Housing Incentive Pool (HIP) Programming Recommendations

Programming and Allocations Committee

Agenda Item 4a-24-0934

April 9, 2025

HIP Background

Key Features

- Adopted in October 2018 as an incentive for jurisdictions to produce/preserve affordable housing in Growth Geographies
- $71 million for top 15 jurisdictions
  - $53 million regional One Bay Area Grant (OBAG 2) funds
  - $18 million local funds (swap)
- Awarded on per-unit basis for progress between 2018 and 2022

Vacaville

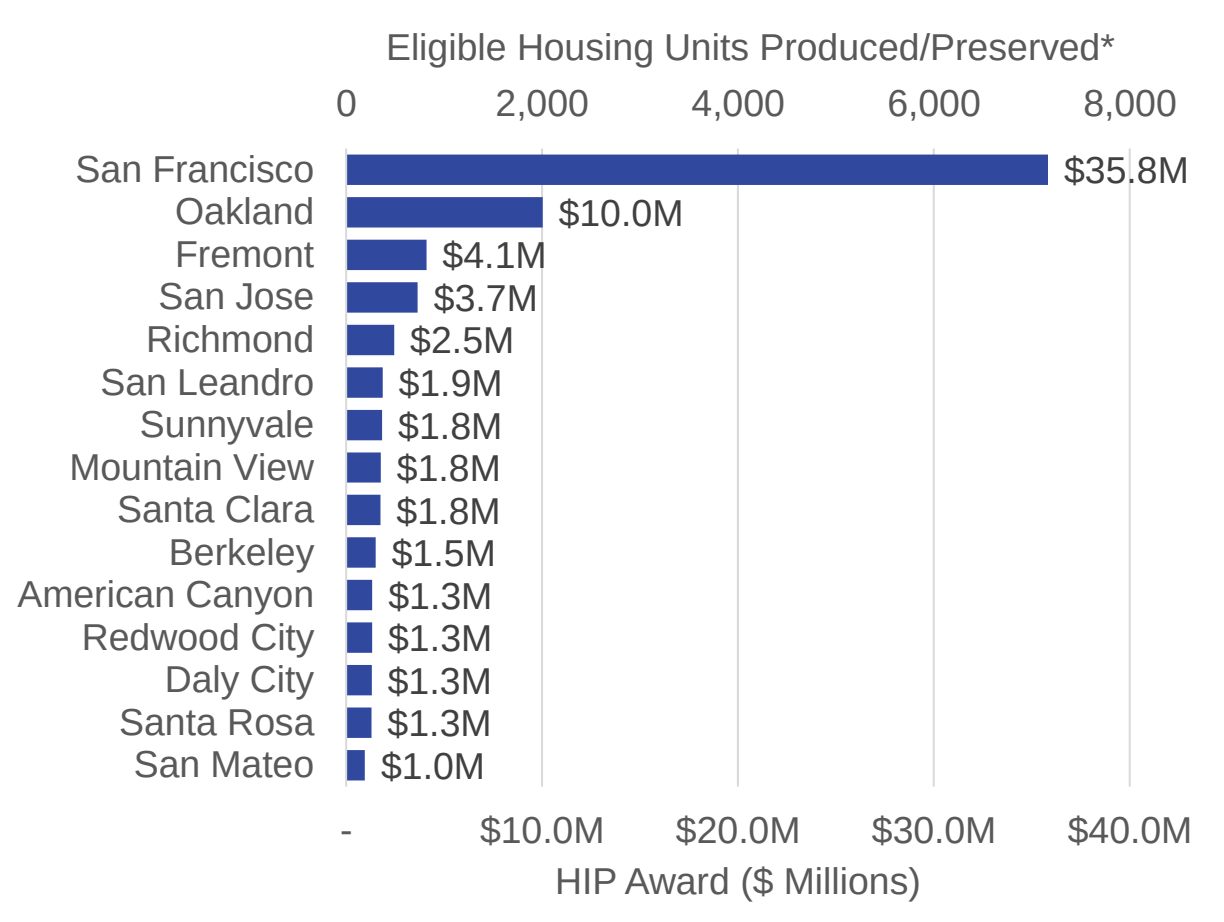
Credit: Karl Nielson

HIP Awards

Timeline

- **October 2018**: HIP program adopted
- **December 2023**: draft awards adopted
- **March 2024**: awards finalized with data updates
- **April-December 2024**: rolling call for projects
- **December 2024 - April 2025**: project selection

Housing Units and HIP Awards



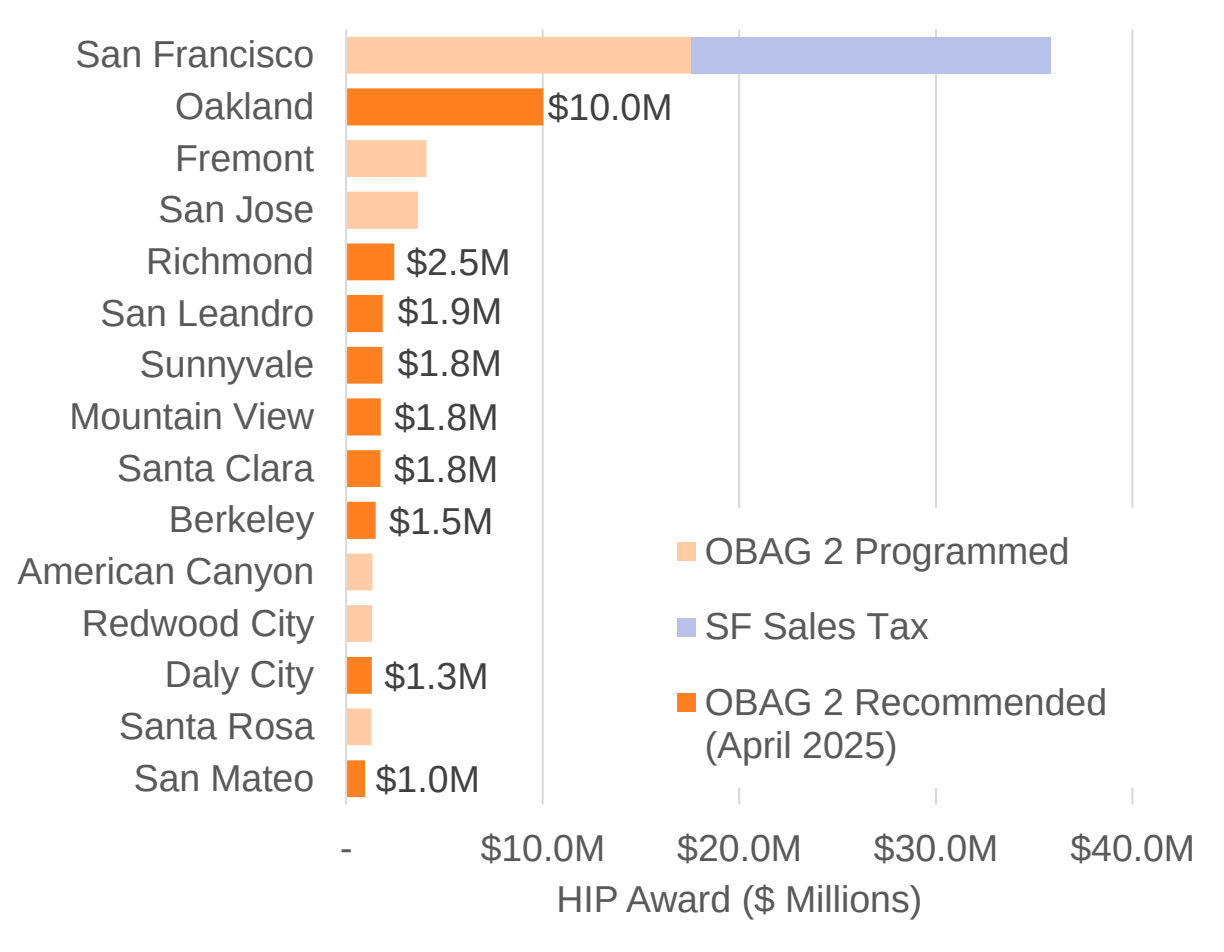
**Only affordable housing units in Priority Development Areas (PDAs) or Transit Priority Areas (TPAs) were eligible for HIP credit; chart excludes affordable housing production/preservation in other areas*

HIP Recommendations

Highlights

- This month's recommended action completes OBAG 2 HIP programming
  - $23.5 million recommended for 12 projects in 9 cities
- Projects support shared local and regional priorities
  - Fix-it-first rehabilitation
  - Safety enhancements
  - Active transportation facilities
  - Transit improvements

Proposed Programming



Staff Recommendation

Refer **MTC Resolution No. 4202, Revised** to the Commission for approval

- Revises One Bay Area Grant (OBAG 2) program
- Programs $23.5 million to 12 HIP projects