



## EXECUTIVE SUMMARY

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In the San Francisco Bay Area, long before the COVID-19 global pandemic swept through our region, safe, stable, and affordable housing was far from accessible to all. In the midst of the pandemic, low-income communities of color are far more likely to experience homelessness and housing instability. Moreover, they are also less likely to own homes and acquire wealth, due to the Bay Area's unique legacy of racial discrimination in public policy.<sup>1</sup> The economic ramifications of the pandemic have only intensified the stark racial disparities already present in California's housing market.<sup>2</sup> To lead the region on a trajectory of recovery and prosperity, the Metropolitan Transportation Commission (MTC) and the Association of Bay Area Governments (ABAG) should work together collaboratively to develop a comprehensive regional housing strategy.

*The Road Ahead: A 21st Century Housing Strategy for the San Francisco Bay Area* outlines why and how MTC and ABAG can develop, approve, and implement a comprehensive housing strategy for the Bay Area that will guide both agencies' existing housing portfolio, the Bay Area Housing Finance Authority (BAHFA), Plan Bay Area 2050, and their various housing programs, policies, and decision-making processes.

A comprehensive regional housing strategy would create greater cohesion and clarity around existing housing programs and establish a clear direction and vision for MTC and ABAG's future housing and transit investments. Most importantly, a comprehensive housing strategy will outline and clarify how both MTC and ABAG plan to use all of the tools at their disposal to promote

<sup>1</sup> Moore, Eli; Montojo, Nicole; and Mauri, Nicole. "Roots, Race, & Place: A History of Racially Exclusionary Housing in the San Francisco Bay Area." Othering and Belonging Institute and Haas Institute for a Fair and Inclusive Society. October 2019. <https://belonging.berkeley.edu/rootsraceplace/introduction>.

<sup>2</sup> Mesquita, Aureo and Kimberlin, Sara. "Staying Home During California's Housing Affordability Crisis." California Budget and Policy Center. July 2020. [https://calbudgetcenter.org/wp-content/uploads/2020/07/CA\\_Budget\\_Center\\_Housing\\_Affordability\\_Crisis\\_COVID19.pdf](https://calbudgetcenter.org/wp-content/uploads/2020/07/CA_Budget_Center_Housing_Affordability_Crisis_COVID19.pdf)

the 3Ps (**P**roduction of new homes at all income levels, **P**reservation of existing affordable homes, **P**rotections of tenants from displacement) of housing throughout their work across the region. **Now is the time for bold, courageous, and visionary leadership to set a game-changing 21st century housing strategy guided by the 3Ps of housing.**

The 3Ps framework will help guide our regional planning while also promoting equitable and sustainable growth throughout the region. As we all grapple with the racial reckoning encapsulating our nation, both MTC and ABAG must critically reevaluate how to meaningfully address the role of local governments in denying economic and housing opportunity to communities of color, while also being mindful of the impact of structural anti-Black racism.<sup>3</sup>

From the impacts of redlining, urban highways, and transit stations that uprooted historical Black and Latinx neighborhoods, to proactively combating the devastating impacts of urban renewal and redevelopment — both agencies face a tremendous opportunity to work together and develop a more equitable normal. MTC and ABAG have decisively moved the needle on regional housing policy through the [CASA](#) (Committee to House the Bay Area) process and the groundbreaking [2005 Transit-Oriented Development \(TOD\) policy](#). While bringing together our racially and ethnically diverse residents and governmental agencies, they face **the unique opportunity to update the TOD Policy and put teeth to the bold, regional housing solutions that finally help address what Governor Gavin Newsom has dubbed “the issue that defines all issues” — housing and homelessness — so everyone has a fair shot at success.**

This approach should guide all of MTC and ABAG’s internal and external efforts to support the production and preservation of affordable housing and protect existing tenants from eviction and displacement. Informed by leading affordable housing experts, studies, and evidence-based research, this paper offers specific policy recommendations that both agencies can implement over the course of the next decade to create a more just, diverse, equitable, and sustainable region for us all.

## Key Recommendations

**NPH’s recommendations include establishing the following three goals to address our region’s housing affordability emergency:**

1. Officially adopt the 3Ps housing framework of affordable housing **p**roduction, **p**reservation, and tenant **p**rotections as an organizing principle for all regional housing plans that guides housing targets, objectives, and policy development. This includes MTC and ABAG’s efforts to develop an expanded housing portfolio to better define the roles of ABAG, MTC, and BAHFA—along with other associated entities such as ABAG’s Advancing California Finance Authority (ACFA).<sup>4</sup>
2. Develop concrete policies, incentives, and conditioning formulas to advance racial equity, strengthen the linkage between transportation and housing, and actualize and implement the 3Ps throughout the region. This includes tying transportation funding to specific local housing outcomes and incentivizing jurisdictions to adopt their own affordable housing production, preservation, tenant protection; and
3. Design an innovative, collaborative, integrated, and engaging regional planning process with targeted, outcome-driven goals and evaluation criteria, with the goal of cultivating multi-sector partnerships, leveraging public and private efforts, deepening impact, and facilitating cross-sector, cross-jurisdictional cooperation.



<sup>3</sup> Anti-Black Racism is understood as both stripping Blackness of value through dehumanization and systematically marginalizing Black people. This form of anti-Blackness manifests itself as overt racism. Beneath this anti-Black racism is the covert structural and systemic racism which predetermines the socioeconomic status of Black Americans and is held in place by anti-Black policies, institutions, and ideologies. See Kendi, Ibram, X. “How To Be An Anti-Racist.” One World. 2019.

<sup>4</sup> In 1978, ABAG created the Finance Authority for Nonprofits, or FAN, to provide conduit financing for the capital financing needs of local jurisdictions. Since then, FAN has provided \$8 billion in low cost investment capital for affordable housing, hospitals, schools and other local infrastructure needs. Association of Bay Area Governments. <https://abag.ca.gov/our-work/financing/acfa-advancing-california-finance-authority>



To support these goals, NPH recommends that MTC and ABAG take the following high-level actions to operationalize these goals and demonstrate how both agencies will proactively elevate and prioritize affordable housing and ensure that all 101 cities and nine counties in the Bay Area do their fair share to address the regional housing crisis:

- Detail how discretionary regional investments will be made and how MTC and ABAG will engage with the broad network of regional stakeholders in their long-range planning processes to further a comprehensive housing agenda that guides fair, affordable, and sustainable growth throughout the region;
- Determine how each agency will make transportation and land use investments and use their authority and accountability mechanisms to hold local jurisdictions accountable for building and promoting stronger, more diverse and connected communities; and
- Establish a clear timeline and process for developing and adopting a housing strategy that is vetted by the public as well as through MTC and ABAG's decision-making bodies.

Over the course of the next decade, the affordability challenges facing our region are likely to worsen, compounded with the impact of the COVID-19 pandemic and the expected economic downturn, as local budgets are increasingly constrained. A comprehensive regional housing strategy is not only crucial to support local jurisdictions and agencies throughout our post-COVID recovery, but also safeguards our ability to get ahead of our housing crisis — by delivering the bold regional housing we desperately need to flourish as a collective region through the next decade.

**While we recognize that MTC and ABAG are already engaged in this work, we present the following strategic ways to focus their efforts — so that they can expediently maximize outcomes, while meeting this dire moment.**

## Areas for MTC/ABAG to Clarify

