



Bay Area Metro Center
375 Beale Street
San Francisco, CA 94105
Yerba Buena Conference Room, 1st
Floor

MEETING AGENDA

Date: Wednesday, November 4, 2026 | **Time:** 11:30 a.m.

Bay Area Housing Finance Authority Oversight Committee

Chair: Belia Ramos

Vice Chair: Libby Schaaf

Clerk: Carsie Bonner

Joint meeting with the ABAG Housing Committee. The BAHFA Oversight Committee is scheduled to meet at 11:30 a.m., or immediately following the preceding board or committee meeting, whichever is later.

This meeting shall consist of a simultaneous teleconference call at the following location(s):

100 Santa Rosa Ave, Santa Rosa, CA 95404

Napa County Executive Office at 1195 Third Street, Suite 310, Napa, CA 94559

Meeting attendees may opt to attend in person for public comment and observation at 375 Beale Street, Yerba Buena Conference Room (1st Floor). In-person attendees must adhere to posted public health protocols while in the building. The meeting webcast will be available at <https://mtc.ca.gov---/whats-happening/meetings/live-webcasts>. Members of the public are encouraged to participate remotely via Zoom at the following link or phone number.

Members of the public participating by Zoom wishing to speak should use the "raise hand" feature or dial *9. When called upon, unmute yourself or dial *6. In order to get the full Zoom experience, please make sure your application is up to date.

Attendee Link: <https://bayareametro.zoom.us/j/82972293515>

Phone one-tap:

+16694449171,,82972293515# US

+16699006833,,82972293515# US (San Jose)

Join via audio:

833 548 0282 US Toll Free

877 853 5247 US Toll Free

888 788 0099 US Toll Free

833 548 0276 US Toll Free

Webinar ID: 829 7229 3515

International numbers available: <https://bayareametro.zoom.us/j/kbnmJetTn7>

Detailed instructions on participating via Zoom are available at:

<https://bayareametro.zoom.us/j/kdR1hznEgA>

<https://mtc.ca.gov/---/how-provide-public-comment-board---meeting-zoom>

Members of the public may participate by phone or Zoom during the meeting. In order to be posted to the meeting's web page and circulated to committee members prior to the meeting, written comments must be by email at info@bayareametro.gov by 5:00 p.m. two (2) business days before the scheduled meeting date. Please include the committee or board meeting name and agenda item number in the subject line. All comments received will be submitted into the record.

Roster

Belia Ramos
Chair

Libby Schaaf*
Vice Chair

Margaret Abe-Koga
Amber Manfree
Gina Papan

Victoria Fleming
Myrna Melgar

Barbara Lee
Nate Miley

**Non-Voting Members*

Agenda

1. Call to Order / Roll Call / Confirm Quorum / Compensation Announcement

A quorum of the BAHFA Oversight Committee shall be a majority of its voting members (5).

2. Public Comment

Information

3. Committee Member Announcements

Information

4. Chair's Report

4a. ABAG Housing Committee and BAFHA Oversight Committee Chairs' Report for November 4, 2026. [26-2281](#)

Action: Information

Presenter(s): Carlos Romero, Belia Ramos

5. ABAG Housing Committee Consent Calendar

5a. Approval of ABAG Housing Committee Minutes of October 14, 2026. [26-2280](#)

Action: Committee Approval

Attachments:

- [5a_26-2280_10-14-26_DRAFT_ABAG_Housing_Meeting_Minutes.pdf](#)

6. BAHFA Oversight Committee Consent Calendar

- 6a. Approval of BAHFA Oversight Committee Minutes of October 14, 2026.** [26-2279](#)

Action: Committee Approval

Attachments:

- [6a_26-2279_10-14-2026_BAHFA_Oversight_Draft_meeting_minutes.pdf](#)

- 6b. Regional Mixed Finance Program** [26-2178](#)

Request to recommend to the Bay Area Housing Finance Authority (BAHFA) Board approving Housing Trust Silicon Valley to serve as a Lender Partner to BAHFA for the Regional Mixed Finance Program and recommend delegating authority to the Executive Director or his designee to negotiate, execute, and enter into an agreement with Housing Trust Silicon Valley to provide BAHFA with co-lending capital and shared responsibility for designing, launching and operating the Regional Mixed Finance Program.

Action: BAHFA Board Approval

Presenter(s): Sara Amaral

Attachments:

- [6b_26-2178_Mixed_Finance_Lender_Recommendation.pdf](#)

7. BAHFA Enabling Legislation and Potential Future Ballot Measure.

- 7a. BAHFA Enabling Legislation and Potential Future Ballot Measure** [26-2278](#)

Update on the Regional Housing Stakeholder Committee, an external multi-sector group convening to generate alignment on key policy issues affecting BAHFA's enabling legislation and a potential future regional housing revenue measure, as early as 2028.

Action: Information

Presenter(s): Daniel Saver, Deputy Executive Director, Housing & Energy, Maria Noel Fernandez (Working Partnerships USA), Jennifer Martinez (San Francisco Foundation), Ann Silverberg (Related California and Northwest Affordable)

Attachments:

- [7a_26-2278_1_Summary_Sheet_RHSC_Policy_Framework_Updates.pdf](#)
- [7a_26-2278_2_Attachment_A_RHSC_Updated_Stakeholder_List.pdf](#)
- [7a_26-2278_3_Attachment_B_Presentation_RHSC_Policy_Framework.pdf](#)

8. Innovative Public Financing Case Studies for Affordable Housing

- 8a. Innovative Public Financing Case Studies for Affordable Housing** [26-2282](#)

Consultant HR&A Advisors will present a review of case studies of innovative financing models for affordable housing, including mixed-income, workforce, and social housing models from across the United States.

Action: Information

Presenter(s): Francis Goyes Flor, Principal, HR&A Advisors

Attachments:

- [8a_26-2282_1_Summary_Sheet_HRA.pdf](#)
- [8a_26-2282_2_Attachment_A_HRA_Case_Studies.pdf](#)
- [8a_26-2282_3_Attachment_B_HRA_Presentation.pdf](#)

9. Adjournment / Next Meeting

**The next joint meeting of the ABAG Housing Committee and BAHFA Oversight Committee is on
December 9, 2026.**

Public Comment: The public is encouraged to comment on agenda items at meetings by completing a request-to-speak card (available from the Clerk) and passing it to the Clerk. Public comment may be limited by any of the procedures set forth in Section 3.09 of MTC's Procedures Manual (Resolution No. 1058, Revised) if, in the chair's judgment, it is necessary to maintain the orderly flow of business.

Meeting Conduct: If this meeting is willfully interrupted or disrupted by one or more persons rendering orderly conduct of the meeting unfeasible, the Chair may order the removal of individuals who are willfully disrupting the meeting. Such individuals may be arrested. If order cannot be restored by such removal, the members of the meeting body may direct that the meeting room be cleared (except for representatives of the press or other news media not participating in the disturbance), and the session may continue.

Record of Meeting: Meetings are recorded. Copies of recordings are available at a nominal charge, or recordings may be listened to at MTC offices by appointment. Audiocasts are maintained on MTC's Web site (mtc.ca.gov) for public review for at least one year.

Accessibility and Title VI: MTC provides services/accommodations upon request to persons with disabilities and individuals who are limited-English proficient who wish to address Commission matters. For accommodations or translations assistance, please call 415.778.6757 or 415.778.6769 for TDD/TTY. We require three working days' notice to accommodate your request.

可及性和法令第六章： MTC 根據要求向希望來委員會討論有關事宜的殘疾人士及英語有限者提供服務/方便。需要便利設施或翻譯協助者，請致電 415.778.6757 或 415.778.6769 TDD / TTY。我們要求您在三個工作日前告知，以滿足您的要求。

Acceso y el Título VI: La MTC puede proveer asistencia/facilitar la comunicación a las personas discapacitadas y los individuos con conocimiento limitado del inglés quienes quieran dirigirse a la Comisión. Para solicitar asistencia, por favor llame al número 415.778.6757 o al 415.778.6769 para TDD/TTY. Requerimos que solicite asistencia con tres días hábiles de anticipación para poderle proveer asistencia.

Attachments are sent to meeting body members, key staff and others as appropriate. Copies will be available at the meeting.



Bay Area Metro Center
375 Beale Street
San Francisco, CA 94105
Board Room, 1st Floor

MEETING MINUTES

Date: Wednesday, October 14, 2026 | Time: 12 p.m.

ABAG Housing Committee

Clerk: Carsie Bonner

Roster

Carlos Romero
Chair

Lisa Motoyama
Vice Chair

Susan Adams
Pat Eklund
Lisa Gauthier

Pamela Campos
Carroll Fife
Belia Ramos

Ken Carlson
Nikki Fortunato-Bas
Wanda Williams

**Non-Voting Members*

Agenda

1. **Call to Order / Pledge of Allegiance / Roll Call / Confirm Quorum / Compensation Announcement**
Information

- Present:** 9 - Member Adams, Member Campos, Member Carlson, Member Eklund, Member Fife, Member Fortunato-Bas, Vice Chair Motoyama, Member Ramos, Chair Romero
- Absent:** 2 - Member Gauthier, Member Williams

Member Campos and Member Fife participated remotely pursuant to Gov. Code Section 54953.8.3(2).

Member Carlson arrived during item 8.

2. **Public Comment**
Information

3. **Committee Member Announcements**
Information

4. **Chair's Report**
Information

-
- 4a. **ABAG Housing Committee and BAFHA Oversight Committee and BAHFA Advisory Committee Chairs' Report for October 14, 2026.** [26-2174](#)

Action: ABAG Housing Committee Information

Presenter(s): Carlos Romero, Belia Ramos, Efren Carrillo

There was nothing to report.

- 4b. **ABAG Housing Committee and BAFHA Oversight Committee and BAHFA Advisory Committee Chairs' Report for October 14, 2026.** [26-2174](#)

Action: BAHFA Oversight Committee Information

Presenter(s): Carlos Romero, Belia Ramos, Efren Carrillo

There was nothing to report.

- 4c. **ABAG Housing Committee and BAFHA Oversight Committee and BAHFA Advisory Committee Chairs' Report for October 14, 2026.** [26-2174](#)

Action: BAHFA Advisory Committee Information

Presenter(s): Carlos Romero, Belia Ramos, Efren Carrillo

There was nothing to report.

5. **ABAG Housing Committee Consent Calendar**

Upon the motion by Member Ramos and second by Member Adams, the ABAG Housing Committee Consent Calendar was unanimously approved. The motion carried by the following vote:

Aye: 8 - Chair Romero, Vice Chair Motoyama, Member Adams, Member Campos, Member Eklund, Member Fife, Member Fortunato-Bas, and Member Ramos

Absent: 3 - Member Carlson, Member Gauthier, and Member Williams

- 5a. **Approval of ABAG Housing Committee Minutes of August 12, 2026.** [26-2175](#)

Action: ABAG Housing Committee Approval

- 5b. **Approval of ABAG Housing Committee Minutes of September 9, 2026.** [26-2176](#)

Action: ABAG Housing Committee Approval

6. **BAHFA Oversight Committee Consent Calendar**

The BAHFA Oversight Committee took action on this item.

- 6a. **Approval of BAHFA Oversight Committee Minutes of September 9, 2026.** [26-2177](#)

Action: BAHFA Oversight Committee Approval

7. **BAHFA Advisory Committee Consent Calendar**

The BAHFA Advisory Committee took action on this item.

- 7a. **Approval of Special BAHFA Advisory Committee Minutes of September 9, 2026.** [26-2179](#)

Action: BAHFA Advisory Committee Approval

8. **BAHFA Enabling Legislation and Potential Future Ballot Measure.**

Daniel Saver, Maria Noel Fernandez (Working Partnerships USA), Jennifer Martinez (San Francisco Foundation), Ann Silverberg (Related California and Northwest Affordable) presented the item.

8a. BAHFA Enabling Legislation and Potential Future Ballot Measure.

[26-2180](#)

Update on the Regional Housing Stakeholder Committee, an external multi-sector group convening to generate alignment on key policy issues affecting BAHFA's enabling legislation and a potential future regional housing revenue measure, as early as 2028.

Action: Information

Presenter(s): Daniel Saver, Maria Noel Fernandez (Working Partnerships USA), Jennifer Martinez (San Francisco Foundation), Ann Silverberg (Related California and Northwest Affordable)

The following members of the public were called to speak: Amanda Chang, Urban Habitat; Liat Meitzenheimer; Annie Koruga, Fremont for Everyone; Warren Cushman, Community Resources for Independent Living; Emily Wheeler, Public Advocates; Shirlee Ren; Lili of PENN; Anisha, Calle 24 Latino Cultural District; Jeremy Bruce, Director of Policy and Organization, Guadalupe Center for Justice Empowerment; Edward Jensen, Asian Pacific Environmental Network Communities; Shannon Zhang; and Maria Zamudio, Housing Rights Committee of San Francisco.

9. Adjournment / Next Meeting

The next joint meeting of the ABAG Housing Committee and BAHFA Oversight Committee is on November 4, 2026. A Special BAHFA Advisory Committee will be duly noticed. * Please note: the next meeting is on the 1st Wednesday of the month due to the Veteran's Day Holiday.*****



Bay Area Metro Center
375 Beale Street
San Francisco, CA 94105
Board Room, 1st Floor

MEETING MINUTES

Date: Wednesday, October 14, 2026 | **Time:** 12 p.m.

Bay Area Housing Finance Authority Oversight Committee

Clerk: Carsie Bonner

Roster

Belia Ramos
Chair

Libby Schaaf*
Vice Chair

Margaret Abe-Koga
Amber Manfree
Gina Papan

Victoria Fleming
Myrna Melgar

Barbara Lee
Nate Miley

**Non-Voting Members*

Agenda

1. Call to Order / Roll Call / Confirm Quorum / Compensation Announcement

A quorum of the BAHFA Oversight Committee shall be a majority of its voting members (5).

Present: 7 - Commissioner Fleming, Commissioner Lee, Commissioner Manfree, Commissioner Melgar, Commissioner Miley, Commissioner Papan, Chair Ramos
Absent: 1 - Commissioner Abe-Koga
Non-Voting Present: 1 - Vice Chair Schaaf

Commissioner Melgar joined the meeting during the Compensation Announcement.

Ex-Officio Voting Members Present: Commission Chair Noack and Commission Vice Chair Moulton-Peters

2. Public Comment

Information

3. Committee Member Announcements

Information

4. Chair's Report

- 4a. ABAG Housing Committee and BAFHA Oversight Committee and BAHFA Advisory Committee Chairs' Report for October 14, 2026.** [26-2174](#)

Action: ABAG Housing Committee Information

Presenter(s): Carlos Romero, Belia Ramos, Efren Carrillo

There was noting to report.

- 4b. ABAG Housing Committee and BAFHA Oversight Committee and BAHFA Advisory Committee Chairs' Report for October 14, 2026.** [26-2174](#)

Action: BAHFA Oversight Committee Information

Presenter(s): Carlos Romero, Belia Ramos, Efren Carrillo

There was noting to report.

- 4c. ABAG Housing Committee and BAFHA Oversight Committee and BAHFA Advisory Committee Chairs' Report for October 14, 2026.** [26-2174](#)

Action: BAHFA Advisory Committee Information

Presenter(s): Carlos Romero, Belia Ramos, Efren Carrillo

There was noting to report.

5. ABAG Housing Committee Consent Calendar

The ABAG Housing Committee took action on this item.

- 5a. Approval of ABAG Housing Committee Minutes of August 12, 2026.** [26-2175](#)

Action: ABAG Housing Committee Approval

- 5b. Approval of ABAG Housing Committee Minutes of September 9, 2026.** [26-2176](#)

Action: ABAG Housing Committee Approval

6. BAHFA Oversight Committee Consent Calendar

Upon the motion by Commissioner Papan and second by Commissioner Miley, the BAHFA Oversight Committee Consent Calendar was unanimously approved. The motion carried by the following vote:

Aye: 7 - Chair Ramos, Commissioner Fleming, Commissioner Lee, Commissioner Manfree, Commissioner Melgar, Commissioner Miley, and Commissioner Papan

Absent: 1 - Commissioner Abe-Koga

- 6a. Approval of BAHFA Oversight Committee Minutes of September 9, 2026.** [26-2177](#)

Action: BAHFA Oversight Committee Approval

7. BAHFA Advisory Committee Consent Calendar

The BAHFA Advisory Committee took action on this item.

7a. Approval of Special BAHFA Advisory Committee Minutes of September 9, 2026.[26-2179](#)**Action:** BAHFA Advisory Committee Approval

8. BAHFA Enabling Legislation and Potential Future Ballot Measure.

Daniel Saver, Maria Noel Fernandez (Working Partnerships USA), Jennifer Martinez (San Francisco Foundation), Ann Silverberg (Related California and Northwest Affordable) presented the item.

8a. BAHFA Enabling Legislation and Potential Future Ballot Measure.[26-2180](#)

Update on the Regional Housing Stakeholder Committee, an external multi-sector group convening to generate alignment on key policy issues affecting BAHFA's enabling legislation and a potential future regional housing revenue measure, as early as 2028.

Action: Information**Presenter(s):** Daniel Saver, Maria Noel Fernandez (Working Partnerships USA), Jennifer Martinez (San Francisco Foundation), Ann Silverberg (Related California and Northwest Affordable)

The following members of the public were called to speak: Amanda Chang, Urban Habitat; Liat Meitzenheimer; Annie Koruga, Fremont for Everyone; Warren Cushman, Community Resources for Independent Living; Emily Wheeler, Public Advocates; Shirlee Ren; Lili of PENN; Anisha, Calle 24 Latino Cultural District; Jeremy Bruce, Director of Policy and Organization, Guadalupe Center for Justice Empowerment; Edward Jensen, Asian Pacific Environmental Network Communities; Shannon Zhang; and Maria Zamudio, Housing Rights Committee of San Francisco.

9. Adjournment / Next Meeting

The next joint meeting of the ABAG Housing Committee and BAHFA Oversight Committee is on November 4, 2026. A Special BAHFA Advisory Committee will be duly noticed. * Please note: the next meeting is on the 1st Wednesday of the month due to the Veteran's Day Holiday.*****

November 4, 2026

Agenda Item 6b-26-2178

Regional Mixed Finance Program

Subject:

Request to recommend to the Bay Area Housing Finance Authority (BAHFA) Board approving Housing Trust Silicon Valley to serve as a Lender Partner to BAHFA for the Regional Mixed Finance Program and recommend delegating authority to the Executive Director or his designee to negotiate, execute, and enter into an agreement with Housing Trust Silicon Valley to provide BAHFA with co-lending capital and shared responsibility for designing, launching and operating the Regional Mixed Finance Program.

Background:

In February 2026, BAHFA concluded its strategic planning process and started to work toward program implementation. A key implementation action is to launch various financing programs incrementally, rolling out a “kit-of-parts” that would allow project sponsors to mix and match program elements that help them achieve financial feasibility and increase/preserve the stock of affordable housing across the region, supporting units up to 120% of Area Median Income (AMI) (program referred to as the “Regional Mixed Finance Program” or “Program”). Program elements include support for project sponsors with welfare tax exemptions, conduit bond financing, subordinate/mezzanine debt, preferred equity, and/or promoting the Doorway Housing Portal. Specifically, the Regional Mixed Finance Program intends to achieve the following objectives:

- Improve affordability by filling unmet needs or outperforming existing products in the marketplace,
- Generate revenue to promote BAHFA’s financial self-sufficiency,
- Serve as proof of concept for BAHFA to serve as a regional public lender, and
- Build long-term organizational capacity.

In August of this year, the BAHFA Oversight and ABAG Housing Committees were presented with a draft program description and initial terms of the subordinate/mezzanine debt products for what was then referred to as the “Mixed-Income Finance Program,” which has since been renamed as the Regional Mixed Finance Program.

Procurement Process

To support BAHFA’s Regional Mixed Finance Program, staff sought support from a community lender to co-design and co-administer the new suite of products. This approach is intended to cost-effectively leverage outside expertise while incrementally building BAHFA’s in-house

November 4, 2026

Agenda Item 6b-26-2178

Regional Mixed Finance Program

capacity. Additionally, to expand the Program's reach and opportunities, BAHFA also looked for a lending partner that could match BAHFA's targeted \$30 million in lending capital to augment the total lending opportunities.

On August 3rd of this year, BAHFA issued a Call for Lenders requesting proposals from prospective lenders that will address the above tasks and any others the proposers believe should be considered. The Call for Lenders was published on the BAHFA website and offered potential lenders the opportunity to ask questions. Staff published all questions with written responses on the BAHFA website on August 25, 2026. Final submissions were required by September 11, 2026.

Five teams submitted complete packages and met all the minimum criteria, including:

- Century Housing
- Enterprise Community Loan Fund
- Housing Trust Silicon Valley
- Low Income Investment Fund
- San Francisco Housing Accelerator Fund

All applicants were invited for a Zoom interview. The interview panel consisted of BAHFA Assistant Director, Sara Amaral, BAHFA Senior Advisor, Lydia Tan, BAHFA consultant, Preston Lam, and independent outside panelist Kristy Wang (employed by Community Planning Collaborative). The panel conducted interviews of all five teams by October 5th. One lender could provide only one of the types of loans considered under the Program and was not reviewed further. The interview panel then reached out to nineteen references for the four remaining teams. Finally, three additional written questions were sent to the remaining four teams.

After careful consideration of written submissions, interviews, references and follow-up questions, the panelists unanimously recommend the Housing Trust Silicon Valley. Housing Trust Silicon Valley (Housing Trust) is a leader in affordable housing finance with 26 years of experience designing and underwriting loan programs, as well as credit risk and asset management, for affordable and mixed-income housing, and has been able to adapt to fit developers' needs over time. Housing Trust started with homebuyer loans and small subordinate loans to rental properties, moving into acquisitions in 2011. Partnerships with Apple and Google added permanent and construction lending capacity, as well as bridge lending and lines of credit in recent years. Over their history, Housing Trust has made 240 multifamily loans totaling \$714 million across the region.

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Agenda Item 6b-26-2178

Regional Mixed Finance Program

Housing Trust is recommended because the organization is best aligned with the Regional Mixed Finance loan products, and because it has established asset management and organizational fund processes that can help build capacity within BAHFA. Housing Trust will work closely with BAHFA staff to design, launch and implement the Regional Mixed Finance Program, as well as co-lend alongside BAHFA in certain instances. The lender partner would be compensated in the form of loan fees and asset management fees to be paid by the borrowers.

The BAHFA Oversight Committee is asked to recommend to the (BAHFA) Board approving Housing Trust Silicon Valley to serve as a Lending Partner to BAHFA for the Regional Mixed Finance Program, by providing co-lending capital and shared responsibility for designing, launching and operating the Regional Mixed Finance Program, and to recommend delegating authority to the Executive Director or his designee to negotiate, execute, and enter into an Agreement with Housing Trust Silicon Valley, and any amendments, ancillary agreements, certificates, instruments, and other documents, and to take any other actions, that the Executive Director or designee determines are necessary, appropriate, or incidental to implement the Agreement and carry out the intent of this action.

Staff will return with the final Regional Mixed Finance program description and term sheets for approval by the BAHFA Board in 2027.

Issues:

None

Recommended Action:

Recommend to the BAHFA Board approving Housing Trust Silicon Valley to serve as a Lending Partner to BAHFA for the Regional Mixed Finance Program, by providing co-lending capital and shared responsibility for designing, launching and operating the Regional Mixed Finance Program, and to recommend delegating authority to the Executive Director or his designee to negotiate, execute, and enter into an agreement with Housing Trust Silicon Valley, and any amendments, ancillary agreements, certificates, instruments, and other documents, and to take any other actions, that the Executive Director or designee determines are necessary, appropriate, or incidental to implement the Agreement and carry out the intent of this action.

Attachment:

A. None

November 4, 2026

Agenda Item 6b-26-2178

Regional Mixed Finance Program

Reviewed:

A handwritten signature in black ink, appearing to read "Andrew Fremier". The signature is fluid and cursive, with the first name "Andrew" and last name "Fremier" clearly distinguishable.

Andrew Fremier

November 4, 2026

Agenda Item 7a-26-2278

BAHFA Enabling Legislation and Potential Future Ballot Measure

Subject:

Update on the Regional Housing Stakeholder Committee, an external multi-sector group convening to generate alignment on key policy issues affecting BAHFA's enabling legislation and a potential future regional housing revenue measure, as early as 2028.

Background

In March 2026, following completion of BAHFA's new strategic plan, the BAHFA Oversight, ABAG Housing, and BAHFA Advisory Committees affirmed a three-phase approach to continue exploration of a potential regional housing revenue measure as early as 2028. Phase 1 focuses on stakeholder engagement to develop a policy framework that may inform amendments to BAHFA's enabling legislation; Phase 2 would consider legislative changes necessary to implement the policy framework; and Phase 3 would involve potential development of a regional revenue measure guided by any statutory revisions.

For Phase 1, BAHFA and ABAG established a hybrid structure that combines policymaker oversight with broad stakeholder participation. Under this approach, the Regional Housing Stakeholder Committee (RHSC), a multi-sector body convened by external partners and stakeholder leaders, is tasked with developing recommendations and identifying areas of consensus on key policy issues. The BAHFA Oversight, ABAG Housing, and BAHFA Advisory Committees have provided guidance through agency-approved Guiding Principles, ongoing feedback, and public discussion, while retaining responsibility for any future legislative advocacy position and policy decisions. Phase 1 is nearing completion and will culminate in a Policy Framework documenting proposed statutory amendments and associated analysis. This item will preview anticipated contents of the Policy Framework and seek additional feedback.

Engagement Update

On October 14th staff provided these Committees with a list of over 150 organizations participating in the RHSC as of October 5th and noted that the list had subsequently grown. **Attachment A** is an updated list that adds another 99 organizations as of October 29th. This list will continue to grow as the RHSC plans for one more "All Hands" workshop in the North Bay on November 9th. BAHFA staff have participated in all of these meetings.

Additionally, BAHFA and ABAG have taken the lead on engagement with local governments. From August 15th to October 14th, BAHFA staff presented to 11 convenings of elected officials throughout the Bay Area, conducted a webinar for elected officials and provided a survey to every councilmember and county supervisor in the Bay Area for additional input. In aggregate, this multifaceted approach resulted in at least 350 touchpoints with local elected officials or their staff. By way of comparison, there are 566 local elected officials in the nine-county Bay Area. Additionally, staff is planning a convening of local government housing staff to dive deeper into the policy proposals being considered.

BAHFA Enabling Legislation and Potential Future Ballot Measure

Discussion:

The RHSC has been developing policy recommendations across four primary issue areas: (1) Revenue Mechanisms, (2) Eligible Uses, (3) Labor Standards, and (4) Revenue Distribution. As of October 26th, the RHSC has largely concluded its deliberations on the topics previously discussed at meetings of these Committees on September 9th and October 14th and has reached consensus on several potential amendments to BAHFA's enabling legislation. The issues remaining include several proposals for eligible uses and any recommendation related to labor standards.

A. Revenue Mechanisms

The RHSC achieved consensus on the following proposals:

- Add flexibility to the existing parcel tax authority by enabling differentiated rates and the ability to craft exemptions.
- Do not pursue the addition of a regional real estate transfer tax.
- Do not pursue the addition of a regional sales tax
- Do not pursue the addition of a regional payroll tax
- Continue exploration of non-ballot revenue options, though it remains to be seen whether such options would require amending BAHFA's enabling legislation or some other legislative proposal

B. Eligible Uses

The RHSC achieved consensus on the following proposals:

- Add operating subsidies as an eligible use of production and preservation funds for extremely low-income (ELI) and very low-income (VLI) housing.
- Add homeownership as an eligible use of regional production funds.
- Add a minimum of 5% to be spent on homelessness prevention (in addition to existing 5% for tenant protections and homelessness prevention category).
- Add ability to develop innovative financing approaches to enable mixed-income, middle-income, and social housing for regional and local funds.
- Add community engagement requirements for local expenditure plans.

The RHSC continues to discuss the following proposals, with the expectations that any potential recommendations will be finalized by mid-November:

- Establish good cause for eviction requirements for housing funded through regional measure.
- Establish spending targets for regional and local expenditure plans to support, produce, and preserve housing affordable to ELI households.

BAHFA Enabling Legislation and Potential Future Ballot Measure

C. Labor Standards

The Labor Standards Subcommittee – comprised of various labor unions, developers, and contractors – has met four times to discuss frameworks for potential proposals. Each sector is caucusing with their constituencies to develop written proposals that will be exchanged and discussed as the stakeholders work towards compromise and alignment. The Labor Standards Subcommittee is expected to report back on their progress in November. Any potential recommendations will be incorporated into future presentations at BAHFA, MTC, and ABAG bodies.

D. Revenue Distribution

The Revenue Distribution workstream has examined how revenues generated by a future measure would be allocated. Feedback from local governments has focused on two issues: (1) the appropriate split of revenue between the regional and return-to-source funds, and (2) ensuring fair distribution of county funding to their constituent cities.

Preliminary analysis shows that BAHFA's statute already contains necessary flexibility to address these issues as the process progresses towards Phases 2 and 3. Specifically, the statute enables:

- Flexibility to determine precise amount of "return to source" funding when the ballot measure is under development.
- Local control over expenditure planning for return to source funds, so long as statutory requirements are met.
- BAHFA can provide technical assistance to facilitate strong county-city collaboration early in the process, including encouraging counties to adopt their expenditure plans prior to the election.

Given this existing flexibility, staff have determined that feedback from local governments and stakeholders can be accommodated without amending the statute.

Staff and the RHSC Co-Chairs seek feedback from Committee members on all of the above.

Next Steps:

Input received throughout the process from these Committees, the BAHFA Advisory Committee, elected officials, local government staff, the RHSC and community stakeholders will be synthesized by the Co-Chairs and BAHFA staff and presented at the following meetings:

- November 13, 2026 - Joint MTC ABAG Legislation Committee
- November 19, 2026 - ABAG Executive Board
- December 11, 2026 - Joint MTC ABAG Legislation Committee (action to recommend approval of MTC and ABAG Joint Legislative Advocacy Program)
- December 16, 2026 - MTC (action to approve MTC and ABAG Joint Legislative Advocacy Program)

November 4, 2026

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BAHFA Enabling Legislation and Potential Future Ballot Measure

- January 21, 2027 - ABAG Executive Board (action to approve MTC and ABAG Joint Legislative Advocacy Program)

Issues:

None

Recommended Action:

Information

Attachments:

- A. RHSC updated stakeholder list
- B. Presentation

Reviewed:



Andrew Fremier



**Organizations participating in the Regional Housing Stakeholder Committee
(RHSC)**
(as of 10/5)

1. Abode Housing Development
2. ADU Center
3. Affirmed Housing
4. Alameda County Board of Supervisors
5. Alameda County HCD
6. All Home (RHSC Coordinating Committee) (Staff for Eligible Uses Subcommittee)
7. Alta Housing
8. Amigos de Guadalupe Center for Justice and Empowerment
9. Asian Pacific Environmental Network (APEN)
10. BART Transit-Oriented Development Group
11. Bay Area Community Land Trust
12. Bay Area Council (RHSC) (Member, Eligible Uses Subcommittee) (Member, Revenue Mechanisms Subcommittee)
13. Bay Area Housing Finance Authority (BAHFA) (Coordinating Committee)
14. Building and Construction Trades Council of Alameda County (RHSC) (Member, Labor Subcommittee)
15. Burbank Housing (RHSC) (Member, Eligible Uses Subcommittee) (Member, Revenue Mechanisms Subcommittee) (Member, Labor Subcommittee)
16. California Green New Deal Coalition
17. California Housing Consortium (Member, Labor Subcommittee)
18. Call Marin Home (Member, Revenue Mechanisms Subcommittee)
19. Canal Alliance (RHSC)
20. Care 4 Community Action
21. Centro Legal de la Raza
22. Chan Zuckerberg Initiative
23. Chinatown Community Development Center
24. Christian Church Homes
25. City of Morgan Hill
26. City of Mountain View – Housing Department
27. City of Oakland – Housing and Community Development Department
28. City of Santa Clara
29. City of Sunnyvale
30. Code Tenderloin
31. Communities for a Better Environment
32. Community Action Alliance
33. Community Economics, Inc. (CEI)
34. Community Forward SF

35. Community Resources for Independent Living (CRIL) (Member, Eligible Uses Subcommittee)
36. Contra Costa County Housing Authority (RHSC) (Member, Eligible Uses Subcommittee)
37. County of Santa Clara (incl. Office of Supportive Housing) (Member, Eligible Uses Subcommittee)
38. Crankstart Foundation
39. Day Worker Center of Mountain View
40. Delivering Innovation in Supportive Housing (DISH SF)
41. Destination Home (RHSC) (Member, Revenue Mechanisms Subcommittee)
42. EAH Housing
43. East Bay Alliance for a Sustainable Economy (EBASE)
44. East Bay Asian Local Development Corporation (EBALDC) (Member, Labor Subcommittee)
45. East Bay Housing Organizations (EBHO) (RHSC) (Member, Eligible Uses Subcommittee)
46. East Bay Permanent Real Estate Cooperative (EBPREC)
47. East Palo Alto Community Alliance and Neighborhood Development Organization
48. Eden Housing (RHSC) (Member, Eligible Uses Subcommittee) (Member, Labor Subcommittee)
49. Enterprise Community Partners (RHSC Coordinating Committee) (Staff for Revenue Mechanisms Subcommittee)
50. Episcopal Community Services of San Francisco
51. Faith in Action Bay Area
52. Forward City Labs
53. Galante Solutions, Carol Galante (BAHFA Consultant) (RHSC Coordinating Committee) (Member, Revenue Mechanisms Subcommittee)
54. Generation Housing
55. Global Policy Leadership Academy
56. Greenbelt Alliance
57. Habitat for Humanity Greater San Francisco (RHSC) (Member, Eligible Uses Subcommittee) (Member, Revenue Mechanisms Subcommittee)
58. Healthy Black Families, Inc.
59. Homes for All – California
60. Housing Consortium of the East Bay (HCEB)
61. Housing Leadership Council of San Mateo County (HLC)
62. Housing Rights Committee of San Francisco
63. Housing Trust Silicon Valley
64. Innovation Tri-Valley Leadership Group
65. Larkin Street Youth Services
66. Latinos United for a New America (LUNA)
67. Law Foundation of Silicon Valley
68. League of Women Voters - Bay Area, Marin County, Sonoma County
69. Legal Aid of Sonoma County
70. LISC Bay Area
71. Marin Housing and Community Development Agency (RHSC) (Member, Revenue Mechanisms Subcommittee)
72. Marin Organizing Committee
73. Mercy Housing California (RHSC) (Member, Eligible Uses Subcommittee)
74. Merritt Community Capital Corp.

75. MidPen Housing (RHSC) (Member, Revenue Mechanisms Subcommittee) (Member, Labor Subcommittee)
76. Mission Action
77. Mission Economic Development Agency (MEDA)
78. Mission Housing Development Corporation
79. Monument Impact
80. Mountain View Community Land Trust
81. My Eden Voice
82. Napa Valley Community Housing
83. NHA Strategy, Vu-Bang Nguyen, Founder (Facilitator of Labor Subcommittee)
84. Non-Profit Housing Association of Northern California (NPH) (RHSC) (Member, Eligible Uses Subcommittee) (Member, Labor Subcommittee)
85. North Bay Organizing Project (RHSC) (Member, Eligible Uses Subcommittee)
86. North Coast States Carpenters Union (RHSC) (Member, Labor Subcommittee)
87. Novato Unified School District / State Superintendent EWH Task Force
88. Oakland Housing Authority
89. Operation Dignity
90. Opportunities for Change (OFC)
91. Opportunity House (RHSC)
92. Othering & Belonging Institute at UC Berkeley
93. Pahali Community Land Trust
94. Palo Alto Forward
95. Partnership for the Bay's Future
96. PATH (Member, Eligible Uses Subcommittee)
97. Public Advocates (Member, Eligible Uses Subcommittee)
98. Puente de la Costa Sur
99. RaaP Builders, Inc.
100. Race and Equity in All Planning Coalition (REP-SF Coalition)
101. Related California, Ann Silverberg, President & CEO (RHSC Co-Chair) (Chair, Eligible Uses Subcommittee) (Member, Revenue Mechanisms Subcommittee) (Co-Chair, Labor Subcommittee)
102. Resident Community Organizing Program / EBHO
103. Resident United Network (RUN)
104. Resources for Community Development
105. Rising Juntos
106. Rising Sun Center for Opportunity
107. RSG, Inc.
108. Sacred Heart Community Service
109. San Francisco Community Land Trust (RHSC)
110. San Francisco Foundation, Jennifer Martinez, Vice President of Policy and Innovation (RHSC Co-Chair) (Chair, Revenue Mechanisms Subcommittee)
111. San Francisco Housing Accelerator Fund (RHSC) (Member, Eligible Uses Subcommittee) (Member, Revenue Mechanisms Subcommittee) (Member, Labor Subcommittee)
112. San Francisco Housing Development Corporation
113. San Francisco Labor Council (Member, Labor Subcommittee)
114. San Francisco Mayor's Office of Housing and Community Development (RHSC)
115. San Francisco SafeHouse
116. San Francisco Women's Housing Coalition

117. San Francisco YIMBY
118. San Leandro Housing Platform
119. San Mateo County Building & Construction Trades Council (Member, Labor Subcommittee)
120. San Mateo County Central Labor Council (Member, Labor Subcommittee)
121. San Mateo County Department of Housing (RHSC)
122. San Mateo County Economic Development Association
123. Santa Clara & San Benito Counties Building & Construction Trades Council (Member, Labor Subcommittee)
124. Santa Clara County Housing Authority
125. Satellite Affordable Housing Associates (SAHA) (Member, Labor Subcommittee)
126. SEIU Local 1021 (RHSC) (Member, Revenue Mechanisms Subcommittee) (Member, Labor Subcommittee)
127. Sheet Metal Workers Local 104 (Member, Labor Subcommittee)
128. Signature Development Group (RHSC) (Member, Revenue Mechanisms Subcommittee)
129. Silicon Valley Council of Nonprofits
130. SoCo DSA
131. SOMOS Mayfair
132. South Bay AFL-CIO Labor Council (Member, Labor Subcommittee)
133. South Bay Community Land Trust
134. South Bay Labor Council (RHSC)
135. SPUR (RHSC) (Member, Revenue Mechanisms Subcommittee)
136. St. Mary's Center
137. Supportive Housing Community Land Alliance
138. Sustainable Plans
139. SV@Home (RHSC) (Member, Eligible Uses Subcommittee) (Member, Revenue Mechanisms Subcommittee)
140. Swinerton (RHSC) (Member, Labor Subcommittee)
141. Tenants Together (Member, Eligible Uses Subcommittee)
142. Tenderloin Neighborhood Development Corporation (TNDC)
143. The Gallaher Companies (Member, Eligible Uses Subcommittee)
144. The Pacific Companies (Member, Labor Subcommittee)
145. The Unity Council (RHSC)
146. Tipping Point Community
147. TransForm (Member, Revenue Mechanisms Subcommittee)
148. Two Valleys Community Land Trust
149. UC Berkeley (Member, Eligible Uses Subcommittee)
150. United Way Bay Area
151. Urban Habitat (RHSC) (Member, Eligible Uses Subcommittee) (Member, Revenue Mechanisms Subcommittee)
152. Vallejo Housing Justice Coalition
153. Valley Transportation Authority (VTA)
154. Veggielution
155. Vibrant Strategies
156. Working Partnerships USA, Maria Noel Fernandez, Executive Director (Co-Chair, RHSC) (Member, Eligible Uses Subcommittee) (Member, Revenue Mechanisms Subcommittee) (Co-Chair, Labor Subcommittee)
157. YIMBY Action (RHSC)

158. Youth Leadership Institute

Additional Organizations
(added since 10/5, as of 10/29)

1. Abode Communities
2. AC Martin
3. Agnes Memorial Church
4. Alliance of Nonprofit Homelessness and Housing Providers of Alameda County
5. Architects FORA
6. Arrow Impact
7. Association for Energy Affordability
8. Avidbank
9. BAE
10. Bank of Marin
11. BAR Architects & Interiors
12. Bay Area Funders Together to End Homelessness (BAFTEH)
13. Bay City News
14. California Department of Housing and Community Development (HCD)
15. Catholic Charities of Northwest California
16. Center for Human Development
17. Charities Housing Development Corporation
18. Charles and Helen Schwab Foundation
19. City and County of San Francisco
20. City of Milpitas
21. City of Oakland HCD
22. City of San José Housing Department
23. City of San Rafael
24. City of Santa Rosa
25. Coastside Hope
26. Common Knowledge
27. CommonSpace Community Land Trust
28. Community Action Marin
29. Community HousingWorks
30. Community Land Trust Association of West Marin
31. Coro Northern California
32. Corporation for Supportive Housing (CSH)
33. Council of Community Housing Organizations
34. County of Alameda – Housing & Community Development
35. County of Marin
36. County of San Mateo County - Department of Housing
37. D+H Construction
38. Densify Lab LLC
39. Eden I&R, Inc. / 211 Alameda County
40. Essential Food Group
41. First Citizens Bank
42. Habitat for Humanity East Bay/Silicon Valley
43. Homeless Emergency Assistance Program Association
44. Hope Housing Community Land Trust

45. Hope Solutions
46. Housing Action Coalition
47. Housing Authority of the City of Alameda
48. Housing California
49. J.H. Fitzmaurice, Inc.
50. Jackson Lucas
51. JP Morgan Chase
52. KeyBank CDLI
53. Legal Aid of Marin
54. Lighthouse Public Affairs
55. Linc Housing
56. Livermore Valley Chamber of Commerce
57. Low Income Investment Fund (LIIF)
58. Lowney Architecture
59. LPA Design Studios
60. Lucas Valley HOA
61. Luminaria Advisory
62. Marin Assessor Recorder County Clerk
63. Marin Association of Realtors
64. Marin Community Foundation
65. Marin County Commission on Aging
66. Marin County Lived Experience Advisory Board
67. Marin County Women's Commission
68. Marin Senior Life Foundation
69. Marin YIMBY
70. Metropolitan Transportation Commission (MTC) / ABAG
71. Mosaic Urban Development
72. National Association of Minority Contractors
73. Nibbi Brothers General Contractors
74. Northern Solano County Association of REALTORS & Solano Association of REALTORS
75. Northfork Rancheria of Mono Indians of California
76. Novato Economic Development Advisory Committee
77. Oakfield Group
78. Oakland Community Land Trust
79. Paulett Taggart Architects
80. Point Reyes Station Village Association
81. Public Interest Law Project
82. Rebuilding Together San Francisco
83. Richmond LAND
84. Richmond Neighborhood Housing Services
85. San Francisco Anti-Displacement Coalition
86. Santa Rosa-SoCo NAACP Branch
87. Seagull Prime Real Estate Fund, LLC
88. Sonoma County Community Development Commission
89. Studio VARA
90. The Kelsey
91. Town of San Anselmo
92. Town of Tiburon

BAHFA Oversight and ABAG
Housing Committees
November 4, 2026

Agenda Item 7a-26-2278
Attachment A

- 93. U.S. Bank
- 94. Urban Sanctuary San Jose
- 95. Valhalla Foundation
- 96. Van Meter Williams Pollack LLP
- 97. Vital Arts
- 98. Young Community Developers
- 99. Youth United for Community Action (YUCA)

BAHFA's Enabling Legislation & Potential Future Revenue Measure

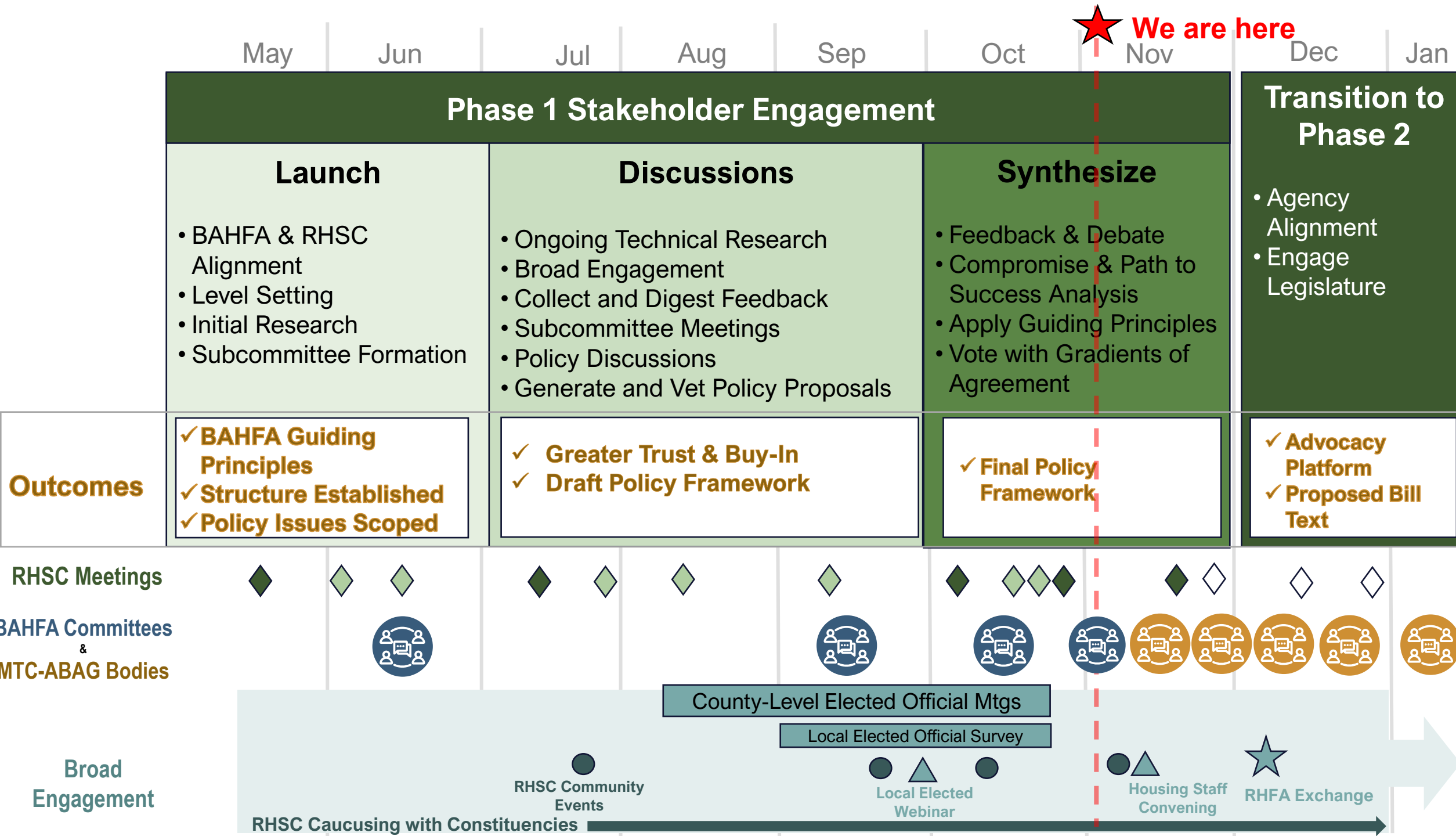
Regional Housing Stakeholder Committee (RHSC) Update

**ABAG Housing and BAHFA
Oversight Committees**

November 4, 2026



ASSOCIATION OF BAY AREA GOVERNMENTS
METROPOLITAN TRANSPORTATION COMMISSION



Phase 1 Final Product: Policy Framework

- Proposed amendments to enabling legislation, with recommendations and/or options
- May include: summary of research, feedback from key constituencies, trade off analysis, application of Guiding Principles & Path to Success, etc.
- Enable efficient transition to Phase 2 when BAHFA & ABAG drive legislative advocacy forward



Key Topics:

1. Revenue Mechanisms
2. Eligible Uses of Funds
3. Labor Standards
4. Revenue Distribution

Policy Issue #1: Revenue Mechanisms

Revenue Mechanism	Anticipated RHSC Recommendation
Differentiated Parcel Tax	Consensus to expand flexibility by enabling differentiated rates and ability to craft exemptions
<i>Sales Tax</i>	<i>Not recommended</i>
<i>Payroll Tax</i>	<i>Not recommended</i>
<i>Real Estate Transfer Tax</i>	<i>Not recommended</i>
Non-ballot revenue options	<i>Research ongoing</i>

Policy Issue #2: Eligible Uses

Consensus Reached:

Add operating subsidies as an eligible use of production and preservation funds for extremely low-income (ELI) and very low-income (VLI) housing.

Add homeownership as an eligible use of regional production funds.

Increase total minimum funds for tenant protections and homelessness prevention to 10%: preserve pre-existing 5% for all uses, and add an additional minimum of 5% specifically for homelessness prevention

Enhance authority to develop innovative financing approaches to enable mixed-income, middle-income, and social housing for regional and local funds.

Add community engagement requirements for local expenditure plans.

Still Under Discussion:

Establish good cause for eviction requirements for housing funded through regional measure.

Establish minimum spending targets for ELI housing, including production, preservation, and operating subsidies.

Policy Issue #3: Labor Standards

- The Labor Subcommittee has met 4 times since the start of the RHSC.
- Members are caucusing with their constituencies to explore how the Policy Framework could address labor standards.
- Members are developing proposals and will exchange positions to work towards compromise and alignment.

Policy Issue #4: Revenue Distribution

BAHFA's statute already allows:

- Flexibility to determine precise amount of “return to source” funding when ballot measure is under development
- Local control over expenditure planning for return to source funds
- BAHFA can provide technical assistance to facilitate strong county-city collaboration early in process

Feedback from local governments and stakeholders can be accommodated without amending the statute.

A successful regional measure could result in

\$1 billion/year* going to the following uses:

Up to \$200 million per year administered by BAHFA (with at least \$26 million/yr in flexible funding, \$20 million/yr in flexible grants to local govts).

At least \$800 million per year administered by Counties and Cities that receive a direct allocation (with at least \$120 million/yr in flexible funding).

- **At least \$520 million/yr (52%)** for the production of affordable housing in the region (with dedicated funding for extremely low-income households).
- **At least \$150 million /yr (15%)** for the preservation of existing housing (with dedicated funding for extremely low-income households).
- **At least \$100 million/yr (10%)** for homelessness prevention and tenant protections.

Path to Success Criteria

- ❑ **Impact is Meaningful**
- ❑ **Supportive Public Opinion Research**
- ❑ **Necessary Public Official Buy-In**
- ❑ **Sufficient Funding**
- ❑ **Broad Stakeholder Support**
- ❑ **Favorable External Factors**

The Work Ahead: Phase 2

November 2026 election outcomes will significantly influence the specific strategies that the RHSC recommends. Regardless of the election outcomes, **we expect to pursue additional housing revenue for the Bay Area.**

Potential Ballot Measure as early as 2028

Would require amendments to BAHFA's statute via state legislation; design a regional ballot measure for the 2028 election.

Non-Ballot Revenue Options

Would likely require state action, as well as local and regional stakeholder engagement, to advance non-ballot revenue options for affordable housing for the Bay Area.

Next Steps

November

- Policy Framework finalized
- Evaluate implications of November election results
- RHSC recommendations presented to:
 - Nov 13 MTC-ABAG Joint Legislation Committee
 - Nov 19 ABAG Executive Board

December-January

- Legislative Advocacy Program meetings:
 - Dec 11 Joint Legislation Committee recommends Legislative Advocacy Program
 - Dec 16 MTC action on Legislative Advocacy Program
 - Jan 21 ABAG Executive Board action on Legislative Advocacy Program

2027

- ABAG-MTC implement Policy Framework as part of Joint Advocacy Program

November 4, 2026

Agenda Item 8a-26-2282

Innovative Public Financing Case Studies for Affordable Housing

Subject:

Consultant HR&A Advisors will present a review of case studies of innovative financing models for affordable housing, including mixed-income, workforce, and social housing models from across the United States.

Discussion:

The Regional Housing Stakeholder Committee (RHSC) is a multi-sector body convened to build consensus on key policy issues affecting BAHFA's enabling legislation and a potential future regional housing revenue measure, as early as 2028. A leading affordable housing finance consulting firm, HR&A Advisors, has developed five case studies in innovative financing models for affordable and mixed-income housing. The presentation was delivered to the RHSC as part of the Committee's ongoing effort to develop a shared understanding of the challenges BAHFA intends to address and to explore why changes to BAHFA's enabling legislation may be necessary to provide BAHFA with flexibility to incorporate lessons learned from the case studies into potential future programs.

The BAHFA Oversight and ABAG Housing Committees will receive the presentation from Francis Goyes, Principal with HR&A Advisors. The presentation highlights several key themes, including how five public financing programs in other states use four tools (revolving loan funds, public equity investment, credit enhancement, and subordinate public debt) to produce and preserve affordable and mixed-income housing; how those programs tie public dollars to affordability requirements; and the capacities they rely on, such as existing lending expertise, legal authority, strong credit, and sustained political support. The final policy recommendations from the RHSC may include suggest amendments to BAHFA's enabling legislation to ensure that BAHFA has the legal authority to adapt and deploy features of successful affordable housing models already achieving results in other parts of the country.

Issues:

None

Recommended Action:

Information

November 4, 2026

Agenda Item 8a-26-2282

Innovative Public Financing Case Studies for Affordable Housing

Attachments:

- A. Case Studies
- B. Presentation

Reviewed:



Andrew Fremier

BILD Initiative

MassHousing's BILD Initiative provides a comprehensive financial solution for mixed-income housing pairing low-cost debt alongside public equity investments.

Location: Massachusetts

Tool: Public credit enhancement and equity

Entity: State Housing Finance Agency

Entity Overview

Established in 1966, [MassHousing](#) is a state housing finance agency (HFA) that provides financing for low- and moderate-income homebuyers and rental housing developers. Deploying more than \$30 billion since inception, MassHousing has deep expertise in origination, underwriting, and capital management. In recent years, the Agency shifted towards a more systems-level response to the housing supply and affordability crisis, deploying flexible capital tools. As a public agency, MassHousing can act as a counter-cyclical lender, stepping in when private capital pulls back.

Innovation

MassHousing's [Bringing Innovation to Lending & Development \(BILD\) initiative](#) accelerates mixed-income development in the Commonwealth by shortening the time developers spend securing equity commitments and unsticking stalled projects.¹ The initiative specifically targets projects under [Chapter 40B](#), which allows developers to bypass local zoning in municipalities where less than 10% of the housing stock is affordable, provided at least 20-25% of units carry long-term affordability restrictions. 40B development is critical to supporting mixed-income multifamily production outside the Boston core.

BILD combines a low-cost public equity investment product — the **Momentum Equity Fund** — with a Freddie Mac debt product backed by MassHousing credit enhancement — the **FORGE Loan**. Together, they lower the cost of capital and increase project viability.

The Momentum Equity Fund is a revolving, low-cost equity product that can finance up to 25% of total project equity (\$1.5 million–\$12 million per project). It replaces expensive private equity with public equity priced at the 10-year Treasury rate plus a 200-basis-point spread, as set by MassHousing. The Momentum Equity Fund also allows co-investment with market-rate investors to lower its blended return requirement, though no such partnership has yet been structured.

The FORGE Loan is a competitive Freddie Mac permanent loan product. MassHousing takes 10% participation, assuming a first-loss position and providing credit enhancement.² BILD supports new construction developments of at least 50 units where at least 20% of units are affordable at 80% AMI and below, aligned with Massachusetts' [Chapter 40B](#) requirements. Developments using BILD products are not automatically subject to prevailing wage requirements.³

Funding/Revenue Sources

BILD leverages both public and private capital. The Commonwealth authorized \$50 million for the initiative through the 2024 Affordable Homes Act, and Berkadia originates the FORGE Loan on the private side. As a Freddie Mac product, the FORGE Loan is widely available and offers favorable terms, including pricing, leverage, and rate-lock periods.

Sustainability

The Momentum Equity Fund's revolving structure is self-sustaining. Repayments, priced at the 10-year Treasury rate plus a 200-basis-point spread, are redeployed into future projects.

Requirements

- **Lending Expertise & Capacity:** An experienced lender, MassHousing needed minimal additional capacity to launch BILD. Existing staff in the multifamily and capital formation divisions lead the effort, and strong governance systems already covered servicing, compliance, and asset management.
- **Development Pipeline:** MassHousing relies on established relationships with developers to identify projects. In addition, MassHousing is a trusted partner amongst developers.
- **State Support:** Launching the fund required political support from both the executive branch and the legislature to secure initial capital.

Outcomes

In the year since launch, MassHousing has committed to five projects through BILD, with a potential pipeline of 44 developments (6,500 units). Potential projects are evaluated on readiness and investment efficiency and must have a strong "but for" case.

The first project — the Residences at East Milton — is a 92-unit building with 23 affordable units at 80% AMI. MassHousing provided a \$5 million Momentum Equity investment at 6.34% return and a \$30 million FORGE Loan (\$3 million backed by MassHousing as B-piece investor).

¹ See Urban Institute case study [here](#)

² FORGE Loan terms: 36-month forward commitment at fixed rate, 15-year term, 40-year amortization. Up to 80% LTC with 1.25x DSCR. Interest rate equal to 10 Year Treasury Rate.

³ Projects may be subject to prevailing wage if it is a requirement for other federal or state funding sources.

New York City Acquisition Fund

The New York City Acquisition Fund provides bridge loans to aid the creation and preservation of affordable housing.

Location: New York, New York

Tool: Bridge Loans

Partners: Enterprise Community Partners,
Local Initiatives Support Corporation (LISC),
NYC Department of Housing Preservation and
Development (HPD),
NYC Housing Development Corporation (HDC)

Entity Overview

NYCAF is an independent LLC formed by a partnership between Enterprise, LISC, NYC HPD, and NYC HDC. Forsyth Street Asset Management has served as the portfolio manager since the fund's inception in 2006 and oversees the fund's fiscal operations and investments. The fund works with four community development financial institutions to originate and underwrite their loans: CSH, Enterprise, LIIF, and LISC NY.

Innovation

Established in 2006, the New York City Acquisition Fund ([NYCAF](#)) is a partnership of New York City, CDFIs, philanthropic institutions, and private lenders that provides lower recourse, high loan-to-value, short-term financing for affordable housing acquisition costs to for-profit and nonprofit developers. NYCAF is structured as a revolving loan fund, in which a pool of private capital is credit enhanced by public and foundation commitments to the fund. Public and foundation contributions serve as first-loss debt and help attract private contributions, enabling the fund to issue debt on more favorable terms. Loans are interest-only, with principal repaid from permanent loan proceeds, and the program requires a soft commitment of permanent funding from City or State entities. NYCAF does not have specific affordability requirements but complies with the affordability requirements of the permanent lender.

The fund operates as an independent LLC, in which Enterprise, LISC, NYC HPD, and NYC HDC are co-partners. In 2021, Mayor de Blasio and the Taskforce on Racial Inclusion and Equity announced that the fund would update its eligibility criteria; NYCAF now works exclusively with MWBEs and nonprofit developers.⁴

Funding/Revenue Sources

NYCAF is funded through a mix of public and private contributions. Private investors have included Bank of America, Citibank, HSBC, M&T, Morgan Stanley, and more. Current institutional funders include the Robin Hood Foundation. Current participating CDFIs are LISC and Enterprise. Public sector allocations to the fund have primarily been low-cost loans from HDC. In 2005, the City initiated fund formation with an \$8M contribution to NYCAF, while the Starr, Ford, Rockefeller, and MacArthur Foundations committed \$26.5M.⁵

Following the City's decision to exclusively extend loans to MWBE and nonprofit developers in 2018, HDC issued a \$15M 5-year revolving loan to NYCAF at a below-market rate of 2.15%. In 2024, HDC provided another low-cost loan of \$10M to accommodate the rise in construction costs seen post-COVID.

Sustainability

Now in its 21st year, the NYCAF utilizes the cash collected from repaid loans to issue loans to new projects. Loans are priced at variable interest rates that cannot dip below 5.5%.⁶ The fund has increased in size over time, with additional investments from the public and private sectors. As of March 2025, the Fund's lending capacity was \$204M.

Requirements

- **Private & Institutional Capital:** NYCAF benefits from the accessibility of private and institutional capital in New York City, with generous, low- and no-cost contributions from various philanthropies headquartered in the City (Ford, Rockefeller, and Robin Hood). Without these contributions, and low-cost public sector contributions, the Fund would not be as attractive to private lenders, due to the risky short-term nature of the investment.
- **Public Sector Financial Expertise:** NYCAF, created during the Bloomberg administration, requires financially savvy public sector actors, political will for affordable housing investments, experienced CDFIs, and long-lasting public-private partnerships.
- **Programmatic Coordination:** NYCAF is able to mitigate risk and improve its deal pipeline by working with City and State entities to coordinate construction and permanent sources of debt. Projects must secure a soft commitment of permanent financing from HPD, HDC, or other municipal or state funding sources. Affordability and prevailing wage restrictions are set by the requirements tied to the permanent financing sources.

Outcomes

NYCAF has invested over \$782M in 103 affordable housing projects, resulting in the construction and preservation of more than 16,800 units. As of March 2025, the NYCAF portfolio comprised 14 active loans extended to 13 projects. These loans totaled \$144M in investments and will result in approximately 1,500 units.⁷

⁴ [CityLand](#). Center for New York City and State Law. 2021

⁵ NYC Global Partners: Best Practice: Early Stage Capital for Affordable Housing Development ([link](#))

⁶ NYCAF Term Sheets ([Occupied](#)) ([Vacant](#))

⁷ NYC HPC. 2024 Update on the New York City Acquisition Fund (NYCAF). March 31, 2025.

King County Credit Enhancement Program

The King County Credit Enhancement Program provides credit enhancements that enable affordable housing developers to secure low-cost debt, thereby decreasing total project costs.

Location: King County, Washington State

Tool: Credit Enhancement & Low-cost Debt

Entity: King County Department of Human Services — Housing and Community Development Division (HCD)

Entity Overview

The Housing and Community Development Division (HCD) is one of five divisions within the King County Department of Community and Human Services (DCHS). DCHS manages a range of programs and services to help the county's most vulnerable residents, including behavioral health treatment, affordable housing, services for kids and families, education and employment for youth, veteran services, senior support, and resources for people with intellectual and developmental disabilities. HCD works in partnership with the Finance and Business Operations division and the Office of the Prosecuting Attorney to ensure projects receiving enhancements are financially stable and legally sound.

Innovation

Since 1998, the King County Credit Enhancement program has enabled affordable housing developers to leverage the backing of the County to secure low-cost debt. Historically, private companies and nonprofits benefited from the program; however, a key 2017 update authorized an additional \$200M in credit enhancements explicitly for the King County Housing Authority to secure and preserve affordable housing units. The King County Housing Authority was authorized to secure credit enhancements until December 31, 2022.⁸

Under this program, the County underwrites the financial strength and capacity of affordable housing developers and the King County Housing Authority and guarantees they will cover all or some of the debt, enabling both to secure debt on favorable terms. The savings engendered through lower-cost debt service are passed on to residents. Projects using these funds must set aside 50% of their units to be affordable to households earning at or below 80% AMI. These mixed-income projects can include rental and ownership options that are in

areas with high-capacity transit, schools, jobs, and other social amenities.⁹

Funding/Revenue Sources

The King County Credit Enhancement program requires minimal direct funding, as the program does not explicitly extend grants or loans to affordable housing developers; rather, the program requires an extension of credit. This extension of credit increases the County's financial risk and requires thorough review of projects soliciting credit enhancements. The program was initially authorized for a \$50M credit extension in 1997, which was increased to \$100M in 2001, \$200M in 2008, and then an additional \$200M for the sole use of the King County Housing Authority in 2017 - bringing the County's total credit enhancement authorization to \$400M.

Sustainability

This program provides credit enhancements, not direct financing or grants, and therefore requires less county funding to keep the program sustainable. Applicants to the program must pay a fee equal to 0.3% of the total project debt that will be credit enhanced. The proceeds from this fee are placed into a reserve account. Additionally, a 0.1% monitoring fee is placed on all credit-enhanced projects to pay for the cost of annual monitoring. Interest accrued in the account is recycled into loans for developments receiving project-based enhancement. When the reserve account reaches an amount greater than 1% of the credit-enhanced project debt, the excess funds are transferred to another fund to be used for program administration. If the Housing Authority cannot make payments on its debts, it may apply for a loan from the County that pulls from the reserve account.

Requirements

- **Good Credit Rating:** The County receives favorable debt terms due to its AAA credit rating. Governments with a lower credit rating that cannot secure debt at a favorable rate would not benefit from a similar program.
- **Bonding and Lending Powers:** The Washington State Constitution grants the county the power to give money, property, loans, and credit to or in aid of organizations or companies to support the 'poor or infirm.' The program utilizes these powers granted in Article VIII, Section 7 of the constitution.
- **Cash on Hand:** The King County Housing Authority is required to maintain a minimum liquidity of \$13M for the payment of debt obligations subject to credit enhancements.

Outcomes

As of 2017, the program has resulted in the development of 19 projects and over 2,100 units, of which 16 are owned by the King County Housing Authority. None of these projects experienced default; all were able to successfully pay back their debt. The additional \$200M credit enhancement approved in 2017 is expected to result in an additional 2,200+ affordable units.

⁸[Ordinance 18591](#)

⁹[KCHA Credit Enhancement Transferal Letter, 2017](#)

Housing Production Fund

The Housing Opportunities Commission's Housing Production Fund provides up-front, low-cost construction financing to lower private equity needs and support long-term public ownership.

Location: Montgomery County, MD

Tool: Public debt and equity

Entity: Public Housing Authority, Housing Finance Agency, and Public Developer

Entity Overview

The [Housing Opportunities Commission](#) (HOC) is a public agency that acts as a developer, public housing authority, and a housing finance agency. As a housing finance agency and developer, HOC uses its bond proceeds to finance its own projects, repaying itself with interest. HOC was created in the 1970s, when the County enacted its Moderately Priced Dwelling Unit (inclusionary zoning) program, but pivoted its focus to mixed-income development in the 2020s following the creation of the Housing Production Fund.

Innovation

The Housing Opportunities Commission (HOC) provides up-front, low-cost construction to mini-permanent financing for projects, replacing the need for costlier private equity. HOC finances its projects at 5% return, far below private equity returns of 15–20%, and in return maintains a majority ownership stake in each property.

As a majority owner, HOC controls long-term affordability for both market-rate and income-restricted units. Market-rate units are voluntarily stabilized based on rental Consumer Price Index, and income-restricted units are maximized against cash flow requirements. At least 20% of units are affordable to households with incomes at or below 50% AMI, and 10% of units affordable to households with incomes of 60–70% AMI, consistent with the County's Moderately Priced Dwelling Unit program. HOC prioritizes deeper affordability and additional income-restricted units while balancing financial self-sufficiency.

Funding/Revenue Sources

The Housing Production Fund (HPF) is a \$100 million low-cost revolving construction to mini-permanent loan fund for new, mixed-income rental housing developments. To capitalize the fund, HOC issued two 20-year, \$50 million taxable bonds backed by the County's commitment to pay debt service (via annual general appropriation). The first bond was approved by the County Council in 2021 and was quickly followed by a

second approval in 2022 as HOC's pipeline outpaced available capital.

Sustainability

HPF's revolving structure and eventual conversion to permanent financing ensure the fund's capital and HOC's ownership stake are preserved for the long term. Loan payments of principal plus 5% interest are recycled back into the HPF, ensuring sufficient return to offset debt service costs. Loans are repaid at stabilization at a maximum loan term of 5 years.¹⁰ This revolving structure allows the same dollars to be reused for future projects. At this conversion point, HOC issues a bond or other permanent financing to replace the construction debt and HPF investment, taking an equity stake through the course of the development's life.

Requirements

- **Bond Issuance Authority:** HPF depends on taxable municipal bonds issued by HOC, which requires bond issuance authority, debt capacity, and sustained political support from the County.
- **Operating Capacity:** HOC draws on a decades-long track record, a robust balance sheet, and the ability to hold ownership stakes in its properties. HPFA also benefits from a sophisticated County with high capacity and leverage.
- **Regulatory Tools:** Full property tax abatements and no prevailing wage requirements are critical to project viability. HPF is further enhanced when paired with low- or no-cost land from public partners and low-cost capital from the County.

Outcomes

HOC anticipates that each 5-year rotation of the \$100 million fund will yield approximately 1,500 units. To date, HOC has completed one project — The Laureate, a 268-unit, mixed-use project with a total development cost of \$121 million. The property combines market-rate amenities with affordable units; 25% of units are restricted to 50%–60% AMI and 5% at 65% AMI. As of 2024, the building was 97% leased.

There are another three projects in active development, totaling over 1,600 units. Beyond that, HOC's pipeline includes upwards of 1,000 additional units. HOC's early success with HPF has been held up as a national example with similar models followed in Atlanta, Chattanooga, and elsewhere across the country.

More Information

[National Association of Counties: County-backed loan fund overview](#)

[The New York Times: Montgomery County affordable housing model](#)

[Public Enterprise: The basic logistics of public development](#)

¹⁰ In practice, HOC may provide further term flexibility to developments if the project is unable to finance at exit.

Affordable Housing Financing Fund

The Colorado Affordable Housing Financing Fund provides grants, equity, and concessionary debt for land banking and affordable housing development.

Location: Colorado

Tool: Public debt and equity

Entity: Housing Finance Authority (Administrator)
Office of Economic Development and International Trade (Funder)

Entity Overview

The Colorado Housing Finance Authority (CHFA) serves as the contract administrator of the AHFF. Established in 1973, CHFA is a state agency that finances affordable housing development, acquisition, small business lending, down payment assistance, and other mortgage programs. It is well versed in funding distribution, investing over \$25B since its inception, and is well suited to review applications for the various programs within the AHFF. The Office of Economic Development and International Trade (OEDIT) manages the AHFF, overseeing fund finances and selecting the contract administrator every five years. OEDIT is the state's main economic development agency and distributes funding across a wide variety of initiatives.

Innovation

The Affordable Housing Financing Fund (AHFF) provides a permanent and consolidated funding source for a variety of housing financing needs, removing the need for politically contentious one-time transfers and fluctuating budget priorities. Use of AHFF is contingent on similar pro-housing political buy-in at the local level. Local governments, non-profits, community land trusts, private entities, and developers can utilize AHFF monies only if the proposed project is in a municipality or county that has filed a commitment to increase affordable housing by a specific amount and implement an expedited approval process. This requirement serves to amplify the impact of the AHFF and to incentivize localities to increase their affordable housing development capacity.

Furthermore, the Equity Program provides Colorado renters with novel equity-building opportunities. Equity Program projects that have repaid their principal must allocate the remaining debt coverage to a Tenant Equity Share program to contribute to tenant wealth building.

¹¹ The AHSF, which focuses on technical training, capacity building, and supportive services, is overseen by the Department of Local Affairs and is not covered in this case study.

¹² [Title 29-32](#)

AFHH's low-cost debt and equity products are split across three different focuses:

1. **Land Banking:** Forgivable loans to land banking projects affordable to renters earning a maximum of 60% AMI and owners up to 100% AMI.
2. **Equity Program:** Below-market equity investment in high-density, transit-accessible, non-LIHTC rental developments affordable to households earning less than 90% AMI.
3. **Concessionary Debt:** Below-market debt for LIHTC, non-LIHTC rental projects, with a portion of that specifically allocated to modular and factory-built manufacturers.

Per state requirements, projects receiving more than \$500K in state funds are subject to prevailing wage.

Funding/Revenue Sources

The AHFF was created in 2022 through the voter approval of Proposition 123, which authorized the state to reallocate 0.1% of state income tax revenue to the newly created Affordable Housing Fund (AHF). AHFF receives 60% of these funds, while the other 40% are allocated to the Affordable Housing Support Fund.¹¹ AHFF had a budget of over \$190M in FY24/25 and was projected to have \$196M in funding for FY25/26. Within the AHFF, a maximum of 15% of annual funding can be allocated to Land Banking projects, 40–70% to the Equity Program, and 15–35% to Concessionary Debt and Modular Finance projects.¹²

Sustainability

The primary sustaining mechanism for the AHFF is the annual allocation of 0.1% of the state income tax revenue to the AHF. There is no cap on annual allocation to the AHF and no cap on the size the AHF can reach. Interest gained on the account must remain in the AHF. Additionally, repayments on debt from the Equity Program, Concessionary Debt, and non-compliant Land Banking projects cumulatively flow back into the AHFF to be reissued into other projects in accordance with state-determined program funding allocations.

Requirements

- **Taxing Power:** The AHF and subsequently the AHFF depend on state income tax, which requires taxing power.
- **Sustained Political Support:** AHFF requires continued support: in 2026, state legislators reallocated \$160M out of the AHF to address fiscal shortfalls.¹³

Outcomes

FY 2024–2025 Metrics by Program¹⁴

Program	Projects	Funds Allocated	Units Funded
Land Banking	21	\$48M	1,892
Equity Program	14	\$88.5M	1,309
Concessionary Debt	15	\$54.4M	1,347
Total AHFF	50	\$190.9M	4,548

Project-level information is detailed in the [FY 2024–2025 annual report](#) and [FY 2023–2024 annual report](#).

¹³ [House Bill 26-1360](#)

¹⁴ [AHFF Report 2024/2025](#)

The background of the slide is a photograph of San Francisco. The foreground shows the 'Painted Ladies' row of Victorian houses, which are multi-story buildings with ornate facades and bay windows. Behind them, the dense San Francisco skyline is visible, featuring numerous skyscrapers and the Transamerica Pyramid. The sky is overcast with grey clouds. The entire image has a dark blue overlay.

HR&A

BAHFA Innovative Financing Case Studies

November 2026

About HR&A

HR&A Advisors, Inc. (HR&A) is an employee-owned company advising visionary clients on how to increase opportunity and advance quality of life in cities.

We bring decades of experience analyzing housing markets and developing strategies for cities, counties and states across the country.



HR&A's Housing Practice: Services

Our Housing Practice works with public, private, and nonprofit clients to create and preserve homes that meet the needs of their communities.



Housing Strategies

Creating strategies and plans based on local needs and priorities



Housing Policies

Developing policies, regulations and programs based on local needs



Housing Transactions

Advising on the development and preservation of homes

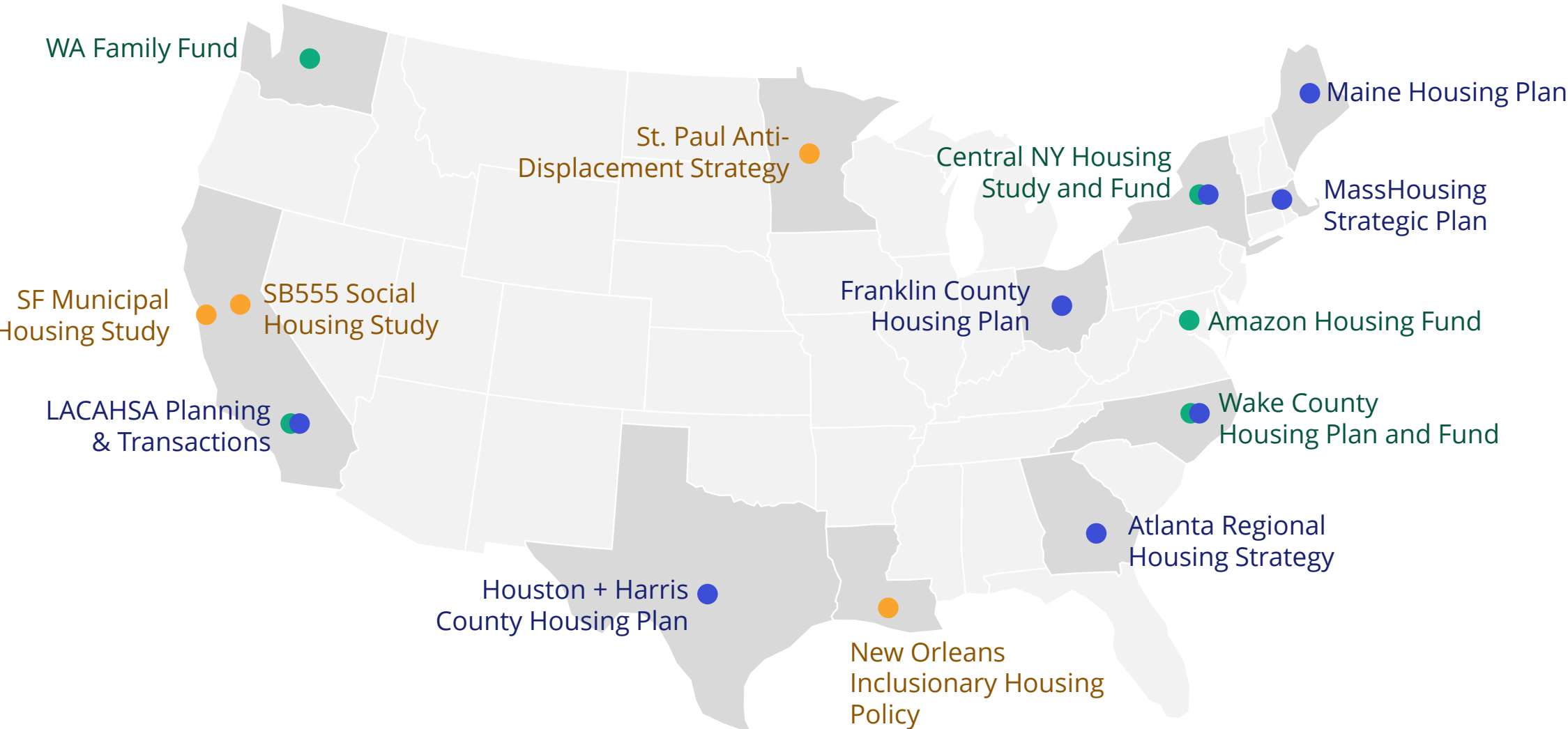
Digital Tools



An interactive data platform available as a standalone tool or integrated into client engagements.

HR&A's Housing Practice: National Experience

Our team works from coast to coast on some of the most innovative housing initiatives.



Innovative Financing Tools

Overview

The goal of this study is to learn from public financing models already producing and preserving housing across the country to inform how BAHFA can expand affordable and mixed-income housing.

Overview

- **Five programs** in markets that share features with the Bay Area.
- **Four tool types:** revolving funds, public equity, credit enhancements, and subordinate public debt.

Findings

- Every model is **producing or preserving housing today**
- Each advances **affordability and mixed-income development**, with guidelines for net public benefit.

Takeaways

- **Success depends on various factors**, including lending expertise, legal authority, strong credit, and sustained political support.
- Programs are **built on existing lending systems** of the entities that run them.

Programs Reviewed

BILD Initiative

MassHousing

Massachusetts

Housing Production Fund

Housing Opportunities Commission (HOC)

Montgomery County, MD

NYC Acquisition Fund

Enterprise, LISC, NYC HPD & NYC HDC

New York City

Credit Enhancement Program

King County HCD

King County, WA

Affordable Housing Financing Fund

Colorado Housing and Finance Authority (CHFA)

Colorado

Public Financing Tools: Revolving Funds

Revolving Fund

OVERVIEW

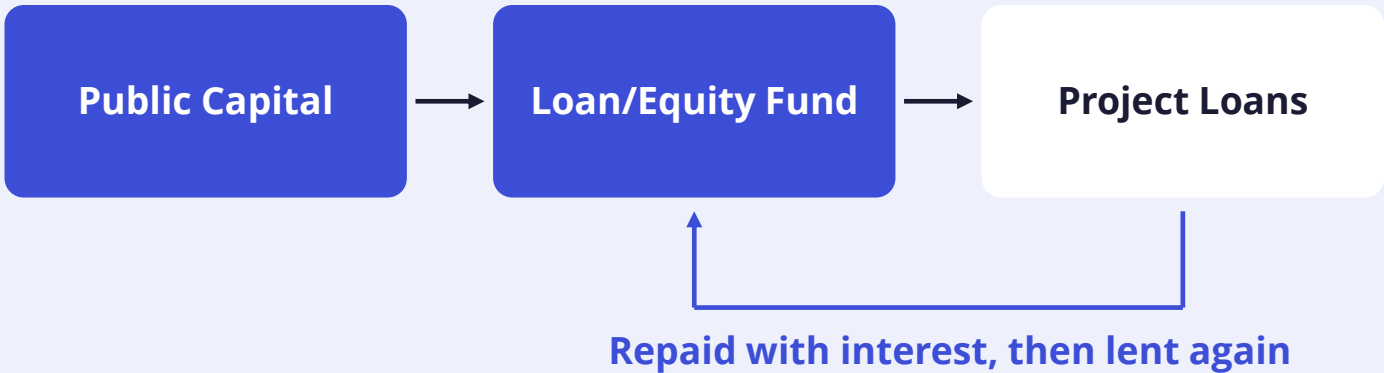
Public money is lent to projects at flexible terms, repaid with interest, and lent again.

IN PRACTICE

Montgomery County, MD: \$100M fund lends at ~5%, versus 15-20% private equity returns.

NYC Acquisition Fund: short-term loans repaid from permanent financing.

Public capital can be structured as equity or debt based on the risk the public entity is willing to take. The fund is replenished as projects repay, allowing for a long-term subsidy source.



Equity: Money invested for ownership and a share of profits. Repaid last, so higher risk and higher potential return.

Debt: A loan repaid with interest on a set schedule. Repaid first, so lower risk and a fixed return.

Permanent Financing: Long-term loan that replaces short-term construction or acquisition funding.

Public Financing Tools: Public Equity Investment

Public Equity Investment

OVERVIEW

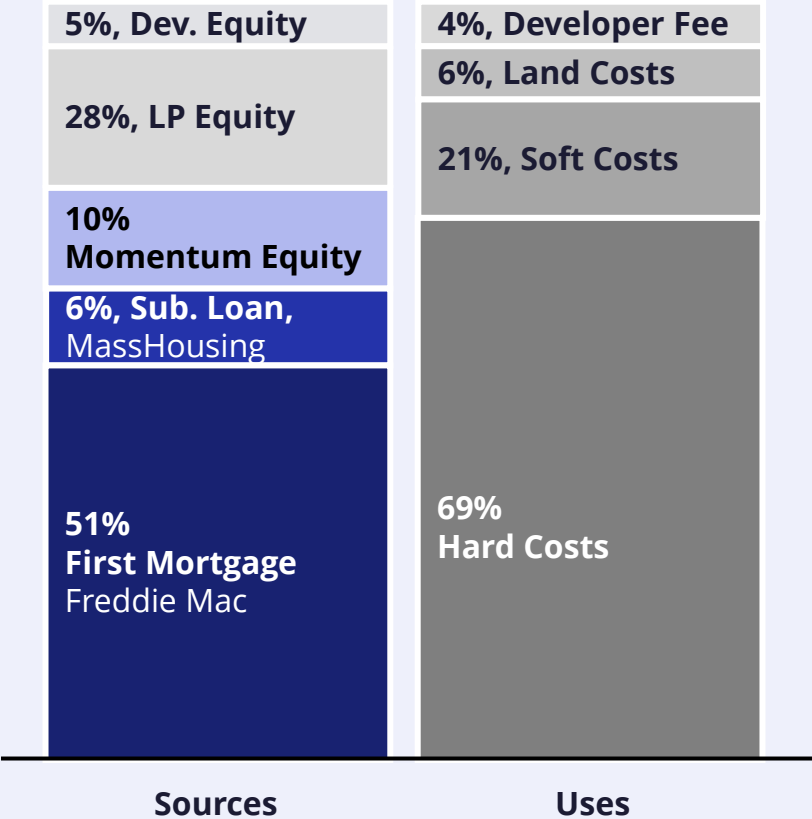
Public dollars close a funding gap, accepting a lower return than private investors.

IN PRACTICE

MassHousing, MA: \$50M state-backed Momentum Equity Fund earns a 6.34% preferred return, recycled into future projects.

Montgomery County, MD: \$100M fund lends at ~5%, versus 15-20% private equity returns.

Public equity is primarily used to support mixed-income developments that can provide a repayment of funds in a shorter timeframe than a traditional affordable project.



Equity: Money invested for ownership and a share of profits. Repaid last, so higher risk and higher potential return.

Public Financing Tools: Credit Enhancement

Credit Enhancement

OVERVIEW

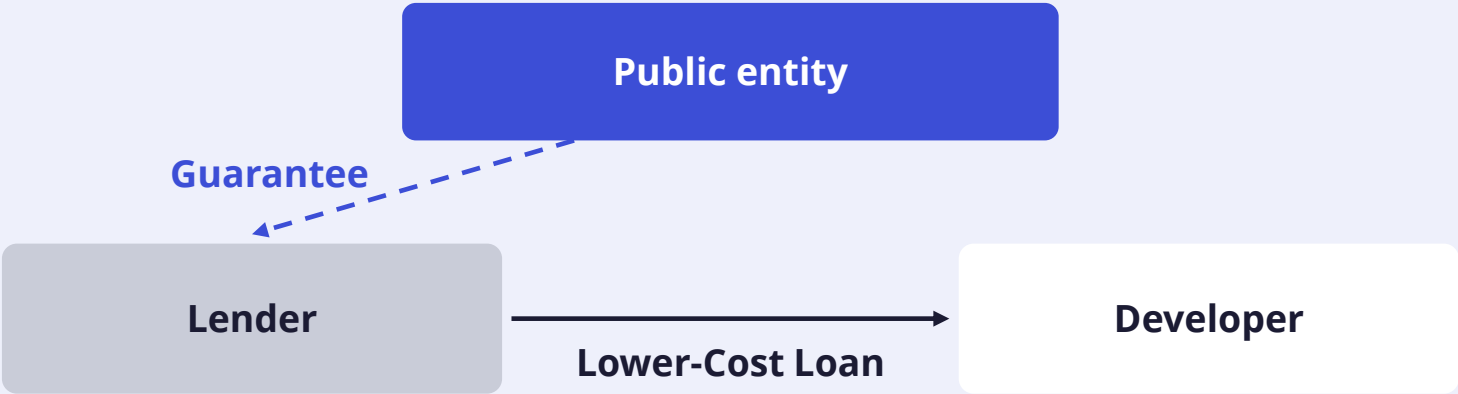
A public entity lends its strong credit to back a developer's debt, lowering borrowing costs. Cash is used only if a guarantee is called.

IN PRACTICE

King County, WA: guarantees part or all of project debt.

MassHousing FORGE Loan: 10% first-loss backing on a Freddie Mac loan.

A public guarantee allows lenders to offer lower cost loans to developers, who in turn can provide greater affordability terms.



First-loss: The public entity absorbs the first losses if a loan goes unpaid, up to an agreed share of the loan. The lender is only affected after that share is used up.

Public Financing Tools: Subordinate Public Debt

Subordinate Public Debt

OVERVIEW

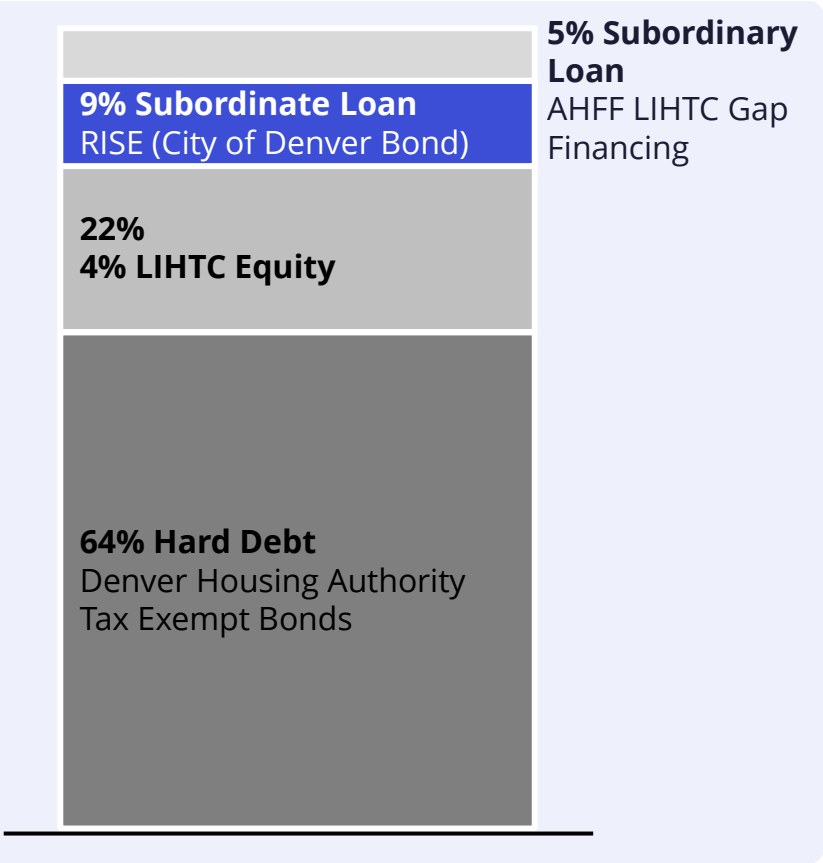
A low-cost public loan that is paid after the main mortgage and helps close the funding gap.

IN PRACTICE

Colorado AHFF: concessionary loans, such as \$6M at 2.5% for a 170-unit Denver project.

Montgomery County: HPF loan covered 12% of The Laureate's \$121.3M cost.

A subordinate debt allows a developer to close funding gaps while still ensuring public subsidy can be recycled.



Concessionary debt: A loan with below-market terms, such as a low interest rate or flexible repayment, to make a project affordable.

Subordinate loan: A loan repaid after the main (senior) loan, so the lender takes more risk if the project struggles.

Tools in Practice: Who They Serve and What They Have Produced

Program	Tool	AMIs and Terms	Results to date
MassHousing BILD Initiative Massachusetts	Public equity + credit enhancement	<ul style="list-style-type: none"> At least 20% of units at 80% AMI and below Loan term or 15 years 	5 projects funded; 44 more in the pipeline (~6,500 units)
Housing Production Fund Montgomery County, MD	Revolving loan fund	<ul style="list-style-type: none"> At least 30% of units restricted, 20% at 50% AMI, 10% at 70% AMI Perpetuity 	268 units funded; ~1,500 units projected per 5-year rotation
Acquisition Fund (NYCAF) New York City	Revolving loan fund	<ul style="list-style-type: none"> Set by the permanent financing, e.g., LIHTC projects capped at 60% AMI 	\$782M across 103 projects; 16,800+ units built or preserved
Credit Enhancement Program King County, WA	Credit enhancement	<ul style="list-style-type: none"> At least 50% of units at 80% AMI and below 20-year min. term 	19 projects, 2,100+ units (as of 2017)
Affordable Housing Financing Fund Colorado	Subordinate debt, grants, equity	<ul style="list-style-type: none"> 60-100% AMI Term is the greater of the loan term or 30 years 	\$190.9M to 50 projects; 4,500+ units (FY2024)

Public Benefit and Guardrails

1 Public money costs less and gets reused.

- Montgomery County's payment terms are 75% lower than those expected by the private market.
- MassHousing charges about 2 points above the federal 10-year borrowing rate.
- King County charges a 0.3% fee to guarantee a loan.

2 Public dollars buy lasting, targeted affordability.

All five programs require affordable units, set as a minimum share of units, income limits based on AMI, or both. Affordability lasts 15+ years (BILD), 20+ (King County), 30+ (AHFF), or permanently (HOC).

3 Market-rate units help pay for affordable ones.

MassHousing and Montgomery County use public money to lower the risk for private partners in mixed-income deals, which helps pay for deeper affordability. The Laureate is 70% market-rate, and HOC voluntarily limits rent increases on those units to inflation (CPI).

Guardrails:

- Minimum share of affordable units
- AMI targets for those units
- Minimum affordability terms
- Lender or public ownership controls

Public dollars are tied to measurable affordability and recycled into new projects.

Additional Conditions:

- **Colorado:** localities must commit to new affordable homes and faster approvals
- **BILD:** projects of 50+ units that pass a "but for" test
- **NYCAF:** lends only to MWBE and nonprofit developers with a soft commitment of permanent financing

Key Takeaways for BAHFA

- **Four of the five programs finance or guarantee mixed-income developments that can include market-rate units.** NYCAF is the exception: it has no independent affordability standard and simply follows the project's permanent lender. The King County and Colorado deal examples profiled were fully affordable in practice, even though program guidelines don't preclude market-rate units.
- **All five require some form of affordability restriction:** either a minimum percentage of units, specific AMI bands, or both. None mandates affordability below 50% AMI.
- **All five have a mechanism to sustain the entity and the development beyond the initial investment:** through fees or preferred returns, underwriting standards, or partnerships that bring outside expertise and capital.
- **Existing lending systems:** All five case studies are programs run by entities (or affiliated partnerships) that also operate other, unrelated programs — none of the five entities was created solely for this purpose.
- **All five entities are regional or state-wide,** and each has a clearly defined political jurisdiction (not multi-county unless state-wide). The nine-county Bay Area has the second-largest population (7.67M) after NYC (8.5M), yet does not hold the full powers of a political jurisdiction (e.g., land use).
- **Key differences:** some programs use public capital to de-risk developments and cross-subsidize deeper affordability (MassHousing, Montgomery County); some use public/philanthropic capital to replace costly private equity (NYCAF); some use a credit guarantee rather than deploying capital directly (King County); and program focus ranges from acquisition-only (NYCAF) to new construction and a mix of both.
- **Revenue sources vary:** from a one-time \$50M state contribution (MassHousing) to Colorado's AHFF, which distributed \$190.9M in FY2024 through a state income tax.

Thank You!
