

**Metropolitan Transportation Commission and Association of Bay Area Governments  
Joint MTC ABAG Legislation Committee**

**May 10, 2024**

**Agenda Item 3e**

**Potential Legislation on Bay Area Housing Finance Authority Labor Standards**

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**Subject:**

Potential legislation to authorize the Bay Area Housing Finance Authority (BAHFA) to apply labor standards to regional housing bond proceeds directly allocated to counties and cities.

**Background:**

At their joint meeting on April 10, 2024, the ABAG Housing Committee and the BAHFA Oversight Committee recommended adoption of BAHFA's Expenditure Plan. The Expenditure Plan outlines how BAHFA will deploy its 20 percent share of a regional housing bond to increase the housing supply affordable to lower income Bay Area households. Among other provisions, Part 5 outlines labor standards applicable to housing built or preserved with the funds. These standards require prevailing wages, health care payments and training and are modeled on state law.

The committees additionally recommended that MTC-ABAG staff be directed to seek state authorization to allow BAHFA to apply these labor standards to the remaining 80 percent of the regional housing bond funds, which state law requires be directly allocated to counties and cities. On April 18, 2024, the ABAG Executive Board adopted the Expenditure Plan and directed staff to pursue state legislation to authorize BAHFA to apply the same labor standards to the 80% as apply to the 20%.

Legislators have expressed interest in giving BAHFA the authority it seeks. Staff recommends engaging with those legislators to craft legislation in line with the ABAG Executive Board resolution.

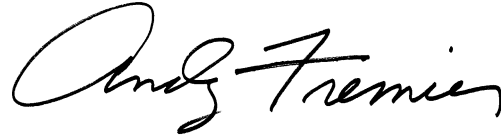
**Recommendation:**

Support / ABAG Executive Board Approval

Support / MTC Commission Approval

**Attachments:**

- Attachment A: ABAG Resolution No. 3-2024

A handwritten signature in black ink that reads "Andrew B. Fremier". The signature is written in a cursive, flowing style.

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Andrew B. Fremier