ABAG Housing Solution Strategies and Implementation Projects

The matrix below presents a set of housing solution strategies to pursue the three high-level housing solution goals. Each strategy is linked to one or more implementation projects. Staff is in the process of developing a 2016 Housing Action Plan that will advance a set of implementation projects at a pace that will depend on resources, constraints, and priorities. Most of the implementation projects under consideration exemplify multiple strategies and serve multiple high-level goals.

1. Build new homes: help conforming projects get permits and get built.

To address this challenge, we must make it easier to build new housing when it aligns with local plans, provide new funding sources to increase housing affordability, and expand the tools that jurisdictions can use to build mixed-income neighborhoods, and raise funds for affordability solutions. Strategies can be combined. For example, a sub-fund of a Regional Housing Trust Fund, supplied directly from Cap & Trade funds, could give highest priority to projects in PDAs with adopted Specific Plans, by-right housing entitlement, displacement mitigation, plus high housing densities and low VMT per capita relative to the regional averages.

Solution Strategies	Implementation Projects
• Incentivize and enable communities to **adopt local Specific Plans in PDAs**, and policies and procedures to **make full use of entitlement streamlining legislation and best-practice.**	*Entitlement Streamlining*
• **Support acceleration of development in some of our most ready, most region-benefiting PDAs** by identifying new dedicated funding sources that would be targeted to these critical areas to enable housing, and the infrastructure necessary to support it.	*Regionally Prioritized PDAs* *Regional Housing Trust Fund w/ Dedicated Sources*
• **Promote development of mixed-income neighborhoods in PDAs** with financing for new affordable rental and for-sale homes, and by incentivizing inclusionary requirements where there is adequate market strength.	*Regionally Prioritized PDAs* *"Palmer fix" for Inclusionary Rental Dev't*
• **Re-establish local authority to address effects of local land use decisions** by removing State-imposed limits on local ordinances that can help build mixed-income neighborhoods and raise funds for affordability solutions.	*RHNA Reform to recognize local solutions* *"Palmer fix" for Inclusionary Rental Dev't* *Lower Voter Threshold for Housing Funds* *Prop 13 Reform* *Ellis Act Reform*

2. Unlock and preserve affordability inherent in existing homes.

Together, numerous complementary strategies—home repair, ADUs, affordability contract extensions, mobilehome park preservation, multi-benefit retrofits, acquisition/rehab/conversion (ARC)—can improve access to neighborhoods with jobs, services, good schools and other amenities; make homes safer and more resource efficient while expanding affordability; and better fit occupants' changing needs and family size.

Local jurisdictions and the region can achieve multiple benefits by considering these objectives holistically. For example, one jurisdiction, with no water hook-up capacity to spare, allowed a non-profit housing developer to transfer water savings from a renovation project to permits for a new building. Another jurisdiction used in-lieu fees from a nearby market-rate development to pay for a non-profit's "rescue" of a seismically unsafe, lower-rent apartment house that was also water and energy inefficient.

Solution Strategies	Implementation Projects
• Recapitalize the Bay Area's many effective **loan programs that help middle-income homebuyers** compete effectively for pre-owned homes in established neighborhoods.	*RHNA Reform to recognize local solutions* *Regional Housing Trust Fund* *Shared-Appreciation Homebuyer Loan Subfund*
• Help willing jurisdictions and homeowners **understand the benefits of, and remove impediments to, creating more accessory dwelling units (ADUs)**, which enable living arrangements that support aging in place; accommodate family members who cannot yet, or can no longer, compete in the open market; and grant access to established neighborhoods for smaller/lower-income households of all ages.	*RHNA Reform to recognize local solutions* *Regional Housing Trust Fund* *Facilitate ADUs/DADUs/JADUs*
• Renew long-term affordability contracts to **prevent the loss of existing deed-restricted affordable units**.	*Regional Housing Trust Fund* *At-Risk Affordable Housing Refinance Sub-Fund*
• Remove barriers to effective, higher-volume **acquisition/rehab/conversion (ARC)** programs.	*RHNA Reform to recognize local solutions* *Improve Tax-Credit Efficiency for ARC* *Regional Housing Trust Fund* *Regional Housing Trust Fund ARC Sub-Fund*
• Aggressively pursue an **integrated seismic, water, and energy conservation initiative**, as part of ARC program acceleration.	*Seismic/Conservation Retrofit Best-Practice)* *Regional Housing Trust Fund* *Seismic/Conservation Retrofit Sub-Fund*
• Support **equitable regulation of short-term rentals** that diminish rental housing supply.	*Short-term Rental Best-Practice*
• Facilitate **preservation of mobilehome parks,** by identifying best practices and developing dedicated funding.	*Preserving Mobilehome Parks Best-Practice* *Regional Housing Trust Fund* *Mobilehome Park Preservation Sub-Fund*

3. Empower jurisdictions to act to assure place security for residents

To address these challenges requires strategies to increase the housing supply at all income levels, especially affordable homes through construction of new units and approval of ADUs; preserve existing housing, particularly affordable homes, and local adoption of policies to protect existing residents from displacement as a result of economic pressures.

Solution Strategies	Implementation Projects
• Re-establish local jurisdictions' authority to address effects of local land use decisions by removing State-imposed limits on local ordinances that can protect residents from displacement, build mixed-income neighborhoods, and raise funds for affordability solutions.	*"Palmer fix" for Inclusionary Rental Dev't* *Costa-Hawkins Reform* *Prop 13 Reform* *Ellis Act Reform*
• Legislation to remove barriers to ARC: technical adjustments to current regulations to enable full utilization of relatively plentiful over-the-counter (4%) tax-credits that, when combined with bond financing, are key to ARC projects; full RHNA credit for ARC; a reduction of the 2/3 voter threshold for affordable housing bond financing and special taxes.	*RHNA Reform to recognize local solutions* *Improve Tax-Credit Efficiency for ARC* *Regional Housing Trust Fund* *Regional Housing Trust Fund ARC Sub-Fund* *Lower Voter Threshold for Housing Funds*
• Help willing jurisdictions and homeowners understand the benefits of, and remove impediments to, creating more accessory dwelling units.	*Legislation to Facilitate ADUs/DADUs/JADUs* *Tech. Asst. to Facilitate ADUs/DADUs/JADUs*
• Develop a pool of regional funding to sustain ADU and ARC programs, regularly replenished by reliable dedicated revenue sources, with allocation preference to jurisdictions that have resident protections in place.	*Regional Housing Trust Fund* *At-Risk Affordable Housing Refinance Sub-Fund*