

2024 Regional Housing Bond

Introduction to Expenditure Plan Outreach

COUNTY OF SAN MATEO



Agenda

- Overview of Bay Area Housing Finance Authority (BAHFA)
- Regional Housing Bond Measure
- Expenditure Planning
- Outreach Process
- Q & A

Overview of the Bay Area Housing Finance Authority (BAHFA)

- **BAHFA is the first regional housing finance agency in California**, created by the State Legislature in 2019 to offer new tools and innovative solutions to the Bay Area's housing challenges
- **Collaborates** with cities and counties, **improves systems** and **funds housing** across the whole Bay Area
- **Mission:**
 1. **Production** of new affordable housing
 2. **Preservation** of existing affordable housing
 3. **Protections** for low-income residents and people at risk of homelessness
- **Core power is to raise new revenue for housing**, subject to voter approval



Proposed 2024 Regional Housing Bond

- \$10-20 billion to invest in affordable housing across the region
- Requires 2/3 voter approval
- Funds disbursed over 10+ years
- Eligible uses set forth in statute and state constitution

Related 2024 Measure

Assembly Constitutional Amendment 1 (Aguiar-Curry) will place a measure on the November 2024 ballot that would:

1

Amend the statewide constitution to lower the voter approval threshold for affordable housing general obligation bonds (among other items) from 66.7% to 55%.

2

Apply to the Bay Area Regional Housing Bond on the same November 2024 ballot.

Distribution Basics for 80% of Bond



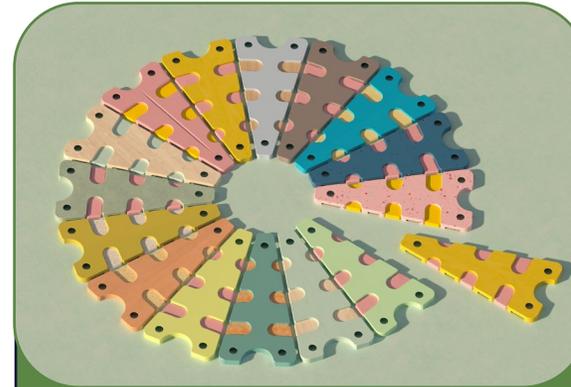
80% to County of Origin

- Based on Assessed Value
- Counties Decide Which Entity Shall Distribute (e.g., a Housing Department)



San Jose, Oakland and San Francisco Receive Direct Allocation

- Big Cities Create Their Own Expenditure Plans



Cities that Carry 30%+ of County's Lower Income RHNA Obligation Can Choose to Receive Direct Allocation

- Santa Rosa and City of Napa



Cities and Counties May Use 5% of Funds for Admin. Costs

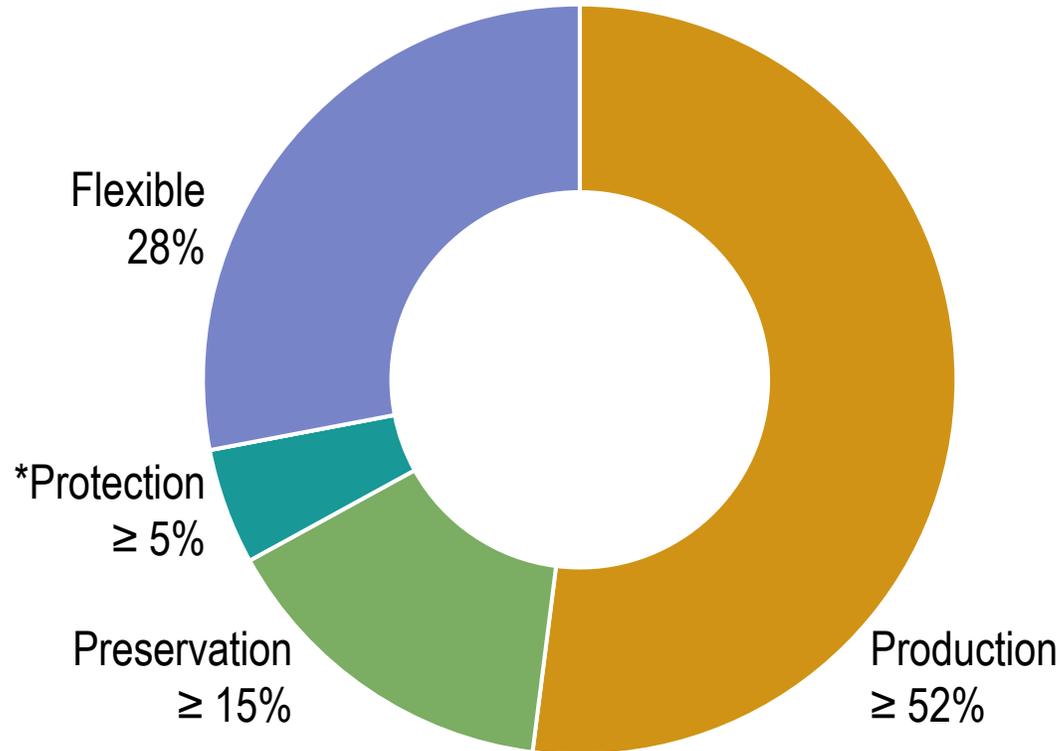
- Programs or Local Initiatives

Significant Funding to Every Community

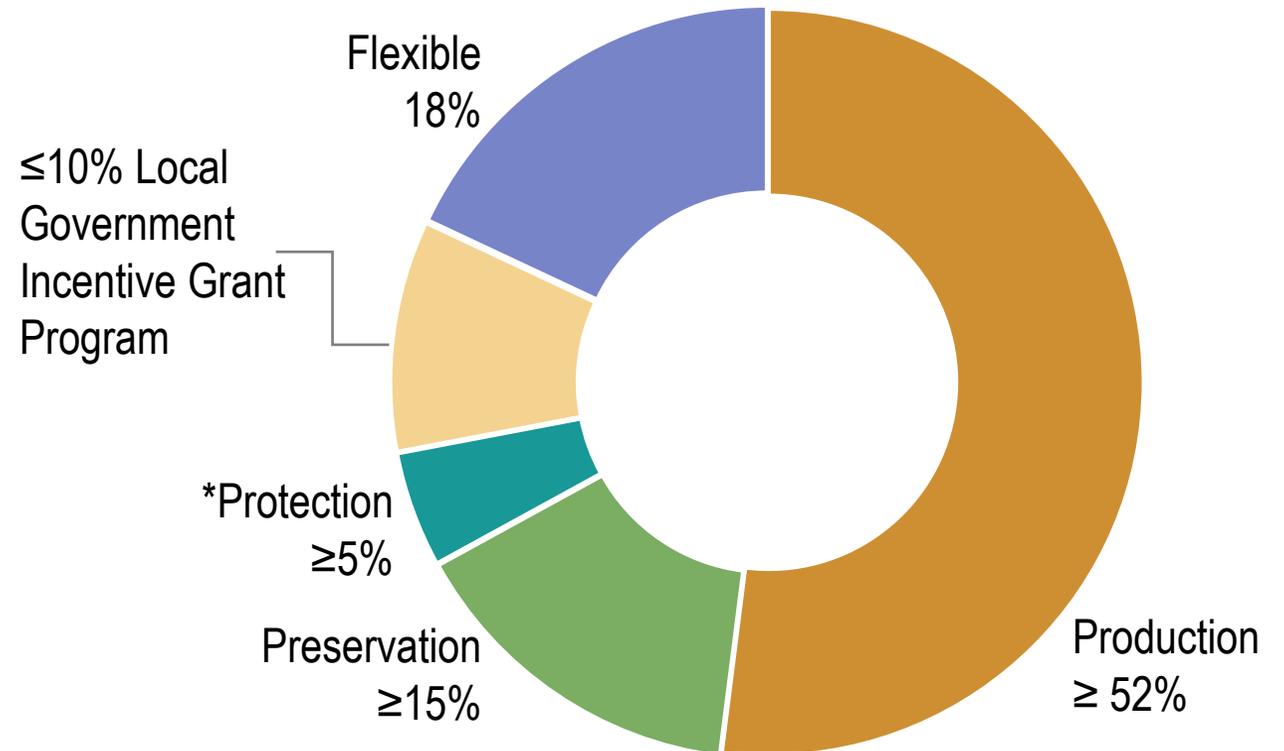
County & Direct City Allocations	\$10B GO Bond	\$20B GO Bond
Alameda County (excluding Oakland)	\$984 M	\$2,000 M
Oakland	\$383 M	\$765 M
Contra Costa County	\$925 M	\$1,900 M
Marin County	\$352 M	\$704 M
Napa County (excluding City of Napa)	\$100 M	\$200 M
City of Napa	\$79 M	\$158 M
San Francisco City and County	\$1,200 M	\$2,400 M
San Mateo County	\$1,050 M	\$2,100 M
Santa Clara County (excluding San Jose)	\$1,200 M	\$2,400 M
San Jose	\$1,000 M	\$2,100 M
Solano County	\$248 M	\$497 M
Sonoma County (excluding Santa Rosa)	\$282 M	\$564 M
Santa Rosa	\$121 M	\$242 M
BAHFA	\$2,000 M	\$4,000 M

How Funds Can be Spent

Counties (and direct allocation cities): 80%



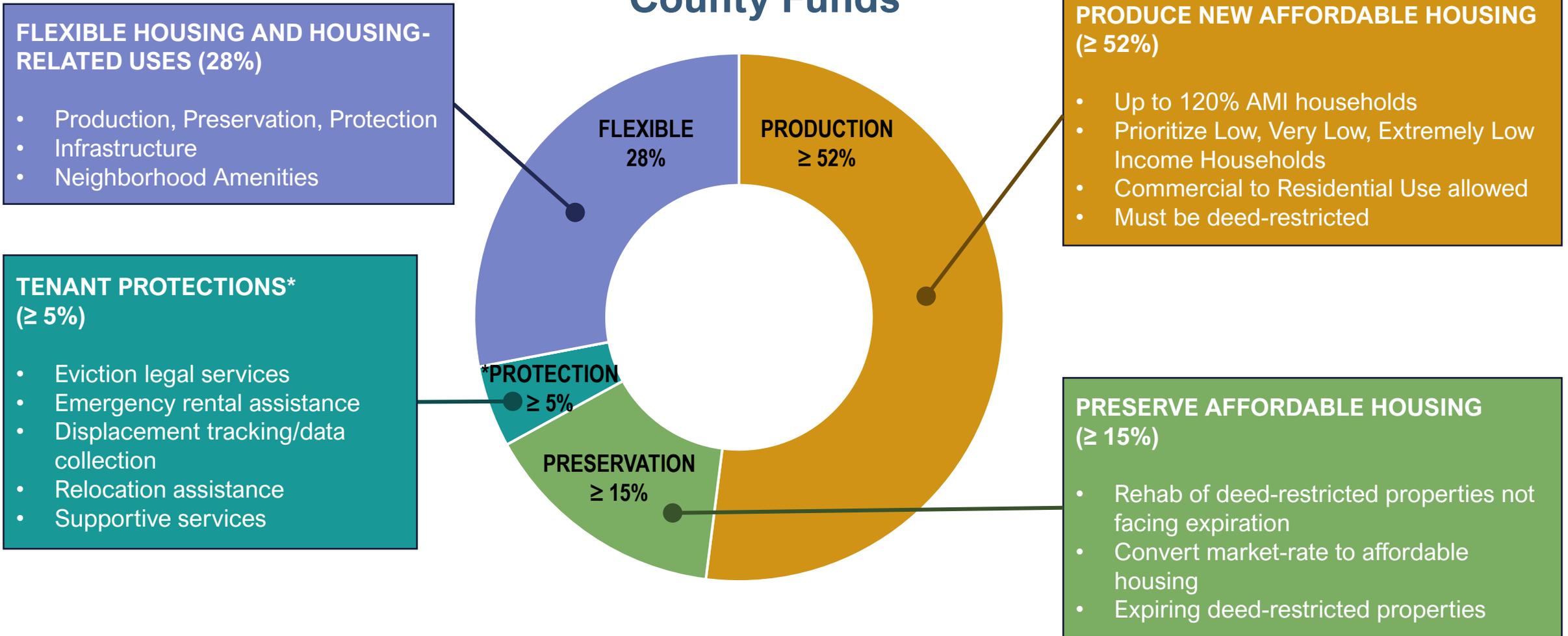
Regional Program: 20%



**Exception for GO Bonds: currently, state law does not allow bond proceeds to be spent on non-capital (e.g., services) costs.*

Expenditure Plan Breakdown

County Funds



**Exception for GO Bonds: currently, state law does not allow bond proceeds to be spent on non-capital (e.g., services) costs.*

Total Bond Allocation Estimate for San Mateo County*

Bond Allocation	Estimated Share Amount	Approximate Bond Allocation
Total GO Bond Allocation	100%	\$1.05 billion
County Admin	5%	\$52 million
Balance to Disperse	95%	\$994 million
Balance to Disperse	Level	\$994 million
Production	52% min.	\$517 million
Preservation	15% min.	\$149 million
Tenant Protections**	5% min.	\$50 million
Flexible Funding	28%	\$278 million

* Bond allocation amounts will change when updated with 2023-2024 Assessed Values from the California State Board of Equalization. The figures above are based on 2020 Assessed Values.

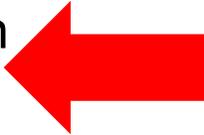
** State law does not allow bond proceeds to be spent for non-capital (i.e., services) costs so funds assigned to tenant protection must be reassigned absent a change in law.

Regional Coordination and Accountability

BAHFA

- Governed by local elected officials across the Bay Area serving on MTC.
- Advisory committee with public members with expertise across the 3Ps.
- Regional and local expenditure plans posted on BAHFA website.
- Annual report to state legislature on how money was spent and outcomes achieved.
- Assists localities with development of local expenditure plans.
- Monitors expenditures for compliance with state law/regulations.

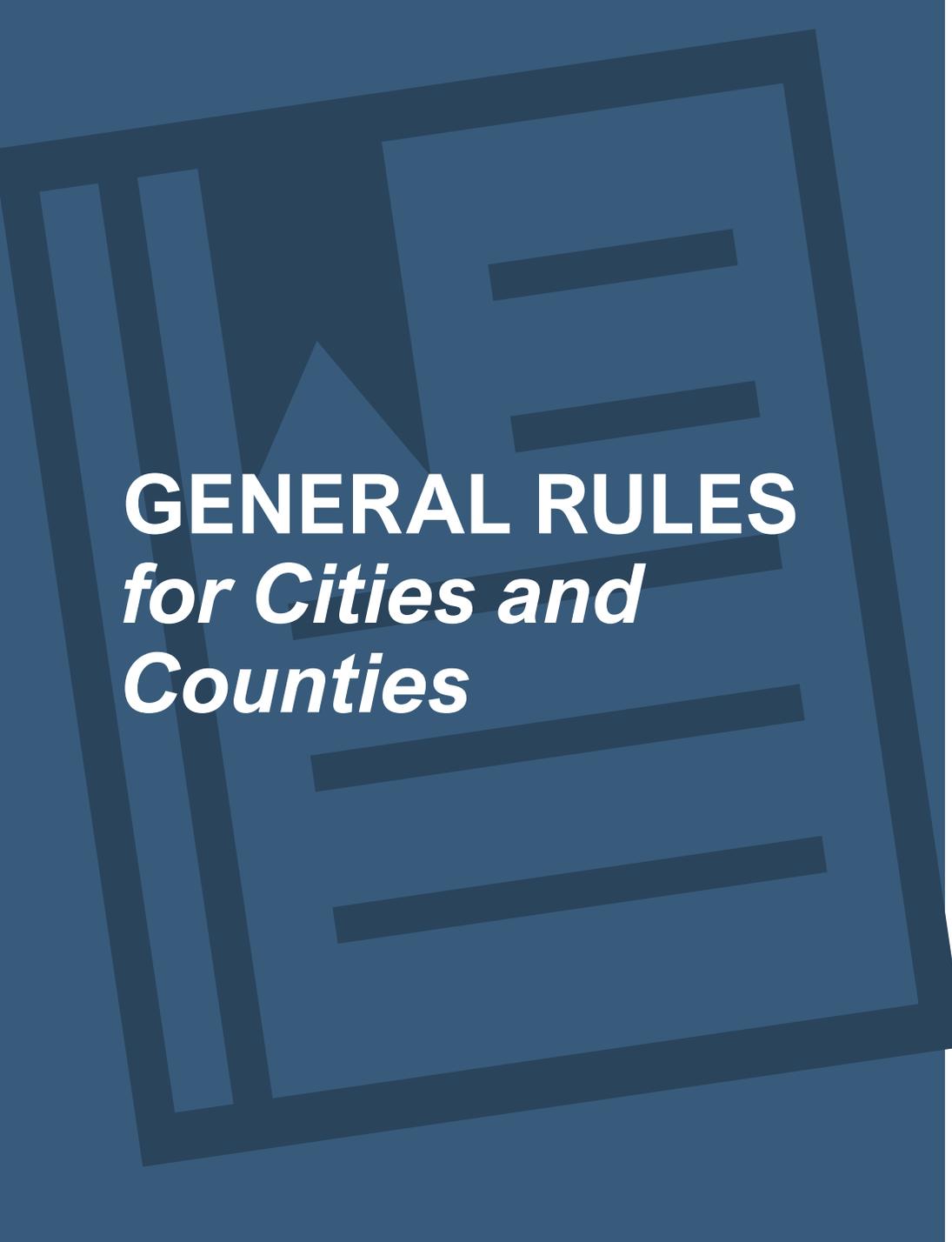
County of San Mateo

- Counties must conduct public outreach and engage with their cities to inform county expenditure plans. 
- Plans are subject to BAHFA and ABAG Executive Board review for completeness.
- County responsible for project-level funding decisions, consistent with local expenditure plans
- Annually report on how money was spent and outcomes achieved.



COUNTY EXPENDITURE PLAN

- ✓ County governing boards must approve Plans at a noticed public meeting
- ✓ Must include minimum **52% for Production, 15% for Preservation, 5% for Protections**
- ✓ **Production** should **prioritize** projects that help meet **ELI, VLI, and LI RHNA targets**
- ✓ **28% Flexible Funds** can be for housing and “**housing-related uses**”
- ✓ **If Expenditure Plans satisfy all criteria**, they will be approved as a matter of law



GENERAL RULES *for Cities and Counties*

- ✓ **All housing must be deed-restricted**, but term of restriction is not defined
- ✓ **All housing must be affordable**, with cap of 120% AMI
- ✓ **Rental, ownership and interim housing** all eligible
- ✓ Everything must conform to **Expenditure Plan**

Advancing Equity

BAHFA Equity Framework Principles:

- **Target** resources towards people and places most harmed by discriminatory housing practices.
- **Focus** on those that are most housing insecure (extremely-low income, homeless households).
- **Invest** in both historically exclusionary and disinvested communities
- **Achieve** climate and environmental justice goals
- **Prevent** displacement and preserve existing affordable housing.
- **Support** community-based and community-owned organizations and developers
- **Support** individual and community wealth building.
- **Commit** to advancing community participation among historically marginalized populations.

Local Outreach Timeline

Election Day
Nov 5, 2024

Summer 2023 Fall 2023 2024 Spring 2024 Summer 2024 Fall 2024 2025 Spring 2025 Summer 2025



Present bond to 13 local cities and counties at Boards and Councils

Present Measure to County Elections Offices by Aug 9, 2024



Staff present local responsibilities for bond Expenditure Plan and Proposed Outreach Plan to Boards and Council



Conduct outreach on Local Spending Priorities:

- Counties to all cities
- Cities/Counties to residents and stakeholders



Staff report back to Boards and Councils outreach on spending priorities



Staff develop Draft Expenditure Plan



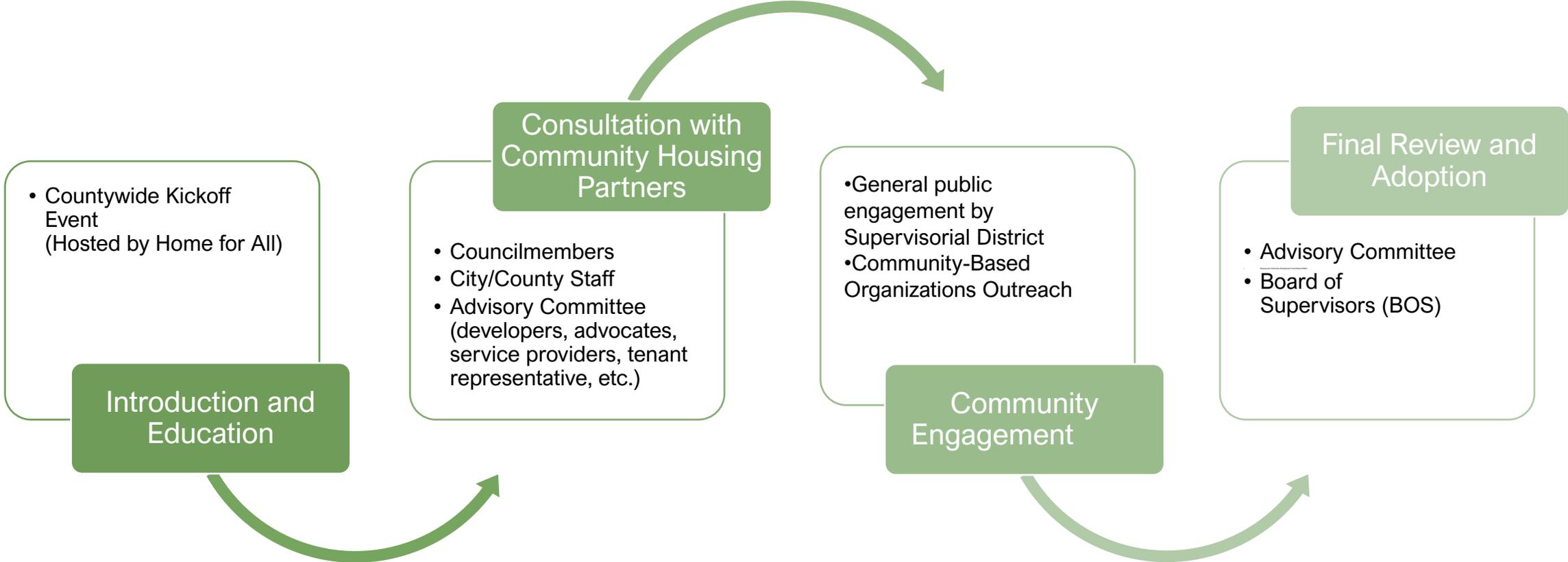
Final Expenditure Plan to Boards and Councils with Public Comment

Counties/Cities Adopt Expenditure Plans
No sooner than Feb 2025



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

Expenditure Plan Outreach Approach



Expenditure Plan Outreach Approach Goals

Introduction and Education

GOAL:

- Stakeholders to have a baseline understanding of the County's housing needs, the proposed bond, generate interest on providing feedback on outreach plan.

Consultation with Community Housing Partners

GOAL:

- Understand local housing needs across County; and
- Consult and seek guidance from community housing partners on priority programs and project examples; and
- Receive feedback on how flexible funds can be used.

Community Engagement

GOAL:

- Build on past feedback; and
- Engage and receive feedback from larger community of residents and community-based organizations; and
- Foster inclusive community outreach, targeting harder to reach residents.

Final Review and Adoption

GOAL:

- Create draft plan informed by community feedback; and
- Receive input on plan from Advisory and HCDC Committees; and
- Receive comments on plan from public; and
- Formally adopt and approve final expenditure plan.

2023
Winter 2024

Spring 2024

Summer
2024

Fall 2024

Winter 2025

Spring 2025

*Completed activities.

Expenditure Plan Outreach

Introduction and Education

GOAL:

Stakeholders to have a baseline understanding of the County's housing needs, the proposed bond, generate interest on providing feedback on outreach plan.

ACTION PLAN:

- BAHFA presentation/ Housing Study Session to BOS*
- Housing Leadership Day presentation*
- Home for All Steering Committee presentation*
- **Expenditure plan outreach presentation to BOS**
- BOS 1:1 meetings
- Introduction letter to cities
- Presentation at 21 Elements meeting (Cities)
- Create Advisory Committee (comprised of developers, advocates, service providers, tenant representatives, labor, etc.)
- Create informational web page
- Home for All kickoff event

Today



*Completed activities.

Expenditure Plan Outreach

Consultation with Community Housing Partners

GOALS:

- *Understand local housing needs across county; and*
- *Consult and seek guidance from community housing partners on priority programs and project examples; and*
- *Receive feedback on how flexible funds can be used.*

ACTION PLAN:

- City managers monthly meeting
- C/CAG board meeting
- Ongoing discussions with cities at 21 Elements meetings
- Meet with impacted county departments
- City council presentations
- Meetings with Advisory Committee



Expenditure Plan Outreach

Community Engagement

GOALS:

- *Build on past feedback; and*
- *Engage and receive feedback from larger community of residents and community-based organizations; and*
- *Foster inclusive community outreach, targeting harder to reach residents.*

ACTION PLAN:

- Town Halls by Supervisorial District
- Focused-meetings with Community Based Organizations
- Engage harder to reach communities
- Ongoing feedback through social media, website, surveys



Expenditure Plan Outreach

Final Review and Adoption

GOALS:

- *Create draft plan informed by community feedback; and*
- *Receive input on plan from Advisory and HCDC Committees; and*
- *Receive comments on plan from public; and*
- *Formally adopt and approve final expenditure plan.*

ACTION PLAN:

- Review draft plan with Advisory Committee
- Housing and Community Development Committee review/approval
- 30-day public comment period
- Board of Supervisors Adoption



Questions?

