

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 - 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.

Southern California Association of Governments (SCAG)

Overall Context:

Overview

Since receiving REAP early application funding, SCAG has continued to make progress in creating the framework and implementing programs that will 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 made significant progress since the start of eligibility in October 2019. In 2022 SCAG finalized agreements with all grant subrecipients and procurement has been completed. Some projects have also reached completion.

Needs, Challenges and Limiting Factors

There have been several challenges in developing housing planning policies and programs in the SCAG region. Primarily there is a lack of precedent for both a regional Housing Program coupled with the sheer amount of dedicated funding for housing planning, which has impacted the procurement process and subsequently project starts. Another challenge is the sheer size of the SCAG region and the variation of capacity and needs across the region. Delivering consistent levels of service and addressing the various levels of constraints among local jurisdictions and subregional partners has been challenging when implementing programs. This included developing a template memorandum of understanding (MOU) that all subrecipients could utilize for REAP projects at the start of the program, 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.

As noted above, the amount of funding for housing planning across the State is unprecedented, which made competition for consultant teams difficult. Coupled with the impacts of the pandemic on the job market, the procurement process was challenging. Some projects received few to no bids. Some consultants, particularly those participating through SCAG's On Call Services (OCS) contracts, indicated they were at capacity and could not bid on additional work. This resulted in

projects being re-released to a broader network of consultants outside the OCS and subsequently a longer procurement process and delayed project start. Many of the SRP projects that were affected by the late project start date are taking advantage of the one-year REAP program extension from SB 197 (2022) and are all on schedule to be completed by February 2024.

Finally, as of the date of this report, ninety-six (96) jurisdictions within the SCAG region have an adopted compliant housing element while only one (1) have not submitted a draft. The remaining jurisdictions have submitted at least a draft housing element to HCD and thirty-five (35) are in review.

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. The establishment of the On Call Services “bench” (OCS) of consultant contracts has streamlined the project procurement process for projects that SCAG is procuring, and several subrecipients have elected to use SCAG’s OCS for their subregional projects. Project managers have also provided technical assistance to subregional partners to troubleshoot procurement issues, such as consolidating projects and tasks and strengthening scopes of work, to ensure quality deliverables and timely project completion. Cross-collaboration among partners has also been encouraged and has resulted in at least one instance of a joint project among subrecipients focused on ADUs.

SCAG project managers have also encouraged some subrecipients to not only consolidate proposed projects, but to also focus on housing element technical assistance when possible. Many implementation-oriented programs under REAP, such as rezoning efforts and outreach, will lay the groundwork so that programs will be ready to implement once housing elements are found in compliance and adopted by jurisdictions.

Goals

In 2023, SCAG will prioritize the monitoring of projects as they move forward with implementation to guarantee their completion by the 2024 deadline. SCAG staff will monitor project metrics to ensure that the implementation of plans, programs, and policies leads to an acceleration of housing production throughout the 6th cycle planning period.

Project Highlights, Best Practices and Recent and Anticipated Achievements:

RHNA Reform

- In July and August 2022, SCAG conducted a public outreach process to gather feedback and comments on how to improve the 6th cycle RHNA.
- These issues pertained to the regional determination methodology, the application of land planning factors in the SCAG RHNA methodology, and the basis for RHNA appeals.
- SCAG will prepare a report on best practices and lessons learned from the 6th cycle RHNA.

Partnerships & Outreach

Subregional Partnership Program (SRP)

All SRP projects, which total over 80, have kicked off and are well underway. All SRP projects are projected to be completed by early 2024.

Several projects have already reached completion, and have made significant impacts on housing element preparation and have resulted in successful compliant housing elements:

- City of Los Angeles: The Affirmatively Furthering Fair Housing and Assessment of Fair Housing Assessment and Safety Element Update
- The County of Los Angeles: Housing Element Outreach
- San Bernardino Council of Governments (SBCOG): Site Inventory and Site Analysis Tool

Other completed SRP projects include:

- South Bay Cities Council of Governments' (SBCCOG) SB 330 Supplemental Pre-application Form to Facilitate Replacement Housing – a project that will help produce affordable housing units and prevent displacement of residents.

- Ventura County Council of Governments (VCOG) Regional Model Inclusionary Ordinance—a template for inclusionary housing ordinances for implementation by jurisdictions
- San Bernardino Council of Governments (SBCOG), Infrastructure Pilot Toolkit to provide a utility growth capacity plan for certain unincorporated areas to address housing element capacity issues.

Over the next year, SCAG anticipates many transformative projects to reach milestones and completion. Highlighted projects include:

- Orange County Council of Governments (OCCOG)/Gateway Cities Council of Governments (GCCOG)/VCOG Cross-regional Accessory Dwelling Unit (ADU) Communication Toolkit -- a multi-regional collaborative project to enable jurisdictions to educate the public about opportunities for ADU production and meet common goals.
- San Gabriel Valley Council of Governments, GCCOG, OCCOG -- Housing Trust Fund supportive activities
- City of Palmdale (North Los Angeles County) Digital Utility Data Inventory Tool -- a comprehensive utility data inventory and interactive online viewing tool to support the development of housing.
- San Fernando Valley Council of Governments Regional Housing Analysis Tool -- a multi-jurisdictional tool to identify areas with low vehicle miles traveled conditions as most suitable for the siting of affordable housing.

Call for Collaboration

- A technical assistance provider procured by California Community Foundation (CCF) hosted seven 90-minute trainings on special topics. The technical assistance provider, along with SCAG and CCF staff, hosted an additional monthly check-in with grantees.
- Several projects concluded in December 2022 and the remaining projects will be completed in early 2023.
- Training sessions and direct technical assistance provided by non-profit partner to grantees to educate grantees on best practices and assist with project management.
- SCAG staff provided invoice and reporting training for CBO partners.

Housing Policy Leadership Academy (HPLA)

- The first HPLA session kicked off in February 2022 for the 8 subregional cohorts.
- Almost 200 individuals representing diverse stakeholders including planning commissioners, elected officials, non-profit leaders and service providers completed the program in November and December 2022.

- The final HPLA project required participants to draft a local housing policy proposal. Some participants indicated interest in continuing to work on the initiatives beyond the course and will be seeking stakeholder support, local approvals, and funding to execute on the policy recommendations researched.
- The leadership academy program included four (4) region-wide convenings on core housing topics. Each Forum had approximately 300 participants. In 2022, convenings were held virtually in April, August, and November. A final Forum was held in March 2023.
- The last two Forums were held in partnership with the San Diego Association of Governments (SANDAG).
- National- and local-level speakers were featured and provided an overview of recent Federal and State housing legislation, along with other important housing topics such as homeownership and social housing.

Regional Housing Policy Solutions

- Other to Residential Toolkit
 - The Other-to-Residential project considers the opportunities and barriers for conversion of underutilized non-residential sites to much-needed residential use in the SCAG region.
 - The project included a collaboration with students at the University of Southern California's Sol Price School of Public Policy to expand opportunities for students to engage with planning practitioners and real-world examples.
 - The final product, an Other-to-Residential Toolkit that showcases case studies and best practices in the conversion of non-residential land uses, was completed in June 2022 and released to the public in August 2022. The full Toolkit is downloadable on the SCAG REAP 1.0 website and a full ArcGIS Story Map is now available.
- Development Streamlining
 - The Housing Development Streamlining Project will offer guidance documents, best practices, workshops, and other materials and resources to support local jurisdictions' efforts to streamline their CEQA and general administrative review processes.
 - In November 2022 the consultant prepared guidance documents that were published on SCAG's website: <https://scag.ca.gov/development-streamlining-efforts>.

- A total of 14 guidance documents were published covering a range of topics, including CEQA streamlining, exemptions, and other State laws. Workshop preparation is ongoing, and workshops will be scheduled for Spring 2023.
- Grant Writing Technical Assistance
 - This project provides direct technical assistance to jurisdictions and Tribal Governments seeking funding for housing supportive activities, such as HCD's Infill Infrastructure Grant and Project Homekey.
 - A Kickoff meeting was held in August 2022.
 - Applications are accepted by SCAG on a rolling basis.
 - SCAG has been provided ongoing technical assistance to four (4) jurisdictions and three (3) Tribal Governments.
 - SCAG also provided direct technical assistance to jurisdictions applying for HCD's Permanent Local Housing Allocation (PLHA) formula grant. In 2022, seventeen (17) applications were submitted for Round 3 funding.
- Tax Increment Financing (TIF)
 - This project will provide technical assistance for the County of Imperial and City of Barstow to advance establishment of innovative self-help financing districts that can accelerate housing production.
 - Work kicked off in Fall 2022 and both the County and City have participated in the technical discussions.
 - The project's next steps will be to define the EIFD boundaries and hold public workshops in early 2023.
- Preservation Strategy
 - This project will develop a series of recommendations for a comprehensive preservation program.
 - The project kicked off in September 2022 and work is underway.
 - A preservation advisory committee made up of professionals in housing development and tenant's rights will be established and hold its first convening in early 2023.

Sustainable Communities Strategy (SCS) Integration

- Sustainable Communities Program (SCP) Call for Projects – Housing and Sustainable Development (HSD)

- The SCP call for projects were divided into three categories: (1) Implementing ADU programs; (2) Housing Sustainability Districts, Workforce Housing Opportunity Zones, and Housing Supportive Tax Increment Financing Districts; and (3) Streamlining housing permitting, parking reduction strategies, housing-related specific plans and other pro-housing policies.
- A total of 26 applications received into 12 project bundles based on similar project outcomes and deliverables
- Eight (8) projects kicked off by March 15, 2022
- One of the ADU bundles was completed in December 2022
- In December 2022, two participating jurisdictions, the City of Yucaipa and the City of Covina, voted on the resolution of intent to establish an Enhanced Infrastructure Financing District.
- LA Metro Partnership
 - The MOU was executed in January 2022
 - Consultants were procured for the Metro projects and all three (3) Metro projects are underway
 - Work began on an outreach strategy for communications with jurisdictions and assessment of stations
- Metrolink Transit Oriented Development (TOD) Study
 - A list of sixteen (16) potential stations based on development opportunities and equity and displacement was developed in Fall 2022.
 - After an outreach process, ten (10) cities expressed interest in joining the study, of which eight (8) will be selected in April 2023.
 - A stakeholder engagement plan for the final eight stations has been developed and SCAG is in the process of briefing the county transportation commissions (CTC) and Metrolink of the study status and the city candidates to date.
- Transformative Climate Communities (TCC)
 - A consultant team was selected for the City of Pomona and the project kicked-off in July 2022. Work is currently underway.

- Significant public outreach and site visits completed in Fall 2022.

Best practices

- Engagement of stakeholders

SCAG conducted extensive outreach with stakeholders and partners to create guidelines for various projects. This helped them identify opportunities to address constraints while developing regional programs. One such program is the Call for Collaboration project, which aims to promote equity in housing planning and deeper engagement through local non-profits and community-based organizations (CBO). The program leverages REAP funds and funding from three foundations. The primary partner procured a technical assistance consultant to support project management and program guidance to grantees. Quarterly meetings were held with grantees to ensure timely completion of the project. This project is a great example of how collaboration with stakeholders and partners at the community-level can help create effective regional programs that address local needs and constraints while promoting equity in land use decision making.

Additionally, the HPLA project required participants in groups to prepare housing policy proposals to increase housing production in their communities. These proposals included establishing rezoning initiatives, specific plan overlay zones, and strategies for surplus one. Several participants indicated interest in pursuing these efforts beyond the class. In one instance, a group whose proposal was to create a pilot program for a limited equity housing co-op, decided to pursue their proposal outside of HPLA and recently received \$250,000 grant funding to move their proposal forward.

- Building support for housing through subregional collaboration

The SRP Program was designed to assist jurisdictions in implementing their 6th cycle Regional Housing Needs Assessment (RHNA) allocation. The program links available funding to the RHNA allocations, and projects are conducted at the subregional level to consider local planning constraints and supplement local projects funded through Senate Bill 2 (SB 2) and Local Early Action Planning (LEAP) funding. Some subregional partners are using SCAG's On Call Services to simplify consultant procurement. SCAG project managers have provided technical

assistance to subregional project managers on procurement issues, such as developing scope of work, reviewing proposals, and consolidating efforts. Peer-to-peer collaboration meetings are held to promote cross-regional collaboration on common projects, including accessory dwelling units, housing finance, and inclusionary zoning. Subregional partners and jurisdictions using LEAP and SB 2 funding for similar projects have participated in four meetings in 2022. SCAG staff has provided a shareable resource site for participants, which includes webinars, toolkits, and templates. The collaborative efforts have resulted in three subregions combining resources to develop a joint ADU project that is currently underway.

- Technical assistance outcomes

The Connect SoCal strategies, which focus on job and transit access, have been linked to the 6th cycle RHNA methodology. To accelerate housing production and enable implementation of Connect SoCal, the SCP-HSD technical assistance has been designed to provide support to jurisdictions. Toolkits, such as the final deliverables from the Other-to-residential Toolkit and Development Streamlining projects, can help jurisdictions implement their housing elements by rezoning previously unavailable sites and streamlining the development process. Additionally, housing elements have benefited from direct technical assistance and have been adopted and found in compliance.

- Establishment of On Call Services

SCAG's has successfully established On Call Services (OCS) for REAP funded projects to streamline the procurement of consultant resources. This has resulted in the creation of a pre-qualified consultant bench across five disciplines, making it easier to access professional services. The program has already seen the successful completion of 31 projects, including six under the Subregional Partnership Program. The OCS process has saved a significant amount of time in procuring professional services, enabling teams to focus more on project work. Overall, the REAP program has proven to be an efficient and effective way to manage consultant resources.

Status of Activities:

Activity Category	General Description	Amount Allocated Early	Full Allocation <i>*Includes early allocation</i>	Amount Expended <i>Reporting Period (1/1/22-12/31/22)</i>	Amount Expended <i>Cumulative (10/19/20-12/31/22)</i>	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	\$2,529,132	\$135,066	\$1,080,589	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	\$28,344,625	\$8,819,361	\$11,571,792	In progress	Increased education to accelerate housing production; promotion of social equity in housing planning; building pro-housing coalitions; 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	\$2,757,049	\$913,680	\$1,431,580	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,	\$2,253,000	\$10,956,495	\$3,749,504	\$5,227,258	In progress	Implementation of RHNA and Connect SoCal strategies; 600,000-735,000 total estimated housing units built for all REAP programs

Activity Category	General Description	Amount Allocated Early	Full Allocation <i>*Includes early allocation</i>	Amount Expended <i>Reporting Period (1/1/22-12/31/22)</i>	Amount Expended <i>Cumulative (10/19/20-12/31/22)</i>	Status	Regional Impact on Housing
	Priority Growth Area Strategies						
Admin. <i>*Subject to 5% Cap</i>	Applications, invoicing, reporting	\$593,355	\$2,221,229	\$229,127	\$412,716	In progress	
Project Management <i>*Not Subject to 5% Cap</i>	Overall program project management	N/A	\$1,565,423	\$503,366	\$567,753	In progress	
	Total	\$11,867,755	\$47,471,023	\$14,350,112	\$20,291,687		

Note: SCAG is currently revising its REAP application to reflect changes in programs and their allocated amounts. The full allocation in the above table reflects the approved application submitted on April 1, 2022 and approved by HCD on May 6, 2022.

Summary of Indicators of Housing Production*:

HCD post-submission correction

Housing Production Indicator	Baseline Year (2019)	Previous Year (2021)	Current Year (2022)	Cumulative** (cumulative change from 2019 to 2022)	Notes
Building Permits	51,630 53,221	44,295 56,726	55,577 59,101	99,872 +5,880	(2021 APR data) COVID-19 may have impacted local permitting activity and applications; most SCAG REAP activities did not begin until 2021
Certificates of Occupancy	34,896	42,089	43,416	+8,520	
Completed Entitlements	56,944	47,856	57,209	+265	
Planned unit count	0	0	11,689	11,689	
Outreach meetings	0	95	1,455	1,550	Public meetings and outreach events
Meeting participants	0	3,400	16,693	20,093	
Number of Events/Meetings	0	0	667	667	Internal and target stakeholder meetings
Number of Elected Officials/Decision Maker Participants	0	0	564	564	
Tool downloads and website hits	0	5,162	73,693	78,855	Includes video views
Social media engagement	0	59,321	2,012	61,333	
Leadership Academy participants	0	235	235	235	A total of 430 applications were submitted for 8 cohorts

Housing Forum participants	0	297	697	994	
Jurisdictions receiving housing element and sites inventory technical assistance	0	41	40	81	
Sites inventoried and rezoned	0	3,300	250	3,550	
Programs adopted that increase access to fair housing	0	63	60	123	Policies include those related to housing elements and AFFH.
Jurisdictions using infrastructure, CEQA, and other toolkits	0	15	25	41	
ADUs permitted	0	13	641	654	
Pre-approved plans designed and approved	0	26	26	52	
Time saved from ADU permitting process	36 to 128 days on average to permit an ADU	n/a	13 to 204 days on average to permit an ADU	n/a	Metric results will be available after projects complete in early 2023.
Housing Trust fund Revenue Sources Evaluated		0	45	45	
Number of affordable housing		0	3,940	3,940	Projects are wrapping up in 2023.

units identified in pipeline					
Number of Training Session Participants and Materials	0	0	38	38	
Housing Grant Funds Awarded		0	9	9	
Housing Loan Documents Generated		0	15	15	
Regional Model Inclusionary Ordinances		0	14	14	
Public Surveys		0	7	7	
Public Survey Respondents		0	741	741	

**These indicators are an aggregate of metrics across various REAP programs. Not all programs report the same metrics.*

*** Cumulative total metrics of the current and prior year are presented as this a more accurate reflection of the impact of the REAP Program*

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 because 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. In addition, there has been considerable delay for SCAG jurisdictions in adopting a compliant housing element, which has resulted in delays to required rezoning need to accommodate the 6th cycle RHNA. SCAG anticipates that most jurisdictions will be able to focus on rezoning sites to accommodate the 6th cycle RHNA once their respective housing elements are adopted and found in compliance.

In 2022 SCAG removed three (3) projects from the approved REAP application: (1) RHNA reform; (2) Prohousing campaign; and (3) Inglewood Transit Connector. RHNA reform was removed due to notification from HCD of its ineligibility for REAP funding and the final deliverable for Improving the 6th Cycle RHNA Methodology will be a summary report of best practices and lessons learned. The Prohousing Campaign and Inglewood Transit Connector projects were removed due to concerns that the projects would not finish prior to the REAP expenditure deadline. SCAG is currently revising the application to reflect these changes.

There is also concern that additional projects may not reach full completion by the REAP expenditure deadline. The TCC City of Riverside project is currently in its fourth procurement due to three unsuccessful attempts. This project may be removed pending the outcome of the current procurement. Moreover, while some jurisdictions have taken meaningful action toward implementation of their EIFD projects, some EIFD projects may not have full actions taken by their decision-making bodies until after the June 30, 2024 expenditure deadline. SCAG is closely evaluating the timelines with the consultants and jurisdictions to determine whether meaningful actions can be taken and when those would be achieved. SCAG will update HCD staff as more information becomes available for these projects.

With the submission of this report, SCAG has either expended or obligated 95% of its REAP funds. Full expenditure is expected by the end of the SCAG 2023-2024 fiscal year (June 30, 2024). All subrecipient project procurements are expected to complete by April 2024. With initial start-up activities and large programs launched, SCAG staff will focus on ensuring all REAP project completion in 2023 and early 2024.