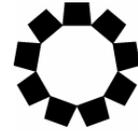


ASSOCIATION OF BAY AREA GOVERNMENTS

Representing City and County Governments of the San Francisco Bay Area



ABAG

AGENDA

HOUSING SUBCOMMITTEE

REGIONAL PLANNING COMMITTEE

Wednesday, September 14, 2016, 3:00 PM-4:30 PM

Ohlone Conference Room
MetroCenter
375 Beale Street
San Francisco, CA

1. Roll Call / Introductions (Chair, Julie Combs) [3:00 / 5]
2. Approval of agenda (Chair)
3. Approval of minutes from May 19th meeting (Chair) Attachment 1
4. Public Comment on items not on the agenda (Chair)
5. Session Overview & Updates (G. Adams) Attachment 2 [3:05 / 5]
6. Review Subcommittee Purpose (G. Adams) Attachment 3 [3:10 / 10]
7. Regional Housing Trust Fund (D. Bay) Attach. 4 [3:20 / 65]
8. Evaluation (plus/delta exercise) (Chair) [4:25 / 5]
9. Adjourn [4:00]

SUMMARY MINUTES (DRAFT)

ABAG Regional Planning Committee – Housing Subcommittee

Thursday, May 19, 2016

101 8th Street, Oakland, California

1. Call to Order

Members Present

Julie Combs, Councilmember, City of Santa Rosa (Chair)

Carlos Romero, Urban Ecology

Paul Peninger, Peninger Consulting

Members Absent

Paul Campos, Senior Vice President, Government Affairs, Building Industry Association

Matt Regan, Senior Vice President of Public Policy, Bay Area Council

2. Subcommittee Meetings Logistics

The committee agreed to have bi-monthly meetings during the months that the RPC does not meet, to enable staff to follow up on committee discussions in time for presenting actions to the full RPC. It was proposed that, when possible, we schedule the subcommittee meetings coincide with Executive Board meetings, to minimize travel for committee members who also sit on both bodies.

The next meeting was tentatively scheduled for July 21, 2016 at 3:30 pm.

3. Subcommittee Purpose

After some discussion, the committee identified the following objectives for the housing subcommittee:

- Provide a stronger link and avenue for direct communication between the RPC and Executive Board and ABAG staff
- Focus on items that encourage and enable concrete actions by local jurisdictions
- Look for areas of consensus and move them forward

4. Housing Action Agenda Feedback

Duane Bay, ABAG Assistant Planning Director, reported that the feedback about the proposed Housing Action Agenda was generally positive. There was widespread support for the key activity areas around collaboration, gathering and sharing impactful information

and providing technical assistance, coordinating preservation efforts with efforts to make homes safer, and pursuing the development of a Regional Housing Trust Fund.

5. Review draft 2016/2017 workplan

Committee members reviewed the proposed workplan for the coming year, which was based on the Housing Action Agenda as presented to the Executive Board and the Regional Planning Committee in March and April, 2016, respectively. Committee members present were supportive of the priorities and tasks identified in the workplan.

6. Update on ABAG / MTC organizational matters of relevance to subcommittee's work

This discussion focused on uncertainty related to ABAG-MTC merger, given the lack of resolution about the direction the Executive Board would take on the topic, and how that uncertainty might affect the work of this committee.

7. Informal Evaluation

The Chair requested that the committee add an informal evaluation as a standing item at the end of the agenda.

Date: September 6, 2016
To: RPC Housing Subcommittee
From: Gillian Adams, Senior Regional Planner
Subject: Session Overview & Workplan Progress Report

Session Overview

At this meeting, members of the RPC Housing Subcommittee will review a proposed statement of the committee's purpose that staff drafted based upon the discussion at the first committee meeting Thursday, May 19 2016. This will be followed by a discussion of how to move forward with the recommendation from the RPC and Executive Board to explore the creation of a Regional Housing Trust Fund (RHTF).

Building on the basic RHTF concept outlined in the meeting packet, staff will lead committee members through a survey of the key questions and issues that need to be addressed and prioritized when considering formation of a RHTF. This will provide an introduction to the approach and tools proposed for engaging regional stakeholders in the *Sketch Workplan for Incubating a Regional Housing Trust Fund*.

Workplan Progress Report

Annual housing permit data collection and analysis

ABAG has requested data about the location and affordability of housing permits issued in 2015 from all Bay Area jurisdictions. Currently, we have received data from approximately 80 percent of jurisdictions. The initial findings will be presented to the RPC at its October meeting.

ABAG has also initiated a partnership with OpenSMC (a brigade of Code for America in San Mateo County) and jurisdictions recruited through 21 Elements to develop technical tools to improve both the quality of housing data that is collected from local governments and the ease of reporting that data. ABAG is also working with staff from the California Department of Housing and Community Development (HCD) as they seek to improve their data collection and reporting processes.

Expansion and refinement of housing policy database

Currently, ABAG's housing policy database simply indicates whether or not a jurisdiction has one of 30 different housing policies related to increasing housing production, particularly for affordable units; preserving existing housing; and protecting existing residents from displacement. To increase the utility of the database, ABAG staff is gathering detailed information about key policies for 20 jurisdictions, with a goal to eventually cover all policies and all jurisdictions.

In October, this information will be shared with county Congestion Management Agencies to inform their development of criteria for evaluating jurisdictions' anti-displacement policies, as required for distributing funding through the second cycle of the One Bay Area Grant Program (OBAG2). ABAG will also use this information to expand upon the Housing Element Toolkit, describing key elements of each housing policy and providing examples of best practices in use in Bay Area jurisdictions.

Purposes of the Housing Subcommittee of the ABAG Regional Planning Committee (RPC-HS)

Staff recommends that the RPC-HS adopt a statement of purpose, and resolve to review and update the statement annually. Staff offers the following draft for discussion leading to adoption at a subsequent meeting.

General Purpose

The purpose of the RPC-HS is to increase ABAG's capacity to advance high-impact, high-consensus housing actions by providing leadership and more in-depth attention on the housing issues facing the Bay Area.

The group will pursue this purpose by identifying potential actions, gaining subcommittee support, and leading deliberations when advancing proposals to the RPC.

A critical purpose of the RPC-HS for FY2016-17 is to advance specific housing actions related to existing ABAG [and/or MTC] Housing Program work plan deliverables by:

- providing guidance to ABAG staff -and related recommendations to RPC- regarding the **Plan Bay Area 2040 “housing chapter”** or “supplemental housing report”, and
- providing guidance to ABAG staff and active engagement of RPC members and other relevant stakeholders to support the conception and launch of:
 - the **“regional housing trust fund”**, and
 - the **“safe, smart integrated housing retrofit (SSIHR) program”**

*The key term is in quotes because the structure, uses of funds and sources of funds are currently conceptual.



This proposal is conceptual, meant to introduce the concept and stimulate discussion.

Draft Proposal for Formation of a Regional Housing Trust Fund

The Bay Area cannot meet the housing challenges that threaten our regional wellbeing without a dramatic increase in dedicated public funding for affordable housing. As State and Federal funding sources have largely dried up, new local and regional funding sources have become crucial in filling in the void. The creation of a flexible regional source of funding could help expand the resources available for affordable housing while complementing and maximize the effectiveness of existing local housing funds.

Developing a regional funding source will require cultivation of a broad-based regional political constituency for preserving and developing housing that is affordable. Constituency development will require regional institutional leadership and capacity—a role that ABAG is well positioned to play, given its relationship with local governments and housing stakeholders throughout the region. ABAG’s strengths in research, stakeholder negotiation, technical assistance and advocacy at the state level will also be critical for the organizational and program development of a regional housing trust fund.

What is a housing trust fund?

By classic definition, housing trust funds (HTFs) have a sustained dedicated source of funds, specific dedicated uses of funds, and public oversight appropriate to a defined geographic service area. By this definition, there are at least 76 HTFs in the Bay Area, run by cities, counties, Joint Powers Authorities (JPAs) or public/private non-profits.¹ These HTFs administer housing grants and loans that use existing funds and funding streams, and many of them also work to develop program innovations to attract new funding sources. The Bay Area also benefits from the good work of several well-known region-wide funds (e.g., TOAH) and Community Development Financial Institutions (CDFIs) that are effective but are not technically housing trust funds, because they are either private or they do not have a sustained funding source.

Currently the Bay Area has no regional housing trust fund. To avoid duplicating existing efforts or competing with local funding sources, there must be a viable, sustainable niche for a regional housing trust fund (RHTF) that can **raise substantial new capital** for grants and loans to address critical housing challenges, and do so in ways that leverage the work of our many excellent HTFs and CDFIs. The purpose of this brief paper is to outline salient issues related to formation of an RHTF—from uses to sources to mechanism—and propose next steps.

How might a RHTF use its funds?

The following uses and characteristics are believed to be high-impact and insufficiently addressed by existing funding sources:

Proposed Uses

- Acquisition / rehabilitation / conversion (ARC) of older rental housing to long-term affordability
- Mobilehome park preservation or ARC to resident co-op or non-profit ownership
- Integrated retrofits that secure seismic safety, water and energy conservation, and long-term affordability
- Silent-second, shared-appreciation homebuyer assistance loans for work-proximity and in PDAs²
- Accessory Dwelling Unit (ADU) catalyst³
- Landbanking housing sites identified in Housing Elements

Proposed Use Characteristics

- Make grants and very-long-term pay-as-you-can loans, rather than or in addition to the short-term or medium-term loans available through most private CDFI programs
- Use regional housing trust funds to collateralize loan guarantees for private CDFI loans for affordable housing and related public works, which would reduce risk-indexed interest rates and reduce delays due to complex underwriting
- Use local adoption of regional best-practice policies for displacement protection and mixed-income inclusion as filter criteria or preference criteria for loan/grant making.
- Make funding available to communities throughout the region, but focus on PDAs or subsets of PDAs such as corridors or Regionally Prioritized PDAs with high housing density, transit proximity, green infrastructure, hazard mitigation, mixed-income development, and resident protections
- Purchase outstanding performing loans from existing local and subregional HTFs so they could immediately relend the money for RHTF program priorities

What funding sources might a RHTF use?

A substantial dedicated public revenue source is essential to anchor an RHTF. The relevant order of magnitude is hundreds of millions of dollars per year.⁴ Among the most promising sources are the following:

- Petition the Strategic Growth Council to devolve a portion of unallocated Cap & Trade funds to regional councils of governments (COGs) or metropolitan planning organizations (MPOs) to allocate to projects in PDAs that qualify as “Regionally Prioritized PDAs” because they will make a major improvement to the regional jobs/housing fit and are in low-VMT (vehicle miles traveled) areas.
- Support or develop a ballot measures for a regional development impact fee or document recording fee, if necessary beginning with State legislation to simplify the process.

- Support or develop State legislation to devolve a portion of State sales tax subventions (above a previous high-water mark) to regional government to be allocated for housing and housing infrastructure projects according to a plan adopted by the COG and ratified by a majority of jurisdictions representing a majority of population. Grant exemption to any jurisdiction that meets thresholds for housing production, affordable housing provision and housing/jobs balance.⁵ An exempt jurisdiction could keep its full status quo 1% sales tax subvention and opt out of receiving any of the pooled regional funds.
- Once established, the RHTF would be a natural depository (with return to source provisions) for smaller jurisdictions' impact fees or inclusionary in lieu fees that lie fallow pending the next local project.
- The RHTF could serve as intermediary to pilot sanctioned subregional RHNA swaps of housing for dollars or water allocation, or to recognize (perhaps with matching funds or allocation preference) in-kind contributions made by jurisdictions to affordable housing developments such as waiving or deferring fees, or ground-leasing public land.
- Funders' promoting particular uses could partner to set up subfunds, for example, a subfund for seismic and conservation retrofits in communities of concern in East Bay Corridor Initiative communities.

How might a RHTF be structured and administered?

Presumably, an integrated regional governmental entity would have the charter, credibility, support and resources necessary to launch and sustain a regional housing trust fund. Therefore, governance would be vested in the merged entity itself, or an appointed board subcommittee or an affiliated board.

It would also make sense for certain centralized functions to be performed by staff of the governing entity, or by a singular administrative entity under contract, while contracting out other functions to qualified existing local and subregional program operators, experienced public and private (CDFI) originators of loans and grants, who would perform front-line grant and loan administration. Working through qualified existing program operators would avoid creating new bureaucracy to perform necessary program administrative functions. Additionally, it is these very program operators with whom local grantees or loan recipients must work on a regular basis to get funding and permits, and with whom funders, planners, service vendors, and local elected officials have established working relationships.

Centralized functions

- Policy and participation leadership
- Executive management
- Staffing the governing entity to establish high-level policy and strategy
- Fund development through voter information, grant writing, capital campaigns

- Fiscal management of funds and subfunds, reporting, transactional accounting to make block grants or buy loans; and
- Oversight of qualified local and subregional program operators performing front-line grant and loan administration under contract.

Grant and Loan Administration

- Administer state and federal environmental protection and labor law regulations
- Evaluate specific project proposals
- Underwrite and originate loans
- Oversee projects (progress inspection, cash release management)
- Manage loan portfolio (collections, annual inspections, ad hoc refinance requests)

Next Steps

Project Initiation

- Secure approval to continue conceptual development
- Seek funding for a feasibility study and conceptual development
- Charter a subcommittee of the Regional Planning Committee as a sounding board
- Coordinate with appropriate MTC staff and committees
- Assign a project lead tasked to bring back a workplan to the ABAG Executive Board

Presumably, the workplan, once developed, would include at least the following steps:

- Refine prospective uses by conducting a rapid scan of existing programs that offer comparable “products” to proposed RHTF priorities, then conduct in-person meetings with representative program operators and loan/grant recipients in order to identify gaps and leverage points with precision.
- Prepare preliminary analysis of the technical feasibility and potential scale of prospective sources.
- Building on previous steps, conduct a political feasibility analysis through a combination of polling, legislator interviews, and stakeholder outreach.

¹ Examples of entities in the Bay Area that meet the classic housing trust fund definition are: Local Housing Trust Funds qualified to receive State Prop 1C LHFP funds (7), or CDBG Revolving Loan Funds for housing rehabilitation (25), or restricted funds holding local impact fees or in lieu fees (64), or post-RDA Successor Housing Agency trust funds (74).

² For example, a trust fund loans a qualified homebuyer 10% of purchase price; homeowner makes no monthly payments; at time of resale, the trust fund gets 10% of any appreciation (selling price minus purchase price). Homebuyer qualification is based on income and credit worthiness. Property qualification is based on proximity to homebuyer's workplace and/or a priority development area. The regional housing trust fund could originate these loans, but in a more streamlined approach, the loan would be made by a city or county program, then the regional housing trust fund would revolving their funds by purchasing the outstanding loan so that the local program could fund more loans to assist more homebuyers.

³ Homeowners who are unable to pay for the planning, permitting and construction of an attached or detached accessory dwelling unit (ADU or DADU) from personal funds or a general line of credit collateralized by their home equity typically have difficulty getting a project loan from traditional commercial sources. Public sources, such as city or county home rehabilitation loan programs have the requisite experience to help homeowners through a renovation process, and have excellent leverage to promote or require seismic, water, energy measures co-benefits, but may have very limited funds. A regional fund could expand these city/county programs by revolving their funds, that is, purchasing outstanding loans for completed ADU or DADU project so that funds could be relent to build the next ADU/DADU.

⁴ Here are several points of reference as to scale. Raising adequate funds to match, dollar for dollar, all locally-originated gap funding (not pass-throughs of state or federal money) would require about \$100 million annually. Raising funds equivalent to the amounts formerly flowing into redevelopment agencies' housing trust funds would require about \$250 million annually. Taking into account existing local, state and federal funding streams, as well as typical funding mix proportions among these sources, \$100 million to \$250,000 million of new funding through a regional housing trust fund would translate to creating 1,000 to 3,000 additional permanently affordable homes each year. This would make a substantial contribution toward the Plan Bay Area Regional Housing Needs Allocation target of 14,000 annually, and appears even more substantial when compared to the approximately 5,000 per year average during the 2007 to 2014 planning cycle.

Sketch Workplan for Incubating a Regional Housing Trust Fund

TASK	STATUS
Secure approval to continue conceptual development. (Feb. – March 2016)	<i>Done</i>
Charter an RPC subcommittee as a sounding board. (March - May 2016)	<i>Done</i>
Coordinate with appropriate MTC staff.	<i>In progress</i>
Seek funding and support for a feasibility study and implementation plan	<i>See workplan below</i>

- **Conduct listening sessions** to collect and vet design parameters with stakeholders. (November)
 - Webinars for:
 - 25 CDBG entitlement jurisdictions, co-hosted by HUD
 - 64 jurisdictions that have other dedicated funding sources
 - Non-profit developers, co-hosted by Non-Profit Housing Association
 - Other interested parties, and folk who missed their session
 - In-person meetings with:
 - 7 Local Housing Trust Funds (LHTFs)
 - 8 Community Development Financial Institutions (CDFIs)
 - promoters of municipal bank concept
 - Finance Authority for Non-Profits, an ABAG affiliate

- **Conduct three design workshops** co-hosted by Federal Home Loan Bank and California Association of Local Housing Finance Agencies
 - Workshop #1—Survey & Pitch (January)
 - Introductions & Instructions
 - Participants rotate through four stations to learn / discuss / "vote" on survey
 - Participants hear invited PechaKucha-style pitches (~20 slides, ~7 minutes)
 - Plus/Delta (evaluation & process suggestions for next session)

 - Workshop #2—Design Charette (February)
 - Presentation and critique of a distillation from Workshop #1
 - Outline a scope of work for feasibility study and implementation plan
 - Brainstorm sources of funds for feasibility study and implementation plan

 - Workshop #3—Engagement for Implementation (March)
 - Review draft workplan for going forward & recruit working group(s)
 - Vet scope of work for a start-up contract
 - Advance discussion of sources of funds for feasibility study and implementation plan

- **Secure funding commitments** to collect and vet design parameters with stakeholders. (April)

- **Release Request For Proposals** (May)

Survey about Form and Function of a “Regional Housing Trust Fund”

Preamble

Premise: Form should follow function, and both form and function should arise through stakeholder engagement and innovation. To design what is for now being called a “regional housing trust fund” we should iterate our way toward a high-consensus / high-impact / high-feasibility design while snowball-recruiting “a coalition of the willing and able.”

Survey: The 50 survey questions below are designed to gauge stakeholders’ predispositions and to stimulate thinking about desirable **uses** of funds, potential **sources** of funds, **organizational** form, and implementation **approach**. (The survey takes about 15 minutes to complete and provides valuable direction to ABAG staff to shape productive follow-on conversations.)

Design Workshops: The survey will be an initial input for a series of three design workshops.

Preference legend

- 2 Definitely desirable, unless it proves to be absolutely unfeasible
- 1 Yes, subject to being able to muster substantial resources and support
- 0 OK, but not a priority -- maybe later or maybe if we find an enthusiastic funder
- 1 Not opposed, but this is too hard or too controversial or insufficient impact or a low priority
- 2 No, I'm opposed on philosophical or practical grounds

Common-sense substitute for where appropriate in context

- 2 Strongly agree
- 1 Agree
- 0 No opinion, relatively indifferent or just confused
- 1 Disagree
- 2 Strongly disagree

Desirable uses of funds

- U-1 [] Identifying the correct high-impact uses of funds to focus on is critical because that’s what makes it possible to raise funds, whether public or private.
- U-2 [] We really should focus on sources of funds rather than uses because talking about how best to spend the money is just talk if we don’t have the money.
- U-3 [] The eligible geography should be region-wide, with no preferential treatment of certain areas.
- U-4 [] The eligible geography should be region-wide, but with an emphasis on Priority Development Areas as greatest development opportunity and greater risks of displacement.
- U-5 [] The eligible geography should be region-wide, but with an emphasis on Priority Development Areas and a special emphasis on PDAs that are low-VMT and high-capacity to make a really substantial regional contribution to affordable housing.
- U-6 [] The RHTF should make grants, because they can make a greater impact than loans or investments.
- U-7 [] The RHTF should make very long-term, very low-cost loans (like Redevelopment Agencies did), because that’s what is most needed.
- U-8 [] The RHTF should make medium-term loans, say 5 to 15 years, at somewhat discounted rates, because as a practical matter that’s what’s necessary if the RHTF wants to make use of social impact funding (banks, insurance companies, philanthropic program-related investments).
- U-9 [] The RHTF should make relatively short-term loans, so that funds can revolve and serve more projects.

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- U-10 [] Building new affordable housing (deed-restricted) should be an eligible use or program.
- U-11 [] Building new supportive housing (with on-site services for special-needs residents) should be an eligible use or program.
- U-12 [] Acquiring land to build affordable housing or supportive housing should be an eligible use or program.
- U-13 [] Long-term refinancing to maintain the affordability of deed-restricted housing at-risk of reversion to market due to expiration of affordability covenants should be an eligible use or program.
- U-14 [] Assisting mobilehome owners or community land trusts buy out mobilehome parks to assure permanent affordability and resident control should be an eligible use or program.
- U-15 [] Loans to homeowners, secured by home equity, to plan, permit, and build accessory dwelling units (attached ADU, detached DADU, in-house junior JDU) should be an eligible use or program.
- U-16 [] Loans to homeowners to do “safe, smart” retrofits (seismic safety plus conservation of water, gas and electricity), secured by home equity or paid off through utility savings, should be an eligible use or program.
- U-17 [] The RHTF should not replicate the “front office” functions of making loans to homeowners or landlords for housing rehab, or developers for new housing, but instead should buy qualified loans (for these same uses) that have already been made by qualified program operators (cities, counties, CDFIs, local housing trust funds) so these effective programs can turn around and make more loans—and so the RHTF can stay lean administratively.

Preference Legend

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- 1** Yes, subject to being able to muster adequate resources and support
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- U-18 [] The RHTF should include a “You got permits? You get going!” fund that could do “but for” bridge loans for qualified and ready housing developments—those that include deed-restricted affordable housing, are in low-VMT (vehicle miles traveled) areas, have all necessary planning permits (though not necessarily building permits), and have commitments to secure full funding—to go ahead to get permits and start building.
- U-19 [] Add here any statement you would like us to add to the survey.

Potential sources of funds

- S-1 [] Identifying the correct high-impact uses of funds to focus on is critical because that’s what makes it possible to raise funds, whether public or private.
- S-2 [] We really should focus on sources of funds rather than uses because talking about how best to spend the money is just talk if we don’t have the money.
- S-3 [] A RHTF should identify or develop new dedicated revenue sources. If it is just competing with other intermediaries in order to attract and distribute funding from existing sources it is not worth doing.
- S-4 [] Unless a RHTF can scale to a size that will make a substantial impact—say minimally \$50 million a year and ideally closer to the \$350 million a year formerly flowing into the local housing trust funds of redevelopment agencies—it is not worth doing.
- S-5 [] Although it would be great to start big, it is more likely a RHTF would have to start small—say \$10 million a year—and grow to scale; and it is worth getting started.

Preference Legend

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- 2** No, I'm opposed on philosophical or practical grounds

- S-6 [] One-time sources may be attractive because dedicated long-term sources are hard to develop, but they are not sustainable, therefore a RHTF should focus on developing long-term dedicated sources.
- S-7 [] The primary type of funds should be dedicated revenue (as distinct from donations or investments) because it is reliable and does not need to produce a return on investment (which would reduce range of uses and increase development costs).
- S-8 [] The primary type of funds should be donations (as distinct from dedicated revenue or investments) because it is more feasible than trying to develop dedicated revenue streams and does not need to produce a return on investment.
- S-9 [] The primary type of funds should be investments (as distinct from dedicated revenue or donations) because, realistically, they are much easier to obtain and more plentiful than other types of funds.
- S-10 [] A RHTF should levy a region-wide parcel tax similar to the Bay Restoration Authority tax that was adopted in June 2016.
- S-11 [] A RHTF should try again to get state enabling legislation passed that would allow it to apply a document recording fee that it could share with local jurisdictions and subregional housing trust funds on a return-to-source basis.
- S-12 [] A RHTF should levy a job/housing imbalance impact fee that would apply to any development that makes a host jurisdiction's jobs/housing imbalance worse.
- S-13 [] A RHTF should pursue devolution of local sales tax now retained by the State (State currently retains all basic sales tax except for 1%), contingent on housing production.

Preference Legend

- 2** Definitely desirable, unless it proves to be absolutely unfeasible
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- 1** Not opposed, but this is too hard or too controversial or insufficient impact or a low priority
- 2** No, I'm opposed on philosophical or practical grounds

- S-14 [] A RHTF should pursue devolution of a portion of Cap & Trade Affordable Housing & Sustainable Communities (AHSC), contingent on production of housing that demonstrably reduces GHG.
- S-15 [] A RHTF should focus on the needs of employers to house their workers, figure out what kind of “ask” and value proposition will be attractive to them, then structure that as a major source of funds.
- S-16 [] A RHTF should focus on the needs of middle-income renters and prospective first-time homebuyers, figure out what kind of “ask” and value proposition will be attractive to them (would they actively campaign for a regionwide ballot measure?) then structure that as a major source of funds.
- S-17 [] A RHTF should compete with the region’s existing Community Development Financial Institutions and Local Housing Trust Funds to attract social impact investing from private investors, banks, and insurance companies by making the case that the fund is broad-based and region-wide.
- S-18 [] Rather than competing with local and subregional housing fees at the ballot box, the RHTF should offer an incentive to all local agencies that have already established dedicated revenue for affordable housing (development impact fees, hotel tax, in lieu fee, parcel taxes) to encourage them to pool any idle funds—like a bank—and guarantee they can get their funds back as soon as they need them to commit to a local project.
- S-19 [] Add here any statement you would like us to add to the survey.

Preference Legend

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- 0** OK, but not a priority -- maybe later or maybe if we find an enthusiastic funder
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Organizational matters

- O-1 [] There are many existing public agencies and non-profit organizations that originate loans, grants or investments to develop or preserve affordable and/or supportive housing; dozens, maybe scores. **Whether a RHTF is designed to compete or complement or collaborate with existing program operators is a fundamental consideration** rather than a secondary, pragmatic concern.
- O-2 [] What’s important is to create a source of funds for affordable and supportive housing (and related infrastructure) that is **new** and **substantial**. **Organizational details are secondary**—governance, administration, affiliation.
- O-3 [] A RHTF should be affiliated with either the Council of Governments or a merged ABAG/MTC agency, because their imprimatur is crucial to the regional positioning that will enable a RHTF to tap or create new funding sources.
- O-4 [] A RHTF, while perhaps incubated by ABAG or a merged ABAG/MTC, should be independent to signal focus and mission-autonomy.
- O-5 [] The RHTF should not replicate the labor-intensive “front office” functions of making loans to homeowners or developers for housing rehab or development, but instead should contract with one or more qualified existing program operators. The RHTF would retain authority for management oversight, allocation policy, and fund development.
- O-6 [] A RHTF should be a source of “secondary concessionary capital,” meaning it would make loans on very favorable terms (that is, “concessions relative to prevailing market rates”) to buy qualified loans that have already been made by qualified program operators (cities, counties, CDFIs, local housing trust funds; similar to Fannie Mae or Freddie Mac. This reduces the number of separate layers of financing for any particular project, allows existing programs to make larger loans or more of them, and allows the RHTF to stay lean administratively.
- O-7 [] Add here any statement you would like us to add to the survey.

Preference Legend

- 2** Definitely desirable, unless it proves to be absolutely unfeasible
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Implementation approach

- I-1 [] Yes, a regional housing trust fund should be established, subject to discerning/discovering a combination of uses, sources, governance and administration that is high-consensus , high-impact and high-feasibility.
- I-2 [] An important first step is to get design input from informed stakeholders, especially the operators of existing programs, in order to verify the viability of something new that is high-consensus, high-impact and high-feasibility.
- I-3 [] Engaging stakeholders to design something in the abstract that doesn't have a substantial and sustainable source of funding is not a good use of time. Find the money, propose a prototype, then solicit input to refine, then implement.
- I-4 [] It is important for a RHTF be designed as an integrator or umbrella or platform, working closely or affiliating with other somewhat similar concepts.
- I-5 [] It is important to explore affiliation or co-design with efforts to create a "1% fund" pool into which existing sources of regional "concessionary capital" (capital invested on more-favorable-than-market terms) would invest 1% of their Bay Area funds, as described by Bay Area Capital Impact Initiative.
- I-6 [] It is important to explore affiliation or co-design with efforts to create a "municipal bank" into which cities and counties (and related pension funds) could deposit temporarily surplus funds.
- I-7 [] It is important to explore affiliation or co-design with efforts to create a "regional infrastructure fund" capitalized by transportation funds, as described by MTC.
- I-8 [] It is important to explore affiliation or co-design with efforts to create a "regional quality of life fund" fed by a regional tax measure, as by AB1234 (Mullin, 2012).
- I-9 [] It is important for a RHTF to distinguish its brand from other somewhat similar concepts, for example those mentioned in the preceding questions, rather than trying to be an integrator or umbrella or platform.
- I-10 [] Add here any statement you would like us to add to the survey.

Preference Legend

- 2** Definitely desirable, unless it proves to be absolutely unfeasible
- 1** Yes, subject to being able to muster adequate resources and support
- 0** OK, but not a priority -- maybe later or maybe if we find an enthusiastic funder
- 1** Not opposed, but this is too hard or too controversial or insufficient impact or a low priority
- 2** No, I'm opposed on philosophical or practical grounds