

Date: March 22, 2023  
W.I.: 1615  
Referred by: Administration

ABSTRACT

Resolution No. 4565

This resolution authorizes the grant of funding from the Metropolitan Transportation Commission (MTC) to the Bay Area Housing Finance Authority (BAHFA) for implementation of affordable housing programs using Regional Early Action Planning Grant 2.0 (REAP 2.0) proceeds issued through a formula allocation to MTC by the California Department of Housing and Community Development (HCD). By Resolution No. 4548, dated November 16, 2022, MTC authorized the request to HCD for its allocation of funds in an amount not to exceed \$102,842,103.03, which includes funds now authorized for program implementation by BAHFA as specified in Attachment A.

Further discussion of the REAP 2.0 allocation and affordable housing programs is contained in a memorandum to the Administration Committee dated March 8, 2023.

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RE: Grant REAP 2.0 Proceeds from MTC to BAHFA

METROPOLITAN TRANSPORTATION COMMISSION  
RESOLUTION NO. 4565

WHEREAS, the Metropolitan Transportation Commission (MTC) is the regional transportation planning agency for the San Francisco Bay Area pursuant to Government Code Section 66500 *et seq.*; and

WHEREAS, MTC is the designated Metropolitan Planning Organization (MPO) for the nine-county San Francisco Bay Area region; and

WHEREAS, the California Department of Housing and Community Development (HCD) is authorized to provide up to \$510,000,000 to Metropolitan Planning Organizations and Councils of Government (“Applicant”) listed in Health and Safety Code Section 50515.08, subdivisions (a)(1)-(6) under the Regional Early Action Planning grants program (REAP 2.0), as detailed in Health and Safety Code Section 50515.08-10; and

WHEREAS, HCD issued a Notice of Funding Availability on July 26, 2022, for REAP 2.0 grants available to MPOs and Councils of Government; and

WHEREAS, MTC authorized application for an allocation of REAP 2.0 funds in an amount not to exceed \$102,842,103.03 by Resolution 4548 on November 16, 2022; and

WHEREAS, MTC further agreed by Resolution 4548 to use all such REAP 2.0 funds only for eligible activities as set forth in California Health and Safety Code section 50515.08(c)(1) and in accordance with REAP 2.0 requirements and guidelines, which include, among other activities, affordable housing preservation and affordable housing predevelopment funding; and

WHEREAS, Title 6.8 of the Government Code, commencing with Government Code Section 64510 creates the Bay Area Housing Finance Authority (BAHFA) with jurisdiction extending throughout the nine county San Francisco Bay Area; and

WHEREAS, per Government Code Section 64510(c), BAHFA's purpose is to raise, administer, and allocate funding and provide technical assistance at a regional level for tenant protection, affordable housing preservation, and new affordable housing production; and

WHEREAS, on March 22, 2023, BAHFA adopted Resolution No. 28, establishing its Housing Preservation Pilot to provide low-interest loans to mission-driven developers and community land trusts to acquire and rehabilitate unrestricted, occupied homes and convert them to permanently affordable housing. The program aims to prevent displacement of low-income households, to create a safe, stable, permanently affordable housing stock, and to support the financial health of residents, borrowers, and properties; and

WHEREAS, Resolution No. 28 also establishes the Priority Sites Predevelopment Pilot to provide low-interest loans to developers and public agencies for predevelopment activities necessary to advance development projects that provide deed-restricted affordable homes on sites identified by the Metropolitan Transportation Commission and Association of Bay Area Government as Priority Sites. The program aims to accelerate regionally significant affordable or mixed-income housing projects that leverage public land or the redevelopment of aging malls/office parks – two impactful Housing Strategies in Plan Bay Area 2050; and

WHEREAS, in adopting Resolution No. 28, BAHFA also agreed to accept MTC's grant of REAP 2.0 funding, subject to applicable terms and conditions of the grant agreement for the REAP 2.0 funds to be executed between MTC and HCD; and now therefore be it

RESOLVED that MTC finds that BAHFA's Housing Preservation Pilot and Priority Sites Predevelopment Pilot will accelerate infill housing development by establishing and funding an affordable housing fund and authorizes the grant of REAP 2.0 proceeds to BAHFA, as outlined in Attachment A, contingent upon MTC receiving the REAP 2.0 funds as requested by MTC Resolution No. 4548 and subject to applicable terms and conditions of the grant agreement to be executed between MTC and HCD for the REAP 2.0 funds; and be it further

RESOLVED that the Executive Director is authorized to enter into, execute, and deliver any and all other documents and take all necessary actions required or incidental to the grant of REAP 2.0 funds to BAHFA, including executing any agreements or amendments to existing agreements with HCD to effectuate the grant of the REAP 2.0 to BAHFA for the Housing Preservation Pilot and Priority Sites Predevelopment Pilot.

METROPOLITAN TRANSPORTATION COMMISSION

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Alfredo Pedroza, Chair

The above resolution was entered into by the Metropolitan Transportation Commission at a regular meeting of the Commission held in San Francisco, California, on March 22, 2023.

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Attachment A  
Resolution No. 4565  
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**Attachment A**

<b>REAP 2.0 Program</b>	<b>Grant Amount</b>
Housing Preservation Pilot	\$15 million
Priority Sites Predevelopment Pilot	\$28 million
<b>Total</b>	<b>\$43 million</b>