

San Joaquin Valley Regional Early Action Planning (REAP) Committee for Housing

Overall Context

The Local Government Planning Support Grants Program (AB 101) provided a total of \$18,975,323 in Regional Early Action Planning (REAP) grant funds to the eight San Joaquin Valley Regional Planning Agencies.

Pursuant to AB 101, to increase regional collaboration where no single MPO or entity exists, a 24-member San Joaquin Valley REAP Committee for Housing has been created. Fresno COG is the fiscal agent for the San Joaquin Valley REAP (SJV REAP) process. Sigala Inc. is assisting Fresno COG as program manager.

Major Work Areas for the SJV REAP Process have been identified as:

- **RHNA (regional housing needs allocation)**
Developing an improved methodology for the distribution of the sixth cycle regional housing need allocation at the MPO level.
- **Suballocations to Jurisdictions**
Through the MPOs, providing grants to accelerate housing production in a way that aligns with state planning priorities, housing, transportation, equity, and climate goals.
- **Valleywide Work Efforts**
Activities on the regional, eight-county, level to further the objectives of the REAP program. This includes conducting a comprehensive housing report, regional planning and coordination, outreach, technical assistance, program administration and other activities.

SJV REAP has submitted an initial (25%) and second application to the State Housing and Community Development (HCD) Department and has received \$10.2 million to date. The final round funding application (\$8.7 million) has been submitted to HCD. The total funding allocations for the SJV are as follows:

Fresno Council of Governments	\$3,172,397
Kern Council of Governments	\$2,849,769
Kings County Association of Governments	\$480,807
Madera County Transportation Commission	\$492,009
Merced County Association of Governments	\$883,343
San Joaquin Council of Governments	\$2,405,036
Stanislaus Council of Governments	\$1,728,155

Tulare County Association of Governments	\$1,488,802
Valleywide Work Efforts	<u>\$5,475,000</u>
Total	\$18,975,322

The population pro-rata funding allocations shown above were agreed upon by the SJV REAP committee at their first meeting in January 2020. The Valleywide funding allocation was based on the additional \$6 million identified in AB 101 for regional collaboration.

The funding allocation shown above recognizes the unique needs and challenges at the regional and subregional level. It allows for region wide collaboration while providing MPOs with the autonomy to establish subregional REAP policies.

As an example, San Joaquin COG (SJ COG) has prioritized its use of REAP funding for the following activities:

- Development of a Regional Housing Trust Fund*
- Streamlining the Development Process
- Planning and Coordination to Develop a Regional Project Pipeline*
- Supporting Local Jurisdictions Impacted by COVID-19

*SJ COG will take the lead in developing a regional housing trust fund and planning and coordination to develop a regional project pipeline. The two other activities are to be conducted on the jurisdictional level.

One challenge we have identified to date is the lack of planning staff at some of the smaller rural jurisdictions. We are working at the MPO level to identify those deficiencies and seek meaningful and relevant technical assistance for these communities.

Another challenge involved the formation of the working group, the San Joaquin Valley REAP Committee for Housing. The AB 101 statute required that the working group be created through the city selection committee process at each county. That was problematic at some counties whose city selection committee did not meet regularly and or it was difficult to get the working group appointments on the agenda.

Lastly, COVID presented many challenges with outreach and meeting attendance throughout this process.

Project Highlights, Accomplishments and Best Practices

The SJV REAP process at the MPO level officially began in the fall of 2020 when initial funding was received from HCD. REAP working group activities have occurred since January 2020. To date, the following activities have been accomplished and or initiated:

Highlights and Accomplishments

- Formation of the 24-member SJV REAP Committee for Housing. The working group was formed with help from each MPO to coordinate the committee member selection process from each county.
 - At their first meeting in January 2020, bylaws were approved, a chair and vice-chair selected, Fresno COG was approved as the fiscal agent, the submittal of the initial application was approved, and consensus was reached that all non-valleywide funding would flow by population pro-rata formula to the MPOs for RHNA and jurisdictional suballocations.
 - At their second meeting in June 2020, selection of the Housing Program Manager (Sigala Inc.) was approved and submittal of the second REAP application was approved.
 - At their third meeting in December 2020, submittal of the third (final) REAP application was approved.
- Memorandums of Understanding have been executed with all eight Valley MPOs for utilizing REAP funds. Each MPO is responsible, through their respective boards, to determine funding amounts and policies for RHNA planning, jurisdictional suballocations, and other related activities.
- A request for qualifications (RFQ) process was conducted for a comprehensive housing report for the region, other studies, and technical assistance. A consultant bench of nine firms were shortlisted for further engagement for the term of the REAP process.
 - Contracts with Mintier Harnish and Raimi + Associates have been executed and work has begun on the Comprehensive Housing Report for the San Joaquin Valley. The report will highlight existing conditions, barriers to housing production, best practices and policy recommendations to further enhance housing planning and production.
 - Bidding and contracts for additional Valleywide studies and technical assistance are underway.

- The San Joaquin Valley REAP Technical Advisory Committee (TAC) has been established and is comprised of the MPO staff tasked with working on REAP. The TAC has met numerous times and is responsible for collaboratively discussing REAP strategies and best practices among the MPOs, as well as providing input on the Valleywide REAP activities.
- Valleywide Outreach and communication led by Sigala Inc. and Fresno COG is underway:
 - A web page landing page for the SJV REAP process has been established: www.sjvcogs.org/reap
 - A virtual workshop for the LEAP program was held on December 8, 2020 with HCD. The workshop was well attended.
 - A virtual workshop for the REAP program was held on February 23, 2021 in conjunction with HCD and Placeworks. The workshop provided an overview of the REAP program and surveyed jurisdictions on TA needs. The workshop was well attended.
 - A Valleywide workshop series is under development and will include topics such as housing elements, pro-housing policies, toolkit programs and ordinances, affirmatively furthering fair housing, and other related topics.
 - REAP updates are provided to the Valley MPO directors at their monthly meetings.

Best Practices

- Conducting a Request for Qualifications (versus Request for Proposals) allowed for flexibility and efficiencies in contracting with consultants. This allowed us to establish a bench of shortlisted consultants, a bench that we could then issue scopes of work and request bids from as needed and as work efforts are identified. This saves time and resources in the public contracting process.
- Another best practice was the establishment of the San Joaquin Valley REAP Technical Advisory Committee (TAC). The TAC is comprised of staff from each SJV MPO and helps guide and advise the REAP process. This has allowed us to regionally reach consensus and move forward on technical or staff level decisions without having to seek approvals from the larger REAP Committee, which only meet twice a year.

Status of Activities

As highlighted in the previous section, there has been substantial activity setting up the framework for the REAP process both Valleywide and at the MPO level. MOUs with each MPO for the use of REAP funds were executed at the end of the 2020 calendar year, hence fiscal activities to report may be limited.

The following activities are being reported on the subregional (MPO) and Valleywide level:

Fresno Council of Governments (Fresno COG)

Activity Category: Improved RHNA methodology (3), and

General Description: Funding Policies and Guidelines were approved by the Fresno Council of Governments Policy Board in January 2021. Fresno COG will keep up to \$214,738 of its currently allocated amount of REAP funds for RHNA planning and administration, and allocate the remainder (\$900,000) to jurisdictions.

To date, Fresno COG has contracted with Placeworks for the 6th cycle RHNA and conducted preliminary communication with HCD regarding possible housing allocation. A competitive Call-for-Projects for suballocation funding has been issued. Three responses were received for 50 percent of the funding available. Fresno COG has subsequently reissued the Call-for-Projects with an extended deadline for mid-April 2021.

Suballocation Methodology: Fresno COG has opted for a competitive process to allocate REAP funding to its jurisdictions. At least 50 percent of the funds will be set aside for small cities to ensure equity among jurisdictions.

Amount Allocated: \$1,114,738 (from first and second REAP allotment)

Amount Expended: \$17,750 (program administration/staffing/consultants)

Timing: September 3, 2020 - August 31, 2023

Status: In Progress

Regional Impact on Housing: This information is not available at this time.

Kern Council of Governments (Kern COG)

Activity Category: Improved RHNA methodology (3), and suballocation (4)

General Description: Kern COG's REAP funding and guidelines were approved by its Policy Board in March 2021. Kern COG has issued a RFP to hire a consultant to assist in developing the 6th cycle RHNA. The Kern COG guidelines include Suballocation Guidelines, REAP Concept Letter, Member Agency Resolution, and a Memorandum of Understanding for jurisdictions.

Kern COG will keep \$303,000 of its amount allocated to date for the RHNA consultant, community visualizations and modeling, salaries, supplies and administration. The remainder (\$698,370) will be allocated to jurisdictions.

Suballocation Methodology: Kern COG will allocate REAP funding to its jurisdictions based on a per capita basis with a floor of \$10,000.

Amount Allocated: \$1,001,370 (from first and second REAP allotment)

Amount Expended: \$20,294 (program administration/staffing)

Timing: September 3, 2020 - August 31, 2023

Status: In Progress

Regional Impact on Housing: This information is not available at this time.

Kings County Association of Governments

Activity Category: Improved RHNA methodology (3), and suballocation (4)

General Description: KCAG has not yet commenced any RHNA activities, or established a suballocation funding policy. It is anticipated they will retain a minor portion of the amount allocated to date for a RHNA consultant. The remainder will be allocated to jurisdictions.

Suballocation Methodology: Not determined at this time.

Amount Allocated: \$168,949.28 (from first and second REAP allotment)

Amount Expended: \$0

Timing: September 3, 2020 - August 31, 2023

Status: In Progress

Regional Impact on Housing: This information is not available at this time.

Madera County Transportation Commission (MCTC)

Activity Category: Improved RHNA methodology (3), and suballocation (4)

General Description: The MCTC Board of Directors are scheduled to adopt the Madera Region REAP Housing Program guidelines at their April 21, 2021 meeting. The program will be implemented in two phases.

A total of \$172,886.65 in REAP funds that have been allocated to date are considered as Phase One. MCTC will retain \$55,176 from this amount for program administration, RHNA development support (either as a COG or to assist HCD), and any other functions, as necessary. MCTC will retain a consultant on behalf of its member agencies to assist with eligible activities for housing planning purposes. The total budget for this portion will be an amount of \$117,710.

The Madera Region is anticipated to receive a total of \$319,123 in REAP funding for Phase Two (final REAP app). MCTC will retain five percent for program administration. The remaining funds in the second phase of available MCTC Housing Planning Grants Program Funding will be suballocated to jurisdictions.

Suballocation Methodology: MCTC will suballocate for eligible projects on a pro-rata basis to local agencies in the Madera Region, including the County of Madera, City of Madera, and the City of Chowchilla.

Amount Allocated: \$172,886 (from first and second REAP allotment)

Amount Expended: \$586.62 (program administration/staffing)

Timing: September 3, 2020 - August 31, 2023

Status: In Progress

Regional Impact on Housing: This information is not available at this time.

Merced County Association of Governments (MCAG)

Activity Category: Improved RHNA methodology (3), and suballocation (4)

General Description: The MCAG Policy Board at their March 2021 meeting has adopted a policy for REAP funding. The policy allows for MCAG to retain \$125,000 for RHNA planning (consultant) and staff administration. The remainder (\$185,395) will go to jurisdictional suballocations.

Suballocation Methodology: MCAG will convene a workgroup of member jurisdictions to explore a regional approach to housing and recommend uses of the funds. These recommendations are expected to be approved by the MCAG Policy Board in May 2021.

Amount Allocated: \$310,395 (from first and second REAP allotment)

Amount Expended: \$0

Timing: September 3, 2020 - August 31, 2023

Status: In Progress

Regional Impact on Housing: This information is not available at this time.

San Joaquin Council of Governments (SJ COG)

Activity Category: Improved RHNA methodology (3), and suballocation (4)

General Description: SJ COG's Policy Board approved its REAP funding policy in February 2021. SJ COG has prioritized its use of REAP funding for the following activities: 1) Development of a Regional Housing Trust Fund, 2) Streamlining the Development Process, 3) Planning and Coordination to Develop a Regional Project Pipeline, and 4) Supporting Local Jurisdictions Impacted by COVID-19.

SJCOG kicked off its Cycle 6 RHNA process in January 2021 and convened its first committee on February 24, 2021. SJCOG is currently looking into procuring professional services to lead methodology development for Cycle 6.

SJ COG will retain \$300,000 of its currently allocated amount for RHNA planning, administration, regional housing trust fund planning, and regional planning and coordination. The remainder (\$545,097) will be allocated by population share to local jurisdictions.

Suballocation Methodology: The adopted REAP program guidelines describe a process and methodology for local jurisdictions to receive their suballocations (by population share). Generally, local jurisdictions may submit a concept proposal for eligible housing planning activities outlining scope, cost, and schedule along with a signed council or board of supervisor's resolution to SJCOG. Upon review and approval by SJCOG staff, SJCOG and local jurisdiction will enter into an agreement to ensure funds are expended as proposed and in a timely manner.

Amount Allocated: \$845,097 (from first and second REAP allotment)

Amount Expended: \$13,651.95 (program administration/staffing/professional services)

Timing: September 3, 2020 - August 31, 2023

Status: In Progress

Regional Impact on Housing: This information is not available at this time.

Stanislaus Council of Governments (StanCOG)

Activity Category: Improved RHNA methodology (3), and suballocation (4)

General Description: StanCOG's Policy Board approved its REAP funding policy in March 2021. Staff presented methodology options to Valley Vision Stanislaus Steering Committee, comprised primarily of planning and community development directors from the 10 local member agencies prior to the StanCOG's Policy Board approval.

StanCOG has conducted preliminary research on methodology for the distribution of the sixth cycle Regional Housing Needs Assessment (RHNA), and developed a suite of suballocation methodology options. StanCOG released a Request for Proposal (RFP) on February 19, 2021, seeking a qualified consultant that possesses expertise in housing policy and regional planning to provide technical services to develop a methodology and plan for the sixth cycle Regional Housing Needs Assessment (RHNA).

StanCOG anticipates establishing Memorandum of Understanding (MOUs) with each of its local member agencies for the suballocation of REAP funds.

StanCOG will retain \$192,013 of its currently allocated amount for RHNA planning, administration, regional housing trust fund planning, and regional planning and coordination. The remainder (\$415,238) will be allocated by population share to local jurisdictions.

Suballocation Methodology: The REAP suballocation methodology for distributing the funds to StanCOG's local jurisdictions was by share of the county's population. An additional adjustment was made for the smallest jurisdictions for which a minimum funding floor of \$35,000 was established.

Amount Allocated: \$607,250 (from first and second REAP allotment)

Amount Expended: \$7,411 (program administration/staffing)

Timing: September 3, 2020 - August 31, 2023

Status: In Progress

Regional Impact on Housing: This information is not available at this time.

Tulare County Association of Governments (TCAG)

Activity Category: Improved RHNA methodology (3), and suballocation (4)

General Description: TCAG's REAP funding and guidelines have been discussed by its Policy Board on numerous occasions with formal action to adopt anticipated for April 2021. In addition, a Regional Housing Needs Advisory Committee Meeting has been created and the first meeting was held on November 19, 2020. Monthly committee meetings have been held since January. Member agencies are being surveyed and a report on the survey results is being developed.

TCAG will keep \$225,00 of its amount allocated to date for RHNA, regional planning coordination, technical assistance and administration. The remainder (\$298,145) will be allocated to jurisdictions.

Suballocation Methodology: TCAG will administer suballocations by formula. Each of its member agencies will receive a base of \$100,000 with the remaining funds to be distributed proportionately based on population. The base allocation figure is based upon the amount allocated to date and the project amount to TCAG from the final REAP application. The suballocations to our jurisdictions has not yet occurred; it will likely begin in April. Eligible costs include those that are related to housing planning and facilitate the streamlining and acceleration of housing production as called for in the HCD guidelines.

Amount Allocated: \$523,145 (from first and second REAP allotment)

Amount Expended: \$12,741 (program administration/staffing)

Timing: September 3, 2020 - August 31, 2023

Status: In Progress

Regional Impact on Housing: This information is not available at this time.

Valleywide Planning Efforts

Activity Category: Identification of Best Practices (1), Education and Outreach (2), Improved RHNA methodology (3), Suballocation (4), Technical Assistance (5), and Administration (6).

General Description: Regional coordination, technical assistance and planning. Please see section entitled "Project Highlights, Accomplishments and Best Practices" for a detailed description of the Valleywide work efforts to date.

Suballocation Methodology: Valleywide Planning Efforts were allocated \$5,475,000 from the SJV REAP Committee for Housing. This was based on the AB 101 statute which designated \$6 million for regional collaboration and planning. The remainder, \$13,500,323, was allocated by population to each MPO for RHNA planning, jurisdictional suballocations, and other activities at the subregional level. Each MPO is responsible, through their respective boards, to determine funding amounts and policies for their share of REAP funding.

Amount Allocated: \$5,475,000 (from first and second REAP allotment)

Amount Expended: \$106,804 (program administration/consultants)

Timing: September 3, 2020 - August 31, 2023

Status: In Progress

Regional Impact on Housing: This information is not available at this time.

Summary of Housing Production Indicators

The following is a summary of baseline data for 2019 obtained from the HCD dashboard. Current year and cumulative change information is not available and will be detailed in the next reporting period.

	HCD post-submission corrections		
	Housing Production Indicator (2019) 2020		
	Building Permits	Certificates of Occupancy	Completed Entitlements
Fresno Council of Governments	3,582 3,944	2,396 2,801	5,482 2,316
Kern Council of Governments	2,292 2,434	1,753 1,537	8* 154
Kings County Association of Governments	423 257	336 260	17* 378
Madera County Transportation Commission	637 799	157 375	229 0
Merced County Association of Governments	1,086 1,747	430 782	613 974
San Joaquin Council of Governments	3,172 3,171	2,000 1,637	3,461 1,944
Stanislaus Council of Governments	804 938	215 479	199 246
Tulare County Association of Governments	1,936 1,309	1,035 1,368	954* 1,335
San Joaquin Valley Total	13,932	8,322	10,963

*Amounts may be undercounted; data not reported for all jurisdictions.