

Regional Early Action Planning Grants (REAP)

Annual Report Template



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

March 2021

REAP Grant Annual Report - 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.

Sacramento Area Council of Governments

Overall Context:

Housing development in the six-county SACOG region has struggled to keep up with demand. This region has not built nearly enough multifamily housing products, and in particularly multi-family in infill areas. These products, which include everything from small scale “missing middle” housing like fourplexes to larger apartment buildings, tend to be more affordable because they have smaller unit sizes and use less land per unit. The region will need to build more housing to provide lower-income households as well as to reduce racial inequality and residential segregation. The SACOG region’s housing gaps include how much housing is built overall, what type, where it is built, and who can afford it.

- **How Much?** Current housing production is only about half as much as we need. SACOG currently adopted MTP/SCS assumes almost 11,000 a year are needed to keep up with the demand of the next 20 years. In the last 10 years, the average production has been about 5,500 annually.
- **What Type?** Current housing production shows that our region isn’t building nearly enough multi-family housing. The MTP/SCS forecasts that 74% of our future home production should be in attached or single-family small-lot housing, with the majority needed in attached housing types. In the last 10 years, only 19% of the housing built has been attached, 30% has been small-lot single-family and 51% is in traditional large-lot single-family homes.
- **Where?** Critical to achieving our housing goals, as well as our transportation and air quality goals is maintaining a balance of infill and greenfield housing. Our region has several specific plans and masters plans for future greenfield development. Phasing the development of these over time and maintaining infill development is a challenge. The MTP/SCS assumes that even as these greenfields begin to develop over the next 20 years, that we maintain at least 64% of the new housing production in infill areas.
- **Who?** Currently housing is not affordable to most in our region, but people of color are particularly impacted. On average in our region, more than 50% of Black residents are paying more than 30% of their income on housing and 44% of Hispanic residents, 36% of Asian residents, and 34% of white residents are paying more than 30% of their

incomes towards housing costs. More production overall, especially in higher opportunity neighborhoods, and with a focus on higher-densities and attached housing will help reduce the housing cost burdens we are seeing today.

SACOG's REAP Program goals are consistent with the state's goals for REAP to increase and/or accelerate housing and we have added an emphasis on supporting more infill housing and more housing product variety given the challenges outlined above. Below is a high-level summary of our REAP Program.

\$2,825,000 for Non-Competitive Grants - The majority of our REAP funding will provide grant funds to each of SACOG's 28 member jurisdictions for housing planning that has a nexus to increased or accelerated housing production. Grant award amounts are formula based on the jurisdiction's share of units in the Regional Housing Needs Plan. Award amounts are between \$40,000 and \$600,000.

\$1,727,000 for Competitive Grants - To support SACOG's upcoming Green Means Go (*REAP 2.0") effort, a portion of REAP funds are being used to pilot a competitive, place-based grant program. The purpose of the competitive grants is to support housing planning aligned with the MTP/SCS within what we are calling "Green Zones." These green zones, which underpin the Green Means Go effort, are infill areas nominated by the local government to prioritize future infill development. Projects must be within Green Zones and either accelerate or increase housing in the Green Zone.

\$976,000 for Housing Element Updates - Throughout 2020 and parts of 2021, staff has worked with state and local agencies on the Cycle 6 Regional Housing Needs Allocation. In March 2020, the SACOG board adopted the final 2021-2029 Regional Housing Needs Plan. To support local agencies implementing the Regional Housing Needs Plan and achieve compliance with increased state requirements for Housing Elements, this sub-allocation provides between \$10,000 and \$200,000 to each jurisdiction to help pay for Housing Element updates. Grant amounts are based on the jurisdiction's share of units in the Regional Housing Needs Plan.

\$506,150 for Civic Lab Commercial Corridor Focus Teams - In 2019, SACOG launched our second year of Civic Lab, which was focused on the revitalization of aging commercial corridors and main streets throughout the region. Several teams identified housing-related projects that qualify for REAP funds. This sub-allocation provides funding to implement projects that qualify under REAP and relate to a team's Civic Lab project work.

\$103,000 for Civic Lab Housing Series - In October and November 2020, SACOG organized and hosted a series of four housing related workshops targeted at local agencies. This Civic Lab Housing Series was intended to complement and support the noncompetitive and competitive grants outlined below. Additionally, SACOG will be using these funds to provide technical assistance to member agencies for Housing Elements or other REAP activities. This technical assistance will begin in Spring of 2021.

\$150,000 for South Lake Tahoe grant – HCD requested that SACOG administer the city of South Lake Tahoe’s REAP grant for this set amount of money, despite the city not lying within SACOG’s service boundary. SACOG’s role was to set up an agreement with the city, make a full payment for the grant amount upon the city’s invoice, and then provide an introduction between HCD staff and city staff. HCD is responsible for the project oversight for the city’s grant.

\$144,730 for Housing Element Consultant Technical Assistance – SACOG and its consultants are assisting local agencies with non-compliant housing elements to prepare revised elements for re-adoption. In addition, SACOG and consultants will provide analysis of local elements on the areas that they could improve upon, particularly implementation measures and Affirmatively Furthering Fair Housing.

\$331,000 Program Staff time – SACOG staff time has been utilized to set up the nearly 70 memorandums of understanding and scopes of work with each grant recipient agency. In addition, staff time has been utilized to help formulate projects and scopes, track projects as they progress and administer invoice payments.

Total budget: \$6,762,880

Project Highlights, Best Practices and Recent and Anticipated Achievements:

The prior 12 months, the program was used for implementing the two REAP frameworks that outline the goals for the program and how we will spend the funds (generally outlined above). The highest priority in the early part of this reporting period was to get funding from the first 25% of REAP funds to member agencies to support their Housing Element updates. Through September 2021, member agencies had worked diligently to adopt their housing elements within the statutory timeline. SACOG allocated \$976,000 to support member agencies to adopt their housing elements on time and

comply with the many new housing element requirements this cycle. The funding was suballocated to member agencies based on their RHNA so that the funding was proportional to their unit allocation.

Most of the funds that were allocated during this reporting period were awarded to SACOG member cities and counties. Over \$4.55 million were awarded in non-competitive and competitive grants to local agencies. Non-competitive grants were awarded to each of the 28 member agencies and were proportionally allocated based on their Regional Needs Housing Allocations. Another six grants were awarded on a competitive basis totaling \$1.727 million and an additional five grants were awarded to jurisdiction participated in year-long SACOG's Civic Lab program for revitalizing corridors with infill housing.

Funds have also been expended for a special arrangement for the city of South Lake Tahoe, which is not within the SACOG service area, to receive a \$150,000 REAP grant. And funding has been utilized for SACOG consultant services to assist local jurisdictions with non-compliant housing elements.

Status of Activities:

Activity Category	General Description	Amount Allocated	Amount Expended	Timing	Status	Regional Impact on Housing
4	Suballocation to support Housing Element updates	\$976,000	\$973,789.75; staff time on this is billed separately	Completed October 2021	Completed	Adopted Housing Elements that meet state law and reflect our cycle 6 RHNA, which will result in: planning for more housing at all income levels and support AFFH goals.
1,2,5	Civic Lab Housing Series	\$103,000	\$100,726.75 invoiced to	To be completed	In progress; the Housing Series is	Supporting innovation and best practices in housing

	and Technical Assistance Program		date; staff time on this is billed separately	by July 31, 2023	complete, and the Technical Assistance is beginning	planning will help provide more meaningful projects and outcomes for the rest of the REAP program.
4	Civic Lab Commercial Corridors Projects	\$506,150	\$91,555.45 invoiced to date; staff time on this is billed separately	To be completed by July 31, 2023	In progress; six project teams are completing scope of work and will begin contracting and project work soon.	Will support public/private partnerships and increasing or accelerating housing on key aging commercial corridors. These projects will provide examples/case studies and best practices for other corridor specific housing work.
4	Non-competitive grants	\$2,825,000	\$24,815.24 invoiced to date; staff time on this is billed separately	To be completed by July 31, 2023	In progress; applications were due mid-March, awards start in April 2021	Will fund activities that support increased or accelerated housing by a variety of means: analysis of development process and zoning; ADU process review, specific plans, housing in corridor studies, development analysis. Jurisdictions and SACOG have MOUs set up and consultants selected, more progress in the remainder of 2022 and 2023.
4	Competitive grants	\$1,727,000	\$10,703.33 invoiced to date; staff time on this	To be completed by July 31, 2023	In progress; applications were due mid-March, awards expected in June 2021	Will fund activities that support increased or accelerated housing in key infill areas (Green Zones).

			is billed separately			
4	Pass through funds to South Lake Tahoe	\$150,000	\$150,000 invoiced to date; staff time on this is billed separately	Completed	In progress; currently working on MOU with city.	n/a
6	Staff and administrative costs	\$330,900	\$258,203.64 incurred in staff time	To be completed by September 15, 2023	In progress/on-going	Staff time to set up program, work with grant recipients on projects and process almost 70 MOUs.
8	Housing Element Consultant Technical Assistance	\$144,730	\$5,350.25	To be completed by July 31, 2023	Just started, on-going through grant cycle	Consultant providing assistance on housing element follow-up.

Summary of Indicators of Housing Production: 2020 ²⁰²¹

HCD post-submission corrections

Housing Production Indicator	Baseline Year (2019)	Current Year (2020) ²⁰²¹	Cumulative Change	Notes
Building Permits	No data ^{10,166}	12,051 ^{14,129}	NA ^{+ 3,963}	SACOG only had only “final” building permits/cert of occupancy. We started this collecting from APRs submitted in 2021 for the year 2020 data.

Certificates of Occupancy	2019: 7,024 permits 8,515 units 6,274	2020: 4,916 permits 6,359 units 7,863	(2,108) permits; (2156) units +1,589	Tallied data as reported by local agencies submitted in 2021 APR for the year 2020. Cumulative decline due to circumstances with the pandemic.
Completed Entitlements	2019: no data 5,856	2020: 9,424 11,257	NA + 5,401	Currently SACOG only collects “final” building permits/cert of occupancy. We only have data starting from the data submitted APRs for the year 2020. We will collect APRs going forward for reporting purposes.
Other				
Other				
Other				

Additional Information: not applicable at this time.