



May 22, 2024

Dear Bay Area Housing Finance Authority Board Members,

As the representatives of the Bay Area business and development communities, the Bay Area Council and Building Industry Association of the Bay Area are writing jointly to request that the Bay Area Housing Finance Authority (BAHFA) statute be modified to make it expressly clear that the award of bond proceeds shall be fully consistent with BAHFA statutory authority for projects providing affordable housing, and will not be used in the future as an incentive or leverage to drive local housing policy and program changes that may reflect future political priorities of the BAHFA board but be detrimental to market rate and mixed income housing.

To effectuate this clarification, we have worked on the following language with BAHFA staff, and have reviewed with supporters of the BAHFA bond. We respectfully request that the BAHFA Board ask the legislature to add this language to the BAHFA statute.

We request your urgent support for the legislative amendment as the timeline for the Bond support is shortening by the day and we would like to throw our support unequivocally behind the pending BAHFA bond.

With this language addition adopted by the legislature, both our organizations be in a position to support the BAHFA bond and work to see it passed.

Our proposed amendment is as shown below:

New paragraph, Sec. 64650(d)(6)(v)

*(v) The authority may not impose any other conditions for an expenditure plan to be deemed complete to allocate funds required pursuant to this section. Notwithstanding the foregoing, the Authority may enter into an agreement with a county or city that receives an allocation of County housing revenue to ensure that the authority or county, city or county and city take the actions necessary or incidental to implementing the purpose of this section.*

Additional sentences (in **bold**) added to Sec. 64650(d)(5)(B):

*To the extent feasible, the regional expenditure plan shall include a description of any specific project or program proposed to receive funding, including the location, amount of funding, and anticipated outcomes, as well as the estimated funding level for each of the categories listed in subparagraph (A) or (B) of paragraph (2) of subdivision (b). **The regional expenditure plan shall not render projects ineligible for funding based on the presence or absence of any city or county or city and county land use or housing policies. Notwithstanding the foregoing, BAHFA may use project-specific conditions to prioritize projects for funding.***

Sincerely,

Matt Regan, Bay Area Council

Paul Campos, Building Industry Association of the Bay Area