

# BAHFA Strategic Planning

**BAHFA Advisory Committee**

March 27, 2025



ASSOCIATION OF BAY AREA GOVERNMENTS  
METROPOLITAN TRANSPORTATION COMMISSION

# Part 1:

# BAHFA's Current Status

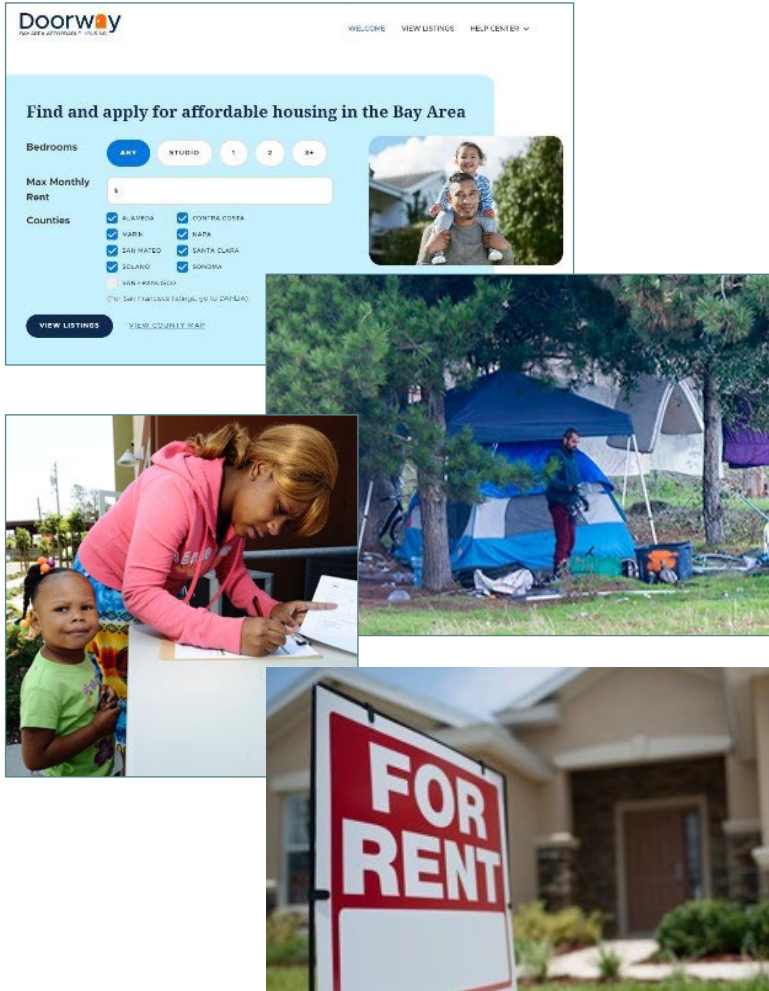
# The Regional Housing Portfolio shared by BAHFA, MTC & ABAG is delivering tangible results

- **Priority Sites Loan Program**
  - 1,700 new units assisted in the near-term
- **Priority Sites Technical Assistance**
  - Pipeline development TA for 12,800 new homes
- **Preservation Pilot Program**
  - 2 loans closed with community land trusts; more on deck pending receipt of additional HCD funds
- **Welfare Tax Exemption Preservation Program**
  - Ongoing: 800+ units assisted to date
- **Regional Housing Technical Assistance (RHTA)**
  - 5+ years of housing/land use TA to local governments
- **Priority Development Area Grants**
  - 15+ years of funding to unlock additional housing capacity





# BAHFA Pilot Programs are providing near-term and long-term benefits



- **Doorway:** Online portal to find and apply for affordable housing. Launched summer 2023.
- **Affordable Housing Pipeline:** Two studies completed – 40,000 homes in predevelopment identified. Third study planned.
- **Rental Assistance to Prevent Homelessness:** \$5 million program for extremely rent-burdened seniors in Napa County. Typical rent burden of first client cohort: 70-100%.
- **Bay Area Eviction and Legal Services Study:** Collecting data on rates, causes, and consequences of evictions and the availability of legal services. Findings in Summer 2025.
- **SB 35 Tribal Notification Toolkit:** To assist developers and local government staff, with goal of protecting Tribes' autonomy and cultural resources while streamlining new homes.

# BAHFA is funded through Summer 2026. We must start planning now to extend the runway.

- **Funding:** Current sources (\$20M state grant + REAP 2.0) are one-time and diminishing; expenditure planned by roughly June 2026
- **RM-4 Related Costs:** Registrar of Voters costs significantly under budget, but some legal expenses still unknown
- **Staffing:** BAHFA staff are on limited term contracts through June 2026
  - Current estimates enable staff retention through ~June 2027, though must align staffing with evolving program needs

## Take Aways:

- Summer 2026 is the “pivot moment”
- Strategic Planning must begin now to ensure smooth transition from current runway

# Part 2:

## Investing in Affordability

Near-Term Benefits and  
Long-Term Systems Change

# Ballot Measure: Considerations & Viability Factors

- **Voter Threshold:** 2/3 requirement faces viability hurdles; with Prop 5's defeat, most viable path is via citizen initiative (50% +1)
  - Citizen initiative option involves amending BAHFA's statute and independent signature gathering effort
- **Revenue Source:** General obligation bond is unavailable through a citizen initiative
  - BAHFA's statute currently allows parcel tax, gross receipts tax, and payroll tax
  - Should new revenue options be added to statute?
  - Technical and political analysis is needed to evaluate potential sources
- **Political & Economic Climate:** Housing remains top issue for voters, but tax fatigue is high
- **Coalition Building:** After disappointment from RM 4 and Prop 5, must strengthen relationships, improve trust in government, and build a winning coalition
- **Transportation Measure:** Regional transportation measure planning to go in 2026

# Ballot Measure: Timing and Groundwork

**Given the circumstances, 2028 is likely the best next opportunity to pursue a regional housing measure**

- Must continue to lay the groundwork so BAHFA is prepared to pursue a regional housing measure at the next viable opportunity

**BAHFA's activities in 2025-26 that will contribute to this groundwork include:**

- Implement the current suite of programs to demonstrate “proof of concept”
- Undertake a new Strategic Planning process
- Prepare for a bill in 2026 session to amend BAHFA's statute to authorize a citizen initiative

**Staff will regularly brief BAHFA and ABAG leadership of progress.**



# Near-Term Funding Strategy

**Even if a regional housing measure is targeted for 2028, there are near-term steps to bring new housing resources to the Bay Area:**

- Pursue a state budget request to extend BAHFA's runway
- Support 2026 state housing bond and seek BAHFA set-aside for seed funding
- Support/coordinate with county ballot measures in 2026 (if any)

**Additional potential revenue sources to explore:**

- Financing revenue
- Dovetailing with integrated MTC-ABAG housing portfolio
- Foundations & private sector
- Revolved Priority Sites loan funds (subject to REAP 2.0 requirements)

# Part 3:

## Proposed Strategic Planning Process

# Strategic Planning Overview

## Purpose:

Articulate the vision and plan to sustain BAHFA until capitalized at scale

## Process:

An inclusive process is necessary to maintain, strengthen, and expand coalition of BAHFA supporters

- Must balance inclusivity with time/capacity constraints

## Scope:

- **Programs:** what does BAHFA do for the next 2-5 years?
  - Emphasis on BAHFA's potential as regional lender
- **Funding:** Pursuit of state, regional, and philanthropic sources
- **Retained vision:** begin a strategic re-think of future ballot measure strategy, incorporating lessons from recent elections

# Strategic Planning Framework

**Timing:** Kick off in April and completed by early 2026

## Components & Considerations

- Members of BAHFA Oversight & ABAG Housing Committees
- Targeted stakeholder engagement
- Deep dive to learn from success of LA's Measure A
- Proposed “modules”:
  1. New Regional Financing Products & Approaches
  2. Other Regional Programs (e.g., Doorway, 3Ps)
  3. Funding Strategy
  4. Framework for Future Ballot Measure







# Next Steps

**Ongoing:** Advocacy in Sacramento to secure near-term resources for BAHFA

**March:** Seek feedback on Strategic Planning proposal from Committees and other stakeholders

**April:** Return to Committees with greater detail on Strategic Planning process, including timeline, milestones, and approach to stakeholder engagement

**Late April:** BAHFA Strategic Planning Kick-Off



# Thank you.



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