

# ON TRACK TOGETHER

## EXECUTIVE SUMMARY

In the midst of plenty, the San Francisco Bay Area is failing to house the people who have made our region the success it is today.

Unaffordable rents and home prices in the Bay Area are pushing out many long time residents, putting us at risk of destroying the social and cultural fabric and rich diversity of our communities. Our lack of affordable housing is forcing our innovative workforce farther from job centers and our vulnerable communities from their networks of support. It contributes to pollution, climate change, gridlock, and less opportunity for all.

Polling conducted by NPH and our partners has demonstrated that voters believe affordable housing should be a top priority for local, state, and regional policymakers. Recently, many Bay Area counties stepped up to contribute their fair share toward affordability solutions. Now, as this report demonstrates, our region has the opportunity and urgency to build a regional strategy for Bay Area housing and transportation solutions.

Now it is time for bold action at the regional level.

New opportunities are arising now for a regional housing and transportation approach in the



Bay Area, as the Metropolitan Transportation Commission (MTC) and the Association of Bay Area Governments (ABAG) consolidate staffs in the summer of 2017 and adopt *Plan Bay Area 2040* – a 24-year plan to promote sustainable growth and cut greenhouse gas emissions in the region. The Plan's success will hinge on successfully accommodating added needs from the Bay Area's predicted population growth of 2.3 million more people by 2040, nearly half of whom will make less than \$60,000 a year.

The Bay Area's housing affordability crisis is not unique to any one city or county in the region, and all communities need to be part of the solution to build new affordable units and preserve the affordability of the units we already have. We need a regional approach to solve the Bay Area housing crisis for residents at all income levels. **As ABAG and MTC consolidate their staffs, there has never been a better opportunity to bring together ABAG's sophisticated housing expertise with MTC's transportation know-how and significant resources to create a robust and impactful regional housing program.** Together, these agencies will be uniquely empowered to move forward a game-changing housing agenda.

Top photo: Courtesy of Eden Housing



The Voice of  
Affordable Housing

## IN THIS REPORT

We examine and identify trends from a large body of research on the causes of California's and the Bay Area's underproduction of affordable housing and housing in general, finding that:

- The Bay Area has severely under-produced housing affordable to lower income families and housing overall relative to demand for decades;
- Local governments have favored office and commercial development over homes;
- Land is expensive and constrained, and we have inadequate densities and zoning;
- Urban construction tends to be expensive;
- Out-of-control "local control" and aggressive use of the California Environmental Quality Act blocks projects, especially the development of new affordable homes, and can further the racial and economic segregation of communities;
- The region has seen a significant decline in affordable housing investment from state and federal sources.

We feature recent successful models, as agencies have stepped forward to change and re-direct policies toward ensuring housing for the most vulnerable in our communities, including:

- **MTC's Transit Oriented Affordable Housing Fund**, a nationally recognized program to bank land near transit – seeded by MTC with \$10 million and matched with \$40 million in private investment, securing land for nearly 1,000 new affordable homes;
- **BART's and VTA's Transit Oriented Development Guidelines**, which require jurisdictions to have minimum densities and various pro-housing policies in place to be eligible for major new transportation investments;
- **MTC's Naturally Occurring Affordable Housing Fund**, a program which addresses the threat of rising rents and real estate speculation by shifting properties to long-term affordability and increasing housing stability overall.

And we present key recommendations to build out our region's transportation and housing infrastructure together. The vision presented here includes impactful opportunities that MTC and ABAG can undertake over the next two years to keep our region on track for a healthy future, utilizing existing programs and identifying new opportunities within our regional agencies' purview. Five strategies to achieve the three "Ps" of housing goals (production, preservation, and protection) are presented, including:

- **Investing in our communities.** Tie transportation funding to housing production, and establish new funding sources for new affordable housing development;
- **Incentivizing the preservation of affordable homes** by utilizing regional funds to support acquiring and preserving local affordable housing;
- **Promoting community stability** with strong policies and leadership to address displacement;
- **Working with state lawmakers** to support and promote state legislation that supports regional housing goals;
- **Maximizing regional agencies' ability to lead on housing** by fully resourcing and staffing the joint "Housing and Neighborhoods" unit in its aim to develop innovative and transformative responses at the regional level to the Bay Area's housing woes.

NPH is committed to a future where everyone has a place to call home. A San Francisco Bay Area regional approach can begin this work for our communities in earnest – for our neighbors of today and our children of tomorrow.

