



Unlocking New Affordable Homes in the Bay Area

Bay Area Affordable Housing Pipeline
February 2023



ABOUT ENTERPRISE COMMUNITY PARTNERS

OUR VISION & MISSION

OUR VISION is a country where home and community are steppingstones to more

OUR MISSION is to make home and community places of pride, power and belonging, and platforms for resilience and upward mobility for all

Background and Scope

- Enterprise Community Partners (Enterprise) first completed the Bay Area Affordable Housing Pipeline in 2020
- In 2022, we updated the Pipeline with a refined methodology, in partnership with and with funding from the Bay Area Housing Finance Authority as one of the five pilot programs
- 9-county Bay Area scope
- Combines State -provided public data with data provided by local housing departments, developers, and financial partners
- Includes all developments at some stage of predevelopment as of September 2022



Building the Pipeline Database

Data Sources

- State -provided public data on applications for state programs, regardless of award status (e.g., 4% and 9% LIHTC, Multifamily Housing Program, etc.)
- Local public data from city and county housing departments and authorities
- Proprietary data from affordable housing developers and financial consultants

Duplicate developments were identified and removed using project name, cross -referenced for city, county, developer, and/or unit count if available.

Data Source	All Pipeline Developments (n=562)	% of Total
Local Public Sources Only	274	49%
Identified in Both Public & Private Data	150	27%
Proprietary Data Only	138	25%

Participating Housing Agencies and Organizations

- Alameda County
 - Housing Authority of City of Alameda
 - City of Oakland
 - Oakland Housing Authority
 - Contra Costa County
 - San Mateo County
 - City and County of San Francisco
 - Santa Clara County
 - City of San Jose
 - City of American Canyon
 - City of Dixon
 - Sonoma County
 - Marin County
 - Napa County
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- Alta Housing
 - Bridge Housing
 - Burbank Housing
 - EAH Housing
 - Eden Housing
 - Mercy Housing
 - MidPen Housing
 - Satellite Affordable Housing Associates
 - Tenderloin Neighborhood Development Corporation
 - First Community Housing
 - San Francisco Housing Development Corporation
 - East Bay Asian Local Development Corporation
 - The Related Companies of California
 - Resources for Community Development
 - Chinatown Community Development Center
 - The John Stewart Company
 - The Unity Council
 - Abode Services
 - Charities Housing
 - California Housing Partnership
 - Enterprise Community Loan Fund /Investments

Pipeline in Predevelopment and Under Construction by County

Stage & County	Developments	Units*
Under Construction	132	9,728
Unknown	35	2,252
Pre-Development	395	32,944
Alameda	106	7,916
Contra Costa	22	1,782
Marin	13	556
Napa	9	290
San Francisco	85	7,258
San Mateo	25	1,817
Santa Clara	88	10,829
Solano	6	287
Sonoma	41	2,209
Grand Total	562	44,924

Development Type	Developments	Units
New Construction	381	35,986
Existing Affordable Rehab	57	3,560
NOAH Acq-Rehab	43	1,089
Homekey	11	963
Adaptive Reuse	8	75
Unknown	62	3,251
Grand Total	562	44,924

**All unit data is an underestimate since some developments did not have unit count information available and the units in those developments are therefore not represented in the total unit counts.*

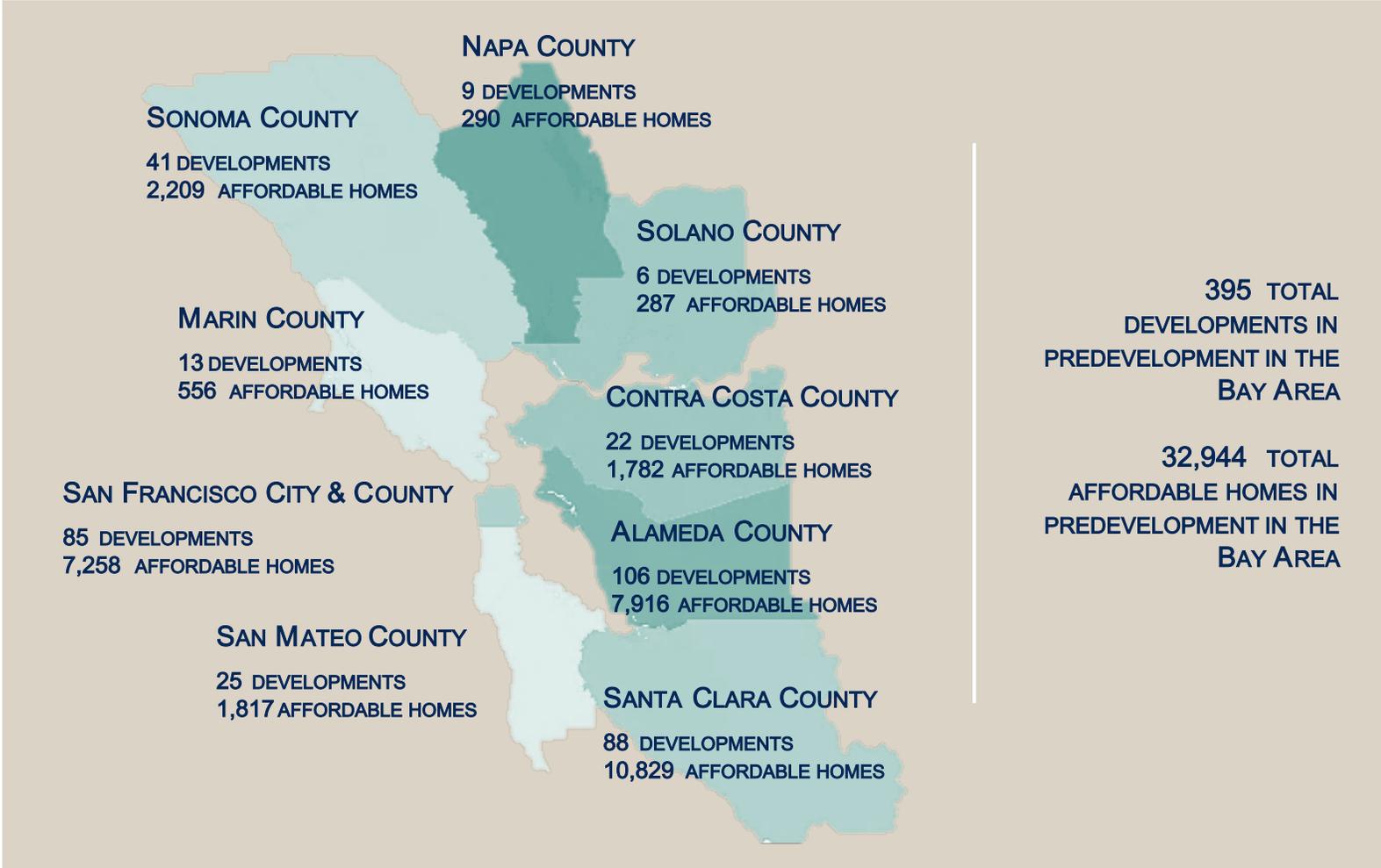
Pipeline in Predevelopment and Under Construction & Costs

Predevelopment Projects by Household Type	Developments	Units
At-Risk	1	48
Homeless	8	869
Large Family	161	15,177
Non-targeted	47	3,922
Senior	56	4,114
Single Room Occupancy (SRO)	4	337
Special Needs	43	2,974
Veterans	1	-
Workforce	1	8
Other	14	662
Unknown	226	16,813
Grand Total	562	44,924

County	Average Cost Per Unit (n=353)*
Alameda	\$ 687,673
Contra Costa	\$ 700,216
Marin	\$ 906,860
Napa	\$ 548,573
San Francisco	\$ 816,512
San Mateo	\$ 784,772
Santa Clara	\$ 720,658
Solano	\$ 501,913
Sonoma	\$ 567,224

**Limited to developments that have total development cost and unit count data. Includes both pre -construction and construction stage developments.*

Affordable Housing in Predevelopment



Affordable Housing Predevelopment Pipeline and Need by County

COUNTY	AFFORDABLE HOUSING PROJECTS IN PREDEVELOPMENT	AFFORDABLE HOMES IN PREDEVELOPMENT	REGIONAL HOUSING NEEDS ALLOCATION AFFORDABLE HOMES 2023 -2031	2022 HOMELESS POINT-IN-TIME COUNT
Alameda	106	7,916	37,197	9,747
Contra Costa	22	1,782	21,031	3,093
Marin	13	556	6,571	1,121
Napa	9	290	1,796	366
San Francisco	85	7,258	32,881	7,754
San Mateo	25	1,817	19,219	1,808
Santa Clara	88	10,829	50,923	10,028
Solano	6	287	4,415	1,179
Sonoma	41	2,209	6,301	2,893
Regional Total	395	32,944	180,334	37,989

Understanding the Funding Need

- An affordable housing development generally requires multiple funding sources to fully finance the construction of affordable homes.
- Gap funding can come from local, regional, and state programs. It is often the first funding committed to a development, which allows the development to then access additional financing.
- For this reason, subsidy or soft debt gap funding is especially critical for developments to move forward.
- In recent years, oversubscription of California's tax -exempt bonds have also made securing 4% LIHTC much more challenging.

TYPICAL CAPITAL STACK



Funding Needed to Unlock the Pipeline

In order to move the region's predevelopment project to fruition, these developments will need their "capital stacks" to be fully funded. The follow estimates reflect the anticipated remaining need for subsidy as well as state and federal tax credits and bonds over the next several years. *The sample size is 386 developments.*

	Estimated Anticipated Need
Subsidy / Soft Debt Gap <i>From local, regional, or state public programs</i>	\$ 7.6 billion
Tax-Exempt Bond Demand <i>This demand reflects the need for developments to request at least 50% of their total development cost in tax -exempt bonds, per federal law, in order to qualify for 4% tax credits</i>	\$ 13.0 billion
4% LIHTC Equity Demand	\$ 11.1 billion
9% LIHTC Equity Demand	\$ 1.5 billion

Looking Ahead

- **Technical Assistance.** BAHFA will use the Pipeline data to provide technical assistance to jurisdictions planning their multi-year housing production and preservation strategies, including better understanding RHNA progress and barriers.
- **BAHFA Planning.** The Pipeline will inform BAHFA's own strategic planning, with the goal of investing resources in locations and for projects where it will be most impactful and catalytic
- **Inform Policy and Innovation.** BAHFA and Enterprise will ensure that this Pipeline data will be widely shared and can be used to pursue broader policy goals, including efforts to create innovative affordable housing construction and financing models.
- **Systems Efficiencies.** Potential to use Pipeline to create a more predictable, efficient, and equitable funding system for affordable housing in the region.
- **Regional Revenue Measure.** Provide outreach and education regarding the ways a \$10-20 billion regional bond can address the Pipeline's identified funding needs.



Thank You!

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