



Frequently Asked Questions

Q: What is the Bay Area Housing Finance Authority?

A: The Bay Area Housing Finance Authority, or “BAHFA”, is a regional public agency that state legislators created in 2019 with the goal of finding better solutions for the Bay Area’s affordable housing needs. The Bay Area includes the counties of Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano and Sonoma as well as the 101 cities spread across their respective jurisdictions.

Q: Why does the Bay Area need a regional entity to focus on housing?

A: Several conditions are driving the need for more housing resources:

- The state’s [“Regional Housing Needs Assessment”](#) (RHNA) calculates the need for about 180,000 new affordable homes to accommodate Bay Area residents’ existing needs and projected growth in the region between 2023 and 2031.
- Currently, there are approximately 37,000 unhoused residents in the Bay Area, which represents a 10% increase since 2019.
- About 47% of all Bay Area renters pay more than 30% of their income on rent.
- As of 2023, the median price of a home in the Bay Area is approximately \$1.3 million.
 - This requires an annual salary of about \$335,000 to afford housing payments.
 - \$335,000 is between 45% and 62% higher than the median income across each Bay Area County.
 - Among Bay Area residents between the age of 25-34 living in the San Francisco and San Jose metropolitan areas, only 23% can afford to own a home.

In creating BAHFA, the state Legislature found that the Bay Area’s housing challenges were too great for any one city or county to meaningfully address, and that a regional approach was necessary to support Bay Area communities in creating and preserving affordable housing opportunities and protecting tenants.

Q: How is BAHFA funded?

A: BAHFA has received one-time grants from the State of California to hire initial staff and create pilot programs working across housing production, preservation, and protections. In addition, BAHFA can raise revenue across the region, through a parcel tax, a gross receipts business license tax, a special business tax or a general obligation bond, all of which require voter approval. BAHFA can also raise revenue through a commercial linkage fee, but only after Bay Area voters have approved a revenue option through ballot measure.

Q: How can BAHFA spend its revenue?

A: The rules for BAHFA's investments are included in its founding state legislation. BAHFA must use its revenue to invest in Bay Area communities to build new affordable housing; preserve housing where low-income households currently live as permanently affordable housing; and protect tenants, including vulnerable residents, like seniors living on fixed incomes.

Q: How does BAHFA work with Bay Area cities and counties?

A: Depending on what kind of revenue BAHFA raises, it would be required to give a certain portion of the funding to counties and cities. See below for more information on how proposed general obligation bond proceeds would be distributed around the region.

Besides directing funding to cities and counties, BAHFA works closely with the jurisdictions to, among other things, provide technical assistance; convene regional meetings to share information and best practices; and conduct advocacy and research that can help the entire Bay Area advance affordable housing goals.

Q: What is BAHFA doing now for my community?

A: BAHFA is working to bring immediate housing benefits to the region, including, among other things:

- [Doorway](https://housingbayarea.mtc.ca.gov), the Bay Area's first regional housing portal, where people seeking affordable living opportunities can browse listings and apply for housing online: <https://housingbayarea.mtc.ca.gov>
- A rental assistance subsidy program to protect extremely low-income seniors and people with disabilities from becoming homeless.
- New funding using one-time state grants for affordable housing preservation and construction projects.
- Creation of a full inventory of all affordable housing projects in some state of pre-development

See BAHFA's website for more information: <https://mtc.ca.gov/about-mtc/authorities/bay-area-housing-finance-authority-bahfa>

Q: What does BAHFA plan to do in the future for my community?

A: BAHFA is preparing to submit a \$10-\$20 billion general obligation affordable housing bond measure for voter approval at the November 2024 election. If the public votes "yes" on the measure, the bond will provide financial resources for the Bay Area, resulting in more affordable housing opportunities in cities and counties across the region.

Q: If voters pass the affordable housing bond measure in November 2024, who gets the money?

A: 80% of the money would go to the counties, according to the share each county carries paying the bonds back. Larger cities may receive their own direct allocations, and those cities include Oakland, San Jose, San Francisco, Napa and Santa Rosa. BAHFA would retain 20% of the money to invest around the Bay Area.

Q: How would the affordable housing bond be paid back?

A: Property owners will pay the bond back as part of their normal property tax bill. Estimates as of July 2023 indicate that the cost is \$10.62 per \$100,000 of the assessed value of the property. That means, for example, that the owner of a home with a \$1 million assessed value would pay about \$100 per year.

Q: What kind of housing would be built with funds from the affordable housing bond?

A: Affordable housing includes a wide range of styles, types and sizes, including small buildings, like duplexes and granny units or accessory dwelling units (ADU's), to midsize (5-6 story) and large (7+ stories) multifamily buildings. Affordable housing must comply with zoning codes, restrictions and design standards just like market-rate housing.

Q: Who will get to live in newly built affordable housing?

A: These new homes will be affordable to a wide range of people, from homeless residents to households earning up to 120% of area median income. This includes people working in essential service jobs, such as:

- Restaurant cooks (\$40,000 - \$60,000 per year)
- Teachers (\$50,000 - \$100,000 per year)
- Janitors (\$30,000 - \$55,000 per year)
- Day care teachers (\$30,000 - \$60,000 per year)
- Lab technicians (\$50,000 - \$90,000 per year)

The bonds are also expected to provide affordable housing for seniors living on fixed incomes, veterans and people living with disabilities.

Q: Who else could benefit from the affordable housing bond?

A: If voters pass a 2024 general obligation bond measure, a minimum of 15% must go to “preserve” affordable housing. Housing preservation investments can:

- Repair and restore the physical condition of existing buildings.
- Protect the households living in those buildings from displacement that often happens when rents go up year-over-year.
- Convert market-rate housing to new, permanently affordable housing.

Since most low-income Bay Area families live in unsubsidized, privately owned rental housing, these preservation actions work to stabilize communities and keep families living in safe, decent homes.

Q: What is BAHFA’s timeline for the affordable housing bond measure?

A: The goal is to place the measure on the ballot in November 2024. BAHFA staff will be providing information to the public, elected officials and stakeholder groups throughout the fall of 2023. The formal decision-making process for approving the ballot measure by the BAHFA Board and the Association of Bay Area Governments Executive Board will begin in January 2024, with the BAHFA Advisory Committee making a recommendation, and continue with meetings and information sharing through June 2024.

Q: Where can I learn more?

A: Please see the following resources for additional information:

- [Public Virtual Workshops on August 16 and August 24, 2023: Learn about the Bay Area’s proposed regional bond measure to invest in the production and preservation of affordable housing.](#)
- [Committee reports and presentations on the regional affordable housing bond measure:](#)
<https://mtc.ca.gov/meetings-events>
- [Information about BAHFA’s programs:](#) <https://mtc.ca.gov/planning/housing/bay-area-housing-finance-authority-bahfa-programs>
- The [BAHFA web page](#) has additional information on the regional bond measure:
<https://mtc.ca.gov/about-mtc/authorities/bay-area-housing-finance-authority-bahfa>

If you have any additional questions, please email BAHFA@bayareametro.gov.

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