PERCENT OR AT NEARLY 640,000 PEOPLE.  
20 HOWEVER AS YOU CAN SEE THE BAY AREA'S GROWTH RATE HAS BEEN  
21 SLOWING SINCE 2013 AND NEARLY STAGNANT IN 2020. NEXT SLIDE  
22 PLEASE. THIS SLIDE SHOWS THE UNEMPLOYMENT RATE FOR EACH OF THE  
23 NINE BAY AREA COUNTIES AS WELL AS FOR THE STATE AND COUNTRY.  
24 THE ORANGE UNEMPLOYMENT RATES IN 2019 WHEN THEY WERE AT OR  
25 NEAR HISTORIC LOWS. THE GREEN BAR REPRESENTING UNEMPLOYMENT



February 10, 2021,

1 RATES IN NOVEMBER 2020 WHICH ARE SUBSTANTIALLY HIGHER DUE TO  
2 THE IMPACTS OF THE COVID-19 PANDEMIC. IT'S STILL RELATIVELY  
3 RESILIENT ALL COUNTIES HAVE RATES BELOW STATE AVERAGE WHILE  
4 SIX OF THE NINE BELOW NATIONAL AVERAGE. THIS MEASURE IS TOTAL  
5 LABOR FORCE AND DOES NOT CAPTURE THOSE WHO HAVE HAD TO LEAVE  
6 THE LABOR FORCE. NEXT SLIDE PLEASE. ON THIS SLIDE REPRESENTING  
7 REGION-WIDE RECEIPTS FROM THE SALES TAX NOMINAL AND REAL  
8 DOLLARS DESPITE ROBUST SALES REMAINING ABOUT 16 PERCENT BELOW  
9 ALLOW TIME HIGH OF SALES TAX IN INFLATION ADJUSTED TERMS  
10 GROWTH IN REVENUE HAS NOT KEPT UP WITH INFLATION ESPECIALLY A  
11 CHALLENGE FOR MANY TRANSIT OPERATORS WHO ARE INCREASINGLY  
12 RELIANT ON SALES TAX REVENUES. NEXT SLIDE PLEASE. THE NEXT FEW  
13 SLIDES WILL COVER ADDITIONAL DETAILS ON EACH OF THE FUND  
14 SOURCES STARTING WITH IT. DA. THE FIGURES ON THE MAP HERE  
15 REFLECT A PERCENT CHANGE IN TDA SALES TAX REVENUE AND IT  
16 COMPARES THE SEVEN MONTHS FROM JULY 2020 TO JANUARY 2021  
17 COMPARING TO THE SAME PERIOD FROM THE PREVIOUS YEAR. AS YOU  
18 CAN SEE THE IMPACTS TO THE TDA SALES TAX REVENUE VARIES  
19 GREATLY FROM COUNTY TO COUNTY. THE TDA SALES TAX DECLINING  
20 NEARLY 40 PERCENT IN SAN FRANCISCO WHILE INCREASING BY SEVEN  
21 AND A HALF PERCENT IN SANTA CLARA CONTRIBUTING FACTORS INCLUDE  
22 CHANGES IN DATES ON POPULATION, THE DISAPPEARANCE OF TOURISM  
23 CANCELLATION OF MAJOR EVENTS AS WELL AS IMPACTS FROM THE  
24 WAYFAIR DECISION AND LAYERING ADDITIONAL COMPLEXITY THERE ARE  
25 VARIANCES ON REVENUES BETWEEN TAX MEASURES WITHIN COUNTIES DUE



February 10, 2021,

1 TO THE CALIFORNIA DUE TO CALIFORNIA SALES TAX IN ACCORDANCE  
2 WITH THE COLLECTIONS -- PLACE OF USE AND SALES PRIMARILY WITH  
3 E-COMMERCE PURCHASES. NEXT SLIDE PLEASE. THIS SLIDE SHOWS THE  
4 PROJECTED TDA QUARTER CENT SALES TAX REVENUE FOR EACH COUNTY  
5 FOR FISCAL YEARS 2021, 2022, AMOUNTS ARE ESTIMATES AND  
6 PREPARED BY NINE COUNTY AUDITOR CONTROLLERS. TDA FUND SOURCE  
7 PROGRAM GENERATED IN THE COUNTY STAYING IN THE COUNTY  
8 PRIMARILY USED FOR TRANSIT OPERATIONS AND FOR FISCAL YEAR  
9 2021, 2022 REGION EXPECTING NEARLY 499 MILLION IN REVENUES  
10 FORECASTED FOR THIS FISCAL YEAR AND THE RECENT FORECAST FOR FY  
11 '20 TO 21 REFLECTING DOWNWARD ADJUSTMENT FROM 7.1 PERCENT FROM  
12 LAST YEAR. NEXT SLIDE PLEASE. MTC IS RESPONSIBLE FOR  
13 PROGRAMMING 25 PERCENT OF THE TOTAL ASSEMBLY BILL 1107  
14 REVENUES FOR THREE BART DISTRICT COUNTIES SAN FRANCISCO  
15 ALAMEDA AND CONTRA COSTA LONG-STANDING COMMISSION POLICY FUNDS  
16 ALLOCATED AT 25 PERCENT ALLOCATED FOR 5050 BETWEEN AC TRANSIT  
17 AND SFMTA AND TRANSIT OPERATORS AND EXPECTING APRIL \$83  
18 MILLION -- THIS IS BASED ON FORECASTS THAT WE HAVE SEEN FROM  
19 ACTUALS FROM FY '2019 AND 2020 SHOULD REVENUES COME IN HIGHER  
20 THAN FORECASTED AND ALLOCATED ACCORDINGLY. THESE ARE FUNDED  
21 MOSTLY BY SALES TAX ON DIESEL FUELS. THE STA PROGRAM FUNDS, AS  
22 INDICATED BY THE GREEN BARS ARE DISTRIBUTED BY THE STATE BY A  
23 FORMULA WHICH IS ALSO USED BY THE OTHER PROGRAMS, THE SGR  
24 PROGRAMS STATE OF GOOD REPAIR INDICATED IN BLUE AND THE LOW  
25 CARBON TRANSIT OPERATIONS PROGRAM OR LC TOP IN OVERAGE. THE



February 10, 2021,

1 FORMULA STATEWIDE SPLIT 50/50 REVENUE BASED AND POPULATION  
2 BASED PROGRAM. REVENUE BASED PROGRAM DISTRIBUTED FUNDS TO  
3 TRANSIT OPERATORS BASED ON THE AMOUNT OF LOCALLY GENERATED  
4 REVENUE THEY HAVE A PROXY FOR THE SIZE OF THE TRANSIT OPERATOR  
5 AND THE AMOUNT OF TAX REVENUES THEY GENERATE LOCALLY. THE BAY  
6 AREA RECEIVES OVER 50 PERCENT OF THE STATEWIDE REVENUE BASED  
7 PROGRAM FUNDS AND ON THE POPULATION BASED SIDE AS THE BAY  
8 AREA'S JUST OVER 19 AND A HALF PERCENT OF THE CALIFORNIA'S  
9 POPULATION MTC RECEIVES ABOUT 19 AND A HALF PERCENT OF THE  
10 STATEWIDE POPULATION BASED PROGRAM FUNDS PROGRAMMED BY THE  
11 COMMISSION. AS THE CHART ON THE RIGHT SHOWS BETWEEN ALL OF  
12 THESE PROGRAMS WE ARE EXPECTING \$283 MILLION IN FUNDS IN THE  
13 FISCAL YEAR 2021, 2022. A SLIGHT INCREASE FROM THE REVISED  
14 ESTIMATES FROM 2020, 2021, WHICH IS ALSO SHOWN HERE. NEXT  
15 SLIDE PLEASE. SO WRAPPING UP, STAFF ARE RECOMMENDING THAT THE  
16 COMMITTEE FORWARD THE MTC RESOLUTION 4450 ADOPTING THE FISCAL  
17 YEAR 2021, 2022 FUND ESTIMATE FOR THE COMMISSION TO THE  
18 COMMISSION FOR APPROVAL. THANK YOU. AND I'M HAPPY TO ADDRESS  
19 ANY QUESTIONS YOU HAVE.

20

21 **NICK JOSEFOWITZ, CHAIR:** THANK YOU VERY MUCH. AS ALWAYS, A VERY  
22 COMPREHENSIVE PRESENTATION AND MAKES ALL THESE ACRONYMS COME  
23 TO LIFE. SO I'M GOING TO -- IF -- I HAVE -- I HAVE SOME  
24 QUESTIONS, IF YOU DON'T MIND, COMING -- WHICH REALLY COME OUT  
25 OF KIND OF SOME OF THE DISCUSSIONS WE HAVE BEEN HAVING AT THE



February 10, 2021,

1 BLUE RIBBON TASK FORCE. AND I THOUGHT IT -- YOU KNOW, I THINK  
2 IT WOULD BE IMPORTANT TO KIND OF SHARE THIS WITH THIS  
3 COMMITTEE. SO COULD YOU PLEASE JUST REMIND THE COMMITTEE OF  
4 THE CURRENT AUTHORITIES THAT MTC ALREADY HAS TO CONDITION  
5 FUNDS? OR OTHERWISE REQUIRE TRANSIT OPERATORS TO COORDINATE  
6 THEIR SERVICES FOR THE RIDING PUBLIC? BECAUSE THIS WAS  
7 SOMETHING THAT CAME UP IN THE BLUE RIBBON TASK FORCE THEY  
8 THOUGHT WAS -- I DIDN'T KNOW THEY THOUGHT WAS REALLY  
9 INTERESTING.

10

11 **TERESE MCMILLAN:** YES. THIS IS THERESE MCMILLAN, EXECUTIVE  
12 DIRECTOR. I AM HAPPY TO TAKE THAT. AND, NOTE, I MADE THE  
13 PRESENTATION IN DECEMBER WHERE WE WERE ASKED TO DO A REVIEW OF  
14 THE AUTHORITY AND GIVEN THE TIME, TWO THINGS, ONE, I THINK IT  
15 WAS A COMPREHENSIVE AND HELPFUL PRESENTATION ON, YOU KNOW,  
16 BASICALLY THE DECADES OF LEGISLATIVE AND OTHER ACTIONS SORT OF  
17 LEADING UP TO WHERE WE ARE TODAY, AND WE WILL SEND THAT TO ALL  
18 COMMITTEE MEMBERS. SO THOSE OF YOU THAT WEREN'T ON THE BLUE  
19 RIBBON CAN HAVE IT. BUT THE TOP LINES, I THINK, OR NOW THAT  
20 WE'RE DOWN TO RESOLUTION 3866, THIS IS A POLICY I WOULD GIVE A  
21 NOD TO COMMISSIONER PAPAN, WHO'S MENTIONED THIS SEVERAL TIMES  
22 AS THE EXISTING AUTHORITY, THAT MTC HAS, INTENDED TO ENCOMPASS  
23 THE CONNECTIVITY AND CUSTOMER-FACING REQUIREMENTS THAT TRANSIT  
24 OPERATORS MUST FOLLOW AND HOW MTC WOULD ENFORCE THAT. THAT  
25 POLICY WAS LAST UPDATED IN 2015 AND IT HAS BEEN LIFTED UP AS



February 10, 2021,

1 AN IMPORTANT TOOL IN THE TOOLBOX OF HOW WE MIGHT BRING THINGS  
2 TO BEAR IN ADDRESSING POTENTIAL RECOMMENDATIONS COMING FROM  
3 THE BLUE RIBBON TASK FORCE THAT WOULD GO TO THE COMMISSION IN  
4 TERMS OF ADVANCING TRANSIT COORDINATION AND, YOU KNOW, RELATED  
5 INTEREST AREAS FOR THE COMMISSION. SO THAT'S BASICALLY THE  
6 EXISTING AUTHORITY THE COMMISSION HAS HAD IT FOR QUITE  
7 SOMETIME. IT HAS USED IT IN THE PAST ON A VERY LIMITED BASIS.  
8 A WHOLE NUMBER OF REASONS POWER THAT. -- REASONS FOR THAT. BUT  
9 I THINK IT'S BEEN PRESENTED AS AN IMPORTANT TOOL THAT EXISTS  
10 TODAY TO BE EVALUATED AMONG OTHER OPTIONS.

11

12 **NICK JOSEFOWITZ, CHAIR:** WHICH OF THE FUNDS IN THIS ESTIMATE TO  
13 BE SUBJECT TO THIS TYPE OF CONDITIONING TO THE COMMISSION AND  
14 ANY OTHER FUNDS OUTSIDE OF THE FUND ESTIMATE THAT WOULD BE  
15 COMING FORWARD?

16

17 **THERESE MCMILLAN:** THE SPECIFIC FUNDS IN THIS FUND ESTIMATE  
18 THAT FALL UNDER THE PURVIEW OF POTENTIAL CONDITIONING UNDER  
19 3866 WOULD BE TDA, STA, AND THE A.B. 1107 FUNDS. NOW, IN  
20 ADDITION THAT, THE RESOLUTION ALSO INDICATES FEDERAL FORMULA  
21 FUNDS CAN ALSO BE CONDITIONED. WE -- AND THOSE ARE PRIMARILY  
22 PROGRAMMED THROUGH OUR TRANSIT CAPITAL PRIORITIES PROCESS.  
23 THAT IS GOING TO BE COMING BEFORE THE COMMISSION IN MARCH OR  
24 APRIL FOR SOME ACTION, SO THAT'S DOWN THE ROAD, BUT COMING  
25 FORWARD. ANOTHER FUND SOURCE IS RM2. THAT CAN ALSO BE



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1    CONDITIONED WITH CERTAIN -- UNDER CERTAIN REQUIREMENTS AND  
2    THAT IS PROGRAMMED ANNUALLY, IN ADVANCE OF THE FISCAL YEAR, SO  
3    POSSIBLY ON THE MAY TIME FRAME, MAY OR JUNE, WE WOULD BE  
4    SEEING A DECISION ON RM2 COMING FORWARD, AND THEN FINALLY,  
5    FEDERAL FLEXIBLE FUNDS, STP AND CMAC ALSO FALL UNDER THE  
6    PURVIEW OF RESOLUTION 3866, THOSE ARE ATTACHED TO OUR OBAG  
7    PROGRAM, AND WE WILL BE LOOKING AT POLICY AND PROGRAM  
8    DEVELOPMENT THIS SPRING OR SUMMER, BUT THE FUNDS THEMSELVES  
9    WOULD BE AVAILABLE, FEDERAL FISCAL YEAR '23. SO THAT'S THE  
10   LANDSCAPE THAT WE SEE AHEAD THAT 3866 COULD BE CONSIDERED  
11   AGAINST.

12

13   **NICK JOSEFOWITZ, CHAIR:** THAT'S REALLY HELPFUL CONTEXT. AND I  
14   THINK REALLY EXPANDS ON THE DISCUSSION THAT WE HAVE BEEN  
15   HAVING AT THE BLUE RIBBON COMMISSION. SO I'M GOING TO -- IF  
16   IT'S OKAY WITH MY COLLEAGUES, I WOULD LIKE TO MAKE A MOTION  
17   THAT WE ADOPT A FUND ESTIMATE -- NOT ADOPT, THAT WE FORWARD  
18   THE FUND ESTIMATE TO BE ADOPTED TO THE COMMISSION AND THE  
19   CONSISTENT WITH RESOLUTION 3866, AND WITH OUR STATUTORY  
20   AUTHORITIES, THAT WE CONSIDER -- NOT THAT WE WILL -- BUT THAT  
21   WE WILL CONSIDER FUTURE CONDITIONING OF FUNDS, INCLUDED IN  
22   THIS FUND ESTIMATE AS SUCH ACTION MAY BE APPROPRIATE AND  
23   DESIRED TO ADVANCE THE IMPLEMENTATION OF RECOMMENDATIONS  
24   EMERGING FROM THE BLUE RIBBON TASK FORCE. AND THAT FURTHER  
25   SIMILAR CONSIDERATIONS WILL BE DIRECTED TO FUTURE ALLOCATIONS





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1 OR PROGRAMMING COMING BEFORE THE COMMISSION GOING FORWARD FOR  
2 FUNDS THAT FALL UNDER THE POLICY PURVIEW OF RESOLUTION 3866.  
3 SO I'M GOING TO PUT THAT OUT THERE. AND I DON'T KNOW IF THERE  
4 IS -- IF ANYBODY WOULD LIKE TO SECOND THAT MOTION GIVEN THAT  
5 IT IS A MOTION.

6

7 **LIBBY SCHAAF:** I AM HAPPY TO SECOND IT.

8

9 **NICK JOSEFOWITZ, CHAIR:** THANK YOU. SECONDED BY COMMISSIONER  
10 SCHAFF, WAS THAT? OKAY.

11

12 **LIBBY SCHAAF:** I THINK COMMISSIONER PAPAN AND I WERE SPEAKING  
13 ON TOP OF EACH OTHER, SO WE COULD COSECOND IT.

14

15 **NICK JOSEFOWITZ, CHAIR:** OKAY. I'M GOING TO GO TO COMMISSIONER  
16 PEDROZA AND KIND OF DOWN THE LINE.

17

18 **ALFREDO PEDROZA:** THANK YOU CHAIR JOSEFOWITZ. CONCUR WITH THE  
19 MOTION THAT'S ON THE FLOOR. I THINK THIS IS AN INCREDIBLE  
20 MOMENT IN TIME TO REALLY LOOK AT WHAT AUTHORITY WE HAVE. AND  
21 WHAT DO WE WANT TO INCENTIVIZE FOR THE FUTURE. AND I THINK  
22 LOOKING AT TRANSIT COORDINATION IS SOMETHING THAT'S, I THINK  
23 VERY APPROPRIATE, GIVEN THE CHALLENGES THAT WE'RE SEEING IN  
24 THE BAY AREA, BUT ALSO HOW CAN WE LEAD AND INCENTIVIZE THAT  
25 FUTURE. SO I THINK THIS IS AN INCREDIBLE OPPORTUNITY TO HAVE A



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1 DISCUSSION OF HOW WE WANT TO DO THIS. BECAUSE A LOT OF IT IS  
2 HOW WE DO THIS AND HOW DO WE BRING PEOPLE ON BOARD. SO VERY  
3 SUPPORTIVE OF THE MOTION THAT'S ON THE FLOOR.

4

5 **NICK JOSEFOWITZ, CHAIR:** THANK YOU VERY MUCH. COMMISSIONER  
6 PAPAN?

7

8 **GINA PAPAN:** THANK YOU, MR. CHAIR. YES, I THINK THAT'S  
9 DEFINITELY NEEDED. RESOLUTION 3866 HAS BEEN IN PLAY FOR A LONG  
10 TIME, AND YET MANY OF THE PROVIDERS DO NOT FEEL THAT THEY ARE  
11 ACCOUNTABLE TO THAT. SO I THINK THAT IF WE MOVE THIS FORWARD  
12 IN SUCH A WAY THAT EITHER WE UPDATE THE RESOLUTION SO THAT  
13 THEY ARE ACCOUNTABLE OR WE LEAD BY WHAT'S PRESENTLY ON THE  
14 FLOOR HERE. BECAUSE IT'S BEEN FAR TOO LONG THAT THEY HAVE NOT  
15 COMPLIED WITH THESE ASPECTS OF THE RESOLUTION WHICH ARE VERY  
16 REASONABLE AND COMMON SENSE. AS WE GO DOWN THIS PATH WE NEED  
17 TO UPDATE THE RESOLUTION AS WELL. I HOPE WE CAN DO THAT TOO.  
18 THANK YOU.

19

20 **NICK JOSEFOWITZ, CHAIR:** THANK YOU COMMISSIONER PAPAN.  
21 COMMISSIONER WORTH?

22

23 **AMY R. WORTH:** THANK YOU MR. CHAIR. I AM ACTIVE ON THE BLUE  
24 RIBBON TASK FORCE AND I SUPPORT THE EFFORTS OF OUR REGION TO  
25 LOOK TO THE FUTURE TO SEE HOW BEST WE CAN PROVIDE TRANSIT



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1 SERVICE TO ALL THE RESIDENTS OF OUR REGION, AND I RECOGNIZE,  
2 IF YOU LOOK AT THOSE FUNDING SOURCES, THEY HAVE VERY DIFFERENT  
3 IMPLICATIONS TO DIFFERENT TRANSIT AGENCIES. AND I GUESS, WHILE  
4 I UNDERSTAND THE INTENT OF THIS MOTION, I AM VERY CONCERNED  
5 ABOUT US PUTTING SOMETHING WAY OUT AHEAD OF THE DISCUSSIONS.  
6 AND I'M ALREADY, YOU KNOW, I KNOW TRANSIT OPERATIONS AND  
7 RESIDENTS ARE VERY CONCERNED ABOUT THE IMPLICATIONS MOVING  
8 FORWARD IN TERMS OF THEIR ABILITY TO HAVE LOCAL TRANSIT  
9 SERVICES. SO I JUST -- YOU KNOW, IT'S A LITTLE BIT OF A  
10 SURPRISE. I CAME INTO THE MEETING WITH THE EXPECTATION, HERE  
11 IS THE STAFF RECOMMENDATION, AND I RECOGNIZE THINGS CAN ALWAYS  
12 CHANGE, BUT I -- YOU KNOW, ONE CAN READ A LOT INTO THIS  
13 MOTION, IN TERMS OF WHAT OUTCOMES POTENTIALLY COULD BE. SO,  
14 YOU KNOW, I -- I REALLY THINK IT'S IMPORTANT THAT WE -- WE  
15 UNDERSTAND THAT THIS IS, YOU KNOW, WE ARE CONTINUING THIS --  
16 THIS PUBLIC PROCESS, AND THIS PUBLIC DIALOGUE, AND JUST TO  
17 GIVE YOU AN EXAMPLE, IF YOU LOOK AT SOME OF THE FUNDING  
18 MECHANISMS, YOU KNOW, FOLKS IN PARTS OF OUR COUNTY IN ALAMEDA  
19 COUNTY ARE PAYING A SALES TAX AND THEY'RE RECEIVING NO TRANSIT  
20 BENEFIT FROM IT. SO, BECAUSE THAT BILL WAS PUT IN PLACE  
21 DECADES BEFORE THE POPULATION GROWTH IN THOSE AREAS. SO I  
22 THINK THERE IS -- OBVIOUSLY, LIKE EDUCATION FUNDING, TRANSIT  
23 FUNDING IS HIGHLY COMPLEX, BUT AGAIN, I THINK WE NEED TO  
24 CONTINUE TO REASSURE OUR RESIDENTS THAT, AT THE END OF ALL  
25 THIS, THEY WILL HAVE A TRANSIT SERVICES IN THEIR COMMUNITIES.



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1 SO I -- I'M SORT OF STRUGGLING WITH WHAT THE REAL INTENT OF  
2 THIS MOTION IS. AND, AGAIN, WE HAVE ALLOCATED THESE FUNDS. I  
3 KNOW MOVING FORWARD MTC DOES HAVE DISCRETION OVER RESOURCES,  
4 BUT WE ALSO HAVE, YOU KNOW, TRANSIT AGENCIES THAT ARE  
5 PROVIDING SERVICES THAT ARE, YOU KNOW, FOLLOWING THE  
6 REQUIREMENTS OF THESE -- OF OUR RESOLUTIONS, AND SO, I JUST  
7 THINK IT'S -- IT'S IMPORTANT THAT WE ARE CONSISTENT WITH WHERE  
8 OUR REGION IS IN TERMS OF THESE IMPORTANT CHALLENGING  
9 CONVERSATIONS WE'RE HAVING RIGHT NOW.

10

11 **NICK JOSEFOWITZ, CHAIR:** AND I REALLY APPRECIATE THAT COMMENT,  
12 COMMISSIONER WORTH, AND I THINK THAT, YOU KNOW, WHAT I'M --  
13 WHAT WE'RE TRYING DO HERE IS NOT SAY THAT WE WILL CONDITION  
14 ANY FUNDING OR KIND OF TRY AND GET AHEAD OF THE BLUE RIBBON  
15 TASK FORCE RECOMMENDATIONS, AND YOU KNOW, THE TRANSIT AGENCIES  
16 HAVE REALLY ROBUST REPRESENTATION ON THE BLUE RIBBON TASK  
17 FORCE, IT'S JUST TO KIND OF, YOU KNOW, START A DIALOGUE AND  
18 START A DISCUSSION ABOUT HOW, WHICH WAS, AT THE COMMISSION,  
19 WHICH I THINK THE DISCUSSION WAS STARTED AT THE BLUE RIBBON  
20 TASK FORCE, ABOUT HOW WE KIND OF FULFILL OUR -- HOW WE USE THE  
21 KIND OF AUTHORITIES AT OUR DISPOSAL TO TRY AND TO -- AND THE  
22 SORT OF -- THE HISTORY OF ACTION BY THIS COMMISSION THROUGH  
23 THAT RESOLUTION -- PREVIOUS RESOLUTIONS, TO TRY AND SORT OF  
24 SET US UP TO BE AS SUCCESSFUL AS POSSIBLE IN DELIVERING ON  
25 WHAT WILL ULTIMATELY COME OUT OF THE BLUE RIBBON TASK FORCE.



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1 SO I THINK IT'S JUST SOMETHING TO SORT OF START THE  
2 CONVERSATION RATHER THAN ANYTHING ELSE. COMMISSIONER SPERING?  
3  
4 **JAMES P. SPERING:** THANK YOU, MR. CHAIRMAN. MR. CHAIRMAN, YOU  
5 KNOW, I WANT TO THANK YOU FOR BRINGING THIS ISSUE FORWARD, AND  
6 FOR STAFF'S RESPONSE. YOU KNOW, THE BLUE RIBBON COMMUNITY IS  
7 TALKING ABOUT THIS. AND WE ARE NOT GOING BACK TO NORMAL. I  
8 MEAN, OPERATIONS HAVE BEEN PROVIDED IN THE PAST, THIS IS GOING  
9 TO BE A NEW ERA OF HOW WE DELIVER TRANSIT SERVICES. I'LL GIVE  
10 YOU AN EXAMPLE, SOLANO COUNTY, FOR EXAMPLE, WHEN YOU LOOK AT  
11 THE SMALL OPERATORS AND THE WORK THEY'RE DOING IN SONOMA A  
12 THEY'RE LOOKING AT THE COORDINATION CONSOLIDATION, CONTRA  
13 COSTA COUNTY, THE WORK THAT THEIR SMALL TRANSIT OPERATORS DO,  
14 AND THE COORDINATION BETWEEN THEM, A LOT OF GOOD WORK THERE.  
15 ALAMEDA COUNTY, SAME THING. BUT THEN YOU LOOK AT SOLANO  
16 COUNTY. FIVE OPERATORS IN A SMALL COUNTY, NO COORDINATION, YOU  
17 HAVE ONE OPERATOR THAT HAS A 10, \$11 MILLION SURPLUS ANOTHER  
18 ONE SERVING VALLEJO IS LAYING PEOPLE OFF, CUTTING ROUTES, THAT  
19 INEQUITY IT'S JUST SO STRIKING AND I THINK THIS IS A VERY  
20 IMPORTANT STATEMENT FOR THIS COMMISSION TO MAKE OR AT LEAST  
21 THIS COMMITTEE SHOULD ADVANCE THIS CONCEPT. I THINK THERE ARE  
22 PLACES WHERE WE HAVE TO EXERCISE THIS AND WE HAVE TO APPOINT  
23 TO THE PLATE AREAS WHERE THE CONSOLIDATION IS WORKING WELL AND  
24 WHERE WE NEED TO ENHANCE IT. I THINK THE SMALL OPERATORS,  
25 ALAMEDA, CONTRA COSTA, THERE IS NO THREAT HERE TO THEM I THINK



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1 THEY'RE DOING ALL OF THE RIGHT THINGS. IT'S EXTREMELY  
2 IMPORTANT OUR MEETINGS WITH THE LARGE OPERATORS SMALL  
3 OPERATORS THROUGH THE BLUE RIBBON COMMITTEE IT'S IMPORTANT  
4 THAT MTC STARTS TO EXERCISE THIS AUTHORITY OR YOU'RE NOT GOING  
5 TO GET CHANGE. IT'S NOT GOING TO HAPPEN. AND THE SMALL AND  
6 LARGE OPERATORS BOTH NEED TO CHANGE TO THIS NEW PARADIGM THAT  
7 WE'RE CONFRONTED WITH. AND SO, YOU KNOW, I APPLAUD THE MOTION.  
8 THE MOTION, AND I HOPE THE COMMITTEE SUPPORTS IT. IT IS TIME  
9 THAT MTC REALLY STARTS TAKING A LOOK AT T WHEN YOU LOOK OVER  
10 THE YEARS AT THE MANY THINGS BART HAS DONE, WE'RE REALLY --  
11 HASN'T BEEN MANY THINGS THEY HAVE DONE HAVE BEEN ACCEPTABLE.  
12 WE HAVEN'T HELD THEM ACCOUNTABLE AND YET WE JUST ALLOCATE THE  
13 MONEY TO THEM. AND I THINK THERE ARE TIMES THAT WE NEED TO  
14 SAY, THIS NEEDS TO CHANGE. AND IT'S REALLY TO THE ADVANTAGE OF  
15 THE RIDERS. SO THANK YOU MR. CHAIRMAN, I REALLY APPRECIATE YOU  
16 BRINGING THIS FORWARD.

17

18 **NICK JOSEFOWITZ, CHAIR:** COMMISSIONER DUTRA-VERNACI?

19

20 **CAROL DUTRA-VERNACI, VICE CHAIR:** YES. THANK YOU. I WOULD LIKE  
21 TO THANK YOU FOR THE CLARIFICATION. AND COMMISSIONER SPERING'S  
22 COMMENTS, BECAUSE I WAS AS EQUALLY CONCERNED AS COMMISSIONER  
23 WORTH WAS ABOUT THIS. BUT I DO AGREE WE NEED TO USE THE TOOLS  
24 WE HAVE AVAILABLE TO HOLD THOUGH THAT NEED TO DO A BETTER JOB,  
25 HOLD THEIR FEET TO THE FIRE. SO, THANK YOU.



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1

2 **NICK JOSEFOWITZ, CHAIR:** OKAY. WELL I SEE -- I DON'T SEE ANY  
3 OTHER COMMISSIONERS WITH THEIR HAND RAISED. COMMISSIONER  
4 WORTH. SORRY. I DIDN'T SEE YOU.

5

6 **AMY R. WORTH:** FIRST OF ALL, I WANT TO THANK YOU FOR THAT  
7 CLARIFICATION, AND COMMISSIONER SPERING. THIS IS NOT A ONE  
8 SIZE FITS ALL AND MONOLITHIC PERSPECTIVE, AND AS COMMISSIONER  
9 SPERING INDICATED, ACROSS THE VARIOUS COUNTIES TRANSIT  
10 AGENCIES ARE DOING WHAT WE WANT TO HAVE HAPPEN IN THE REGION.  
11 AND I AM HEARING FROM MY COLLEAGUES AND CONTRA COSTA CITIES  
12 ARE CONCERNED ABOUT WANTING TO BE ABLE TO CONTINUE THE HIGH  
13 QUALITY LOCAL SERVICES AS WELL AS SUPPORTING THE REGIONAL  
14 SERVICES AS WE LINK TO BART AND WE HAVE OUR TRANSBAY  
15 OPERATIONS. SO WITH THOSE CLARIFICATIONS, I'LL SUPPORT THIS  
16 MOTION, AND RECOGNIZE THAT OUR -- YOU KNOW, WE SHARE A GOAL OF  
17 HAVING OUTSTANDING TRANSIT SERVICE FOR OUR TRANSIT SERVICE  
18 THROUGHOUT THE REGION. AND OUR INTENT IS NOT TO PENALIZE  
19 RESIDENTS BECAUSE OF, YOU KNOW, TRYING TO UTILIZE THIS FUNDING  
20 SHIFTS. I AM AWARE OF MTC'S LEADERSHIP ON THE PART OF  
21 INVESTMENT OUR CITIES AS WE EXPAND THE BART SYSTEMS HAVE DONE  
22 THE ZONING TO SUPPORT THE TRANSIT ORIENTED DEVELOPMENT. YOU  
23 LOOK AT, FOR EXAMPLE, THE PITTSBURGH BART STATION HOW THERE IS  
24 ALL THE LAND AROUND THAT BART STATION WAS ALL REZONED TO  
25 PROVIDE, YOU KNOW, HIGHER DENSITY HOUSING, AND IT'S HAPPENING



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1 THROUGHOUT. SO WITH THAT CLARIFICATION I'M PREPARED TO SUPPORT  
2 THE MOTION.

3

4 **NICK JOSEFOWITZ, CHAIR:** THANK YOU COMMISSIONER WORTH AND THANK  
5 YOU FOR MAKING SURE THAT CLARIFICATION WAS MADE. LET'S GO TO  
6 PUBLIC COMMENT, THEN.

7

8 **CLERK OF THE BOARD:** YES. I HAVE RECEIVED NOTHING IN WRITING  
9 FOR THIS ITEM, MR. CHAIR, AND THERE IS ONE MEMBER OF THE  
10 PUBLIC WITH THEIR HAND RAISED. ROLAND LEBRUN, PLEASE UNMUTE  
11 YOURSELF.

12

13 **SPEAKER:** THANK YOU, MR. CHAIR. THIS CONVERSATION IS LONG  
14 OVERDUE. CLEARLY THE COMMISSION DOES NOT HAVE ANY POWER TO DO  
15 ANYTHING ABOUT THE LOCAL SALES TAXES, BUT WHEN YOU HAVE A  
16 REGION THAT'S RAKING IN \$800 MILLION IN LOCAL CITY TAXES  
17 ESSENTIALLY ON THE EDGE OF THE FISCAL CLIFF SOMETHING NEEDS TO  
18 HAPPEN. I WOULD SUGGEST AT SOME POINT PLAYING THE TABLE ON  
19 EVERYTHING NOT JUST STATE BUT ALSO LOCAL TAXES AND MTC USES  
20 ITS CURRENT AUTHORITY OVERSTATE REVENUES TO START PUTTING  
21 EVERYBODY ELSE'S HOUSES IN ORDER. THANK YOU.

22

23 **CLERK OF THE BOARD:** THANK YOU. THE NEXT SPEAKER IS RICH  
24 HEDGES. PLEASE UNMUTE YOURSELF.

25





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1 **SPEAKER:** THANK YOU. JUST A STATEMENT. I SUPPORT THIS MOTION,  
2 AND I HOPE EVERYONE ELSE WILL. THANK YOU.

3

4 **CLERK OF THE BOARD:** THERE ARE NO ADDITIONAL PUBLIC SPEAKERS  
5 FOR THIS ITEM, MR. CHAIR.

6

7 **NICK JOSEFOWITZ, CHAIR:** GREAT. LET'S TAKE A ROLL CALL.

8

9 **CLERK OF THE BOARD:** YES. WE HAVE A MODIFIED MOTION BY  
10 COMMISSIONER JOSEFOWITZ, AND A SECOND BY SCHAFF. [ROLL CALL  
11 VOTE].

12

13 **CLERK OF THE BOARD:** MOTION PASSES UNANIMOUSLY.

14

15 **NICK JOSEFOWITZ, CHAIR:** GREAT. SO LET'S MOVE ON TO AGENDA ITEM  
16 4A BAY AREA OPERATOR FINANCIAL AND SERVICE STATUS UPDATE AN  
17 OUTLINE OF INFORMATION STAFF INTENDS TO PROVIDE ON THE  
18 FEBRUARY 24TH COMMISSION MEETING ON THE FINANCIAL SERVICE  
19 OUTLOOK FOR BAY AREA OPERATORS AND CURRENT UPCOMING FISCAL  
20 YEARS AND NEXT STEPS AND DISTRIBUTION OF REMAINING CORONAVIRUS  
21 RESPONSE RELIEF SUPPLEMENTAL APPROPRIATIONS AND THERESE R WILL  
22 PRESENT THIS ITEM. SOMEONE ASKED WHY I WASN'T ON VIDEO, I WANT  
23 TO LET EVERYONE KNOW I HAVE POISON OAK ON MY FACE AND FOR  
24 EVERYONE'S BENEFIT I'M STAYING OFF VIDEO. SO I APOLOGIZE FOR



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1 THAT. IT'S FAR LESS ITCHY THAN IT WAS. SO THAT'S MOVING IN THE  
2 RIGHT DIRECTION. SO, THERESA.

3

4 **THERESA ROMMELL:** THANK YOU CHAIR JOSEFOWITZ, IN THE INTEREST  
5 OF TIME I'M GOING TO BE REALLY, REALLY BRIEF ON THIS ITEM IT'S  
6 INTENDED TO OUTLINE FOR YOU WHAT INFORMATION WE PLAN TO BRING  
7 BACK TO THE COMMISSION MEETING IN FEBRUARY RELATED TO TRANSIT  
8 OPERATOR, FINANCIAL HEALTH, AND THEIR SERVICE PLANS AND WHAT  
9 THEY ARE LOOKING AT, IN TERMS OF COPING WITH THE PANDEMIC  
10 EFFECTS, BOTH IN THE CURRENT FISCAL YEAR AND THE NEXT FISCAL  
11 YEAR. SO JUST QUICKLY WE'LL LET YOU KNOW THAT STAFF HAS BEEN  
12 WORKING WITH TRANSIT OPERATORS TO GATHER AND COMPILE  
13 INFORMATION ON RIDERSHIP, SERVICE CHANGES, FINANCES, ET  
14 CETERA, THAT WE WILL BE GIVING YOU AN OVERVIEW OF IN THAT, AT  
15 YOUR FEBRUARY MEETING. YOU KNOW, I THINK THE MOST IMPORTANT  
16 THING FOR US IS TO KIND OF LOOK AT WHAT OPERATORS ARE DOING  
17 CURRENTLY, AND ALSO, YOU KNOW, HOW THEY ARE PLANNING TO  
18 ADDRESS THE NEEDS OF TRANSIT RIDERS BOTH IN THE PRESENT AS  
19 WELL AS WHEN PEOPLE START TO COME BACK TO PUBLIC TRANSIT, HOW  
20 WILL THEY PLAN ON ADDRESSING THOSE NEEDS. SO THAT'S SOMETHING  
21 TO LOOK FORWARD TO IN FEBRUARY. I WANT TO PROVIDE A QUICK  
22 UPDATE ON WHAT WE'RE DOING IN REGARD TO THE CRRSAA FUNDING.  
23 THE COVID RELIEF FUNDING AS YOU KNOW WE ALLOCATED  
24 APPROXIMATELY 180 MILLION OF THE TOTAL RECEIVED IN JANUARY AND  
25 THERE IS STILL 800 LEFT IN THE PROGRAM AND WE'RE TARGETING THE



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1 PROGRAMMING AND ALLOCATIONS COMMITTEE COMMITTEE MEETING TO  
2 PROPOSE DISTRIBUTION OF THOSE FUNDS THERE HAS BEEN CONCERN OF  
3 OPERATORS THAT ARE INELIGIBLE TO RECEIVE CRRSAA FUNDING DUE TO  
4 THE STRUCTURE OF THE LEGISLATION DISTRIBUTED TO PARTICULAR  
5 AREAS AND OPERATORS WITHIN THOSE ELIGIBLE AREAS WITHOUT  
6 KNOWING THE FUNDING NEEDS OF THOSE FIVE OPERATORS THAT ARE NOT  
7 ELIGIBLE TO RECEIVE CRRSAA AND PROPORTIONAL OVERALL OPERATOR  
8 NEEDS IT'S DIFFICULT TO SAY HOW WE WILL ADDRESS THEIR NEEDS  
9 WITH OTHER AVAILABLE FUNDING A LOT DEPENDS ON HOW MUCH WE NEED  
10 TO COVER WITH THAT SAID WE HAVE A RANGE OF OPTIONS AVAILABLE  
11 INCLUDING PRIORITIZATION OF FTA5311 OR RURAL AREA FUNDS WE  
12 CONTINUE TO PRIORITIZE PROGRAMS RATHER SHIFTING FUNDING  
13 BETWEEN CRRSAA AND REGULAR FORMULA FUNDS TO ACCOMMODATE THE  
14 CRRSAA INELIGIBLE OPERATORS. THEN THERE IS OUR ABILITY TO  
15 DIRECT FLEXIBLE SPENDING FEDERAL FUNDING TO THESE OPERATORS  
16 ONCE THE SCALE OF THE FUNDING NEEDED TO ACCOMMODATE OPERATORS  
17 FOR CRRSAA IS KNOWN WE CAN FORMULATE A PRECISE PROPOSAL FOR  
18 ADDRESSING THEIR NEEDS. THAT'S OUR UPDATE AND I AM HAPPY TO  
19 ANSWER ANY QUESTIONS.

20

21 **NICK JOSEFOWITZ, CHAIR:** THANK YOU VERY MUCH. ARE THERE ANY  
22 QUESTIONS FROM THE COMMISSION? I'M SEEING NONE. I THINK,  
23 AGAIN, LIKE YOU KNOW, I THINK WE ALL, IN THIS REGION, HAVE A  
24 HUGE AMOUNT OF GRATITUDE FOR THE WORK THAT YOU AND YOUR STAFF  
25 ARE DOING TO KIND OF PROCESS THESE FEDERAL FUNDS SO QUICKLY



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1 AND GET THEM OUT TO OPERATORS WHO ARE IN SUCH NEED. AND SO I  
2 KNOW THAT THIS IS COMPLICATED STUFF, AND IT REALLY MATTERS TO  
3 GET IT RIGHT. SO IS THERE ANY PUBLIC COMMENT?

4

5 **CLERK OF THE BOARD:** I HAVE RECEIVED NOTHING IN WRITING FOR  
6 THIS ITEM AND I SEE NO MEMBERS OF THE PUBLIC WITH THEIR HAND  
7 RAISED.

8

9 **NICK JOSEFOWITZ, CHAIR:** GREAT. COMMISSIONER ABE-KOGA?

10

11 **DIR. MARGARET ABE-KOGA:** THANK YOU. SORRY FOR MY LATE HAND. I  
12 THANK STAFF FOR THE INFORMATION AND AGAIN FOR ANSWERING SOME  
13 OF MY WRITTEN QUESTIONS IN ADVANCE. I GUESS I JUST WANTED TO  
14 EMPHASIZE THE INTEREST IN LOOKING AT -- I THINK IT LOOKS LIKE  
15 IT'S PART OF THE FORMULA THAT'S GOING TO -- FORMULATED BUT  
16 OPERATORS THAT HAVE DONE THEIR DUE DILIGENCE IN CONTROLLING  
17 COSTS, AND SOME REDUCE SERVICE LEVELS SO THAT AS WELL AS  
18 PROJECTING WHAT IT WOULD TAKE TO GET SERVICE LEVELS BACK UP TO  
19 100 PERCENT AND THEN SOME -- IN THE SOUTH BAY, WE SEE A  
20 DIFFERENT TYPE OF WORKFORCE, WORK SCHEDULE EMERGING, AND SO WE  
21 WILL PROBABLY WILL NEED TO LOOK AT ADJUSTING ACCORDINGLY SO I  
22 HOPE THAT IS GIVEN CONSIDERATION AS WELL AS OF HOW WE ADAPT TO  
23 THE NEW, WHATEVER YOU WANT TO CALL T NORMAL, OR -- [LAUGHTER]  
24 THE NEW WORLD, AS WE EMERGE OUT OF SHELTERING IN PLACE. THANK  
25 YOU.



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1

2 **NICK JOSEFOWITZ, CHAIR:** THANK YOU. THANK YOU FOR THOSE  
3 COMMENTS. SO, THIS IS SOMETHING THAT WE -- INFORMATION ONLY.  
4 SO IT WAS FOR INFORMATION, AND YOU ARE INFORMED. THANK YOU.  
5 MOVING ON TO ITEM 4BMTC RESOLUTION 4474 AND 4475 ADOPTION OF  
6 THE TRANSPORTATION IMPROVEMENT AND TRANSPORTATION AIR QUALITY  
7 CONFORMITY ANALYSIS FOR THE PLANNED BAY AREA 2040 AND 2021  
8 TIP. IN THE INTEREST OF TIME, WE HAD A NICE OVERVIEW OF THIS  
9 IN OUR PACKETS. I DON'T THINK WE NEED A PRESENTATION, IF THAT  
10 IS OKAY WITH THE REST OF THE COMMITTEE. AND I WOULD BE VERY  
11 COMFORTABLE WITH US JUST MOVING WITH SOMEONE OFFERING UP A  
12 MOTION TO APPROVE THE REFERRAL OF RESOLUTIONS 4474 AND 4475 TO  
13 THE COMMISSION FOR APPROVAL.

14

15 **AMY R. WORTH:** MOVE APPROVAL.

16

17 **NICK JOSEFOWITZ, CHAIR:** THANK YOU COMMISSIONER WORTH.

18

19 **DIR. MARGARET ABE-KOGA:** I'LL SECOND. ABE-KOGA.

20

21 **NICK JOSEFOWITZ, CHAIR:** THANK YOU VERY MUCH COMMISSIONER ABE-  
22 KOGA. AND THANK YOU SO MUCH ADAM FOR THE COMPREHENSIVE WORK  
23 THAT HELPED MOVE THIS ITEM FORWARD QUICKLY. AND I'M SORRY YOU  
24 HAD TO PUT ON A TIE FOR THIS TO BE LEFT HANGING. I KNOW I'M



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1 CERTAINLY NOT WEARING A TIE THESE DAYS. SO GREAT. IS THERE ANY  
2 PUBLIC COMMENT ON THIS KIMBERLY?

3

4 **CLERK OF THE BOARD:** I SEE NO MEMBERS OF THE PUBLIC WITH THEIR  
5 HAND RAISED. THERE WAS ONE WRITTEN PUBLIC COMMENT THAT WAS  
6 DISTRIBUTED AND POSTED, BUT I HAVE BEEN JUST INFORMED THAT  
7 THAT WAS ACTUALLY A PART OF THE PACKET. AND STAFF HAS ALREADY  
8 RESPONDED TO THAT COMMENT FROM BILL MAVEN. SO IF YOU WOULD  
9 LIKE, WITH A MOTION BY COMMISSIONER WORTH AND A SECOND BY ABE-  
10 KOGA, I AM HAPPY TO DO ROLL CALL. I SEE COMMISSIONER PAPAN HAS  
11 HER HAND RAISED.

12

13 **NICK JOSEFOWITZ, CHAIR:** LET'S GO TO COMMISSIONER PAPAN.

14

15 **GINA PAPAN:** REAL QUICK THERE IS SOMETHING HERE PARKING AND  
16 SIDE LOTS IT'S IMPORTANT MOVING FORWARD AS FAR AS  
17 CONNECTIVITY. I WILL BE FOLLOWING UP WITH STAFF. I JUST WANTED  
18 TO MENTION THAT.

19

20 **NICK JOSEFOWITZ, CHAIR:** THANK YOU COMMISSIONER PAPAN. LET'S GO  
21 TO ROLL CALL.

22

23 **CLERK OF THE BOARD:** [ROLL CALL VOTE].

24

25 **CLERK OF THE BOARD:** THANK YOU. THE MOTION PASSES UNANIMOUSLY.



February 10, 2021,

1

2 **NICK JOSEFOWITZ, CHAIR:** GREAT. AGENDA ITEM 5A CALIFORNIA  
3 TRANSPORTATION COMMISSION AND STATE PROGRAMS UPDATE. KENNETH,  
4 YOU KNOW THAT WE ARE JUST, YOU KNOW, ABSORB THIS MATERIAL IN  
5 WRITTEN FORM SO WELL, ON SO MANY OCCASIONS, SO I THINK WE'RE  
6 GOING TO DO THAT AGAIN THIS TIME AROUND GIVEN THAT IT IS 12:46  
7 AND THANK YOU FOR PRESENTING IT IN SUCH A CLEAR WAY. AND SO,  
8 UNLESS THERE ARE OTHER COMMISSIONERS WHO WOULD LIKE TO HAVE AN  
9 ORAL PRESENTATION ABOUT, THIS I THINK WE CAN -- WE CAN JUST  
10 KIND OF -- IF WE HAVEN'T ALREADY, READ THE REPORT IN THE  
11 PACKET. OKAY. AND IT'S A REAL PLEASURE WORKING WITH STAFF.  
12 THEY'RE SO GOOD AT DELIVERING THESE KIND OF WRITTEN REPORTS TO  
13 US IN ADVANCE SO THAT WE CAN KIND OF PROCESS THEM EFFICIENTLY.  
14 SO THANK YOU VERY MUCH FOR THAT. OKAY. IS THERE ANY PUBLIC  
15 COMMENT ON THIS?

16

17 **CLERK OF THE BOARD:** NO. I HAVE RECEIVED NOTHING IN WRITING AND  
18 I SEE NO MEMBERS OF THE PUBLIC WITH THEIR HAND RAISED.

19

20 **NICK JOSEFOWITZ, CHAIR:** GREAT. INFORMATION ITEM. IS THERE ANY  
21 PUBLIC COMMENT FOR AGENDA ITEM SIX OR OTHER BUSINESS FROM  
22 COMMISSIONERS?

23

24 **CLERK OF THE BOARD:** I SEE NO RAISED HANDS FOR GENERAL PUBLIC  
25 COMMENT AND I HAVE RECEIVED NOTHING IN WRITING, MR. CHAIR.



February 10, 2021,

1

2 **NICK JOSEFOWITZ, CHAIR:** OKAY. SO I AM GOING TO ADJOURN THE  
3 MEETING OF THE PROGRAMMING AND ALLOCATIONS COMMITTEE. AND THE  
4 NEXT MEETING WILL BE HELD -- WILL BE SCHEDULED TO BE HELD  
5 WEDNESDAY MARCH 10TH AT 9:45 REMOTELY AS APPROPRIATE. AND  
6 DEPENDING HOW THINGS GO THIS MAY BE MY LAST PROGRAMMING AND  
7 ALLOCATIONS COMMITTEE THAT I CHAIR. THANK YOU. [ADJOURNED]

8





*Broadcasting Government*