



## Land Use & Natural Resources Committee

Meeting Date: November 7, 2019

### Agenda Item No. 3

#### Timeline for Developing Housing Program for Local Government Planning Support Grants Program

##### Information

**Prepared by:** Jennifer Hargrove

**Approved by:** Clint Holtzen

**Attachments:** Yes

##### 1. Issue:

Assembly Bill 101 established the Local Government Planning Support Grants Program to provide regions and jurisdictions with one-time funding to establish priorities that increase housing planning and accelerate housing production. This item discusses the process and timeline for accessing the funds allocated to SACOG.

##### 2. Recommendation:

None; this item is for information only.

##### 3. Background/Analysis:

Assembly Bill 101 established the Local Government Planning Support Grants Program to provide regions and jurisdictions with one-time funding to support housing planning and accelerate housing production. Together, the local and regional shares of the program will bring about \$14.1 million to the Sacramento region for housing planning related activities. Under this program, the funding for local agencies is referred to as Local Early Action Planning (LEAP). The state Housing and Community Development Department (HCD) will directly award a cumulative \$7,235,000 to cities and counties in the SACOG region based on population. In addition to the funding awarded directly to local governments, SACOG, as the regional council of governments, is eligible for \$6,883,045 in Regional Early Action Planning (REAP) funds to address our region's unique housing priorities and planning needs. Attachment A lists the eligible uses for both the LEAP and REAP funds coming to our region, as well as the specific amount of LEAP funds available to each jurisdiction.

##### 4. Discussion/Analysis:

The almost \$6.9 million in REAP funds available to SACOG must be used to increase housing planning and accelerate housing production through an improved Regional Housing Needs Allocation (RHNA) methodology, provide technical assistance to cities and counties, and support local efforts to accelerate housing production. The allocation of almost \$6.9 million to SACOG is a tremendous opportunity for the region to demonstrate how funding support from the state can make a meaningful impact and positions the region to better leverage future funding opportunities such as Green Means Go. Staff is proposing that we focus our plan for spending this funding in a way that has maximum impact on addressing the state's housing crisis, advances the region's ongoing efforts to accelerate infill housing through Green Means Go and Civic Lab Year 2, and supports the housing goals in the 2020 Metropolitan Transportation Plan/Sustainable Communities Strategy. To access REAP funds, SACOG is required to apply to HCD. REAP funds are expected to be available in late 2019 or early

2020. The application must include several components, including demonstrated outreach to member agencies on RHNA, best practices research, and a plan for how the funds will be used to increase housing planning and facilitate local housing production, including any suballocations to jurisdictions. Attachment B outlines a draft process and timeline for applying for the REAP funds. As shown on Attachment B, over the next few months, staff will conduct initial planning and research and engage with local planning staff. Outreach to local housing and planning staff will build on the coordination of the past year on Green Means Go, RHNA, Civic Lab Year 2 and Senate Bill 2 grants that have all explored the challenges and needs for housing planning in the region. Following input from local staff, staff hopes to bring initial ideas for a funding program framework to the board by February or March for consideration and further direction.

Senate Bill 113, signed in October 2019, makes up to 25% of \$6,883,045 allocated to SACOG through this REAP program available immediately. However, this early funding is available to accelerate the application requirements, which are noted above and outlined on Attachment B. In other words, this money is available to do much of the work that staff has already completed or is in process of doing. Rather than use the early allocation of funds to prepare the regional application, staff proposes we prepare an application for the full utilization of the \$6,883,045 allocated to SACOG.

**5. Fiscal Impact/Grant Information:**

This item does not have an impact on the agency budget. Staff time to complete this application is already included in the Overall Work Program. SACOG is eligible to use some of the \$6,883,045 allocated from the REAP program to cover the costs of administering any of the projects or programs utilizing the funding. Staff will seek board input regarding any set aside for administrative costs once a plan for spending the funds is created and we have a better understanding of the level of effort required to administer the program.

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

3 - Assist Local Economic Development Strategies