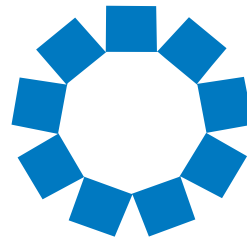


Regional Early Action Planning Grants (REAP)

Annual Report Template



**ASSOCIATION
OF BAY AREA
GOVERNMENTS**

<https://www.hcd.ca.gov/grants-funding/active-funding/reap.shtml>

April 2022

Instructions

The following form is to be used for satisfying the annual reporting requirements of Health and Safety Code section 50515.04. The annual report utilizing this form must be submitted to HCD by April 1 of the year following receipt of funds and annually thereafter until funds are expended.

Applicants must submit the annual report to HCD by email at

reap@hcd.ca.gov.

Applicants should utilize the following instructions in completing the forms.

Overall Context: This section will provide an overview of the project, including needs, challenges, limiting factors, opportunities and solutions unique to the region. The section should also discuss the overall approach, goals and high-level summary of the status of the program.

Project Highlights, Accomplishments and Best Practices: This section will generally discuss some highlights for the overall project from the last year and any accomplishments resulting from the efforts in implementing the program. This section may also list and explain some of the best practices occurring through the program. This section can highlight efforts at a regional, sub-regional or local level and can include a wide ranging variety of efforts that facilitate housing impacts such as engaging stakeholders, building support for housing, major progress in zoning amendments, subregional collaboration, technical assistance outcomes.

Status of Activities: This section will provide a description of each of the major activities in the applicant's program. For major activities, the applicant can consult Section C from the application. The section will provide a general description of the overall activities, highlighting challenges, opportunities and accomplishment and will complete the status table. Column 1 of the status table is entitled Activity Category. This column will be completed with the relevant activity category (i.e., identification of best practices, education and outreach, improved RHNA methodology, suballocation, technical assistance and administration costs). Column 2 will include a brief description of the activity. Columns 3 and 4 will report the amount of money allocated to each activity and how much has been expended per activities as of the end of the calendar year. Column 5 will describe the overall



timing of the project with beginning and anticipated completion dates. Column 6 will include a general status (i.e., not yet started, in progress, complete) and anticipated upcoming milestones. Column 7 will qualitatively and quantitatively, where possible, describe the regional impact on housing as a result of the activity.

Summary of Housing Production Indicators: This section will give an overview of housing production indicators and a summary of building permits, certificates of occupancy, or other completed entitlements issued by entities within the region or by the jurisdiction, as applicable. Applicants may use the Annual Progress Reports published the previous year to provide the total number of new units for the region. Self-reported data by cities and counties is available on HCD's [Housing Element and Implementation and APR Data Dashboard](#) (note: HCD cannot independently verify most project-level data). HCD recognizes REAP funds may not begin to impact housing production completed in 2019 and 2020, but that these numbers may be used as a baseline or context for indicating housing production at a regional scale. Baseline year will be the 2019 calendar year and current year will be the prior year annual progress report. Applicants may add other indicators of housing production and numerical outcomes and may also discuss any anticipated changes and limiting or confounding factors potentially impacting the effectiveness of the activities.

Additional Information: The applicant may add any applicable information as necessary to demonstrate the status and impacts of the overall program.



Association of Bay Area Governments “ABAG”

Overall Context:

The Regional Housing Technical Assistance Program funded by REAP at the Association of Bay Area Governments (ABAG) strives to deliver innovative technical assistance that leverages state resources, reduces duplicative costs, supports local governments in complying with rapidly evolving laws and streamlines HCD’s review of housing elements. Technical assistance is being delivered through:

- 1) Regional trainings and products on common topics
- 2) County-based Planning Collaboratives that share consultant support
- 3) Local suballocations of REAP funding
- 4) Cohorts of similarly situated jurisdictions like the Big 3 Cities in the Bay
- 5) Deep dive work groups on hot topics
- 6) Data tools and resources tailored to meet state guidance

Building on the foundation laid last year to launch the Program, this year was spent developing the staffing and program infrastructure and creating the systems to help Bay Area jurisdictions implement the sixth cycle of the Regional Housing Needs Allocation. As outlined below, the program’s components are working together to provide holistic support for the region’s elected officials, planning staff and residents as jurisdictions complete their housing plans. Additionally, work products are being shared statewide through a recently established Technical Assistance Portal <https://abag.ca.gov/technical-assistance/topics/housing>. Close consultation with HCD on the scoping of regional technical assistance aims to streamline review of housing elements.

Project Highlights, Best Practices and Recent and Anticipated Achievements:

Support for RHNA Housing Methodology Committee (“HMC”): The final ABAG Regional Housing Needs Allocation Plan was approved by ABAG’s Executive Board in December 2021. The year included the completion and approval of the Final Regional Housing Needs Allocation (RHNA) Methodology and Draft Allocations in May. Housing and Community



Development (HCD) found that the Draft RHNA Methodology furthered the RHNA objectives in April of 2021. Release of the Draft RHNA Allocations initiated the appeals phase of the RHNA process. ABAG received 28 appeals from Bay Area jurisdictions and in September and October, the ABAG Administrative Committee conducted a public hearing to consider the appeals and comments received about those appeals. The ABAG Administrative Committee ratified a written final determination on each appeal in November 2021 and partially granted one appeal resulting in the transfer of 35 units from Contra Costa County to the City of Pittsburg related to annexation. REAP provided funding for placing public hearing notices in area newspapers, including non-English speaking press and for providing court reports for the appeals hearing and the final public hearing in December 2021.

Regional Data Tools: In 2021, REAP provided term-limited staff to support MTC's existing Data Visualization Team in the continuing enhancement of innovative regional data tools.

[The Housing Element Site Selection "HESS" Tool](#), launched in Fall 2020, is a web-based mapping platform that assists Bay Area jurisdictions with site identification for Housing Element site inventories and flags sites that will likely require rezoning to be used under new state laws. In Fall 2021, ABAG launched a 1.0 update to the HESS Tool based on feedback received from local planning staff, consultants, subject-matter experts, and HCD. Updates included:

- More granular screening categories based on existing use, zoning, and public ownership.
- The addition of often requested filters for zoning and improvement-to-land-value ratio.
- Editing function that allows local jurisdictions to correct out-of-date or incorrect data for which they have an authoritative data source.
- Dynamic version of HCD's Site Inventory Form prepopulated with requested site data.

ABAG also began the development of two new HESS Tool modules in 2021.

- The first module is focused on AFFH and allows local planners to visualize the distribution of their site inventories alongside key AFFH data layers.
- The second module will support jurisdictions with the "realistic capacity calculations" for sites included in their inventories. ABAG has collected and analyzed data from local jurisdictions' Annual Progress Reports, Zoning Ordinances, and General Plans to adjust the theoretical maximum capacity of sites to reflect historic building



trends more accurately. Users will be able to generate realistic capacity reports prepopulated with this data, which can be submitted to HCD as supportive documentation.

- Finally, ABAG worked to integrate data from the HESS Tool into the Balancing Act tool (referenced below) to assist local jurisdictions with limited GIS capacity.

The initial versions of these data tools were estimated to save each local jurisdiction at least \$30,000 (over \$3 million in the region) and the 2021-2022 enhancements will save even more. Additionally, the consistency provided by these tools will also save HCD time and money in reviewing Bay Area housing elements.

Affirmatively Furthering Fair Housing (AFFH): REAP funds are supporting pioneering research conducted by the University of California, Merced and STIR Labs alongside ABAG staff, to study segregation patterns and current land use policies that correlate with patterns of racial segregation. The segregation reports will be released in 2022. We will also convene a Leading with Equity work group in 2022.

- AFFH [Policy Tips Memo](#)
- AFFH Policies Toolkit - [Annotated Bibliography](#)
- [Video introducing ABAG research in partnership with UC Merced](#) on segregation and land use policies
- [AFFH Template Staff Report](#)
- [AFFH Template Staff Slide Deck](#)
- [AFFH Data Guidance Checklist](#).

Regional Support for Outreach and Education: ABAG has allocated \$2 million in REAP funding to provide robust support for local planners and elected officials as they engage their communities around the housing element and related implementation. 2021 activities included:

- Launched the new [Housing TA Portal](#), providing a one-stop-shop for access to technical assistance case studies, data sets, interactive tools, model ordinances, reports, toolkits, trainings and much more.
- [Led 19 live, interactive webinars](#) for about 2,000 attendees from Bay Area jurisdictions focused on updating their Housing Elements.



- Created a [communications tool kit](#), including content and images for a social media campaign, a survey for jurisdictions to assess resident sentiment around housing, and information for elected officials to use in discussing housing with community members. In the coming year we will be offering additional communications resources to staff and elected officials and will be providing meeting facilitation services as needed to jurisdictions.
- Developed best practices for [engagement with multilingual audiences](#). In 2022 these best practices will be turned into a primer for jurisdiction staff and elected officials.
- Launched a process for helping jurisdictions access translation and interpretation services, and provided jurisdictions with remote meeting tools
- Partnered with Balancing Act to develop an online public engagement housing simulation tool that helps residents visualize sites for housing development in their communities. Through this partnership, ABAG has been able to provide free access to 25 jurisdictions and negotiate reduced-cost subscriptions for other Bay Area jurisdictions. Balancing Act has recently be profiled in [Government Technology Magazine](#) and in [Governing Magazine](#).

Planning Collaboratives, Work Groups and Peer Cohorts:

- Collaboratives: Seven county-based planning collaboratives serving eight counties have convened to share consulting resources as they work together to address their housing priorities. Planning Collaboratives are designed to spark a culture of innovation via peer-to-peer learning, sharing of best practices and lessons learned. Communities in each county can pool resources to hire consultants, share research, and jointly produce resources for use throughout the region. These Collaboratives are based on the APA award winning 21 Elements model in San Mateo County.
 - Alameda County Collaborative
 - Contra Costa County Collaborative
 - [Marin County Collaborative](#)
 - [Napa/Sonoma Collaborative](#)
 - [21 Elements](#) - San Mateo County Collaborative
 - [Santa Clara County Planning Collaborative](#)



- [Solano County Collaborative](#)
- Peer Cohorts: Learning communities of similar jurisdictions that meet occasionally to discuss housing topics of shared concern. San Francisco, San Jose and Oakland staff meet as the “Big 3” cohort and a cohort of agricultural communities is currently in development that will leverage existing state-funded farm labor housing work being done in Santa Clara County.
- Work Groups
 - The first two work groups – Making Middle Housing Work and Wildfires: How to Preserve and Protect Housing, convened in late 2021. The Missing Middle work group held six sessions examining the middle housing market and how to build middle housing and make it affordable. This work group developed the [Middle Market Housing Development Tool](#), which is intended to help Bay Area jurisdictions understand the market potential for middle housing development. They also developed resources available to all communities in the region, which are available on the [Middle Housing webpage](#).
 - The Wildfire work group met four times to examine how the emerging regular reality of wildfires can be included in agencies land use planning efforts including Housing Elements and Safety Elements. Resources from this work group are available on [the work group webpage](#).

Local Suballocations: In addition to \$4.7 million to support the county-based Planning Collaboratives discussed above, ABAG is also providing \$6.18 million in REAP suballocations directly to local jurisdictions designed to reach different policy goals. Each of 109 Bay Area jurisdictions will receive at minimum allocation of \$20,000. Jurisdictions with higher RHNA unit allocations will receive a proportional supplemental suballocations, and 14 jurisdictions will receive competitive awards. The competitive awards will further regional policy objectives including, but not limited to, planning for increased density in PDAs, encouraging production of missing middle housing, facilitating additional farm labor housing and conducting deeply equitable community engagement on housing.



Leveraging Transportation Funding: ABAG and MTC share one consolidated staff that has continued to collaborate closely to leverage REAP funding with federal transportation funding through the existing [PDA Grant Program funded by the One Bay Area Grant \(OBAG\) program](#). Staff is currently exploring how programming of REAP 2.0 and OBAG 3 can complement each other to further the goals of Plan Bay Area 2050.

Permit Streamlining: ABAG has negotiated discounted regional pricing with Symbium Corp. for its Plancheck software <https://symbium.com/plancheck> and will provide licenses to 10 jurisdictions as part of a pilot program. Plancheck is an online tool for public and local planners that:

- Streamlines Residential Site Plan Review and increases accuracy and predictability of residential code interpretations.
- Displays all applicable planning regulations and checks compliance with non-discretionary items allowing staff to focus on discretionary items.
- Submits all required forms electronically, increasing completeness of permit applications
- Pulls in street views and satellite images speeding review.
- Automatically generates draft comment letters saving staff time.
- Integrates with existing permitting systems like Accela.

This pilot was recently profiled in [Forbes](#).

Regional Planning Consulting Bench: ABAG has established a Regional Planning Consultant Bench qualifying over 90 consulting firms in 11 service categories. The bench is now available for use by all 109 Bay Area jurisdictions through a cooperative use clause. ABAG has also launched an online tool for procurements and grant tracking through City Innovate. The tool contains searchable profiles for each bench consultant to easily identify the best fit for specific projects. The Bench and tool work together to streamline the contracting process, invoicing and reporting. Deliverables produced by local jurisdictions using REAP funding will be uploaded through the tool, and commonly applicable work product will be shared regionally to help lower costs.



Business Plan for the Bay Area Housing Finance Authority (BAHFA): AB 1487 created BAHFA and granted it unprecedented powers to raise funding for housing finance to support the “three Ps” of housing: production, preservation and protection. The State subsequently provided one-time funding of \$20 million to support the launch of BAHFA. BAHFA intended to place a general obligation bond on the November 2020 ballot to raise \$10 billion but did not proceed given the onset of the pandemic. BAHFA has also raised \$100,000 in private donations that will be leveraged with \$400,000 in REAP funding to support a consulting team that will create a comprehensive business plan for BAHFA to be able to nimbly deploy capital when it is able to go to the ballot for funding. Consultants were selected through an RFP in 2021 and started work in late 2021. Led by Forsyth Street and Bonnewit Development Services, the BAHFA Business Planning Team represents a multidisciplinary set of organizations, including the Othering and Belonging Institute and the Turner Center for Housing Innovation at UC Berkeley, capable of providing the experience and technical expertise required to create the foundation for this new agency. A draft equity framework and draft funding program will be completed in 2022.

Full Index of ABAG’s Technical Assistance: More details about all of ABAG’s housing technical assistance produced to date with support from REAP funding, including webinar recordings and links to products produced, can be found here: https://abag.ca.gov/sites/default/files/documents/2022-03/RHTA_first_year_highlights_with_TA_index.pdf

Status of Activities:

The key provided below outlines eligible activities from the 25% application and from the 75% application.

Activity Categories for 25% application

- Eligible Activity 1 - An allocation budget for the funds provided pursuant to this section.
- Eligible Activity 2 - The amounts retained by the council of governments, regional entity, or county, and any suballocations to jurisdictions.
- Eligible Activity 3 - An explanation of how proposed uses will increase housing planning and facilitate local housing production.



- Eligible Activity 4 - Identification of current best practices at the regional and statewide level that promote sufficient supply of housing affordable to all income levels, and a strategy for increasing adoption of these practices at the regional level, where viable.
- Eligible Activity 5 - An education and outreach strategy to inform local agencies of the need and benefits of taking early action related to the sixth cycle regional housing need allocation.

Activity Categories for 75% application

- Required Activity 1 - Identification of current best practices at the regional and statewide level that promote sufficient supply of housing affordable to all income levels, and a strategy for increasing adoption of these practices at the regional level, where viable.
- Required Activity 2 - An education and outreach strategy to inform local agencies of the need and benefits of taking early action related to the sixth cycle regional housing need allocation.
- Eligible Activity 3 - Developing an improved methodology for the distribution of the sixth cycle RHNA.
- Eligible Activity 4 - Suballocating moneys directly and equitably to jurisdictions or other subregional entities in the form of grants for planning that will accelerate housing production in ways that align with state planning priorities, housing, transportation, equity, and climate goals.
- Eligible Activity 5 - Providing jurisdictions and other local agencies with technical assistance, planning, temporary staffing or consultant needs associated with updating local planning and zoning documents, expediting application processing, or other actions to accelerate additional housing production. If proposing to use other actions, please describe in project description.
- Eligible Activity 6 - Covering the costs of administering this grants program.



Activity Category	General Description	Amount Allocated	Amount Expended	Timing	Status	Regional Impact on Housing
25% application activities update						
3, 4	Provide consulting services for a Business Plan for an expanded regional housing portfolio. This would leverage \$100,000 in private donations pledged by Bay Area Housing For All.	\$400,000	Consulting contract executed for full amount No invoices in 2021	Funds encumbered in FY 2021-2022, with ongoing project management activities through FY 2023.	In progress.	This business plan will allow BAHFA to nimbly deploy billions in future revenue from future regional ballot measure(s) to support production, preservation and protections.
3, 4, 5	Provide staffing and consultant support over three years for RHNA process, improved allocation methodology, enhanced engagement with local government officials, and enhanced partnerships with Community Based Organizations for public outreach	\$1,950,000	Invoices received in 2021: \$31,792.35	Funds encumbered in FY 2019-2020 and FY 2020-21	Completed	Provided REAP-funded data, legal and outreach support to the Housing Methodology Committee has resulted in a Draft RHNA Methodology that engaged a wide spectrum of stakeholders in thoughtfully allocating units throughout the Bay Area.
3, 4, 5	Provide consulting assistance/grants to counties and/or local jurisdictions to support RHNA subregions or activities planning collaboratives.	\$500,000	Suballocation Agreements executed for full amount No invoices in 2021	Funds encumbered in FY 2020-2021, with ongoing project management activities through FY 2023.	*In progress. Additional sources of funding totaling \$4.2M from 75% HCD application will supplement this \$500,000.	Creating the infrastructure for regional collaboration and peer-to-peer learning opportunities has been shown to be very effective at the county level in ensuring compliance with state housing laws and in implementing pro-housing policies and programs. REAP has enabled ABAG to scale up this model on



						the regional scale creating economies of scale that allow local jurisdictions to focus their funding on local housing policies and programs.
3, 4, 5	Provide staffing and consultant support over three years to assist jurisdictions with Housing Element updates, including policy research, emerging practices, and site inventory analysis.	\$600,000	Consulting contracts executed for full amount. Invoices received in 2021: \$600,000	Funds encumbered in FY 2020-2021, with ongoing project management activities through FY 2023.	**Additional sources of funding totaling \$6,668,518 from 75% HCD application will supplement this \$600,000.	Enabled ABAG to create Bay Area wide REAP program design with the input of various stakeholders from all 109 jurisdictions to support the creation and implementation of housing elements that will further regional and statewide housing priorities.
3, 4, 5	Provide grants to counties and/or local jurisdictions to support development of compliant Housing Elements and community engagement strategies related to housing production, preservation, and protection.	\$2,450,000	Suballocation Agreements executed for: \$318,210 No invoices in 2021	Funds encumbered in FY 2020-2021, with ongoing project management activities through FY 2023.	***In progress. 100% allocated with grant agreements pending for the balance. Additional sources of funding totaling \$4M from 75% HCD application will supplement this \$2,450,000.	These suballocations are geographically disbursed to allow 100% of jurisdictions in the Bay Area to supplement SB2, LEAP and local funding for housing planning. It will also provide higher funding levels in jurisdictions with the highest RHNA allocations and includes a competitive funding pool to encourage locals to implement regional priorities.



Activity Category	General Description	Amount Allocated	Amount Expended	Timing	Status	Regional Impact on Housing
75% application activities update						
4	Non-competitive Local Allocations to jurisdictions based on RHNA allocation from Draft Methodology & competitive allocations	\$4,000,000	No Suballocation Agreements executed, or invoices received in 2021	Funds encumbered in FY 2020-2021, with ongoing project management activities through FY 2023.	***In progress. 100% allocated with pending grant agreements. Additional sources of funding totaling \$2.45M from 25% HCD application will supplement this \$4M.	These suballocations are geographically disbursed to allow 100% of jurisdictions in the Bay Area to supplement SB2, LEAP and local funding for housing planning. It will also provide higher funding levels in jurisdictions with the highest RHNA allocations and includes a competitive funding pool to encourage locals to implement regional priorities.
4	Non-competitive Local Allocations to fund staffing and locally tailored TA products for Subregional Planning Collaboratives	\$4,200,000	Suballocation Agreements executed for \$1,223,125 No invoices in 2021	Funds encumbered in FY 2020-2021, with ongoing project management activities through FY 2023.	*In progress. 100% allocated with grant agreements pending for the balance. Additional sources of funding totaling \$500,000 from 25% HCD application supplements this \$4.2M	Creating the infrastructure for regional collaboration and peer-to-peer learning opportunities has been shown to be very effective at the county level in ensuring compliance with state housing laws and in implementing pro-housing policies and programs. REAP has enabled ABAG to scale up this model on the regional scale creating economies of scale that allow local jurisdictions to focus their funding on local housing policies and programs.



1 & 5	Regional technical assistance including, creating products, coordinating Collaboratives, delivery of Peer Cohorts & Workgroups, and strategic initiatives	\$6,668,518	Staff costs: \$1,362,555.77 Consulting contracts executed not to exceed: \$944,036.50 Invoices received in 2021: \$139,983.12	Funds encumbered in FY 2020-2021, with ongoing project management activities through FY 2023.	**In progress. Additional sources of funding totaling \$600,000 from 25% HCD application will supplement this \$6,668,518.	REAP has empowered ABAG to provide unprecedented and prolific technical assistance that is being shared statewide through a new Housing TA Portal. Jurisdictions are spending less time and money to produce better housing elements. Close coordination between ABAG and HCD has resulted in standardized regional data in the Bay Area and effective leveraging of state, regional and local resources to avoid duplication of effort and elevate quality. Building capacity at ABAG and its Subregional Planning Collaboratives has been particularly important to compensate for local staffing and consultant shortages.
2	Housing leadership development and community engagement	\$2,000,000	Staff costs: \$416,267.11 Consulting contracts executed not to exceed: \$359,930.00	Funds encumbered in FY 2020-2021, with ongoing project management	In progress.	Support to local jurisdictions and collaboratives to ensure broad and deep public education and outreach.



			Invoices received in 2021: \$111,431.64	activities through FY 2023.		
6	Administrative costs	\$1,198,343	Staff costs: \$44,244.51 Software contract executed not to exceed: \$300,000 Invoices received in 2021: \$85,168.22	Funds encumbered in FY 2020-2021, with ongoing project management activities through FY 2023.	In progress.	Covering staff costs related to REAP program administration in legal and finance departments. Also covering licensing fees for new software to administer consulting bench, issue informal procurements, receive deliverables, process invoices and track grant progress.

Summary of Indicators of Housing Production:

HCD post-submission corrections

Housing Production Indicator	Baseline Year (2019)	Current Year (2020) 2021	Cumulative Change	Notes.
Building Permits	19,865 26,760	23,163 24,493	+ 3,298 -2,267	Data is based on APR table A2 submitted to HCD and updated and provided to ABAG/MTC by HCD in October 2021
Certificates of Occupancy	13,884 16,908	22,575 23,142	+ 8,691 +6,234	
Completed Entitlements	31,889 33,956	42,731 27,778	+ 10,842 -6,718	
Other				



Additional Information:

1) ABAG has successfully retained term-limited staff and consultants to produce the robust regional technical assistance discussed in detail above. ABAG has also been successful in deploying support for subregional housing planning collaboratives. However, despite 100% participation in our Letter of Interest process for direct local suballocations, it has been very challenging to effectively deploy over \$6 million in suballocations awarded to 109 Bay Area jurisdictions. Award notifications were given to all 109 in July of 2021, but as of the date of this report, only 13 jurisdictions have executed their suballocation agreements with ABAG, and ABAG just received the first invoices from a single jurisdiction on 3/2/22 totaling only \$39,441. ABAG's staff is currently in conversation with another 52 jurisdictions about their suballocations, but many local staff have reported that agreements are being delayed due to various reasons including staffing shortages, impending housing element deadlines, and the need to spend down SB2 and LEAP funds first. In two instances, local jurisdictions have indicated that they likely will not be claiming their suballocations. Accordingly, ABAG would support an extension of the 12/31/23 expenditure deadline for REAP 1.0.

2) In preparing this report, ABAG discovered errors in its 4/1/21 Annual REAP Report to HCD; these errors include that the prior report was not limited to the calendar year of 2020, and ABAG may have reported some expenses on incorrect lines. The information contained in this report is accurate for expenditures in the calendar year of 2021, and ABAG staff will be in touch with HCD to discuss the 4/1/21 reporting errors.

