

ANNUAL REPORT | 2014



NON-PROFIT HOUSING ASSOCIATION
OF NORTHERN CALIFORNIA

**The Voice of
Affordable Housing**

**FOR EVERY NEW AFFORDABLE HOME CREATED, THERE
WERE NEARLY FIVE VERY-LOW, LOW AND MODERATE-
INCOME LEVEL HOUSEHOLDS WHO NEEDED IT.**

According to the Association of Bay Area Governments
(ABAG), between 2007 and 2014



**"WE THINK WE HAVE AN AFFORDABLE
HOUSING CRISIS NOW? I SHUDDER TO
THINK WHAT IT WOULD'VE BEEN WITHOUT
NPH'S INVOLVEMENT."**

CHRISTINE CARR
FINANCE MANAGER, SILICON VALLEY BANK

NPH CREATES A LEGACY OF LEADERSHIP IN AFFORDABLE HOUSING

Dear Friends,

As the Non-Profit Housing Association of Northern California (NPH) celebrated our 35th Anniversary this year, we reflected on the milestones we've been part of and envisioned the future of NPH and the affordable housing movement. Over the past decades, NPH has made housing accessible for hundreds of individuals and working families in the Bay Area, while spreading the message that affordable housing is good for communities.

This year we announced that our longtime Executive Director, Dianne Spaulding, is transitioning away from the organization after 23 years of dedicated leadership. Dianne and Phil Kilbridge, CEO of Habitat for Humanity Greater San Francisco and outgoing NPH Board President, recently sat down to share their thoughts on what's next for NPH.

What do you see as the biggest opportunities for NPH?

Dianne: As a new generation of emerging leaders come in, they need to be energized and figure out how it makes sense for them to push this agenda and influence policy.

Phil: Measuring outcomes: when we can prove that emergency room visits are decreased, education outcomes are attained and VMT reduced, that'll be huge for us!

Biggest challenges?

Phil: Critical state funding is largely absent and we need to help our elected officials understand their role. The state needs to enable affordable homes for our most vulnerable populations as well as our workforce.

Dianne: In a truly Californian metaphor, the affordable housing community is in an eight-year drought when it comes to funding. NPH has to be the rainmaker. That requires tenacity, intellect, thought-leadership, and some real political chops.



What do you hope for the future of NPH?

Dianne: When I came on in 1993, people turned to us for technical assistance. As intermediaries were created, we were needed much more for our capacity building, policy development, and advocacy – all the roles we play now in a profound leadership way. We need a bold new idea for affordable housing. I hope that NPH will be the organization that leads us into the future.

Phil: I hope and believe that we'll carry on the dynamic legacy established by Dianne.

Throughout this year of transition, the NPH team worked harder than ever, securing wins at both state and local levels. NPH sponsored bills and supported our partners' efforts, enabling additional land and new funding resources for affordable housing.

We would not be able to do this work without you - our members, supporters, partners, and allies. Thank you for your dedication, generosity and continued support. We look forward to sharing more victories with you in 2015!

Sincerely,

A handwritten signature in dark ink that reads "Dianne J. Spaulding".

Dianne J. Spaulding
Executive Director

A handwritten signature in dark ink that reads "Phillip Kilbridge".

Phillip Kilbridge
Board President

POLICY

EFFECTING STATE-WIDE CHANGE

The need for affordable housing in the San Francisco Bay Area has never been more critical. While it's fairly well known that affordable housing is needed for the most vulnerable sectors of the population – seniors, low-income families and people facing health challenges – it's less clear that many Bay Area residents in service, health and education professions earn incomes far below levels needed to rent market-rate apartments or purchase homes.

NPH has a proven track record in legislative advocacy and providing technical assistance to develop affordable housing policy. Our efforts help ensure that all Bay Area residents have a safe place to live.

Local Agency Surplus Land for Affordable Housing (AB 2135)

In September, Governor Jerry Brown signed into law NPH-sponsored AB 2135 (Ting), one of the most substantive affordable housing policy bills passed this year. AB 2135 strengthens the Right of First Refusal enjoyed by affordable housing when local agencies, such as transportation authorities, dispose of surplus land and specifies that market-rate residential development on such land include affordable homes. AB 2135 ensures that affordable housing enjoys an advantage when competing for the limited resource of land.

General Fund Allocation

Amidst a growing need for affordable housing funding, NPH worked with regional and statewide partners to urge Assembly Speaker and housing champion, Toni Atkins, to propose a state general fund allocation for HCD's Multifamily Housing Program (MHP). A \$100 million appropriation was included in the final FY 2014-15 budget, representing the first General Allocation for MHP in more than a decade.

Cap and Trade

NPH is an active member of the Sustainable Communities for All Coalition, working to ensure cap-and-trade proceeds are invested in affordable homes, transit, and energy

MORE THAN 50% OF WORKING HOUSEHOLDS IN NORTHERN CALIFORNIA QUALIFY FOR AFFORDABLE HOUSING BASED ON THEIR INCOME LEVELS



Oakland TEACHER

MEDIAN SALARY \$58,561
MEDIAN YEARLY RENT \$27,300
(two-bedroom apartment)

46%



Santa Rosa NURSE

MEDIAN SALARY \$58,561
MEDIAN YEARLY RENT \$20,832
(two-bedroom apartment)

47%



San Francisco POLICE OFFICER

MEDIAN SALARY \$58,561
MEDIAN YEARLY RENT \$45,600
(two-bedroom apartment)

75%

efficiency. In FY 2014-2015, \$130 million of cap-and-trade auction revenues is dedicated to the Affordable Housing and Sustainable Communities Program, of which transit-oriented affordable housing development will receive \$65 million.

The Veterans Housing and Homeless Prevention Bond (Prop 41)

As part of the statewide primary election, voters overwhelmingly approved NPH-supported Proposition 41, the Veterans Housing and Homeless Prevention Bond Act of 2014, which authorizes \$600 million in general obligation bond funding for affordable and supportive multifamily housing for low-income and homeless veterans and their families.

POLICY

PIVOTING TOWARDS LOCAL

Housing Impact and Commercial Linkage Fees

As people move into new market-rate homes or office buildings, they generate a need for services typically provided by low-wage workers, such as restaurant and retail work. Recognition of this link has led to growing interest in the use of **housing impact (HIF)** and **commercial linkage fees (CLF)**.

In 2014, NPH worked tirelessly to help pass legislation authorizing impact fees in Daly City, Emeryville and San Jose, with efforts in San Mateo County still underway. In November, San Jose authorized a \$17 per square foot (psf) HIF projected to bring in \$25 to \$30 million dollars a year for affordable housing development. In addition to new fees, this year NPH helped Mountain View and Sunnyvale increase existing fees. Sunnyvale's CLF rose from \$9.49 psf to \$15 psf while Mountain View increased their HIF from \$10.26 psf to \$17 psf and their CLF on office, high tech and industrial from \$10.26 psf to \$25 psf.

Housing Elements

As the Bay Area plans for growth, **housing elements** are critical tools for ensuring an adequate supply of affordable homes keeps pace with projected job growth. To date, the NPH policy team has compiled data on housing policies for all 47 cities in the region, convened regional coalitions, and provided direct technical assistance for housing elements or local plans in: Walnut Creek, San Jose, Redwood City, Sunnyvale, Mountain View, Milpitas, Los Gatos, Daly City, Cupertino, and Newark.

Boomerang Funds

NPH works to secure **boomerang funds**, new property tax revenues to a city or county's general fund due to the elimination of redevelopment agencies and increases in the assessed value of real estate. Since 2012, over \$60 million dollars in boomerang funds has been set aside for affordable housing due to successes in San Francisco, Fremont, Alameda County, San Mateo County, Santa Clara County, and recently Mountain View.

OF THE BILLS

THAT NPH HELPED

PUSH THROUGH

SACRAMENTO,

5

WERE SIGNED

INTO LAW IN 2014

IN 2014, NPH WORKED TIRELESSLY
TO HELP PASS LEGISLATION
AUTHORIZING HOUSING IMPACT
FEES IN DALY CITY, EMERYVILLE
AND SAN JOSE.



BUILDING CAPACITY

WORKING GROUPS

NPH plays a major role in building consensus within the affordable housing field on legislative priorities. Our Working Groups inspire collaboration and amplify the voice of key stakeholders, while furthering understanding across the sector, to advance our common vision that all Bay Area residents have a safe, affordable place to live.

Emerging Leaders Peer Network (ELPN)

ELPN was established in 2014 by young affordable housing leaders with the support of NPH. The group works to develop young housers' expertise and knowledge across all sectors of the field as well as to continue to grow the industry through recruitment and professional development and advocacy.

Legislative Issues Working Group

The **Legislative Issues Working Group** reviews program changes, regulation updates, and state and federal bill proposals as they arise, making preliminary recommendations to guide and inform NPH's position on each issue. This year the group focused on cap-and-trade allocations, surplus land, and helped support the enactment of five pro-affordable housing bills that became law.

Housing Advocacy Network (HAN)

HAN on local and regional housing campaigns and issues. In 2014 HAN focused on working to recapture tax increment dollars for affordable housing (Boomerang funds) and to assess housing impact fees in many Bay Area cities.



"NPH'S VOICE IS ONE THAT LEGISLATORS AND POLICY MAKERS EVERYWHERE IN NORTHERN CALIFORNIA REALLY PAY ATTENTION TO."

DON FALK

EXECUTIVE DIRECTOR,

TENDERLOIN NEIGHBORHOOD DEVELOPMENT CORPORATION

SHARING BEST PRACTICES



BROWN BAG WORKSHOPS

Our workshops help build knowledge on vital topics at our member organizations, while providing a fantastic networking opportunity. In 2014, NPH hosted six **Brown Bag Workshops** on pressing and intriguing topics ranging from maximizing the use of GIS to supportive housing for people with disabilities. We had two sold-out sessions, including one on tax credit financing, that helped participants explore the innovative idea of utilizing new market tax credits to build mixed-use affordable housing.

TECHNICAL ASSISTANCE

The NPH Policy team provides technical assistance that sets us apart from other non-profits in the field. Using research and data, as well as case studies and best-practices examples, they help advocates, developers and government entities make practical sense of industry tools, enabling on-the-ground impact in their communities.

**"NPH'S HALLMARK IS ITS
INNOVATIVE, COLLABORATIVE
LEADERSHIP ON HOUSING POLICY
IN THE BAY AREA. NPH IS THE
LEADING VOICE FOR REGIONAL
SOLUTIONS TO THE AFFORDABLE
HOUSING CRISIS."**

MATTHEW O. FRANKLIN
PRESIDENT, MIDPEN HOUSING

PROGRAM

FOSTERING COLLABORATION

NPH's networking events are the premiere venue for best-practice sharing from industry experts, peer-to-peer learning, cross collaboration and partnership across sectors. This year we hosted our **19th annual Leadership Awards**, recognizing the outstanding contributions of many in our field.

Our **2014 Fall Conference**, the only regional conference for affordable housing in Northern California, was our most successful yet. Engaged attendees debated hot topics including the jobs-housing balance, attended sessions with over seventy speakers, and listened to a special keynote presentation from Carolina Reid, Assistant Professor at UC Berkeley. Carolina shared her **research and findings** on affordable housing's links to education, public health, climate change, and the prison system. We also honored William Pavão, former Deputy Director of HCD and current Executive Director of TCAC, for his career-long leadership at the state level to increase affordable housing.

**"NPH HAS SECURED
BIG POLICY AND
RESOURCE WINS THAT
IN TURN HAVE PROVIDED
AFFORDABLE OPTIONS
FOR THOUSANDS OF
FAMILIES - BEAUTIFUL,
WELL-DESIGNED HOMES
WITH SERVICES THAT
ARE INTEGRAL TO
BUILDING HEALTHY
COMMUNITIES."**

FRED BLACKWELL
CEO, THE SAN FRANCISCO
FOUNDATION



YEAR-END SUMMARY

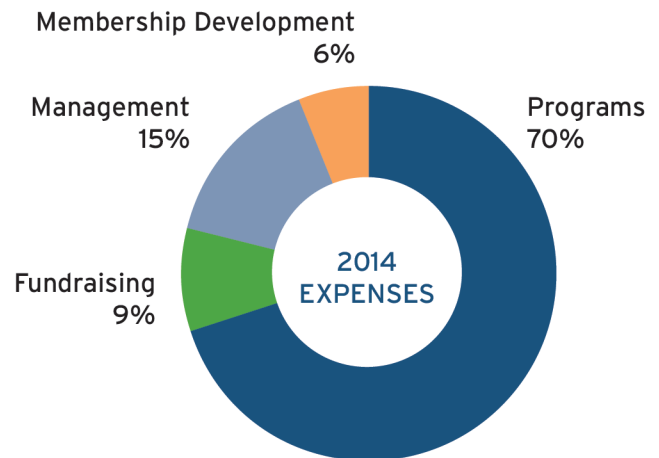
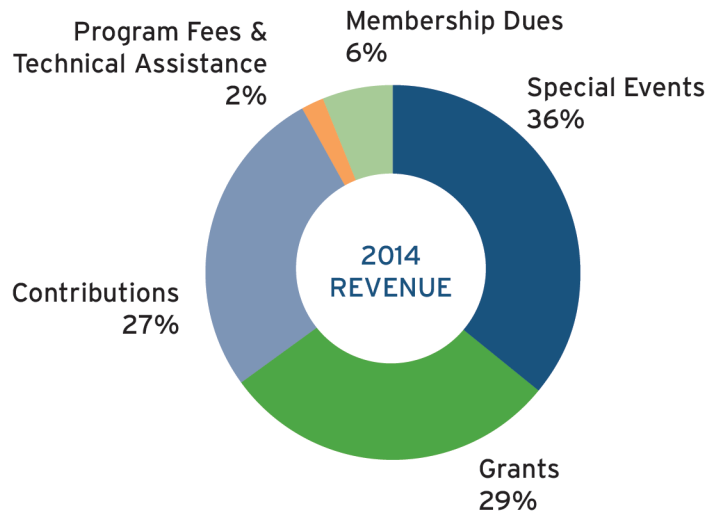
2014 Statement of Activities

Total Revenue	\$1,488,378
Total Expenses	\$1,085,343
Change in Net Assets	\$403,035

2014 Statement of Financial Position

Total Net Assets	\$995,337
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These financial statements have not yet been audited.



OUR 750+ MEMBERS INCLUDE THE FULL SPECTRUM OF HOUSING PRACTITIONERS:

non-profit developers, 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.



LEADERSHIP

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.



NPH Board of Directors, not pictured: Gail Gilman, Community Housing Partnership; Cynthia Parker, BRIDGE Housing; Dan Wu, Charities Housing

NPH Staff

Dianne Spaulding
Executive Director

Peggy Lee
Deputy Director

Michael Lane
Policy Director

Pilar Lorenzana-Campo
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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.

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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.

*Please note this list is current as of 12/17/14 and does not include the generous sponsors of our two annual events.



"NPH IS ON THE FOREFRONT OF PUBLIC POLICY. THEY VALUE THE IMPORTANCE OF LEADERSHIP, BUILDING STRONG NEIGHBORHOOD-BASED ORGANIZATIONS AND DEVELOPING A UNITED FRONT TO ADDRESS THE VERY SERIOUS HOUSING POLICY ISSUES FACING THE BAY AREA"

GORDON CHIN
FOUNDING EXECUTIVE DIRECTOR,
CHINATOWN COMMUNITY DEVELOPMENT CENTER

Eden Housing residents gather in Dublin at Emerald Vista's National Night Out
photo: Alain McLaughlin, courtesy of Eden Housing

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