



Land Use & Natural Resources Committee

Meeting Date: May 7, 2020

Agenda Item No. 2

Draft Framework for Regional Early Action Planning Funds

Information

Prepared by: Jennifer Hargrove

Approved by: Clint Holtzen

Attachments: Yes

1. Issue:

A draft framework for how SACOG should spend the approximately \$5 million in remaining Regional Early Action Planning Funds (REAP) funds.

2. Recommendation:

That the committee discuss and provide any questions or input to staff to help prepare for a June action.

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 state Housing and Community Development Department (HCD) will award funding to regional agencies through the REAP program. SACOG, as the regional council of governments, is eligible for \$6,762,880 in REAP funds to address our region's unique housing priorities and planning needs.

In March, the SACOG board recommended approval of a framework for spending the first 25 percent of funds, \$1,684,500, using an early access option provided by the state. These early funds are going to a combination of direct allocations to local agencies for housing elements or other housing planning and to some Civic Lab teams to assist in projects related to housing. HCD is in the process of reviewing SACOG's application for these funds. Concurrently, staff is gathering input on how SACOG should spend the remaining approximately 75 percent of REAP funds, \$5,078,380. SACOG has until January to apply for the remaining REAP funds. The deadline for expending all REAP funds is August 2023.

4. Discussion/Analysis:

SACOG's guiding principle for prioritizing REAP funds is to use the funds in a manner that supports the 2020 Metropolitan Transportation Plan/Sustainable Communities Strategy (MTP/SCS) Policies 1 and 2 and the Regional Housing Needs Plan. 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.

A draft framework for how SACOG should utilize the remaining \$5,078,380 in REAP funds is included in Attachment A. The proposal includes two grant programs: one competitive and one non-competitive. Both programs include technical assistance to participants through an accelerated "mini" Civic Lab series focused

on planning and policy tools local agencies can use to support increased housing production. SACOG has sent the draft framework to all local agency planning staff for review and comment by May 29.

As of this writing, local agency staff and stakeholders have not yet reviewed the attached draft framework. However, the concepts presented in the framework have been introduced and discussed at a very general level with local agency planners. Through these discussions, we heard some initial concerns about the time and effort associated with an extended Civic Lab program and a competitive grant program and some preference towards a non-competitive grant program. The draft framework responds to the Civic Lab concern by removing the team requirement and limiting the series to four sessions that will be offered completely online. The draft framework responds to the concerns about a competitive grant program and the preference for a non-competitive grant by making a percentage of the funds available through non-competitive grants.

To address concerns about the time and resources it takes to put together a competitive grant application, SACOG would strive to create a simplified application process. Many of the details for this process would be worked out through SACOG's 2020 Regional Funding Round framework, which is being discussed by board committees and the board over the next few months. Staff's proposal for a pilot place-based competitive grant is rooted in MTP/SCS implementation and specifically the Green Means Go strategy. From the regional perspective, the REAP funds offer an opportunity for SACOG to pilot a version of Green Means Go. This would allow SACOG to take a significant step in getting our Green Zones ready for future Green Means Go funding and demonstrate our commitment to the strategy. Additionally, a pilot program is a good opportunity to share lessons learned with the state to inform future state grant programs.

Input from the committee and feedback from local agencies and stakeholders this month are critical to finalizing a framework for utilizing REAP funds. SACOG staff will report comments received from local staff and stakeholders to the LUNR committee in June along with a recommendation for a final framework that the committee will consider for action.

5. Fiscal Impact/Grant Information:

The early REAP funds are already included in the Overall Work Program and the remaining funds will be included in the 2020-2021 Overall Work Program. If the recommended approach is approved, it will cover SACOG staff costs to administer the 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.

Objective 1: Develop tools and funding to help revitalize older commercial and retail corridors throughout the region.

Objective 3: Encourage development patterns that promote walkable neighborhoods.