



ASSOCIATION OF BAY AREA GOVERNMENTS
METROPOLITAN TRANSPORTATION COMMISSION

April 15, 2026

The Honorable Monique Limón
President pro Tempore, California Senate
1021 O Street, Suite 8518
Sacramento, CA 95814

The Honorable Robert Rivas
Speaker, California State Assembly
1021 O Street, Suite 8330
Sacramento, CA 95814

The Honorable John Laird
Chair, Senate Budget and Fiscal Review
Committee
1021 O Street, Suite 8720
Sacramento, CA 95814

The Honorable Jesse Gabriel
Chair, Assembly Budget Committee
1021 O Street, Suite 8230
Sacramento, CA 95814

The Honorable Melissa Hurtado
Chair, Senate Budget Subcommittee #4
1021 O Street, Suite 6510
Sacramento, CA 95814

The Honorable Sharon Quirk-Silva
Chair, Senate Budget Subcommittee #5
1021 O Street, Suite 4210
Sacramento, CA 95814

Re: FY 2026-27 Budget Request for Regional Housing Finance Agencies

Dear President pro Tempore Limón, Speaker Rivas, and Chairs Laird, Gabriel, Hurtado, and Quirk-Silva:

On behalf of California’s three regional housing finance authorities (RHFAs), we write to respectfully request a one-time budget allocation of \$32 million to support our innovative, regionally-driven approaches to today’s housing challenges. Our agencies collectively serve almost half of Californians and bring substantial revenue raising power to advance housing affordability and access. One-time state assistance will sustain our vital role in addressing a wide range of housing needs throughout California.

Authorized by state law, California’s three RHFAs formed in the last six years to support ambitious state and local housing goals:

- Bay Area Housing Finance Authority (BAHFA), established in 2020
- Los Angeles County Affordable Housing Solutions Agency (LACAHSAs), established in 2022
- San Diego Regional Housing Finance Authority (SD-RHFA), established in 2025

RHFAs sit in a unique position: We deliver results on state housing goals through the lens of local and regional needs. In a state as large as California, regional agencies serve as an effective bridge between the state and local governments. We are close to the ground, with boards of local elected and appointed leaders and staff who live in the communities they serve. This proximity allows us to identify local resource gaps and tailor programs to address them. At the same time, we can operate programs at an efficient scale that makes a significant impact. And each of our agencies has either passed a large-scale regional revenue measure or is exploring credible options for 2028.

For these reasons, sustaining and growing our agencies is an effective use of one-time state resources. Our request is narrowly tailored to focus on the amounts needed to execute our near-term plans:

Budget Request Breakdown	
Region	One-Time Amount
Bay Area	\$15 million
Los Angeles	\$8 million
San Diego	\$9 million
Total	\$32 million

Below we share an overview of our plans to deploy the funds to complement the state’s existing programs.

Bay Area Housing Finance Authority

BAHFA’s new strategic plan charts a path to self-sufficiency by 2030 via a revenue-generating loan program and fees. Fifteen million dollars in state support, matched by MTC-ABAG and philanthropy, would sustain the agency’s most promising programs for the intervening four years. This includes:

1. **Allowing the award-winning Doorway Housing Portal to offer more listings.** Used by upwards of 506,000 housing seekers to date, Doorway has placed over 3,200 households in affordable homes and filled 200 + waitlists for properties across the nine counties. State funding will allow Doorway to accommodate more apartment listings, add accessory

dwelling units, and provide additional features. By 2030, operating costs are projected to be covered by local contributions and small fees on property managers for special features.

2. **Launching a Revenue-Generating Mixed-Income Financing Program.** This flexible tool will deliver affordability swiftly for households across a mix of income levels and with limited public subsidy – and will generate revenue to support the agency’s financial independence. The state’s support will allow BAHFA to hire staff with the necessary financial expertise to run the program until it becomes self-sustaining.
3. **Positioning BAHFA to advance a large housing revenue ballot measure as early as 2028.** After shelving a \$20 billion regional housing bond in 2024 due to shifting voter sentiment, BAHFA is actively working with stakeholders to identify and prepare for the next opportunity to go to the ballot. These efforts impose significant upfront costs on the agency, including crafting a statutorily-required expenditure plan. State funds will also support technical assistance to local housing departments for their expenditure plans.

Appropriating the full \$15 million upfront in FY 2026-27 will help BAHFA attract and retain necessary staff expertise and will increase confidence in Doorway’s longevity among the property managers who are its key partners. State support at this pivotal moment will also signal to philanthropy the high value the state places on BAHFA’s success.

Los Angeles County Affordable Housing Solutions Agency

LACAHSAs has identified a critical need for technical assistance and regional coordination to ensure local investments are deployed effectively and equitably. LACAHSAs’s request for \$8 million would help align and leverage \$254 million in locally generated revenue, a nearly 32x return on investment to the state.

This budget request would:

1. Coordinate housing investments to accelerate the development and preservation of over 3,000 units of affordable housing across the region;
2. Streamline administrative processes to improve operations and build the internal systems needed for regional success; and
3. Strengthen regional capacity to innovate in the delivery and preservation of affordable housing, including social housing, and to administer accessible renter protection and homelessness prevention programs for 7,300 people.

San Diego Regional Housing Finance Authority

Uniquely, two education partners formed SD-RHFA: the San Diego Unified School District and the San Diego Community College District, both of whom had already embarked on commitments to provide housing for our workforces. (San Diego Unified just approved 2,500 workforce homes on five school properties, while the community college district has an 800-bed development underway on the City College Campus.) We adopted a strategic framework in June 2025:

Mission: Build and preserve housing near jobs, schools, and transit so San Diegans can live in communities where they work and thrive.

Vision: A San Diego where every resident has a quality, affordable home close to current and future opportunities.

We’re dedicated to advancing the model of housing development on educational partner land to sustain the education workforce, students and the families whose children attend California public education institutions. Nine million dollars in state support would enable us to attract qualified staff that can build out pilot programs in support of key goals over the next four years: preserve and increase affordable homes near jobs, schools, and services; create sustainable housing solutions that protect today’s residents and future generation, and align housing, education, and transportation investments to strengthen neighborhoods and reduce displacement.

The state’s assistance will position the agency with the necessary internal infrastructure to pursue long-term financial sustainability via several strategies under consideration, including advancing a regional revenue measure as early as 2028, continuing to diversify our philanthropic funding base, and working with the state to support capacity development and funding for the education sector.

While positioned differently in our respective regions, our agencies share a commitment to fulfilling the legislature’s vision for regional housing finance agencies - in particularly raising large-scale revenue. We respectfully request your one-time assistance to continue our work to house Californians.

Sincerely,



Dr. Cody Petterson, Chair
San Diego Regional Housing Finance
Authority



Seyron Foo, Chief Intergovernmental Relations
Officer
LACAHS



Andrew B. Fremier, Executive Director
MTC-ABAG-BAHFA
Joint MTC ABAG Legislation Committee
May 8, 2026