

Funding to Support Preservation Capacity

This program refers to dedicated local funding for capacity building or other material support for community land trusts (CLTs) and other community-based organizations (CBOs) engaged in affordable housing acquisition and preservation. For these organizations, capacity may refer to having adequate staffing, organizational knowledge and material or financial resources to effectively preserve affordable housing. By providing funding for capacity building, these entities will become better equipped to secure properties and the financing necessary to preserve affordable housing in a competitive housing market.

Program Design, Implementation and Evaluation Considerations

The callout box below labeled “TOC Policy Requirements” describes the policy features necessary for a jurisdiction to receive credit toward TOC Policy compliance. All other policy features discussed in this document represent details found in existing policies on the subject and a jurisdiction may want to consider them when adopting or implementing a policy, but nothing is required for TOC Policy compliance unless noted as a requirement in the “TOC Policy Requirements” callout box or the [TOC Policy Administrative Guidance](#).

Elements of the Program

- Dedicated, on-going funding source
- Defined eligibility criteria
- Competitive RFP process

Program Design Considerations

Jurisdictions may want to consider the following:

FUNDING DISBURSEMENT: Issuing funding through a competitive RFP process for one year or a multi-year period. Multi-year funding commitments are likely to be more effective.

At-A-Glance

POTENTIAL FUNDING SOURCES

- Community Development Block Grant (CDBG) funds
- Housing Trust Fund (if capacity-building is an allowable use of funds)
- General Funds

COST

Low

ADMINISTRATIVE BURDEN

 Low

Staff capacity needed to identify funding, design program, gain political approval, issue RFP, oversee program and report on program.

WHICH P?

Preservation

POTENTIAL PARTNERS

- Community land trusts
- Community-based organizations
- Affordable housing developers
- Cooperative housing entities

OPTION FOR TOC POLICY COMPLIANCE?

Yes!



PARTNERSHIPS WITH NEARBY JURISDICTIONS:

Pooling funds with other jurisdictions to maximize impact. Given the limited resources an individual jurisdiction may have for capacity building and other aspects of housing preservation, partnerships with nearby jurisdictions and county governments can leverage local funds to support joint investment in capacity building for organizations that work across multiple jurisdictions.

ELIGIBILITY CRITERIA: Establishing eligibility criteria for organizations to access capacity building funds. Criteria can include the organization's mission, overall capacity, longevity and connection to the community but does not need to require direct experience in housing preservation.

Program Implementation, Administration and Enforcement

Jurisdictions can hire or designate a Preservation Coordinator to lead capacity-building efforts and/or train existing CBO and CLT staff. They can also provide direct funding to CBOs and CLTs to hire new, more experienced staff or consultants. Jurisdictions can also support preservation by conducting an annual analysis of properties at the highest risk of conversion and registering with HCD as a Qualified Entity to receive notices of properties facing potential loss of affordability. They can then proactively contact owners of highest risk properties to determine intent and explore options, opening up conversations about potential preservation transfers or renewals. Local jurisdictions can even take on an active role in identifying potential purchasers.

Furthermore, jurisdictions can maintain a vetted list of consultants and contractors that development partners can hire for preservation projects and support tenant organization activities and efforts.

Jurisdictions can fund training for affordable housing organizations' existing staff to expand their in-house capacity. Jurisdiction staff don't necessarily need to run the training, nor do they need to have the expertise in all of these topics. Trainings can include the following topics:

- Organizational sustainability and business planning
- Legal structure and considerations for preservation
- Acquisition, property identification and evaluation of properties
- Acquisition and rehabilitation financing, with an emphasis on long-term affordability
- Local programs, such as TOPA/COPA, tenant relocation, eviction protections or funding tools that organizations may need to access
- Property and asset management
- Housing stability and eviction prevention
- Tenant engagement, organization and long-term relationship building
- Sustainability and resilience considerations

Jurisdictions can also require or encourage well-established developers who receive preservation funding to enter joint-venture partnerships with less experienced, emerging community-based organizations.

TOC Policy Requirements: To comply with TOC policy, jurisdictions must have a dedicated funding program that supports capacity building for CLTs and CBOs for housing preservation work. Funding must maintain project management staffing for a minimum of four years at approximately .5 FTE. Additionally, the jurisdiction must define eligibility for financial awards to CLTs and CBOs.

Jurisdictions that have an existing balance in a funding program to support preservation capacity when submitting final documentation for TOC Policy compliance may count existing funds toward the

required total so long as funds are available for expenditure during the four-year planning period (anticipated to align with the OBAG cycle).

Jurisdictions that have committed funds to support preservation capacity prior to submitting final documentation for TOC Policy compliance may count expended funds toward the required total so long as at least one of the following conditions is met: a) the funds are used to support a project or program occurring during the relevant four-year OBAG cycle (e.g., funds are committed to CBO or CLT to support project management staffing during the OBAG 4 cycle sometime between 2026 and 2030), and/or b) the funds are expended after January 1, 2025.

Program Evaluation

To evaluate program effectiveness, jurisdictions can analyze the number of affordable units preserved and collect qualitative data on the capacity of local CLTs and CBOs.

Complementary Policies

PUBLIC/COMMUNITY LAND TRUSTS: Given their commitment to preserving existing affordable housing, Public/Community Land Trusts are strong partners for jurisdictions' efforts to support preservation capacity.

FUNDING TO PRESERVE UNSUBSIDIZED HOUSING: In addition to supporting the development of affordable housing through capacity building, jurisdictions can support organizations financially through funding to preserve unsubsidized affordable housing.

This document is intended to provide general information and does not constitute legal advice. Additional facts, facts specific to a particular situation, or future developments may affect the subjects discussed in this document. Seek the advice of your jurisdiction's legal counsel before acting or relying upon this information. For specific questions regarding TOC compliance, please reach out to TOCpolicy@bayareametro.gov.

Other Resources

EXAMPLES*

[City of Berkeley - BACLT Capacity Building](#)

[City of San Jose - Nonprofit Capacity Building Grant](#)

[Bay Area Housing Finance Authority - Housing Preservation Project Technical Assistance Grant Program](#)

[Valley Transit Authority - Transit Oriented Communities Grant \(see Program B. Community Resilience\)](#)

OTHER RESOURCES

[Metropolitan Transportation Commission - Preservation Policy 6: Funding to Support Preservation Capacity](#)

**Note that examples have not been vetted for full TOC Compliance.*