



Update on Regional Housing-related Activities

Receive & File

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Attachments: No

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Referring Committee: Land Use & Natural Resources

1. Issue:

SACOG and its member agencies are working on a number of housing-related activities since the adoption of local government housing elements in 2021.

2. Recommendation:

None; this is for information only.

3. Background/Analysis:

The 28 city and county members in the region each adopted their housing elements before the September 12, 2021, state grace period deadline. Since adoption, the jurisdictions have focused on implementing the policies and programs in their housing elements. And SACOG has been active in providing technical assistance and making financial support available. There are several housing activities currently taking place:

1. Non-compliant Housing Elements: Non-compliant Housing Elements: Nine jurisdictions in the region received letters from the State Housing and Community Development Department (HCD) that their housing elements were non-compliant and would need to be revised. In January 2022, the SACOG board approved re-purposing unused funds from the first REAP grant (described below) for SACOG's staff and housing consultants to provide technical assistance to any non-compliant jurisdiction seeking help. Five jurisdictions requested and received assistance. Most or all of the nine non-compliant jurisdictions believe they will be compliant by May 15, 2022, one year after the SACOG region's statutory deadline of May 15, 2021. There is some ambiguity in recently passed state legislation, AB 1398, about what penalties apply when as it relates to non-compliance. It is SACOG's tentative understanding that if member agencies are in conditional compliance by May 2022, then they will not lose eligibility for key state grant opportunities. SACOG staff is working HCD staff on the interpretation of this law.
2. REAP 1 Grants: In 2019, SACOG received \$6.8 from the state's Regional Early Action Planning grants, which is part of the Assembly Bill 101 funds dedicated for housing. Of the grant, 93 percent of the funds have been allocated through SACOG to local agencies non-competitive and competitive grants, plus for Civic Lab participation. The remaining funds have been utilized for SACOG staff and consultants for educational programs, outreach, and technical assistance, including housing element compliance described above. Every jurisdiction in the region received at least two non-competitive

grants, one of which was for housing element work in 2021, and a second for housing-related activities of the local agency's choosing. All grants must be expended by July 31, 2023.

3. REAP 2.0/Green Means Go grants: SACOG's Green Means Go (GMG) program is based on funds from the State's second and upcoming "Regional Early Action Planning Grants of 2021" program. These funds will be used to provide financial assistance for infrastructure and planning that will promote infill development and housing. SACOG gave a GMG introductory workshop for local government planning and public works staffs in early March. The SACOG board is scheduled to review and act on the program as the draft GMG guidelines this summer, with a request for applications later this year.
4. Prohousing: HCD's Prohousing Designation Program provides incentives to cities and counties in the form of additional points or other preferences in the scoring of competitive housing, community development, and infrastructure programs. The State has already identified nine specific transportation funding programs whereby applicants with a Prohousing designation would receive incentive bonus points for their grant applications. For a jurisdiction to receive the designation, it must apply and demonstrate that it provides several housing policies and programs that promote the development of housing at all income levels. Local planning and public works staffs have been informed about these funding program bonus incentives. SACOG is assisting with coordination between local agencies and HCD.
5. Other State grants: SACOG is tracking various State grant programs that fund local agency housing-related activities. Two programs include the Affordable Housing and Sustainable Communities Program and the Infill Infrastructure Grant Program.

4. Discussion/Analysis:

Jurisdictions across the region are looking for ways to provide more housing in general, and providing more housing for all income levels. Each jurisdiction has its own challenges and opportunities. SACOG staff has been focusing on providing the region's jurisdiction the resources, education, funding, and technical support they need to implement their housing elements.

5. Fiscal Impact/Grant Information:

This item has not fiscal impact. All activities described above have already been budgeted for in the current Overall Work Program.

6. This staff report aligns with the following SACOG Work Plan Objectives:

Goal 3 : Vibrant Places

Objective 2: Identify incentives and help remove barriers to infill and affordable housing in cities, suburbs, and towns throughout the region.