

\$20 Billion Affordable Housing Bond Heads to Bay Area Voters

By: Vanessa Rancaño || June 26



The Del Monte warehouse is under construction to become an apartment building in Alameda on Jan. 12, 2023. *(Beth LaBerge/KQED)*

Bay Area voters will be asked to decide on a \$20 billion affordable housing bond in November after the Bay Area Housing Finance Authority (BAHFA) voted unanimously Wednesday to place it on the ballot.

The bond, years in the making, would be used to build or preserve at least 70,000 affordable housing units across all nine Bay Area counties, with close to half of them reserved for very low-income households.

“This is huge,” Amie Fishman, executive director of the Non-Profit Housing Association of Northern

California, told commissioners. The organization has been one of the key champions of the measure. “This will give voters the opportunity to address one of the most critical issues facing our region and our communities.”

With state funding constrained by a multibillion-dollar budget deficit, advocates say the bond is crucial to making a dent in the homelessness crisis in the Bay Area.

Bond revenue would provide funding for all nine counties and region-wide programs. Distribution estimates indicate Santa Clara County would receive

the most funding, around \$4.5 billion, while Napa would receive the least, about \$364 million. Roughly \$4 billion would be dedicated to regional needs.

Nevada Merriman, vice president of policy and advocacy for MidPen Housing, a nonprofit affordable housing developer, told commissioners that there's a roster of developments ready to tap into the funding.

"There's a pipeline here that's ready to go," she said, noting MidPen alone has 1,300 units awaiting financing. As a measure of need, she pointed out that there's a waitlist of about 100,000 people for the roughly 10,000 affordable apartments the organization operates across the region.

Leonor Godinez, an organizer with Faith in Action East Bay, noted that she had hoped to see a tax exemption in the ballot measure for low-income homeowners but expressed support nonetheless.

"I believe it will allow local officials to invest in the community and provide much-needed affordable housing in a critical housing crisis," she said.

Many of those who spoke against the bond at Wednesday's BAHFA meeting focused on concerns about the cost to property owners.

"This bond attacks homeowners," said Lafayette resident Libby Henry, who identified herself as part of the group Livable California and added that she doesn't feel the accountability provisions built into the measure are sufficient.

The ballot measure requires a citizens oversight committee to be assembled to review annual spending and for an audit to be submitted to BAHFA annually.

BAHFA officials estimate the bond would raise property taxes by around \$20 on average for every \$100,000 of assessed home value. The total cost of the bond, including principal and interest, is estimated to

be about \$48 billion, and it is expected to be paid off by fiscal year 2077.

Roma Dawson, the former president of the League of Women Voters Bay Area, said the group supports the bond but pushed for robust oversight.

"We are trusting in all of you to set a new standard for public engagement and transparency," she said.

Preliminary polling shows voters are nearly evenly split on the bond. The authority hired data analytics firm EMC Research to test the viability of such a bond in the months before Wednesday's vote. The pollsters found between 54% and 55% of likely voters surveyed across the nine counties supported it.

Special taxes like the bond currently require a two-thirds majority to pass. However, the regional bond is timed to coincide with a statewide vote on a constitutional amendment, ACA 1, that would lower the threshold to 55% approval for local taxes dedicated to affordable housing or infrastructure projects. If ACA 1 passes, the regional bond measure would be subject to the lower threshold.

In the face of the tough odds, several advocates expressed their commitment to campaigning hard for the bond.

"The message the polling tells us is 'All hands on deck,'" said Warren Cushman, an organizer with Community Resources for Independent Living. "Well, I'm one of the hands, I'm on deck. I'm looking for other hands, and we're going to make this work."

The Bay Area Housing Finance Authority has until Aug. 9 to submit the bond measure to the registrar of voters in each county.

"We have a chance to get it right. We have a chance to create real outcomes," BAHFA chair and Napa County Supervisor Alfredo Pedroza said. "So it's upon us ... the stakeholders, to make sure we do this right."