

Regional Early Action Planning Grants (REAP)

Annual Report Template



[REAP Program Webpage](#)

March 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.

Additional Template Instructions: Please review and customize the footers of this document.

AMBAG 2023 REAP REPORT

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Overall Context:

Background:

In September 2019, the adopted FY 2019-20 California Budget (AB 74) and associated housing trailer bill (AB 101) established the Local Government Planning Support Grants Program and directed the California Central Coast to create a multiagency working group to oversee implementation of a portion of this program. The CCHWG was formed in late 2019 to oversee the implementation of the Central Coast's REAP program to provide the Central Coast region with one-time funding, including grants for planning activities, to enable jurisdictions to meet the 6th Cycle of the Regional Housing Needs Assessment (RHNA). Approximately \$7,931,311 was allocated to the Central Coast region under this program. The Central Coast is delineated by the boundaries of the Association of Monterey Bay Area Governments (AMBAG), Council of San Benito County Governments (SBtCOG), San Luis Obispo Council of Governments (SLOCOG), and the Santa Barbara County Association of Governments (SBCAG) and includes the jurisdictions within.

Between August and November 2019, AMBAG, SBtCOG, SLOCOG, and SBCAG coordinated with County Boards of Supervisors and County-based Cities Selection Committees throughout the Central Coast to establish the CCHWG. As required by AB 101, the Working Group is comprised of one supervisor from each county, and two city members from each county selected by county based Cities Selection Committees. The city members represent one smaller and one larger city in each county. Once the working group has been formed, the law requires that each city and county in the Central Coast region must be notified of its formation and purpose.

In December 2019, AMBAG, SLOCOG, SBtCOG, and SBCAG distributed a notice of formation for the CCHWG to all cities and counties throughout the Central Coast region in compliance with this notification requirement.

Overall Context in 2020:

In April, 2020, the Central Coast Housing Working Group (CCHWG) approved an approach to allocate \$7,931,311 in Central Coast REAP funding fairly and equitably to the Association of Monterey Bay Area Governments (AMBAG), San Benito County Council of Governments (SBtCOG), San Luis Obispo Council of Governments (SLOCOG), and the Santa Barbara

County Association of Governments (SBCAG). In conformance with the approved approach, the Boards of AMBAG, SLOCOG, SBtCOG and SBCAG approved further suballocating funding to their member city and county jurisdictions, and approved using a portion of funding to improve and implement COG Regional Housing Needs Allocation (RHNA) processes as applicable.

The goals of the suballocation program were the same as the general REAP program: For technical assistance, preparation, and adoption of planning documents and process improvements to accelerate housing production and facilitate compliance to implement the sixth cycle of the regional housing needs allocation. All projects are required to meet at least one eligibility criteria from the following list:

- Accommodating development of housing and infrastructure that accelerates housing production that aligns with state planning priorities, housing, transportation, equity, and climate goals
- Implementing sustainable communities strategies related to housing planning and accelerating housing production
- Establishing Prohousing Policies pursuant to Government Code section 65589.9
- Providing technical assistance in improving housing permitting processes, tracking systems, and planning tools
- Establishing regional or countywide housing trust funds for affordable housing (e.g. planning activities and processes, guidelines, charters)
- Performing infrastructure planning, including sewers, water systems, transit, roads, or other public facilities necessary to support new housing and new residents
- Performing feasibility studies to determine the most efficient locations to site housing consistent with Government Code sections 65040.1 (State Planning Priorities) and 65080 (Regional Transportation Plans)
- Covering the costs of temporary staffing or consultant needs associated with eligible activities
- Covering the cost of technical assistance, planning, temporary staffing, or consultant needs associated with updating local planning and zoning documents, expediting application processing, and other actions to accelerate additional housing production
- Reimbursing the cost of approved and eligible costs incurred for work after October 1, 2019

On June 10, 2020, AMBAG's Board approved the FY 20-21 Monterey Bay Region Overall Work Program (OWP) and Budget with a budget item for the full Central Coast amount of \$7,931,311 in REAP funds. This allows AMBAG to accept and administer this funding for the Central Coast as CCHWG designated fiscal agent for the Central Coast REAP grant.

On July 8, 2020, a Standard Agreement between AMBAG and the California Department of Housing and Community Development (HCD) was fully executed, allowing HCD to proceed with disbursing \$3,982,828 to AMBAG for suballocating to COGs and jurisdictions throughout the Central Coast according to CCHWG and COG approved approaches.

In July 2020, the AMBAG, SLOCOG, and SBCAG sent REAP suballocation applications to their member jurisdictions. Each suballocation application required the suballocation recipient to document the scope, schedule, and budget of REAP fund use, certify that funds will be used in conformance with their state approved uses, and required an executed Memorandum of Understanding (MOU) with AMBAG before a Notice to Proceed was issued. The suballocations operate on a spend and reimburse basis, and suballocation recipient jurisdictions must submit quarterly invoicing and reporting to AMBAG in order to receive reimbursement for their REAP funded housing planning projects. Activities are monitored by AMBAG to assure all REAP spending goes toward eligible uses.

On August 4, 2020, AMBAG received \$3,982,828 from HCD. The remaining funding obligated for the Central Coast REAP program will be provided by HCD at a later date. Between August 2020 and December 2021 AMBAG entered into MOUs with all COGs and jurisdictions who submitted complete and eligible suballocation applications to AMBAG. This includes the following jurisdictions and agencies:

- AMBAG: AMBAG, Monterey County, Carmel, Del Rey Oaks, Gonzales, Greenfield, King City, Marina, Monterey, Pacific Grove, Salinas, Sand City, Seaside, Soledad, Santa Cruz County, Capitola, Santa Cruz, Scotts Valley, Watsonville
- SBCAG: SBCAG, Vulleton, Carpinteria, Goleta, Guadalupe, Lompoc, Santa Barbara, Santa Maria, Solvang, Santa Barbara County
- SLOCOG: SLOCOG, Atascadero, Arroyo Grande, Paso Robles, Grover Beach, Morro Bay, Pismo Beach, San Luis Obispo, San Luis Obispo County
- SBtCOG: SBtCOG, Hollister, San Juan Bautista, San Benito County

The types of projects with approved suballocation applications include Updates to 6th Cycle RHNA processes for COGs; housing element updates, housing related components of general plan updates, land use policy, and zoning code updates related to accelerating housing production; ADU policy updates to accelerate housing production for this type of housing product and; specific plans and associated EIRs to expedite housing production.

One key opportunity is that REAP funding has been able to provide much needed funding to implement unfunded housing mandates and come into compliance with new housing laws designed to implement planning policies which accelerate housing production. The rural, suburban, and semi-urban nature of our region means that most jurisdictions have not had the financial resources to implement unfunded housing mandates and compliance with housing laws until REAP funding was made available.

Project Highlights, Best Practices and Recent and Anticipated Achievements:

REAP funding has been key to providing much needed funding to implement unfunded housing mandates and help jurisdictions come into compliance with new housing laws designed to implement planning policies which accelerate housing production. The rural, suburban, and semi-urban nature of our region means that most jurisdictions have not had the financial resources to implement unfunded housing mandates and compliance with housing laws until REAP funding was made available.

The majority of projects among our City and County REAP recipients revolve around three themes: (1) General plan and/or Housing Element updates to bring jurisdictions into compliance with RHNA and new state housing laws, (2) environmental review of general plans to accelerate housing production, and (3) rezoning or upzoning to allow for additional housing. Project among COG REAP recipients in the Central Coast region involved two types of projects: (1) tasks related to the COG RHNA processes, and (2) Implementation of RHNA Plans. Other projects include objective design standards, specific planning, permit streamlining, annexations for additional housing capacity, and updated ADU policies. As of December 31, 2023 approximately \$6.3M was spent by jurisdictions in the Central Coast megaregion on these projects.

COGs have made significant progress on REAP projects in 2023. Final RHNAs for all MPOs are complete in 2023.

All city and county projects reached the final phase of completion by the end of 2023.

Status of Activities:

[Insert information on Status of Activities]

While the Central Coast Housing Best Practices Study was completed in 2020, in 2021 two other studies were completed to provide resources and guidance for accelerating housing production in the Central Coast area: a study on the importance of taking early action on housing in the 6th cycle of RHNA, and a study on the barriers to housing development in the Central Coast and approaches to overcome them. Spending on sub-allocations to cities and counties in the area was approximately \$7.1M between 2020-2023.

[Insert data in the following table regarding Status of Activities]

Activity Category	General Description	Amount Allocated	Amount Expended by 2023	Timing	Status	Regional Impact on Housing
1 – ID of Best Practices, 2 – Education and outreach 5 – Technical Assistance	Finalized the Central Coast Housing Best Practices Study, a study on the need and benefits of taking early action related to the sixth cycle regional housing need allocation, and a study on the barriers to housing development in the Central Coast. Distributed studies to megaregional jurisdictions.	\$40,000.00	\$40,000.00	Completed 6/2021	Complete	Deliverables will assist cities and counties in the Central Coast by providing template strategies and approaches to improve the housing production framework and implement planning projects to help accelerate housing production.
3 – Improved methodology for 6 th Cycle RHNA	Improving methodology for distribution of 6 th Cycle RHNA	\$280,000.00	\$280,000.00	Completed 6/2022	Complete	COG updates to RHNA 6 th cycle methodologies.
4 – Suballocating funds	Suballocating money to jurisdiction and megaregional COGs to accelerate housing production. Includes tasks for improved 6 th cycle methodology.	\$7,393,392.00	\$7,164,296.86	Est Completion 6/2024	In progress	Suballocations will go to every city and county in the Central Coast to help fund housing element updates to conform to 6 th cycle RHNA and bring policies into

						conformance with new state housing laws. Planning projects will accelerate housing production.
5 – Technical assistance	Technical assistance	N/A	N/A	N/A	N/A	N/A
6 – Administering the REAP grant	Administering the REAP grant program	\$217,939.00	\$34,765.00	Est. Complete 6/2024	In progress	AMBAG expenses in administering the REAP program for the Central Coast megaregion.

Summary of Indicators of Housing Production:

Projects have not had time to impact housing permits, occupancy, or entitlements in a significant way.

[Insert data in the following table regarding Summary of Indicators of Housing Production]

Housing Production Indicator	Baseline Year 2019	Year 2020-2023	Cumulative Change	Notes
Building Permits	Appx. 3625	Appx. 14,587	N/A	All data from HCD APR reporting database. 2023 APRs for all jurisdictions not available at time of reporting, actuals may be higher.
Certificates of Occupancy	Appx. 2938	Appx. 10,483	N/A	All data from HCD APR reporting database. 2023 APRs for all jurisdictions not available at time of reporting, actuals may be higher.
Completed Entitlements	Appx. 1842	Appx. 14,941	N/A	All data from HCD APR reporting database. 2023 APRs for all jurisdictions not available at time of reporting, actuals may be higher.
Other				
Other				
Other				

Additional Information:

[Insert additional information]