Regional Early Action Planning Program Status Update

Information
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Attachments: No

1. Issue:
This item provides a brief update on the status and timing of the Regional Early Action Planning (REAP) program.

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. 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 approximately $7,000,000 (cumulatively) to cities and counties in the SACOG region based on population. The Notice of Funding Availability for the LEAP program opened on January 27, 2020. Applications are due to HCD no later than July 1, 2020.

In addition to the funding awarded directly to local governments, SACOG, as the regional council of governments, is eligible for $6,762,880 in Regional Early Action Planning (REAP) funds to address our region's unique housing priorities and planning needs. The application period for the full funding amount is not yet open; however, SACOG is eligible to apply for 25-percent of the funds now. Last month, staff presented an action item to the committee outlining the use of the early funds and requesting a resolution to apply for the funds. Because there was no quorum at the February board meeting, the committee recommendation moves forward and it will be an item for action at the March board meeting.

4. Discussion/Analysis:
If the board approves the application for the use of the early 25-percent of REAP funds at the March board meeting, the next step is for SACOG to submit an application to HCD. It will likely take a couple of months to work through the HCD approval process and get a funding agreement in place with HCD. Staff anticipates the funds being available this summer.

While staff is working on the application process for the early 25-percent of funds, approximately $1.69 million, we are also working with stakeholders on ideas for how we will use the remaining funds of

approximately $5 million. Although the $5 million will likely be available in the next month, we will have until January 2021 to apply. SACOG's ability to apply for the remaining REAP funds will be contingent on showing progress towards spending the early 25 percent of funds. This likely pushes our ability to apply for the remaining REAP funds to fall or winter 2020.

Staff is proposing the following principles for how the REAP funds should be spent. These guiding principles will be used in discussions with local agency staff and other stakeholders as we develop a proposal for how to spend the remaining REAP funds. Staff would like to hear any feedback from the committee on these draft principles.

- REAP funds should be used to support both: (1) compliance to implement the sixth cycle of the Regional Housing Needs Allocation; and (2) accelerate housing production. The focus should be on planning activities that support the acceleration of housing production.
- REAP funds should be used in a manner that supports the goals of the 2020 MTP/SCS. Specifically, REAP funds should be used to plan and accelerate more infill housing, more housing product choices, and to better leverage future funding opportunities, such as Green Means Go.

5. Fiscal Impact/Grant Information:
The early REAP funds are already included in the Overall Work Program. Ongoing program management and technical assistance will either be covered by the remaining REAP funds or existing SACOG funding for technical assistance.

6. This staff report aligns with the following SACOG Work Plan Objectives:
Goal 1 : Advance Economic Prosperity
> **Objective 3**: Improve people's ability to get to jobs, schools, and other economic opportunities.
> **Objective 4**: Support the development of employment centers that include housing and other services.

Goal 3 : Vibrant Places
> **Objective 1**: Develop tools and funding to help revitalize older commercial and retail corridors throughout the region.
> **Objective 2**: Identify incentives and help remove barriers to infill and affordable housing in cities, suburbs, and towns throughout the region.
> **Objective 3**: Encourage development patterns that promote walkable neighborhoods.