



Alameda Post

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\$20B Housing Bond Measure on November Ballot



Hundreds of new units of housing under construction in Alameda along the Northern waterfront. Photo Adam Gillitt.

A proposed \$20 billion Bay Area Affordable Housing Bond, [Regional Measure 4](#), is set to be on the November 5 ballot for voters' approval. The purpose of the general obligation bond measure, adopted by resolution at the Bay Area Housing Finance Authority (BAHFA) June meeting, is to produce new affordable housing and preserve existing affordable housing throughout the region.

BAHFA is jointly governed by the [Association of Bay Area Governments](#) (ABAG)'s Executive Board and by the BAHFA Board, which comprises the same membership as the [Metropolitan Transportation Commission](#) (MTC).

The proposed BAHFA bond measure calls for 80% of the funds to go directly to the nine Bay Area counties—and to the cities of San Jose, Oakland, Santa Rosa and Napa—in proportion to each county's tax contribution to the bond. (See [Where Will the Money Be Spent?](#) below.) The [full text](#) of the measure and the [complete bond report](#) are available to read online.

According to [reporting by KOED](#), 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. [CalMatters reported](#) that big borrowing comes with a big cost. The authority estimates that paying off principal and interest via higher property taxes will amount to a couple hundred dollars per year for the average Bay Area homeowner, totalling about \$10k per homeowner before it's paid off.

The bond measure currently would require approval by at least two-thirds of voters to pass. However, voters throughout California will consider Assembly Constitutional Amendment 1 ([ACA 1](#)) this November 5, approval of which would set the voter threshold at 55 percent for voter approval of bond measures for affordable housing and infrastructure. If a majority of California voters support ACA 1, the threshold to pass the BAHFA bond measure will be 55% rather than two-thirds of voters.

Under state law, each Bay Area county will now take a non-discretionary, ministerial vote to place the measure on the ballot in that county, in accordance with election deadlines.

Where will the money be spent?

The proposed BAHFA bond measure calls for 80 percent of the funds to go directly to the nine Bay Area counties—and to the cities of San Jose, Oakland, Santa Rosa and Napa, each of which carries more than 30 percent of their county's low-income housing need—in proportion to each county's tax contribution to the bond. In consultation with its

cities and towns, each county would determine how to distribute bond funds to best meet its jurisdictions' most pressing housing needs.

These distributions would include:

Alameda County: \$2 billion.
Contra Costa County: \$1.9 billion.
Marin County: \$699 million.
Napa County: \$118 million.
San Francisco County: \$2.4 billion.
San Mateo County: \$2.1 billion.
Santa Clara County: \$2.4 billion.
Solano County: \$489 million.
Sonoma County: \$553 million.
City of Napa: \$246 million.
City of Oakland: \$765 million.
City of San Jose: \$2.1 billion.
City of Santa Rosa: \$242 million.

The remaining 20 percent, or \$4 billion, would be used by BAHFA to establish a new regional program to fund affordable housing construction and preservation projects throughout the Bay Area.

Most of this money—at least 52%—must be spent on new construction of affordable homes, but every city and county receiving a bond allocation must also spend at least 15% of the funds to preserve existing affordable housing. Almost one-third of funds may be used for the production or preservation of affordable housing, or for housing-related uses such as infrastructure needed to support new housing.

The California Constitution currently does not allow bond funds to be used for tenant protections such as rental assistance, but planned investments in new housing and affordable housing preservation will protect tens of thousands of low-income renters and vulnerable residents.

The BAHFA Board also adopted resolutions approving the Authority's Business Plan and its Regional Expenditure Plan, which explain the prioritization for use of the funds that would be directly administered by BAHFA.

Oversight

Oversight and accountability provisions to be included in the BAHFA bond measure include the creation of a special bond proceeds account; establishment of a Citizens' Oversight Committee that would review the expenditure of bond proceeds and report to the BAHFA and ABAG Executive Boards on whether the funds were spent appropriately; an independent annual performance audit; a requirement that all bond-projects be consistent with state laws on labor standards; a requirement that administrative costs not exceed the amount prescribed in state law; and a prohibition against any public official who voted to send the ballot measure to the voters bidding on any work funded with proceeds from the bond.

The ABAG Executive Board voted unanimously at its April meeting to adopt a resolution approving BAHFA's Business Plan and its Expenditure Plan, as well as to endorse placement of the bond measure on the November ballot.

In her remarks preceding the vote, ABAG President and Napa County Supervisor Belia Ramos noted, "This is a remarkable milestone moment for our region. Housing stability is essential for our community to thrive, and this proposal is a once-in-a-generation opportunity."

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