

ADVANCING CALIFORNIA FINANCE AUTHORITY

GOVERNING BOARD

Date: April 26, 2018
To: ACFA Governing Board
From: Executive Director
Subject: **ACFA Marketing Plan**

Following the successful launch of Advancing California Finance Authority (ACFA), staff would like to share with you a draft marketing plan which identifies two tracks for generating business, refinancing old bond issuances in the ABAG Finance Authority for Nonprofit Corporations (ABAG FAN) portfolio, and generating new business for ACFA, and to solicit your comments and suggestions on the draft marketing plan.

Refinancing Older Deals in Current ABAG FAN Portfolio

Recently, Sperry Capital reviewed ABAG FAN's \$1.5 billion portfolio which consists of about 150 separate financings and identified \$1 billion worth that are currently eligible for refinancing. Sperry Capital's staff will take the lead in contacting the financial advisors and bond counsels for those financings to see if any of their clients might be interested in refinancing into the ACFA portfolio.

Generating New Business for ACFA

Over the past few months, several developers have contacted staff to ask when ACFA will be up and running and how soon they could submit applications. Staff has met twice with the developer of a \$70 million transit oriented development (TOD) project at Millbrae's BART station that includes 440 apartments, office space, and a parking garage. The developer of the project, which recently received final approval by the Millbrae City Council, was sent ACFA's policies and procedures, meeting schedule and application forms. .

If ACFA finances even part of Millbrae BART TOD project, staff would then hold a press conference to elevate ACFA's visibility with developers of similar projects, including Bay West Development's project on San Jose's light rail line at South Bascom/Southwest Expressway (447 housing units, office and retail); Google's project at San Jose's Diridon Station (office/retail/housing for 15,000-20,000 employees); and Adobe Systems mixed-use project near Diridon. Staff also spoke recently with a residential respite care developer at Alameda Point (former Alameda Naval Air Station).

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Marketing Strategies

Below are strategies being considered, along with some questions and issues each one raises.

1. **Create a presence at finance industry conferences and events.** Which events are the most important to attend and who among our staff and consultants should go? Should we have our own booth or share one with an ACFA consultant? Should we arrange to speak at these events?
2. **Present to county-wide meetings of city managers, city councils, planning directors, etc.** Metropolitan Transportation Commission (MTC) senior management currently meets with city managers, county by county. We have been including a slide on ACFA in our presentations. We will now update our PowerPoint to include additional ACFA slides that explain in more detail how we can help cities meet their Plan Bay Area 2040/Regional Housing Needs Allocation (RHNA) goals. We will also look for opportunities to make similar presentations at county-wide meetings of elected officials, planning directors and Association of Bay Area Governments (ABAG) delegates.
3. **Work with region's Community Development Financial Institutions (CDFIs).** Two CDFI's, the Low Income Investment Fund (LIIF) and Enterprise are partners in MTC's TOAH Fund and the Housing Preservation Pilot Program. Others include Northern California Community Loan Fund (NCCLF) and Local Initiative Support Corporation (LISC). We will encourage them to think of ACFA as a potential partner for housing developments they finance.
4. **Make presentations to non-profit and for-profit housing developer groups.** Both non-profit and for-profit housing developers have their own trade associations. For non-profits these include Non-Profit Housing Association of Northern California (NPH), East Bay Housing Organizations (EBHO) and Council of Community Housing Organizations (CCHO). Larger for-profit developers often participate in groups like the Bay Area Council, SPUR, their chamber of commerce or regional economic development association. Smaller developers belong to local residential builders associations.
5. **Talk to AFL-CIO Housing Investment Trust.** This 30-year old, \$6.1 billion AFL-CIO fund has designated the Bay Area as one of six places nationwide where it invests pension funds in affordable housing. They may be willing to refer borrowers to us that don't meet their criteria (e.g., project size, union labor for all on-site construction work) They can also tell us of similar union groups that loan out pension funds for affordable housing. See: <http://www.aflcio-hit.com/>
6. **Ask FAN/ACFA consultants to help us get the word out.** Given that our ACFA consultants (Nixon/Peabody; PFM; Sperry) are among the top housing advisers in the region, they are well positioned to help us get the word out and identify potential borrowers.
7. **Send out ACFA related press releases and news articles to Bay Area news organizations.** Staff will prepare press releases and news articles for MTC/ABAG websites, BayLink and Twitter accounts related to the launch of ACFA and, later on, to successful ACFA financings.

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Attached is a partial list of individuals and organizations to be contacted.

The ACFA marketing effort will be staffed by Brad Paul, Deputy Executive Director, Local Government Services; a new ACFA Assistant Program Coordinator; Brian Mayhew, MTC Chief Financial Officer; and Susan Woo, MTC Deputy Treasurer. They will be assisted by other MTC staff, as needed, as well as our FAN/ACFA consultants: Nixon/Peabody, PFM and Sperry Capital.

Recommended Action

Information.



Steve Heminger

Attachment

Sample Contact List

SAMPLE OF INDIVIDUALS/ORGANIZATIONS TO BE CONTACTED AND BRIEFED

CASA Co-Chairs

Leslye Corsiglia CASA Co-Chair and Convener Executive Director Silicon Valley at Home	Michael Covarrubias CASA Co-Chair and Convener Chairman and CEO TMG Partners	Fred Blackwell CASA Co-Chair and Convener CEO The San Francisco Foundation
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After briefing CASA Co-Chairs, we'll present to CASA Steering and Technical Committees

Non-Profit Housing Developers, CDFIs and Policy Groups

Matthew Franklin Executive Director MidPen Housing	Mary Rogier Executive Director Northern CA Community Loan Fund	Lewis Knight Director of Development Facebook
Linda Mandolini Executive Director Eden Housing	Rich Gross Vice President, Northern CA Enterprise Community Partners	Ellen Wu Urban Habitat
Joshua Simon Executive Director East Bay Asian Local Development Corporation (EBALDC)	Nancy Andrews President Local Income Investment Fund (LIIF)	Denise Pinkston Bay Area Council
Norman Fong Executive Director Chinatown Community Development Center (CCDC)	Cynthia Wong Executive Director Bay Area LISC	Dr. Jennifer Martinez Faith in Action
Don Falk Executive Director Tenderloin Neighborhood Development Corp. (TNDC)	Amie Fishman Executive Director Non-Profit Housing Association of Northern CA (NPH)	Carol Galante Faculty Director Turner Center for Innovative Housing, UC Berkeley
Cynthia Parker President BRIDGE Housing Corp.	Matt Schwartz Executive Director CA Housing Partnership	Robert Apodaca CA Community Builders
Mary Murtagh Executive Director EAH Housing	Rebecca Prozan Director of Community Affairs Google	Bobby Alvarado Executive Officer Northern CA Carpenters Regional Council