

# ABAG Report to MCCMC<sup>1</sup>

January 2024

## **EXECUTIVE SUMMARY:**

**1. REGIONAL HOUSING BOND MEASURE:** ABAG and the Bay Area Housing Finance Authority (BAHFA) continue to work on a possible regional bond measure for the 2024 ballot in all nine Bay Area counties. As mentioned in my October 2023 ABAG report, BAHFA, a first-of-its-kind regional authority created to address the Bay Area's chronic housing challenges, have been conducting multiple public information meetings around the potential bond, which could bring \$10 to \$20 billion to the Bay Area.

The bond would 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.

BAHFA has contracted with EMC Research, Inc. (EMC) to provide continued public opinion research support for this potential housing bond measure, for a total contract amount not exceed \$400,000. To explore the viability of BAHFA placing a housing bond measure on the 2024 ballot, staff needs the support of an experienced local market research firm to conduct quantitative public opinion surveys of likely voters in the nine-county Bay Area on their attitudes and priorities around housing to inform the measure.

This \$10 to \$20 billion dollar bond could create 80,000 new affordable homes which is 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

Money from the housing bond would 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 BAHFA Board will be making a decision in June on whether to go forward with this Housing Bond in 2024.

**2. NATURE-BASED SHORELINE STRATEGIES:** The San Francisco Estuary Partnership has been working on advancing nature-based shoreline infrastructure for multiple benefits. We are experiencing an increasing urgency to address impacts related to climate change, including vulnerability to rising seas and storm surges along the shoreline. Prioritizing green infrastructure, or nature-based solutions (NBS) to climate adaptation

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<sup>1</sup> Marin County Council of Mayors and Councilmembers (MCCMC)

challenges along the shoreline provides benefits to ecosystems and the health of the Estuary as well as to people.

The San Francisco Estuary Blueprint is a collaborative, consensus-driven five-year roadmap for the San Francisco Estuary that identifies the top actions needed for increased climate resilience, improved water quality, healthier habitats, and thriving human communities. Included within the Estuary Blueprint are several actions and tasks focused on advancing projects that prioritize NBS as a multi-benefit climate adaptation strategy. SFEP's efforts to advance implementation of NBS are also captured in the Plan Bay Area 2050; specifically, Action 9g within the Environment Element to "Prioritize implementation of natural and nature-based solutions through SFEP's projects and programs." SFEP is advancing NBS by partnering with local communities to develop on the ground projects from design to construction; bolstering regional capacity through technical support and learning networks; and addressing specific barriers to implementation, such as funding and regulatory processes.

One shoreline NBS project type is called a "horizontal levee" (sometimes also referred to as a "living levee" or "ecotone levee"). Horizontal levees are a re-imagining of how a levee looks and what it can do. Instead of a vertical wall to protect against storm surges, a horizontal levee is a gently sloping, vegetated slope that can provide multiple benefits including: protection against storms and rising sea levels; habitat for native species; and recreational and educational opportunities. In partnership with wastewater districts, horizontal levees can also filter treated wastewater, and remove contaminants such as nitrogen, phosphate and pharmaceuticals found in wastewater.

At the local level, SFEP works directly with communities to advance on the ground projects. Many local jurisdictions are over extended and lack capacity to champion new projects despite significant support for NBS. As a result, SFEP has partnered directly with local jurisdictions and public landowners to lead design, engineering and permitting processes and support equity-centered stakeholder engagement. Regarding horizontal levees specifically, SFEP is currently working with wastewater districts, local municipalities, and community-based organizations on several horizontal levee projects located around the region including in Suisun/Fairfield, North Richmond, San Leandro, Hayward, and Palo Alto.

**3. REGIONAL HOUSING TECHNICAL ASSISTANCE PROGRAM:** In 2019, the State created the Regional Early Action Planning (REAP 1.0) grant program and awarded \$23.9 million to ABAG to collaborate regionally on planning activities that accelerate housing production. The ABAG Executive Board used REAP 1.0 to seed the creation of a new Regional Housing Technical Assistance Program (RHTA) to support all jurisdictions in the Bay Area with their 6th Cycle Housing Elements and to implement policies and programs that further the regional priorities set by Plan Bay Area 2050. The American Planning Association (APA) California Chapter honored MTC and ABAG with the 2023 Planning Agency Award of Excellence for the RHTA Program.

REAP 1.0 funds have largely been expended and the program is expiring. REAP 2.0 is a key opportunity to extend and evolve MTC-ABAG's award-winning RHTA program. The currently proposed \$16 million in support for RHTA includes \$4 million in support for the subregional Planning Collaboratives and \$4 million for local grants to implement housing policies, with the balance to be spent on staff and consultants to continue to provide regional housing technical support. All expenditures must meet REAP 2.0's eligibility criteria of advancing infill, reducing VMT and affirmatively furthering fair housing.

In November 2023, ABAG approved the suballocations and consulting contracts to continue the work of the Planning Collaboratives with as little of a gap in service as possible based on the transition from the REAP 1.0 to REAP 2.0 fund sources. Staff proposed and the ABAG Executive Board approved \$4 million in funding

designated for support of the Planning Collaboratives be suballocated in the same proportions used in REAP 1.0 as follows:

- \$493,000 Alameda
- \$657,000 Contra Costa County
- \$490,000 Marin County
- \$526,000 Napa/Sonoma
- \$128,000 City and County of San Francisco
- \$690,00 San Mateo County Department of Housing
- \$526,000 Cities Association of Santa Clara County (as designee of Santa Clara County)
- \$490,000 Solano Transportation Authority (STA) (as designee of Solano County)

TOTALS: \$4,000,000

**4. PLAN BAY AREA 2050:** Plan Bay Area 2050+ is a limited and focused update of Plan Bay Area which kicked off in July 2023, with an anticipated adoption date of fall 2025. Plan Bay Area will be updated in consultation with a wide range of partners, including federal, state, regional, county, local and Tribal governments, as well as community organizations, stakeholders, and the public.

During the summer and early fall of 2023, the first round of public engagement aimed to gather insights on the pandemic's impact on the lives of Bay Area residents. It also sought to identify shifts in priorities and concerns among different partners and stakeholders. Through activities including pop-up public workshops, an online survey, and partner/stakeholder virtual workshops, MTC/ABAG staff have received and analyzed over 16,000 public comments and engaged hundreds of partners on topics related to the four plan elements:

- The top concerns related to housing included affordability, homelessness and home access, and housing insecurity.
- The top concerns related to the economy focused on the negative impacts of inflation and the high cost of living, low or stagnant wages and the job market, and income inequality.
- The top concerns related to transportation included the need to improve the safety, cleanliness, frequency, and convenience of transit, changes in travel behavior, and the need for bike/pedestrian improvements.
- The top concerns related to the environment focused on cleaner streets/communities, climate mitigation and adaptation, and environmental degradation.

The Regional Growth Forecast estimates how much the Bay Area might grow between the plan baseline year and the plan horizon year, including population, jobs, households, and associated housing units. The forecast also includes key components of the growth, including employment by sector, population by age and ethnic group, and households by income level. Given that Plan Bay Area 2050+ is a limited and focused update, staff has applied the existing forecast methodology from Plan Bay Area 2050, while integrating more recent data including information from the 2020 Census. **The draft Regional Growth Forecast anticipates lower population and household growth between 2020 and 2050 than in Plan Bay Area 2050: the estimated population growth is 1.8 million while household growth is 1.0 million, 23% and 22% lower than the previous forecast, respectively. Meanwhile, estimated jobs growth is 1.4 million, similar to the previous forecast.**

ABAG has been refining the Draft Regional Growth Forecast, Draft Needs and Revenue Forecast, and strategy specifics and will be presenting the Draft Blueprint strategies for Plan Bay Area 2050 in early 2024. Public engagement will follow in Spring 2024.

## **UPCOMING MEETINGS<sup>2</sup>**

- **January 25, 2024 --** Bay Area Housing Finance Authority Advisory Committee, 10:00 am  
ABAG SF Bay Trail Steering Committee, 1:00 pm
- **February 9, 2024 --** Joint MTC Planning and ABAG Administrative Committee, 9:40 am  
Joint MTC/ABAG Legislative Committee, 9:45 am
- **February 14, 2024 --** Joint Meeting between ABAG Housing Committee and the Bay Area Finance Authority Oversight Committee, 12:00 pm
- **February 15, 2024 --** ABAG Power Executive Committee, 11:00 am
- **February 22, 2024 --** Bay Area Housing Finance Authority Advisory Committee, 10:00
- **February 23, 2024 --** Bay Area Regional Collaborative, 10:00
- **February 28, 2024 --** MTC Commission, 9:35 am  
Bay Area Housing Finance Authority, 9:40 am  
Bay Area Toll Authority, 9 :45 am  
Bay Area Infrastructure Financing Authority, 9:50 am
- **March 8, 2024 --** Joint MTC Planning and ABAG Administrative Committee, 9:40 am  
Joint MTC/ABAG Legislative Committee, 9:45 am
- **March 13, 2024 --** Joint Meeting between ABAG Housing Committee and the Bay Area Housing Finance Authority Oversight Committee, 12:00
- **March 21, 2024 --** ABAG Finance Committee, 5:00 pm  
ACFA Governing Board, 5:05 pm  
ABAG Executive Board, 5:10 pm
- **March 28, 2024 --** Bay Area Housing Finance Authority Advisory Committee, 10:00  
SF Bay Trail Steering Committee, 1:00 pm

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<sup>2</sup> All meetings are 'hybrid' which means that some Board/Committee members will be in person at 375 Beale Street, SF; and, others will be participating via Zoom, webcast and/or teleconference, as noted otherwise. <https://mtc.legistar.com/> If you have questions, contact Pat Eklund, Councilmember, City of Novato at 415-883-9116 or via email at: [pateklund@comcast.net](mailto:pateklund@comcast.net).