



The Bay Area Housing Bond - Regional Funding for Local Solutions

In November 2024, Bay Area residents could potentially vote on a **regional bond measure** to generate \$10 to \$20 billion to build more affordable homes and help keep existing homes affordable.

A \$20 billion dollar bond could create 80,000 new affordable homes — over two times more than what would be possible without a bond.

Currently, the Bay Area doesn't have enough homes for the people who live here. As a result of our housing shortage:

- In 2022, **37,000 people were unhoused** in the Bay Area.
- 23% of Bay Area renters spend over **half their income** on rent.
- High rents and home prices force people to live far from work, making **congestion and pollution** much worse, and putting a major strain on working families.

The Bay Area Housing Finance Authority (BAHFA) is considering placing the housing bond measure on the November ballot to address these **critical housing challenges**.

Funding Local Solutions

A Regional Housing Bond will help fund local solutions to meet the needs of our communities.

Money from the housing bond will be used to build new affordable homes and preserve existing housing to help protect vulnerable tenants across the Bay Area.

- 80% of the bond revenue will go directly to the nine counties and four cities — San Jose, Oakland, Santa Rosa and Napa — letting local governments determine how best to produce and preserve affordable housing for their own communities.
- BAHFA will invest 20% of the bond revenue in affordable developments throughout the region, while also generating new housing resources to support affordable housing development long after the bonds are fully spent.

Through the measure, each of the nine Bay Area counties and the four cities will adopt an expenditure plan for how they propose to spend the money. BAHFA will review each plan and confirm that it meets basic criteria.

The majority of funds (at least 52%) must be used to produce new housing, and most of that new housing should be affordable to low- and extremely low-income residents.

How will the bond be funded?

The bond will be funded through property taxes. The amount an individual household may expect to pay will vary depending on the assessed value of their property. A \$10 to \$20 billion bond would require an estimated tax of \$12 to \$24 per \$100,000 in assessed value — or about \$120 to \$240 per year for a \$1,000,000 home. The final bond amount is still to be determined.

Who will manage the funds?

The Bay Area Housing Finance Authority (BAHFA) was established by the State Legislature in 2019 to support the construction of new affordable housing and preservation of existing housing across the nine-county region. It is governed by the BAHFA board, which is composed of the same members as the Metropolitan Transportation Commission, and the Association of Bay Area Governments' Executive Board. These governing boards provide local elected representation from across the Bay Area.

BAHFA will distribute funds directly to each county and city eligible to receive direct funding based on local expenditure plans.

Accountability

State law requires BAHFA to be subject to regular, independent audits and annual financial reporting, including submitting an annual report to the Legislature on allocations and expenditures under its control. Cities and counties receiving direct allocations must also submit annual reports on expenditures and progress toward goals to BAHFA.

For More Information

Kate Hartley

Director, Bay Area Housing Finance Authority

Email: khartley@bayareametro.gov

Phone: (415) 778-6679

