Joint MTC Planning Committee with the ABAG Administrative Committee March 12, 2021

Correspondence Received Agenda Item 5a

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From: Martha Silver
To: Martha Silver

Subject: FW: 6 Wins Letter re: PBA Housing Implementation

Date: Friday, February 26, 2021 2:43:43 PM

Attachments: PBA Implementation Letter 6 Wins 2.26.2021.pdf

From: Shajuti Hossain <<u>shossain@publicadvocates.org</u>>

Sent: Friday, February 26, 2021 9:17 AM

To: MTC-ABAG Info < <u>info@bayareametro.gov</u>>; Berkeley Mayor's Office

<<u>mayor@cityofberkeley.info</u>>; Alfredo Pedroza <<u>Alfredo.Pedroza@countyofnapa.org</u>>; Therese W.

McMillan < tmcmillan@bayareametro.gov >

Cc: Skjerping, Lars < LSkjerping@cityofberkeley.info>; Leslie Gordon < leslie@urbanhabitat.org>; Debra Ballinger < debra@monumentimpact.org>; Matt King < mattk@sacredheartcs.org>; Ofelia Bello < ofeliabello@youthunited.net>; Miranda Strominger < miranda@bayareaclt.org>; Chirag Rabari < crabari@bayareametro.gov>

Subject: 6 Wins Letter re: PBA Housing Implementation

External Email

Dear Mayor Arreguin, Supervisor Pedroza, and Director McMillan,

The 6 Wins for Social Equity Network write to recommend immediate action steps and policy priorities for implementation of the Plan Bay Area 2050 housing strategies and the Bay Area Housing Finance Authority. Please see our attached letter and forward it to all MTC Commissioners and ABAG Executive Board members.

Our letter covers the following recommendations:

- Prioritize solutions that immediately stop displacement and prevent homelessness, including tenant protections, affordable housing preservation, and permanent supportive housing and housing affordable to ELI and VLI households.
- Adopt an actionable, anti-displacement rubric and timeline of meaningful community engagement to develop, evaluate, and prioritize projects across all 3Ps.
- Reject the non-scientific PBA Implementation Plan housing survey results and instead prioritize projects based on the above anti-displacement rubric and CASA community engagement feedback.
- Support a right to counsel program(s). Relatedly, create a regional rental registry.
- Create a two-part regional preservation acquisition fund and direct existing and forthcoming funding pots to preservation.
- Incentivize and support deeply affordable production on public land and create a land bank strategy.

Please let us know if you have any questions.

Thank you,

Shajuti Hossain

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Shajuti Hossain

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Mayor Jesse Arreguin, President Association of Bay Area Governments February 26, 2021

Supervisor Alfredo Pedroza, Chair Metropolitan Transportation Commission

Therese McMillan, Executive Director Bay Area Metro 375 Beale Street, Suite 700 San Francisco, CA 94105

Re: Implementation of PBA Housing Strategies and Bay Area Housing Finance Authority

Dear ABAG Executive Board and MTC Commissioners:

Since 2010, the 6 Wins for Social Equity Network has been working toward a racially equitable, inclusive, and environmentally sustainable Bay Area. The 6 Wins and our community land trust partners strive for this vision by bringing together grassroots organizations and advocates to use our collective expertise in housing, transit, and climate justice to craft solutions for the region.

This letter focuses on the Plan Bay Area 2050 Final Blueprint (PBA) housing strategies and describes our recommended action steps and policy priorities for the PBA Implementation Plan and Bay Area Housing Finance Authority (BAHFA).

Our region has already identified and documented the resegregation of the region and adopted the "3 Ps" of housing framework (**p**rotecting tenants, **p**reserving affordable housing and **p**roducing affordable housing). The forthcoming PBA Implementation Plan and BAHFA must institutionalize this framework by immediately stopping displacement and preventing homelessness, while preserving and producing affordable housing for the long-term. Through the PBA Implementation Plan and BAHFA, we can build and implement an affirmative housing vision for the Bay Area with tenants and communities of color at the center. We look forward to partnering with you to make that vision real.

This letter will cover the following recommendations for PBA Implementation and BAHFA:

- Prioritize solutions that immediately **stop displacement and prevent homelessness**, including tenant protections, affordable housing preservation, and permanent supportive housing and housing affordable to ELI and VLI households.
- Adopt an actionable, **anti-displacement rubric and timeline** of meaningful community engagement to develop, evaluate, and prioritize projects across all 3Ps.
- **Reject** the non-scientific PBA Implementation Plan housing **survey results** and instead prioritize projects based on the above anti-displacement rubric and CASA community engagement feedback.

- Under tenant protections, support a **right to counsel** program(s). Relatedly, create a regional **rental registry**.
- Under affordable housing preservation, create a **two-part regional acquisition fund** and **direct existing and forthcoming funding pots to preservation**.
- Under affordable housing production, incentivize and support deeply affordable production on **public land** and create a **land bank strategy**.

Overall Framework and Structure

The PBA Implementation Plan and BAHFA will help secure and deploy funding in both the short-and long-term. In order to have the greatest impact on vulnerable Bay Area residents, the PBA Implementation Plan and BAHFA must prioritize solutions **that immediately stop displacement and prevent homelessness.** These solutions include: tenant protections and affordable housing preservation to stabilize communities in place and shift ownership to communities themselves, alongside the production of permanent supportive housing for extremely low-income households, including formerly homeless people. 6 Wins introduced the approach of stopping displacement and preventing homelessness first during the MTC-led CASA process. MTC and other stakeholders adopted this approach during CASA; it must now continue to direct the implementation of PBA housing strategies and the launch of BAHFA.

We urge MTC to develop the PBA Implementation Plan according to an actionable, anti-displacement rubric and timeline to ensure progress on anti-displacement initiatives and accountability to impacted communities. This rubric would help develop, evaluate, and prioritize projects across all 3Ps by providing clear metrics, requiring public hearings and meaningful community engagement, and assigning action steps to local and regional actors. Thus far, the implementation analysis of PBA strategies has focused on authority, funding, technical expertise, and political will; those are critical components, but they do not help us understand outcomes, especially equity outcomes. An actionable, anti-displacement rubric would do exactly that by evaluating the concrete steps necessary to prioritize protecting tenants and preserving existing affordable housing, while developing permanent supportive housing and housing affordable to extremely low-income and very low-income households (below 30% AMI and below 50% AMI, respectively).

Reject PBA Implementation Plan Housing Survey Results

The PBA Implementation Plan housing survey results (as described in the February 9th, 2021 RAWG memo) do not accurately reflect the needs of vulnerable Bay Area residents. The results of this non-scientific survey suggest leaving tenant protections and affordable housing preservation on the backburner, while failing to explicitly name or prioritize permanent supportive housing or deep housing affordability in the production strategies. **This is the exact opposite of the results from the in-depth listening sessions the 6 Wins conducted during the CASA process.** Those

results (attached to this letter) convey the perspectives of those most impacted by the housing crisis (i.e., underhoused residents and tenants of color), which point unequivocally to the need to protect tenants in place immediately through protections and to build housing affordable to no-income and low-income residents.

We also question whether "Accelerate reuse of public and community land for mixed-income housing and essential services" should have been included as a possible response for protecting and preserving affordable housing (pg. 7); it would have been more appropriate to include this in the question about producing affordable housing because disposition of public and community land rarely entails tenant protections and preservation opportunities (pg. 7). This flawed survey cannot serve as a legitimate basis for prioritization under the PBA Implementation Plan.

Tenant Protections

Tenant protections are policies that keep current tenants in place. They give tenants stability and certainty, while allowing them to stay in their current homes long enough to gain deeper stability from affordable-housing preservation and production policies and projects our region will undertake. BAHFA must continuously engage with tenant groups to stay up to date on the most-needed protections.

During our current public health and economic crisis, <u>527 tenants</u> in the nine-county Bay Area have been formally evicted, despite eviction moratoria. This number does not account for tenants who were forced out before the completion of the eviction process. Moreover, tenants around the region have already accumulated <u>\$268.9 million of rental debt</u>. While SB 91 makes important progress on rental debt forgiveness and assistance, we cannot overstate the precarious position of Bay Area tenants even before the pandemic.

Tenant groups are flagging that tenants across the region immediately need **right to counsel programs**. Right to counsel is the tenant's right to a free attorney in an eviction hearing, similar to a public defender in criminal cases. This program was recommended by the <u>CASA Compact</u>. Currently, <u>landlords are six times more likely to have an attorney</u> in an eviction proceeding than tenants. When tenants have an attorney, they have a <u>70% chance of avoiding homelessness</u> due to the eviction proceeding. In just the first six months of San Francisco's right to counsel program, <u>two-thirds of tenants</u> who received free legal representation were able to stay in their homes. The highest success rate was for Black households, **80%** of whom were able to stay in their homes after receiving free representation. Thus, right to counsel programs help tenants navigate increasingly complex eviction procedures and documents, while effectively curbing displacement and homelessness.

The PBA Implementation Plan should direct MTC and BAHFA to assess the ways in which they can support the creation of and fund a regional right to counsel program or offer funding to local jurisdictions to enact their own, and provide technical assistance, good practices, and outreach support. For example, BAHFA could put a progressive tax measure (that can fund non-capital

programs) on the ballot, and/or continue to seek funding from state or regional budget allocations and private philanthropy. BAHFA can also analyze the strengths and weaknesses of San Francisco's right to counsel program to share best practices with the rest of the region.

We also urge the creation of a **regional rental registry**. A registry is not a tenant protection policy itself; it gathers data, such as number and locations of rental units, occupancy, allowable rent increases, and turnover, which will inform how jurisdictions design their tenant protection policies. Jurisdictions frequently reject tenant protection and anti-displacement policies altogether because of the lack of region-wide data on these issues.

Preservation of Affordable Housing

Preserving affordable housing includes preventing the conversion of deed-restricted affordable units to market-rate and pulling unsubsidized affordable units out of the speculative market to make them permanently affordable. A 2020 report released by Enterprise Community Partners shows that more than 280,000 low-income households in the nine-county Bay Area live in unsubsidized affordable housing, and the region loses approximately 32,000 of these affordable homes each year. An analysis of acquisition-rehabilitation projects across San Francisco, San Mateo, and Oakland shows that affordable housing preservation costs only 50 to 70 percent of the cost of constructing affordable housing in those jurisdictions. Given the extreme precarity of tenants in the Bay Area and the private equity sector's success in fundraising more than \$300 billion to purchase distressed properties, our regional and local governments must act proactively to expand the stock of permanently affordable housing; failure to act could result in a redux of the 2008-09 crisis where large corporations further consolidate their ownership of and power over the rental market.

The PBA Implementation Plan should direct BAHFA to create a **regional acquisition fund with two parts**. One pool should raise funds for larger affordable rentals (such as single-room occupancy hotels, motels, and apartments often housing extremely low-income people) and another pool should raise funds for the community land trust and cooperative ownership models that preserve the smaller multifamily buildings that make up much of the regional urban housing stock. Together, this 2-part acquisition fund will support acquisition of a range of existing, unsubsidized affordable housing types. The fund could initially focus on preserving distressed and foreclosed properties, properties in tax arrears, and properties in high-displacement-pressure zones. A regional housing bond measure must raise funds for these preservation projects, and a private non-profit bond measure, currently being studied by 6 Wins partners, could specifically support community land trust and cooperative acquisitions.

PBA Implementation should also **direct existing funding pots to affordable housing preservation and community land trusts** and pull down federal and state resources, including COVID response dollars, for these projects. This would include incentivizing non-profit developer and community land trust acquisitions through the One Bay Area Grant Program (OBAG) and transportation dollars. MTC should require that OBAG funds are prioritized for jurisdictions that

pursue an anti-displacement 3 Ps strategy and condition local transportation funding on affordable housing production and preservation targets to ensure that all jurisdictions provide their fair share of affordable housing. BAHFA should also **provide technical assistance** to local jurisdictions to advance affordable housing preservation and provide grants to emerging nonprofit developers and community land trusts committed to preservation work.

Production of Affordable Housing

Bay Area residents who are struggling the most have no income or incomes below 50% AMI. Public land provides critical opportunities for the production of housing that is affordable to the residents most vulnerable to displacement and homelessness, and government agencies must leverage these assets for that purpose. The PBA Implementation Plan and BAHFA should provide funding and technical assistance for the production of permanent supportive housing, as well as deed-restricted and permanently affordable housing made affordable to households with incomes below 30% and 50% AMI on **public land**. Technical assistance should include education to local jurisdictions on Surplus Land Act requirements and support for compliance. The PBA Implementation Plan should reward jurisdictions that use public land for deeply affordable housing through One Bay Area Grants and other levers of funding.

The PBA Implementation Plan should also lay the foundation for a **land bank strategy** that would allow BAHFA to acquire or finance the acquisition of sites that local housing elements designate as sites for permanent supportive housing and deed-restricted and permanently affordable housing affordable to households with incomes below 30% and 50% AMI.

We look forward to working closely with all of you to realize a Bay Area that protects and houses its most vulnerable residents - a place where we can all thrive.

Sincerely,

6 Wins for Social Equity Network members:

Shajuti Hossain, Public Advocates

Leslie Gordon, Urban Habitat

Debra Ballinger, Monument Impact

Matt King, Sacred Heart Community Service

Ofelia Bello, Youth United for Community Action

Miranda Strominger, Bay Area Community Land Trust