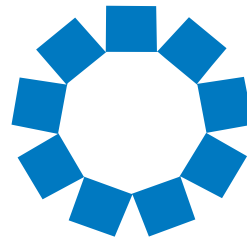


Regional Early Action Planning Grants (REAP)

ABAG Annual Report



**ASSOCIATION
OF BAY AREA
GOVERNMENTS**

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

April 2023

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 (RHTA) Program funded by REAP at the Association of Bay Area Governments (ABAG) has delivered 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.

As outlined below, the program’s components work together to provide holistic support for the region’s elected officials, planning staff and residents as jurisdictions complete and implement 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>. Looking to the future, the RHTA program will continue providing technical assistance to Bay Area jurisdictions as they implement their Housing Elements and build out the portfolio of tools flexible enough to tailor solutions for each jurisdiction’s unique needs.

In the third year of the [RHTA program](#), ABAG expanded resources to help Bay Area jurisdictions finalize their Housing Elements, which were due to HCD in January 2023. [Analysis of HCD’s comments to jurisdictions in other regions](#) and [analysis of early comments to ABAG jurisdictions](#) provided insights into some of the most common obstacles to certification. ABAG used these insights to create additional technical assistance focused on sites analysis, AFFH and diverse public outreach. An [index of all technical assistance](#) resources provided to date is updated monthly.



Project Highlights, Best Practices and Recent and Anticipated Achievements:

Completed RHNA: On January 12, 2022, the California Department of Housing and Community Development (HCD) approved the Final RHNA Plan that was adopted by the ABAG Executive Board in December 2021.

Regional Data Tools: In 2022, ABAG continued to enhance [the Housing Element Site Selection \(HESS\) Tool](#). Originally launched in Fall 2020, HESS is a web-based mapping platform that helps analyze potential sites in all Bay Area jurisdictions for Housing Element site inventories. By using a variety of datasets, HESS allows planners to visualize and screen sites based on HCD's minimum zoning and density requirements, natural hazards, proximity to transit, access to opportunity and much more. Recent updates to the tool include data layers identified in HCD's Guidance Memo on Affirmatively Furthering Fair Housing (AFFH) and Housing Element Site Inventory Guidebook. The tool also automatically populates many sections of HCD's new mandatory electronic reporting form. A public version of the HESS tool will be released in 2023, allowing the public to see final sites adopted by their communities in their housing elements in context with rich layers of underlying parcel-level data related to AFFH, environmental hazards, proximity to transit and much more.

Affirmatively Furthering Fair Housing (AFFH): RHTA funds supported pioneering research conducted by the University of California, Merced and STIR Labs on behalf of ABAG, to study segregation patterns and current land use policies that correlate with patterns of racial segregation. The segregation reports address the racial and income segregation analysis required within the Assessment of Fair Housing (AFH) and provide data required by HCD. ABAG also convened a Leading with Equity Work Group (detail below) and developed the following resources:

- AFFH Comments from HCD, [Sample Analyses](#).
- AFFH [Policy Tips Memo](#)
- [AFFH Policies Toolkit](#)
- [Annotated Bibliography](#) of AFFH policy resources
- [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. 2022 activities included:

- Expanding the [Housing TA Portal](#), an easily searchable collection of more than 200 resources for government staff including trainings, case studies, data sets, interactive tools, model ordinances and much more.
- Continuing our [interactive training series](#), with more than 25 webinars since the program began. In 2022, the focus of these trainings was on drafting and finalizing the Housing Elements. Sessions included learning from the Sacramento and Southern California cities and addressing HCD comments for Housing Element Certification. In 2023, we will shift focus to considering facets of implementation.
- Creating a [communications guide](#) to help jurisdictions talk productively about housing with their residents.
- Developing [best practices for equitable engagement](#) and helping jurisdictions access free translation and interpretation services to make sure all residents could be part of the Housing Element process.
- Hosting a convening on [Middle Housing and SB 9](#) in partnership with the Turner Center for Housing Innovation.
- Providing jurisdictions with access to meeting facilitation, translation, media training and community engagement consultant services.
- Developing a photo gallery illustrating neighborhoods with varied types of housing. All photos are available for use by Bay Area jurisdictions working on their Housing Element.

Planning Collaboratives, Work Groups and Peer Cohorts:

- Collaboratives: Seven county-based planning collaboratives serving eight counties continue convening to share consulting resources as they work together to address their housing priorities. 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.
- 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. A cohort of agricultural communities launched in late 2022, leveraging existing state-funded farm labor housing work being done in Santa Clara County.



- Work Groups: In 2022 ABAG launched two Work Groups:
 - The [Transforming Malls and Office Parks Work Group](#) included local planning, housing and economic development staff interested in learning about the challenges and opportunities involved in transforming aging malls and office parks into neighborhoods affordable to households across the income spectrum. The work group sessions focused on planning, housing and implementation and included information, resources and tools that local staff could readily integrate into their work. In advance of the Work Group, [a webinar](#) highlighted findings from a white paper on mall and office reuse challenges and opportunities in the Bay Area and beyond.
 - The Leading with Equity Work Group convened in January 2022 and was comprised of 15 planning and housing department staff who sought to advance racial and housing equity policies and programs within their Housing Element work. The work group focused on promoting leadership development, capacity building toward navigating institutional change, peer support and one-on-one coaching. A follow up Leading with Equity program will launch in 2023.
 - The first two work groups – Making Middle Housing Work and Wildfires: How to Preserve and Protect Housing, convened in late 2021. Resources from these work groups are available on [the Work Group webpage](#).
- In 2023, ABAG’s technical assistance will shift focus from housing element compliance to implementation. A Zoning for Affordability Work Group starts in early April 2023, and is aimed at jurisdictions looking to adopt or update an inclusionary zoning ordinance, density bonus policy or affordable housing overlay zone or similar program. Targeted technical assistance will also be available to all jurisdictions subject to MTC’s recently adopted [Transit Oriented Communities Policy](#).

Local Suballocations: ABAG has suballocated \$10.88M of REAP funding to seven county-based Planning Collaboratives discussed above and to all 109 local jurisdictions designed to reach their individual policy goals. Each of 109 Bay Area jurisdictions has been suballocated a minimum of \$20,000, with a proportional supplemental suballocation to Jurisdictions with higher RHNA, and 14 competitive suballocations. As of 12/31/23, 73% of these suballocations had been claimed, and as of the date of this report, more than 95% had been claimed. Contracting and invoicing is ongoing.

Permit Streamlining: ABAG negotiated discounted regional pricing with Symbium Corp for its [Planchek software](#) and provided 2-year licenses to five jurisdictions as part of a [pilot program](#) in 2022. Planchek is an online tool for the public and local planners that:



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

Business Plan for the Bay Area Housing Finance Authority (BAHFA): In 2022, BAHFA engaged in extensive public outreach and established an 11-member Equity Working Group to develop a draft of its Equity Framework and Funding Programs. Public engagement for this work included interviews with more than 20 stakeholders and listening sessions with more than 130 participants. These documents, a central portion of BAHFA's Business Plan, make BAHFA's commitment to equity explicit, establish metrics for measuring this work, and provide a regional framework to help communities affirmatively further fair housing. In 2023, BAHFA will do additional stakeholder and public engagement, finalize the Equity Framework and Funding Programs, and complete the overall Business Plan. All of this work is in anticipation of a potential 2024 regional housing bond.

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. - Invoices received in 2022: \$378,375.	Funds encumbered in FY 2021-2022, with ongoing project management activities through FY 2023-24.	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	REAP-funded Consulting contracts executed as of 12/31/22 not to exceed: \$88,750 - Invoices paid in 2022: \$0	Funds encumbered in FY 2019-2020 and FY 2020-21	RHNA work was largely completed in-house, so unspent budget will be reprogrammed to provide more technical assistance	REAP-funded data, legal and outreach support to the Housing Methodology Committee resulted in a RHNA Methodology that engaged a wide spectrum of stakeholders in thoughtfully and equitably 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 - Invoices received in 2022: \$500,000	Funds encumbered in FY 2020-2021, with ongoing project management	*Completed, but additional sources of funding totaling \$4.2M from 75% HCD application will	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



				activities through FY 2023.	supplement this \$500,000.	state housing laws and in implementing pro-housing policies and programs. REAP has enabled ABAG to scale this model regionally, 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	Full amount expended in last reporting period.	Funds encumbered in FY 2020-2021, with ongoing project management activities through FY 2023.	**Completed, but 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: \$2,180,000 as of 12/31/22. - Invoices paid in 2022: \$834,938.68	Funds encumbered in FY 2020-2021, with ongoing project management activities through FY 2023.	***In progress. \$2.18M allocated. Additional sources of funding totaling \$4M from 75% HCD application will supplement this funding. Proposal to reprogram unencumbered amount will be submitted.	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	Suballocation Agreements executed for \$1,153,679 as of 12/31/22. - No invoices paid in 2022	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 \$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 \$4,200,000 as of 12/31/22. - Invoices paid in 2022: \$1,204,335)	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	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.



					25% HCD application supplements this \$4.2M	REAP has enabled ABAG to scale this model regionally, 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 in 2022: \$1,681,377.33. Consulting contracts executed as of 12/31/22 not to exceed: \$3,295,933 - Invoices paid in 2022: \$1,272,387	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 \$6,638,768,518.	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 in 2022: \$244,808.77. REAP-funded consulting contracts	Funds encumbered in FY 2020-2021, with ongoing	In progress.	Support to local jurisdictions and collaboratives to ensure



			executed as of 12/31/22 not to exceed: \$505,775 - Invoices paid in 2022: \$275,466	project management activities through FY 2023.		broad and deep public education and outreach.
6	Administrative costs	\$1,198,343	Staff costs in 2022: \$340,918.68. Software contract executed not to exceed: \$300,000. - Invoices paid in 2022: \$170,336.00.	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)	2020	Current Year (2021) 2022	Cumulative Change	Notes
Building Permits	27,168 26,760	22,021	24,358 28,876	+46,379 + 2,116	Data is taken from HCD APR data dashboard . Data from past reports may have changed, the dashboard is updated monthly and local jurisdictions may have updated or corrected past APR submitted.
Certificates of Occupancy	16,779 16,908	20,912	23,010 21,044	+43,922 +4,136	
Completed Entitlements	32,807 33,956	33,526	27,994 35,318	+61,520 +1,362	



Additional Information:

- 1) ABAG has not yet received an amendment to its Standard Agreement to extend the expenditure deadline for REAP 1.0 beyond December 31, 2023, which is now statutorily authorized.
- 2) Given the value of the regional housing technical assistance offered, ABAG would support a more permanent and/or ongoing source of state funding for regional housing efforts. The advent of REAP 2.0 is a step in the right direction, but with a 2026 expenditure deadline it remains difficult to design a sustainable regional technical assistance program to adequately support local jurisdictions in implementing key housing strategies through the current and future planning cycles. The expiration of REAP 2.0 in 2026 may result in a precipitous drop in services available to local jurisdictions as there are currently no other ongoing sources of regional housing planning/technical assistance beyond the REAP grants.
- 3) Now, several years into the grant, ABAG staff has evaluated spend down on all activities and will be going to the ABAG Executive Board for input on how to reallocate unspent funds and otherwise update the multi-year program budget. ABAG staff will then contact HCD to discuss new budgets for existing activities, the purpose of which will be to ensure that all REAP 1.0 funds are spent by the expenditure deadline. No new activities will be added.

