Regional Impact Council Steering Committee

September 27, 2023 | 2pm
Meeting
Objectives and Outcomes

Get a better understanding of the BAHFA regional bond funding categories and begin discussions on how jurisdictions are preparing for local expenditure plans to meet community housing needs.

1. **Provide updates** on the 2024 BAHFA Regional Bond Measure funding categories and updated polling information on the Statewide Constitutional amendment.

2. **Practice applying** the Support Card toolkit to discuss how local jurisdictions are thinking of allocating funds to meet housing needs.

3. **Discuss** how both the regional bond measure and statewide amendment are crucial to securing additional housing resources.
1. Welcome 2:00 - 2:10
2. Group ice breaker 2:10 - 2:20
3. BAHFA Funding Opportunities & group breakout discussions 2:20 - 3:00
4. State amendment update and polling results 3:05 - 3:25
5. Close and next steps 3:25 - 3:30
July Meeting Recap

Our Commitments

- Understanding how we can apply the Support Card toolkit in your jurisdiction and engage with All Home for technical assistance support
- Advocate for 1-2-4 framework solutions in your jurisdiction

Our Actions

- All Home Technical Assistance progress:
  - Established partnership with Sonoma County for 1-2-4 housing gap analysis and prevention efforts
  - Strategic guidance and collaboration in Contra Costa
  - Building partnerships in Napa County

- Call to action to support San Mateo Homekey Projects
  - Sent emails, letters of support, and made public comments in support of the Project
  - In response, San Mateo County Board of Supervisors approved two homekey projects
Icebreaker question

Assuming we win, what do you look forward to being different in your community and what are you willing to do to make it happen
The Bay Area Housing Finance Authority was created to solve funding challenges

How we Work:

- Guided by State Legislation and our Equity Framework
- Core power is to raise new revenue for housing subject to voter approval across the region
- Collaborate with cities and counties, improve systems and fund housing across the whole Bay Area
- BAHFA is currently conducting pilot programs to advance affordable housing goals across the 3Ps

Mission:

to address systemic challenges in affordable housing and housing stability across the 3Ps:

1. **Production** of new affordable housing
2. **Preservation** of existing affordable housing
3. **Protections** for low-income tenants and people at risk of homelessness
The Power of BAHFA: Regional Action

- A mission-driven, regional lender can **reinvest loan funds back into the community**
- Regional programs **can assist community-based organizations vital to preservation efforts**
- Regional programs can **lower the cost and timelines** of essential housing production
- Technical assistance, policy development, and higher-risk development innovations **all happen at the regional level**
Proposed 2024 Regional Housing Bond

- $10-20 billion to invest in affordable housing
- Requires voter approval
- Funds disbursed over 10+ years
- Eligible uses set forth in statute and state constitution
Assembly Constitutional Amendment 1 (Aguiar-Curry) will place a measure on the November ballot that would:

1. Amend the statewide constitution to lower the voter approval threshold for affordable housing general obligation bonds from two thirds to 55%.

2. Apply to the Bay Area Regional Housing Bond on the same November 2024 ballot.
Planning for a Regional Housing Bond

Regional Planning
- BAHFA planning for 20% of funds it will retain
- Complete by spring 2024

Local Planning
- Counties & direct allocation cities must plan for the 80% of funds that they will administer
- Complete by early 2025 (post-election)
Bond revenue allocations

SONOMA COUNTY
$10 B GO Bond $403 Million
$20 B GO Bond $806 Million

MARIN COUNTY
$10 B GO Bond $352 Million
$20 B GO Bond $704 Million

SAN FRANCISCO COUNTY
$10 B GO Bond $1.2 Billion
$20 B GO Bond $2.4 Billion

SAN MATEO COUNTY
$10 B GO Bond $1 Billion
$20 B GO Bond $2 Billion

BAHFA
$10 B GO Bond $2 Billion
$20 B GO Bond $4 Billion

NAPA COUNTY
$10 B GO Bond $179 Million
$20 B GO Bond $358 Million

SOLANO COUNTY
$10 B GO Bond $248 Million
$20 B GO Bond $496 Million

CONTRA COSTA COUNTY
$10 B GO Bond $925 Million
$20 B GO Bond $1.85 Billion

ALAMEDA COUNTY
$10 B GO Bond $1.4 Billion
$20 B GO Bond $2.8 Billion

SANTA CLARA COUNTY
$10 B GO Bond $2.2 Billion
$20 B GO Bond $4.4 Billion

Note: Some dollar amounts rounded for purposes of chart. Dollar amounts based on FY2020-2021 assessed values.
How Funds May be Spent

**County and City: 80%**
- Flexible: 28%
- Protection: ≥ 5%
- Preservation: ≥ 15%
- Production: ≥ 52%

**Regional Program: 20%**
- Flexible: 18%
- Protection: ≥ 5%
- Preservation: ≥ 15%
- Production: ≥ 52%

≤10% Local Government Incentive Grant Program
# Expenditure Rules: Counties & Cities

<table>
<thead>
<tr>
<th>Activity</th>
<th>County/City Expenditures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Production</td>
<td>- Rental or ownership&lt;br&gt; - Must prioritize projects that help meet RHNA goals&lt;br&gt; - Affordability up to 120% AMI</td>
</tr>
<tr>
<td>Preservation</td>
<td>- Rental or ownership&lt;br&gt; - Affordability up to 120% AMI</td>
</tr>
<tr>
<td>Protections*</td>
<td>- Legal services, rental assistance, relocation, tenant education, displacement data collection</td>
</tr>
<tr>
<td>Flexible Funding</td>
<td>- Affordable housing and housing-related uses, as described in county/city Expenditure Plan</td>
</tr>
</tbody>
</table>

*Contingent on potential Constitutional amendment to expand eligible uses of GO bonds*
Regional Housing Bond Timeline

**ENGAGEMENT**
- Public Workshops
- Counties/Cities hold Public Hearings* *(≈Nov. 2024 – Feb. 2025)

**POLICY DECISIONS**
- Recommended Draft of County/Local Expenditure Plans

**ELECTION ACTIONS**
- ABAG & BAHFA Vote to place bond on ballot Mar – June 2024
- BAHFA presents Measure to County Elections Offices by Aug 9, 2024

**Key**
- BAHFA/ABAG
- Counties/Cities

**Timeline**
- Summer 2023
- Fall 2023
- 2024
- Spring 2024
- Summer 2024
- Fall 2024
- 2025

**Events**
- Mar – June 2024: ABAG & BAHFA Vote to place bond on ballot
- Aug 9, 2024: BAHFA presents Measure to County Elections Offices
- Nov. 5, 2024: Counties/Cities Adopt Expenditure Plans
- TBD: After Feb 5, 2025
Thank you.
Group Breakouts
Focusing on the BAHFA funding categories just outlined and the Support Card toolkit presented at the last meeting, we want to start the conversation about your jurisdictions capacity and alignment needs to develop expenditure plans

- What are your jurisdiction's priorities and where are you now?
- What do you need to prepare for your plans?

- Two groups online
- One group in person
- Each group has a lead that will use the support card to guide the discussion
- Groups will meet for 15-20 minutes
- Time allowing, we will have 1-2 share outs after - group leads please plan on sharing
## Support Card Outline

<table>
<thead>
<tr>
<th>Core Elements</th>
<th>Guiding Principles</th>
<th>Policy Recommendations (Sample examples)</th>
<th>Structural Alignment Assessment</th>
</tr>
</thead>
</table>
| **Leadership**| 1. Legislative direction  
2. Executive leadership  
3. Interdepartmental coordination  
4. Community-based organization coordination  
5. Intergovernmental collaboration | Establish formal structure for interdepartmental and intergovernmental collaboration  
- LA’s Comprehensive Strategy Committee  
- San Mateo’s Interagency Council  
- CAP Solano JPA | TBD (Limited, Developing, Established) |
| **Accountability**| 1. Aligning federal, state, and local strategic plans  
2. Incorporating community input  
3. Incorporating lived experience  
4. Evaluating systemic inequalities  
5. Appointing direct oversight  
6. Periodic reporting | Adopt a countywide/regional strategic plan that incorporates all of these principles of accountability.  
- Sonoma County 5-Year Strategic Plan | TBD (Limited, Developing, Established) |
| **Resources**| 1. Needs-driven budgeting and program planning  
2. Workforce planning  
3. Assessing service provider capacity  
4. Evaluating land utilization, site placement | Conduct a systems analysis including inflow (1st time homelessness) and program outcomes (permanent placement from interim), identifying key areas for improvement. Estimate the associated program and implementation costs based on inflow and need.  
- San Francisco’s A Place for All Report | TBD (Limited, Developing, Established) |
| **Transparency**| 1. Public meetings  
2. Online information accessibility  
3. Social media / internet based communications  
4. Leveraging community-based networks for information dissemination  
5. Culturally component outreach | Conduct outreach and disseminate progress reports on the status of implementing a regional homeless plan through multifaceted channels of communication  
- Santa Clara County Community Plan to End Homelessness | TBD (Limited, Developing, Established) |
Local Affordable Housing Bonds Threshold Measure

Campaign Update and Select Research Findings

September 27, 2023
Problem: We Need A System Change

California is producing only 14% of the 120,000 new affordable homes needed each year. Over 161,000 Californians are currently homeless.

Local government bonds are one of the most powerful affordable housing financing sources available, but it’s too challenging to win the two-thirds supermajority vote required for local communities to issue housing bonds.

We can fix this!
Lower the voter threshold for local affordable housing bond measures from 66.67% to 55% through a State Constitutional Amendment.

Give local communities the tools they need to create more affordable housing by making it easier to pass local housing bond measures - as long as they have strict accountability and oversight.
Campaign General Overview

• **Goal:** develop strong, durable statewide measure to lower the threshold for local affordable housing bonds.

• Strategic imperatives for measure / campaign: 1) meet our policy goals, 2) align with existing voter opinion, 3) support by broad coalition of stakeholders and electeds, 4) fully funded, 5) minimize opposition.

• **Process**
  - Policy: ongoing meetings with policy experts and stakeholders
  - Opinion research: three rounds to date
  - Coalition: met with 200+ stakeholder groups, ongoing discussion/engagement;
  - Fundraising: ongoing identification + engagement
  - Opposition: engagement with key blocs / potential opponents
The campaign team has been pursuing two parallel tracks:
1) Drafting our own measure to qualify via signature collection
2) Legislative referral via ACA 1

Our measure: drafted and getting initial feedback from core allies*

Opinion research shows well-crafted concept is well-positioned to succeed in November 2024
• Passed the Legislature with two-thirds vote in Assembly and Senate and strong support from legislative leadership.

• Author has agreed to make amendments in January to address some outstanding issues.

• ACA 1 will appear on the November 2024 ballot.
Timeline / Next Steps

Important Dates (2024)

• January 3: Legislature reconvenes

• June 27: Deadline for amendments to be made

• Early July
  • Proposition #
  • Attorney General releases Ballot Label
  • LAO releases fiscal estimate
Voter Attitudes on Housing in California

77% of respondents have negative views of the housing situation in CA

46% describe California’s housing situation as a “crisis.”

31% describe it as a “very serious problem.”

63% of respondents say they are “concerned about finding an affordable place to live” for themselves

45% say they strongly agree.

18% say they somewhat agree.

Results from July 2023 survey conducted by EMC Research. n=1,000; MoE ±3.1 percentage points.
Voter Attitudes on Affordability Solutions

70% agree
“We need to build more housing in California”

71% agree
“The government has a responsibility to ensure that people have access to housing that is affordable”

Results from March 2023 survey conducted by EMC Research. n=1,000; MoE ±3.1 percentage points.
Voter Support for Housing Bond Solutions

- **60%** support making it easier to pass local affordable housing bonds.
- **70%** support making it easier to pass local affordable housing bonds if they have strict accountability and oversight.
- **82%** support giving local voters more control over funding for local housing.

Results from March 2023 survey conducted by EMC Research. n=1,000; MoE ±3.1 percentage points.
Support for Lower Housing Bond Threshold

This measure would make it easier for voters to approve local bonds for affordable housing for low-and middle-income families, seniors, and veterans, including first-time homebuyer assistance, if those bonds include strict accountability and oversight.

Given what you’ve read, would you vote yes to approve or no to reject this measure?

Results from July 2023 survey conducted by EMC Research. n=1,000; MoE ±3.1 percentage points.
Support for Lower Housing Bond Threshold

Results from July 2023 survey conducted by EMC Research. n=1,000; MoE ±3.1 percentage points.
### Top Measure Elements — All Likely Voters

<table>
<thead>
<tr>
<th>Measure Description</th>
<th>Mean (1-7 Scale)</th>
<th>% “Very” imp. (7)</th>
<th>% Total imp. (5-7)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Requiring strict conflict of interest checks for all officials involved with the</td>
<td>6.2</td>
<td>69%</td>
<td>87%</td>
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<tr>
<td>creation, issuance, and oversight of local affordable housing bonds*</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Requiring that no bond proceeds can be spent for political purposes or to</td>
<td>6.2</td>
<td>74%</td>
<td>86%</td>
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<tr>
<td>cover the cost of lawsuits</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Requiring local jurisdictions to publicly disclose their annual financial and</td>
<td>6.0</td>
<td>61%</td>
<td>87%</td>
</tr>
<tr>
<td>performance audits of housing bond spending through online, easy-to-understand public</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>reports*</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Requiring all local affordable housing bond revenue be spent locally in the</td>
<td>5.9</td>
<td>64%</td>
<td>83%</td>
</tr>
<tr>
<td>community where a bond is passed*</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Requiring a clear list of specific housing projects that would be funded*</td>
<td>5.8</td>
<td>54%</td>
<td>83%</td>
</tr>
<tr>
<td>Requiring a cap on administrative fees</td>
<td>5.8</td>
<td>55%</td>
<td>78%</td>
</tr>
<tr>
<td>Requiring local affordable housing bonds to clearly identify the community housing</td>
<td>5.7</td>
<td>53%</td>
<td>81%</td>
</tr>
<tr>
<td>needs that would be addressed, with annual public reports on progress towards</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>meeting those needs</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Requiring the State Auditor to oversee annual financial and performance audits of</td>
<td>5.7</td>
<td>50%</td>
<td>79%</td>
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<tr>
<td>local affordable housing bonds*</td>
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Results from July 2023 survey conducted by EMC Research. n=1,000; MoE ±3.1 percentage points. *Shown only to half of sample (500n, ±4.4 MoE)
## Top Measure Elements — Voters Moving to Support

<table>
<thead>
<tr>
<th>Measure</th>
<th>Mean (1-7 Scale)</th>
<th>% “Very” imp.</th>
<th>% Total imp.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Requiring all local affordable housing bond revenue be spent locally in the community where a bond is passed*</td>
<td>6.6</td>
<td>84%</td>
<td>95%</td>
</tr>
<tr>
<td>Requiring strict conflict of interest checks for all officials involved with the creation, issuance, and oversight of local affordable housing bonds*</td>
<td>6.3</td>
<td>66%</td>
<td>87%</td>
</tr>
<tr>
<td>Requiring local jurisdictions to publicly disclose their annual financial and performance audits of housing bond spending through online, easy-to-understand public reports*</td>
<td>6.3</td>
<td>63%</td>
<td>94%</td>
</tr>
<tr>
<td>Requiring that no bond proceeds can be spent for political purposes or to cover the cost of lawsuits</td>
<td>6.1</td>
<td>71%</td>
<td>83%</td>
</tr>
<tr>
<td>Requiring a cap on administrative fees</td>
<td>5.9</td>
<td>58%</td>
<td>82%</td>
</tr>
<tr>
<td>Requiring local affordable housing bonds to clearly identify the community housing needs that would be addressed, with annual public reports on progress towards meeting those needs</td>
<td>5.9</td>
<td>54%</td>
<td>83%</td>
</tr>
<tr>
<td>Requiring a clear list of specific types of housing projects that would be funded*</td>
<td>5.9</td>
<td>61%</td>
<td>85%</td>
</tr>
<tr>
<td>Requiring the State Auditor to oversee annual financial and performance audits of local affordable housing bonds*</td>
<td>5.6</td>
<td>47%</td>
<td>72%</td>
</tr>
</tbody>
</table>

Results from July 2023 survey conducted by EMC Research. n=1,000; MoE ±3.1 percentage points. *Shown only to half of sample (71-81n, ±11.6 MoE)
California is facing a homelessness and housing affordability crisis, despite billions spent. This measure will require strict accountability, full transparency, and independent oversight of all public funding to make sure taxpayer dollars are addressing these problems more effectively.

The cost of housing forces millions of Californians to live far away from their workplace, resulting in long commutes, bad traffic, and worse air quality. We should make it easier for people to afford homes near where they work.

The skyrocketing cost of housing is pushing out people like the teachers, firefighters, and nurses who serve our communities. Passing this measure will help these and other working families afford housing in the communities where they work.

This measure will not increase your taxes. It simply sets provisions for future local housing affordability bonds. Any proposed local bond would have to be approved by 55% of local voters.

With average home prices in California over $700,000, we are losing our young people who can’t afford to live in the places where they were born and raised. This measure will make it easier for the next generation to find an affordable home.

Results from July 2023 survey conducted by EMC Research. n=1,000; MoE ±3.1 percentage points.
Next Meeting: November 8

This will be the last meeting for the year