

June 9, 2022

Agenda Item 8.a.

BAHFA Fiscal Year 2022-2023 Budget

Subject:

Adoption of BAHFA Resolution No. 12 approving Bay Area Housing Finance Authority Fiscal Year 2022-2023 Budget, including the \$20 million State Grant

Background:

On April 27, 2022, the BAHFA Board approved BAHFA's inaugural budget of \$20 million (Resolution No. 10), which included a \$20 million grant from the California Department of Housing and Community Development (HCD) awarded to MTC in 2021 for the purpose of developing programming for BAHFA, including hiring BAHFA staff.

BAHFA's expenditure program remains unchanged: it will deploy the grant funds to implement BAHFA's mission: providing "3P" programs, resources, and technical assistance throughout the Bay Area that protect current residents from displacement; preserve existing affordable housing; and produce new housing at all income levels, especially affordable housing.

Since the BAHFA Board's approval of the FY 21-22 budget, BAHFA has expended funding on staffing, overhead, and consultants. It has also reallocated funds to provide Board stipends. The total balance sheet change from FY 2021-2022 to FY 2022-2023 reflecting those costs is (\$171,290). A summary is provided below, and a detailed summary is attached as Attachment A.

Budget Summary:

BAHFA FY 22-23 OPERATING EXPENSES	
Staff Salaries (6 positions x 4 years)	4,113,191
Staff Benefits	2,056,595
Overhead	3,106,264
Pilots	4,500,110
Ballot Costs	3,000,000
Legal	1,000,000
Business Plan	500,000
Audit/Accounting/Other	33,650
Board Stipends	18,900
Subtotal	18,328,710
Reserves	1,500,000
GRAND TOTAL	19,828,710

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As described in the approval action for the FY 21-22 budget, since staff will be fully dedicated to launching the Pilots, we provide below a second budget summary that reflects a more comprehensive view of the HCD resources that will directly benefit the Pilots.

FY 22-23 BAHFA BUDGET SUMMARY BY ACTIVITY	
Pilots + BAHFA Staff Time	13,776,160
Business Plan	500,000
Admin & Operational Costs - incl. legal and ballot reimbursements	4,052,550
Reserves	1,500,000
GRAND TOTAL	19,828,710

BAHFA Staff Positions¹

- 1) Section Director
- 2) Tenant Protections/Homelessness Prevention Program Coordinator
- 3) Preservation Program Principal
- 4) Doorway Principal
- 5) Housing Analyst
- 6) Executive Assistant

Pilot Programs

- 1) Doorway: Total BAHFA staff time + additional grant resources: approximately \$4,650,000. This pilot program involves significant costs for development of the database and customer relationship management systems, as well as multi-jurisdictional coordination, planning and program integration.
- 2) Preservation: Total BAHFA staff time + additional grant resources: approximately \$3,910,000. Staff have also secured a Breakthrough Grant from the Partnership for the Bay's Future, which enables a two-year Preservation Fellow to assist the Preservation Principal. The approximate value of this fellowship is \$500,000, bringing total Preservation resources to approximately \$4.4 million.
- 3) Pipeline: Total BAHFA staff time + additional grant resources: approximately \$765,000. The Pipeline creation will provide a comprehensive summary of the Bay Area's pending and in-construction affordable developments to facilitate data-driven resource coordination.
- 4) Anti-Displacement: Total BAHFA staff time + additional grant resources: approximately \$2,225,000. Through this pilot, BAHFA staff seek to create an action plan for long-term anti-displacement work that is specifically focused on protecting households' existing

¹ "BAHFA Staff" refers to employees hired by MTC who are funded by BAHFA under Government Code sec. 64520(j) and (q).

Housing Committee

Oversight Committee

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residencies. It will be implemented in conjunction with the Preservation Pilot but will highlight tenant protections rather than acquisitions and rehabilitation work.

- 5) Homelessness Prevention Pilot: Total BAHFA staff time + additional grant resources: approximately \$2,225,000. In conjunction with the Anti-Displacement Pilot, this pilot will focus on long-term collaborative, region-wide actions BAHFA can lead with key stakeholders to better protect Bay Area residents from many of the events that lead to homelessness.

Schedule

The BAHFA business Planning work is underway, as is Pilot Program collaboration work with key stakeholders. Staff hiring is in process, and all new BAHFA staff should be fully engaged by summer 2022. BAHFA and MTC/ABAG staff are pursuing the work outlined above with urgency, given the 4-year timeline allotted by the existing BAHFA budget.

Issues:

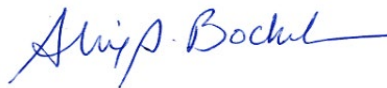
None

Recommended Action:

The BAHFA Oversight Committee is requested to recommend Bay Area Housing Finance Authority adoption of BAHFA Resolution No. 12.

Attachment:

- A. FY23 BAHFA Operating Budget
- B. BAHFA Resolution No. 12
- C. Presentation

Reviewed:

Alix Bockelman