Dear Friends,

The Non-Profit Housing Association of Northern California (NPH) will be celebrating our thirty-fifth anniversary next year, and we couldn’t be more excited.

Over three decades ago, our sector started out with very few tools—just a will to work hard and a conviction that our communities deserved safe, affordable homes for their most vulnerable residents. We’re proud to report that NPH’s umbrella of 750 members supporting affordable housing is now the dominant force in the field—the force behind the production of many thousands of units of contemporary, beautifully-designed and well-maintained affordable rental homes for those desperately in need. We’re also pleased to have seen a recent upswing in the creation of more affordable home ownership opportunities.

Yet our work has not been without recent challenges. Despite the fact that nearly one-third of the Bay Area’s working households spend more than half their income on rent, we’re seeing our tools to build affordable housing severely diminished. This past fall, Governor Brown vetoed vital legislation that would have restored the ability of local governments to use inclusionary housing policies to encourage the creation of affordable homes. This ruling comes on the heels of the wholesale elimination of redevelopment agencies two years ago.

NPH is leading the charge to reverse the impact of these decisions. We and our partners are working to recover the tax increment dollars that once funded redevelopment agencies so that they can be re-directed toward affordable housing. We are working with lawmakers and statewide partners to pass legislation that would create a dedicated source of funding for affordable housing in 2014. This critical bill, SB 391, is now waiting to be heard on the Assembly floor.
We’re also thinking big in other ways. In partnership with key allied groups, NPH is poised to launch a regional campaign to adopt a “Quality of Life” measure that would encourage sustainable communities in the Bay Area by creating a regional funding mechanism that creates affordable housing, transportation choices, climate adaptation, and open space preservation.

As we ramp up for NPH’s thirty-fifth year, we’re looking forward to not only celebrating our history, but also some big wins and much-needed reversals in the affordable housing field.

We would not be able to do this without you – our members, supporters, partners, and allies. Thank you so much for your hard work and your generosity. On behalf of those individuals and families whose lives are dignified by the provision of safe, affordable housing, we look forward to sharing more victories with you next year!

Sincerely,

Dianne J. Spaulding
Executive Director

Phillip Kilbridge
Board President

Local affordable housing resources enabled Fauzia Mohammed to achieve her family’s dream of owning their own home. With the elimination of redevelopment agencies in California, Fauzia’s dream would not be possible today. This is one illustration that NPH’s work is crucial to developing affordable homes.
POLICY HIGHLIGHTS
ADVANCING PRO-AFFORDABLE HOUSING POLICIES

EFFECTING STATE-WIDE CHANGE
In 2013, the housing crisis was far from over for most Californians. Home mortgage requirements were tightened and rents were driven to record high levels across the state. The need for affordable housing could accurately be called urgent. NPH once again positioned itself at the forefront of affordable housing advocacy, crafting and fighting for key state and regional policy opportunities. These included:

THE CALIFORNIA HOMES AND JOBS ACT (SB 391)
For over 15 years, securing a statewide dedicated revenue source has been a priority of our policy work. Last year, NPH advocated for SB 391, a bill that will be instrumental in creating new affordable homes throughout the state, while creating 29,000 jobs annually. These much-needed homes will help businesses attract and retain the workforce that fuels the California economy. If passed, the Homes and Jobs Act will generate, on average, $525 million annually for affordable housing, and leverage up to $2.78 billion a year in federal, local and private investments.

REGIONAL QUALITY OF LIFE MEASURE
NPH set the stage for an initiative that will support the Bay Area’s implementation of the region’s Sustainable Communities Strategy (SB 375) – Plan Bay Area. This groundbreaking new measure will encourage the production of affordable homes near job centers and public transportation. NPH is poised to conduct an opinion poll to determine the measure’s viability and potential revenue sources for the regional measure.

At NPH, we firmly believe that experienced public policy development and advocacy work can bring about needed change. We partner with local grassroots organizations and government agencies to help craft policies that will positively affect land use, zoning decisions and funding availability for affordable housing and livable communities for years to come.
STRENGTHENING LOCAL COMMUNITIES

Until 2011, when they were dissolved, California’s redevelopment agencies (RDA) were the largest dedicated source of funding for affordable housing in the state. Since then, the affordable housing field has been struggling with a $1 billion annual funding gap.

The wholesale elimination of the 65-year-old state program and affordable housing mandate has had a profound effect on local jurisdictions. In 2013, NPH focused on the strategic development of alternatives to the mainstay of RDA. Since no one new initiative can replace the funds lost from the agencies’ dissolution, NPH adopted a progressive “all of the above” approach to generating new funding sources via state, regional, and local initiatives. This year, we pursued the following:

INCLUSIONARY HOUSING (AB 1229)
We worked to strengthen and revitalize local pro-affordable housing policies through this bill, but ultimately were faced with Governor Brown’s veto of the legislation. NPH continues to develop tools to provide technical assistance to advocates and local governments on inclusionary housing policies. This ongoing effort will include new research on the inclusionary landscape and renewed leadership on ways to increase its effectiveness and implementation in targeted communities.

BAY AREA TRANSIT-ORIENTED AFFORDABLE HOUSING (TOAH) FUND
This fund was launched in 2011 as a financing tool to help developers purchase or improve property near transit lines, in order to develop affordable housing and related services. Through our advocacy efforts, NPH helped secure an additional $10 million dollars toward the TOAH fund this year. This investment brings the fund to $60 million, a significant win for affordable housing in our region.

BOOMERANG FUNDING
Housing advocates across the state are working with their local government partners to dedicate property tax residual distributions generated under the dissolution process (“boomerang funds”) for affordable housing. Through our Housing Advocacy Network (HAN), NPH pursued boomerang campaigns that saw success in the counties of San Francisco, San Mateo and Santa Clara and the cities of Fremont, Emeryville, San Leandro, Foster City, San Mateo and Oakland. Through the work of our HAN members, over $30 million dollars in boomerang funds have now been earmarked for affordable housing.
**HOUSING IMPACT FEES (HIF)**

HIF are one-time assessments applied to new, market-rate residential development, similar to commercial linkage fees. NPH worked with our local allies to pass Housing Impact Fees that will generate $10 million dollars in area funding.

**HOUSING ELEMENTS**

State law mandates that local governments adequately plan to meet the housing needs of their residents for projected growth. NPH provided technical assistance to those local governments that did not yet have a certified housing element in place, to aid them in their planning process. This year NPH assisted the jurisdictions of Menlo Park and Marin County with their Housing Elements among others.

**PLAN BAY AREA**

During July of this year at a joint meeting of the Metropolitan Transportation Commission and the Association of Bay Area Governments Executive Board, the Bay Area’s first Sustainable Communities Strategy, Plan Bay Area, was adopted. Over the last two years, NPH teamed up with social equity advocates, the business, labor and environmental communities and other stakeholders to help shape this Plan and maximize the opportunities to produce affordable housing for low-income people and our local workforce. The effort to coordinate land use and transportation planning and to focus on providing affordable homes near jobs and transit for Bay Area residents will diminish traffic congestion, reduce commute times and dramatically improve the quality of life for everyone if we are able to fund and build affordable housing called for in the Plan. Thus, the major push to create a regional “Quality of Life” initiative going forward is a new priority for NPH and our partners.
Our members, now numbering 750 strong, and our supporters, are the key to our success. NPH builds on this strength through our core programs:

**NPH WORKING GROUPS**
Our working groups provide the forum and the proving ground for affordable housing policy solutions. Learn more about our working groups at right.

**TECHNICAL ASSISTANCE**
NPH’s technical assistance work complements our policy portfolio. Our policy team helps local advocates and government entities strategize on how best to adopt new tools – like housing impact fees and inclusionary policies – to create affordable housing in their communities.

**BROWN BAG WORKSHOPS**
NPH’s Brown Bag Workshops are a vital and affordable way to update our members on the issues of the moment. Workshop topics range from organizational development and operations to policy and advocacy. Hot topics this year included how best to engage affordable housing residents to become active participants in their communities, and inclusionary housing.

**PROFESSIONAL DEVELOPMENT AND NETWORKING**
NPH continued the tradition of a Spring Affordable Housing Leadership Awards and Fall Annual Conference. These events were at their most successful peak in 2013 and are the premiere venues for peer-to-peer learning and networking.

**LEGISLATIVE ISSUES WORKING GROUP**
This group tackles state and federal affordable housing legislation and policies. The group worked to advance SB 391 and AB 1229, legislation that would serve as tools for local governments to build affordable housing, as well as other issues.

**HOUSING ADVOCACY NETWORK (HAN)**
Comprised of grassroots, policy and advocacy organizations throughout the Bay Area, the HAN group coordinates regional efforts. This year, HAN focused on the implementation of the region’s Sustainable Communities Strategy, SB 375, which ties together land use and transportation planning.

**HOUSING INNOVATION WORKING GROUP**
Our newest emerging group, this group is comprised of leading affordable housing practitioners who are committed to innovating solutions for the evolving needs of the sector. As an example, the group identified the nexus of health and housing as a hot-button issue. At the annual NPH conference, the theme of silo busting and beginning an integrated dialogue about the health care and affordable housing finance and delivery systems became the focus of the plenary session, which was an exciting and dynamic conversation.
FINANCIAL SUMMARY
These financial statements have not yet been audited.

**2013 STATEMENT OF ACTIVITIES**

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<th>Revenue/Expense</th>
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**2013 STATEMENT OF ACTIVITIES**

| Total Net Assets     | $842,303   |

**2013 REVENUE**

- **Program Fees & Technical Assistance**: 2%
- **Membership Dues**: 6%
- **Special Events**: 31%
- **Interest**: 1%
- **Grants**: 47%
- **Contributions**: 12%

**2013 EXPENSES**

- **Membership Development**: 6%
- **Management**: 15%
- **Fundraising**: 9%
- **Programs**: 70%

**THANK YOU**

TO OUR SUPPORTERS AND DONORS

NPH would like to extend a special thank you to everyone* who has helped make our work possible this year. We could never have achieved so much without your support.

**CORPORATE AND PHILANTHROPIC DONORS**

- David Baker Architects
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- BAR Architects
- BBI Construction
- BRIDGE Housing Corporation
- Bullard Construction, Inc.
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- JP Morgan Chase Bank
- Christian Church Homes of Northern California
- Community Economics, Inc.
- Construction Employers’ Association
- D & H Construction
- Emerald Fund, Inc.
- Great Communities Collaborative
- Gubb & Barshay LLP
- Hearth Homes Community Building
- William and Flora Hewlett Foundation
- Leddy Maytum Stacy Architects
- Low Income Investment Fund
OUR MEMBERSHIP

COMMUNITY

Our 750+ members include the full spectrum of housing practitioners, including non-profit housing developers, housing advocates, local governments, financial institutions and environmental and faith-based groups. While extremely diverse, our supporters share a singular passion for making the Bay Area a more affordable and equitable place to live.

* Please note this list is current as of 12/12/13 and does not include the generous sponsors of our two annual events.

INDIVIDUAL DONORS

Ari Beliak  Ben Golvin & Karen Klein  Linda Mandolini  Bruce Spaulding
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Susan Friedland  Joe Litten  Doug Shoemaker  Janet Graf
Jack Gardner & Candy Rupp  Richard Mandel  Marcia Rosen  Anne Halsted

IN ADDITION, NPH WOULD LIKE TO THANK the many individuals and organizations who support our work by attending and sponsoring NPH events throughout the year.

Our 750+ members include the full spectrum of housing practitioners, including non-profit housing developers, housing advocates, local governments, financial institutions and environmental and faith-based groups. While extremely diverse, our supporters share a singular passion for making the Bay Area a more affordable and equitable place to live.

ENVIRONMENT 3%  CONSTRUCTION 5%  ARCHITECTS & PLANNERS 9%  FINANCIAL SERVICES & LENDING 12%  AFFORDABLE HOUSING ADVOCATES 21%  HOUSING DEVELOPERS 24%  GOVERNMENT 12%  PROPERTY MGMT. & SUPPORT SVCS. 9%  LEGAL SVCS. & INSURANCE 6%
LEADERSHIP

NPH 2013 BOARD OF DIRECTORS

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Ben Golvin
Equity Community Builders

Andrea Papanastassiou
Northern California Community Loan Fund

Our Mission
The Non-Profit Housing Association of Northern California is the collective voice of those who support, build and finance affordable housing. NPH promotes the proven methods of the non-profit sector and focuses government policy on housing solutions for lower income people who suffer disproportionately from the housing crisis.