

Regional Early Action Planning Grants (REAP)

Annual Report Template



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

March 2021

Southern California Association of Governments (SCAG)

Overall Context:

Overview

Since receiving REAP early application funding, SCAG has continued to make progress in developing the framework for programs that will help to accelerate housing production in the region. The four main program areas, (1) Improved RHNA Methodology/Allocation; (2) Partnerships & Outreach; (3) Regional Housing Policy Solutions, and (4) Sustainable Communities Strategy (SCS) Integration, have all undergone varying degrees of progress since the start of eligibility in October 2019. The framework developed since October 2019 will enable SCAG to streamline project work as the foundations are put in place.

Needs, Challenges and Limiting Factors

There are two main challenges in developing housing planning policies and programs in the SCAG region. The first is the lack of precedent since there has not been a regional Housing Program or dedicated funding for regional housing planning on a large scale. The second is the sheer size of the SCAG region. Delivering consistent levels of service and addressing the various levels of constraints among local jurisdictions and subregional partners can be challenging when implementing programs. This includes developing a template memorandum of understanding (MOU) that all subrecipients can utilize for REAP projects, as well as ensuring adequate staffing and technical assistance across wide and varied needs and sophistication levels of the municipalities across the region, which represent almost 40 percent of the total jurisdictions in the State. Additionally, adopting a Final RHNA Allocation Plan that incorporates a regionally applied methodology to distribute a significantly higher RHNA need required significant effort and resources.

Opportunities and Solutions

To address its unique challenges, SCAG made efforts to reach out to various partners and stakeholders to ensure that local constraints and opportunities were built into various REAP programs. Surveys, workshops, and listening sessions were held to obtain input on local planning efforts and needs, particularly in relation to concurrent SB 2 and LEAP efforts. Moreover, SCAG took this early phase of implementation to develop the infrastructure deliver and streamline its REAP

program, including developing a series of On-Call Services contracts (also known as a “bench” of pre-qualified consultants) to streamline procurement and ensure that project work conducted by SCAG and subrecipients can begin as soon as possible once in place, as well as hiring limited term and contract staff to support development and implementation of the REAP program.

Goals

Over the next couple of years, SCAG will be committed to ensuring that projects are monitored as they progress and that the projects will be completed by the 2023 deadline. SCAG staff will also monitor project metrics to ensure that the implementation of plans, programs, and policies will lead to and accelerate housing production through the 6th cycle planning period.

Project Highlights, Best Practices and Recent and Anticipated Achievements:

Highlights and accomplishments

Improved RHNA Allocation/Methodology

- Development and adoption of 6th cycle RHNA methodology
 - Draft methodology approval, November 2019
 - Final RHNA methodology adoption, March 2020
 - Distributes RHNA need based on household growth, transit access, job access, and affirmatively furthering fair housing (AFFH) indicators
- Conducted RHNA Appeals process, Fall 2020
 - Preparation for RHNA Appeals hearings January 2021 and Final RHNA Plan adoption March 2021
 - Ensures consistent implementation of the improved 6th Cycle RHNA Methodology

Partnerships & Outreach

- Adoption of Subregional Partnership Program (SRP) Guidelines, September 2020
 - Outlines allocation available and formula for subregional partnership projects
 - Provides guide for objectives of program and eligible projects
 - Includes application form
- Completion of initial review of all 15 SRP subrecipient project proposals, December 2020
 - Award letters distributed for approved projects
 - Over 60 individual projects proposed, over \$23,000,000 total
 - Benefit to almost all 197 SCAG jurisdictions (a subregion representing 5 jurisdictions elected not to participate)
 - MOU template completion, February 2021
- Completion of MOU for Call for Collaboration, October 2020
 - MOU with California Community Foundation executed December 2020
 - Flyer and application developed for call for projects, extensive outreach and informational webinar in January 2021
 - 45 applications received, reviews completed and awards announced March 2021
- Leadership Academy
 - Scoping meetings with foundations that have sponsored similar trainings – December 2020
 - Scoping discussions with ILG, CalCOG and Placeworks to ensure that the SCAG funding training is not duplicative of efforts proposed by HCD – December 2020
 - Partnerships in place to leverage funding allocated to subregional partners through the SRP program. Two subregional partners that proposed training and education will use the SCAG-sponsored Leadership Academy – February 2020
 - Scope of Work is drafted and complete and will be released once SCAG has fully implemented its On Call Services Contracts

Regional Housing Policy Solutions

- Technical assistance webinar series for 6th cycle housing element updates, August 2020
 - Information and resources for jurisdictions and stakeholders from HCD and SCAG
 - Over 300 participants
 - Release of HCD pre-certified housing element data sets, July 2020
 - Release of regional ADU affordability analysis, August 2020
- Launch of SCAG Housing Element Parcel Tool (HELPR), December 2020
 - Web-based mapping tool to help jurisdictions understand housing opportunities for the 6th cycle housing element update
 - Includes data layers to align with environmental justice, Connect SoCal, priority growth areas, and AFFH principles

Sustainable Communities Strategy (SCS) Integration

- Call for projects Sustainable Communities Program (SCP) – Housing and Sustainable Development (HSD), November 2020
 - Development of project guidelines for direct technical assistance to jurisdictions
 - Variety of project categories, including ADU implementation, housing supportive tax increment financing districts, and housing-related specific plans
 - Applications due in January 2021; awards announcement April 2021
- MOU development with Metro and Metrolink
 - Outreach and scoping meetings with both Metro and Metrolink held in December 2020 and January 2021
 - Metro Scope of Work drafted and feedback provided Feb 2021
 - SCAG supported an additional Caltrans Planning grant application for Metrolink in Jan 2021 to expand the REAP-funded activities proposed

Best practices

- Engagement of stakeholders
 - To develop the guidelines for various projects, SCAG conducted extensive outreach with stakeholders and partners to understand local constraints.
 - This allowed SCAG to identify opportunities to address constraints while developing programs that could still be applied regionally
 - The Call for Collaboration project is intended to elevate conversations on equity in housing planning and promote the prominence of efforts done by community-based organizations (CBO). This program leveraged REAP funds with funding from 3 foundations.
- Building support for housing through subregional collaboration
 - The SRP is designed to help jurisdictions implement their 6th cycle RHNA allocation by linking available funding to the program based on RHNA allocations
 - Projects are conducted through the subregional level to allow for the consideration of local planning constraints and augment local projects undertaken through SB 2 and LEAP funding
- Technical assistance outcomes
 - The linkage of Connect SoCal strategies, such as job and transit access, to the 6th cycle RHNA methodology has resulted in additional housing site opportunities in HELPR that align with mutual goals of the plans.
 - The SCP-HSD technical assistance is intended to both accelerate housing production as well as enable implementation of Connect SoCal

Status of Activities (10/1/19 – 2/28/21):

Activity Category	General Description	Amount Allocated	Amount Expended ¹	Timing	Status	Regional Impact on Housing
Improved RHNA Methodology/ Allocation	Improving 6 th cycle RHNA methodology and ensuring Final Plan is consistent with methodology	\$1,187,000	\$1,525,153	10/1/19 – 2/28/21	In progress	Emphasizes housing need in job and transit accessible areas, distribution of need for 1,341,827 units; increase of affordable housing need in areas with high access to resources and capping housing need in areas designated as low access to resources/disadvantaged
Partnerships & Outreach	Suballocations; Call for collaboration; Local leadership academy; Pro-housing campaign	\$6,681,400	\$1,487,299 ²	7/1/20 – 2/28/21	In progress	Increased education to accelerate housing production; promotion of social equity in housing planning; 600,000-735,000 total estimated housing units built for all REAP programs
Regional Housing Policy Solutions	Data Tools, University Partnerships, Policy Briefs, Panel Honorariums	\$1,153,000		7/1/20 – 2/28/21	In progress	Assistance to implement 6 th cycle RHNA and housing elements; 600,000-735,000 total estimated housing units built for all REAP programs
SCS Integration	SCS Housing & Sustainable Development TA Grants, LA Metro & Metrolink Partnerships, Priority Growth Area Strategies	\$2,253,000	\$ 502,269	7/1/20 – 2/28/21	In progress	Implementation of RHNA and Connect SoCal strategies; 600,000-735,000 total estimated housing units built for all REAP programs
Administrative	Applications, invoicing, reporting	\$593,355	--	7/1/20 – 2/28/21	In progress	

¹ Due to the timing of the award of the REAP early application funding, the original programming of tasks in SCAG's Overall Work Program (OWP) did not initially reflect these five categories. This resulted in expended amounts not accurately reflecting categorical costs. However, SCAG has amended its OWP to reflect these categories and will continue to do so for the remaining REAP funding.

² In January 2021, SCAG executed an MOU with the non-profit California Community Foundation for \$1,000,000 to administer the Call for Collaboration project and in March 2021 project awards were announced. While encumbered, the funds do not appear in SCAG's official expenditure reports since sub-recipient has not yet processed its expense reports for the awards due to the ongoing nature of the work.

Summary of Indicators of Housing Production:

HCD post-submission corrections

Housing Production Indicator	Baseline Year 2019	Current Year 2020	Cumulative Change	Notes
Building Permits	51,630 53,221	51,630 45,645	N/a -7,576	2019 APR data (2020 data unavailable)
Certificates of Occupancy	34,896	38,787	+3,891	
Completed Entitlements	56,944	58,924	+1,980	
Other				
Other				
Other				

Additional Information:

Many projects, particularly SRP projects, aim to accelerate housing production throughout the 6th cycle RHNA. For this reason, an increase to the overall housing supply as a result of REAP-funded programs may not be immediately reflected in permitting or building activity. SCAG anticipates some delay between project completion and correlated housing building due to the establishment of new permitting processes, implementation of improved programs, and variable market conditions.

With the submission of this report, SCAG is on track to have committed over half of its REAP funding to programs that have been fully developed with adopted guidelines, application processes, and final review of applications, including committing:

- \$1,000,000 to the Call for Collaboration
- \$23,754,505 to the Subregional Partnership Program
- \$5,000,000 to the Housing and Sustainable Communities Program

With initial start-up activities and large programs launched, SCAG staff will focus the next quarter on establishing its scopes for the Metro and Metrolink TOD partnerships as well as launching its Regional Policy Solution and Priority Growth Area partnerships.