



Affordable Housing Preservation Technical Assistance Grant Program

BAHFA Oversight Committee – December 11, 2024



ASSOCIATION OF BAY AREA GOVERNMENTS
METROPOLITAN TRANSPORTATION COMMISSION

Housing Preservation

DEFINITION:

Acquisition and/or renovation of homes occupied by low- and moderate-income people and creation of permanent affordability for those homes

BENEFITS:

- Prevents displacement of existing residents
- Ensures long-term affordability for future residents
- Improves building conditions and quality of life
- Supports stability, diversity, and vitality of communities
- Can offer opportunities for resident ownership and building equity

BAHFA Equity Framework Goals:



Preserve expiring-use affordable housing to prevent displacement



Preserve existing unsubsidized housing and convert to permanently affordable housing



Target preservation investments for most vulnerable and impacted residents



Create opportunities for community-owned housing



Support community-based and community-owned organizations and developers

Need for Pre-Acquisition Funds

Pre-acquisition work often relies on a project sponsor's financial capacity to carry upfront costs

Pre-Acquisition

- Identify properties
- Resident engagement
- Feasibility analysis
- Identify funding sources
- Evaluate building conditions
- Develop rehab scope
- Negotiate with seller

Acquisition

- Finalize purchase
- Close acquisition financing
- Finalize construction plans and obtain building permits

Rehabilitation

- Execute construction plans
- Oversee construction management
- Coordinate rehab work with residents

Operations

- Property Management
- Asset Management
- Service Provision
- Ongoing resident engagement, sometimes ownership

Proposed Program Overview

GOALS:

- \$325,000 budget to provide 7-13 grants to eligible organizations for pre-acquisition, project-based consultant contracts
- Assist with upfront costs of preservation projects to conserve lean organizational budgets
- Accelerate advancement from predevelopment to property acquisition
- Lower the barrier to entry for emerging developers

GRANT TERMS:

- \$50,000 maximum for one or more Eligible Activities
- One-year term, with an option to extend if progress demonstrated
- Reimbursed upon submission of invoices and deliverables

Eligible Applicants

The following types of entities actively pursuing preservation projects:

- Community Development Corporations
- Community Land Trusts
- Cooperative Housing Entities
- Non-profit Affordable Housing Developers
- Non-Profit Community Based Organizations



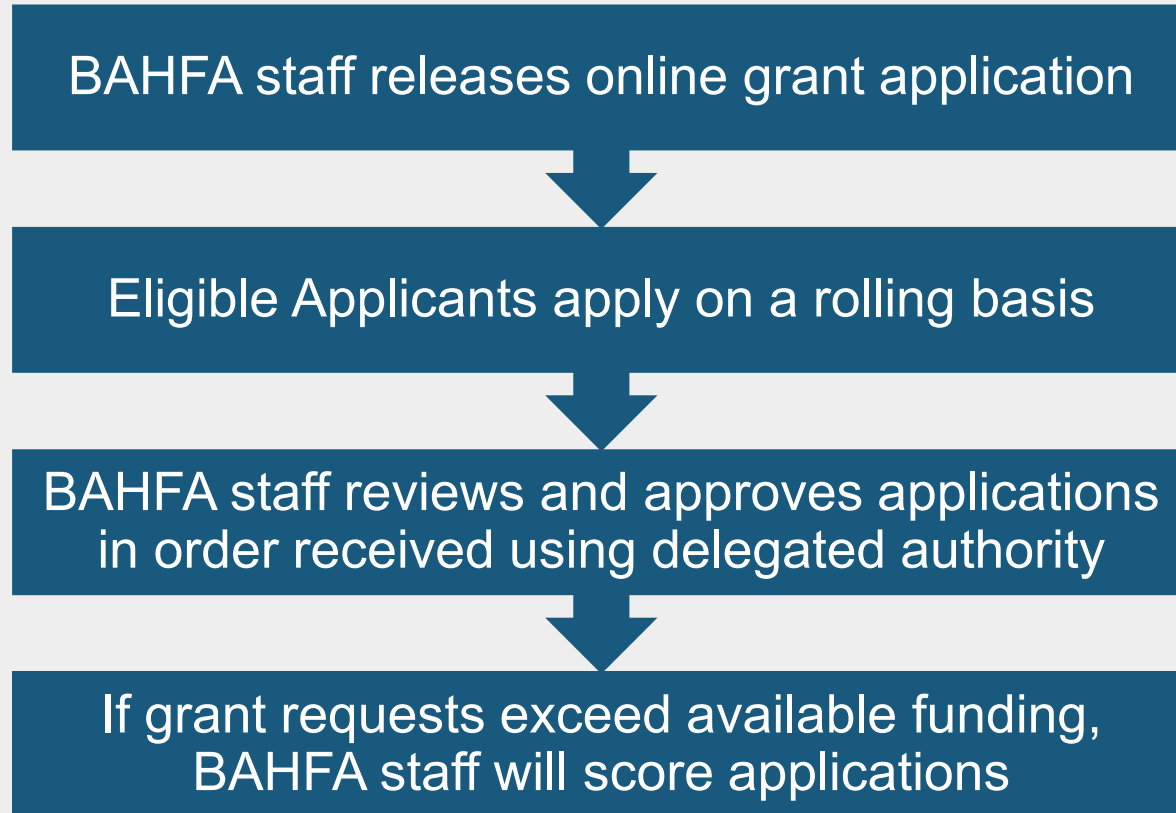
Eligible Activities

For the purpose of acquiring and rehabilitating residential properties and converting them to permanently affordable housing:

- In the nine-county Bay Area
- Proposed rents that do not exceed 30% of 120% AMI and achieve average affordability of 80% AMI across all units
- No displacement of existing residents, regardless of income

- Property Identification
- Financial feasibility analysis
- Property inspections
- Due diligence reports
- Resident engagement
- Architecture and engineering
- Construction management
- Legal support
- Set-up of asset management systems
- Long-term financial sustainability plans

Application Process



SCORING CRITERIA:

Criteria	Points
Advancement of Equity	20
Project Readiness	10
Consultant Experience	10
Higher Impact for Emerging Developers	10
Total:	50

Implementation Timeline



BAHFA Resolution No. 37

Approves the Expenditure of Funds for the Affordable Housing Preservation Technical Assistance Grant Program and delegates contract execution authority to the Executive Director

Thank You



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