



Draft Framework for Regional Early Action Planning Funds

Action

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Approved by: James Corless

Attachments: Yes

1. Issue:

A draft framework for how SACOG should spend the approximately \$4.9 million in remaining Regional Early Action Planning Funds (REAP) funds.

2. Recommendation:

The Land Use and Natural Resources Committee unanimously recommends that the board approve the framework for \$4,928,380 in REAP funds and adopt a resolution requesting allocation of these funds from the state Housing and Community Development Department. The committee further recommends that the board authorize the executive director to execute agreements as needed for: (1) distributing funds to the City of South Lake Tahoe; (2) implementing the Civic Lab Housing Series and technical assistance program; and (3) executing the non-competitive grants outlined in the REAP framework.

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. Staff has recently learned that in the design of the REAP program by the Legislature, the population-based formula for allocating SACOG's total REAP funding amount of \$6,762,800, included the population of the city of South Lake Tahoe. To correct this, HCD is recommending that SACOG pass through the city's share of \$150,000 to the city and HCD will take the responsibility of monitoring the use of these funds. This adjusts the funding for our region to \$6,612,880.

In March, the SACOG board recommended approval of a framework for spending the first \$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. Concurrently, staff has gathered input from the Land Use & Natural Resources Committee and local agencies on how the region should spend the remaining \$4,928,380 in REAP funds. SACOG must apply for the region's full allocation of REAP funds by January 2020. The deadline for expending all REAP funds is August 2023.

4. Discussion/Analysis:

As described in the draft framework included in Attachment A, 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 and the Regional Housing Needs Plan. Specifically, REAP funds should be used to plan and accelerate more infill housing, more housing product choices, and better leverage future funding opportunities, such as Green Means Go.

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. Attachment B is the resolution required to apply for these funds.

Last month, SACOG sent the draft framework to all local agency planning staff for review and comment. We have received several informal comments suggesting overall acceptance of this proposal. Additionally, we have received one formal comment letter from Citrus Heights that is included in Attachment C and one from the City of Sacramento that is included in Attachment D.

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.