

# REAP 2.0 Housing Programs

BAHFA Oversight and ABAG Housing Committees  
September 8, 2022



ASSOCIATION OF BAY AREA GOVERNMENTS  
METROPOLITAN TRANSPORTATION COMMISSION



# How did we get here?

## Plan Bay Area 2050

Fall 2021 Adoption

## Regional Housing Needs Allocation 6<sup>th</sup> Cycle

Winter 2021 Adoption

## Regional Housing TA Program

\$24M REAP 1.0 Grant  
*Winter 2023  
Expenditure Deadline*

## Bay Area Housing Finance Authority

Established in 2019  
Staffing completed in  
summer 2022

*Potential 2024 Ballot  
Measure*

## Implementation Opportunity through REAP 2.0

1. Housing Preservation Pilot
2. Priority Sites Pilot
3. Regional Housing TA & Local Grants

## Previous REAP 2.0 Committee Discussion:

- **January 2022** - MTC Programming and Allocations Committee
- **March 2022** - MTC Programming and Allocations Committee
- **April 2022** - Joint MTC Planning/ABAG Administrative Committee



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# How does REAP 2.0 compare to REAP 1.0?

- **Shift in recipient and statutory authority** from ABAG to MTC
- **Expanded focus** from housing-related technical assistance to transformative projects
- **Shift in expected outcomes** from Housing Element compliance to completed capital projects and plans implementing Sustainable Communities Strategies
- **Increased reporting requirements** including quantifiable improvements in climate, housing, equity
- **Expanded state agency involvement** beyond HCD to include OPR, SGC, CARB

## Key Facts

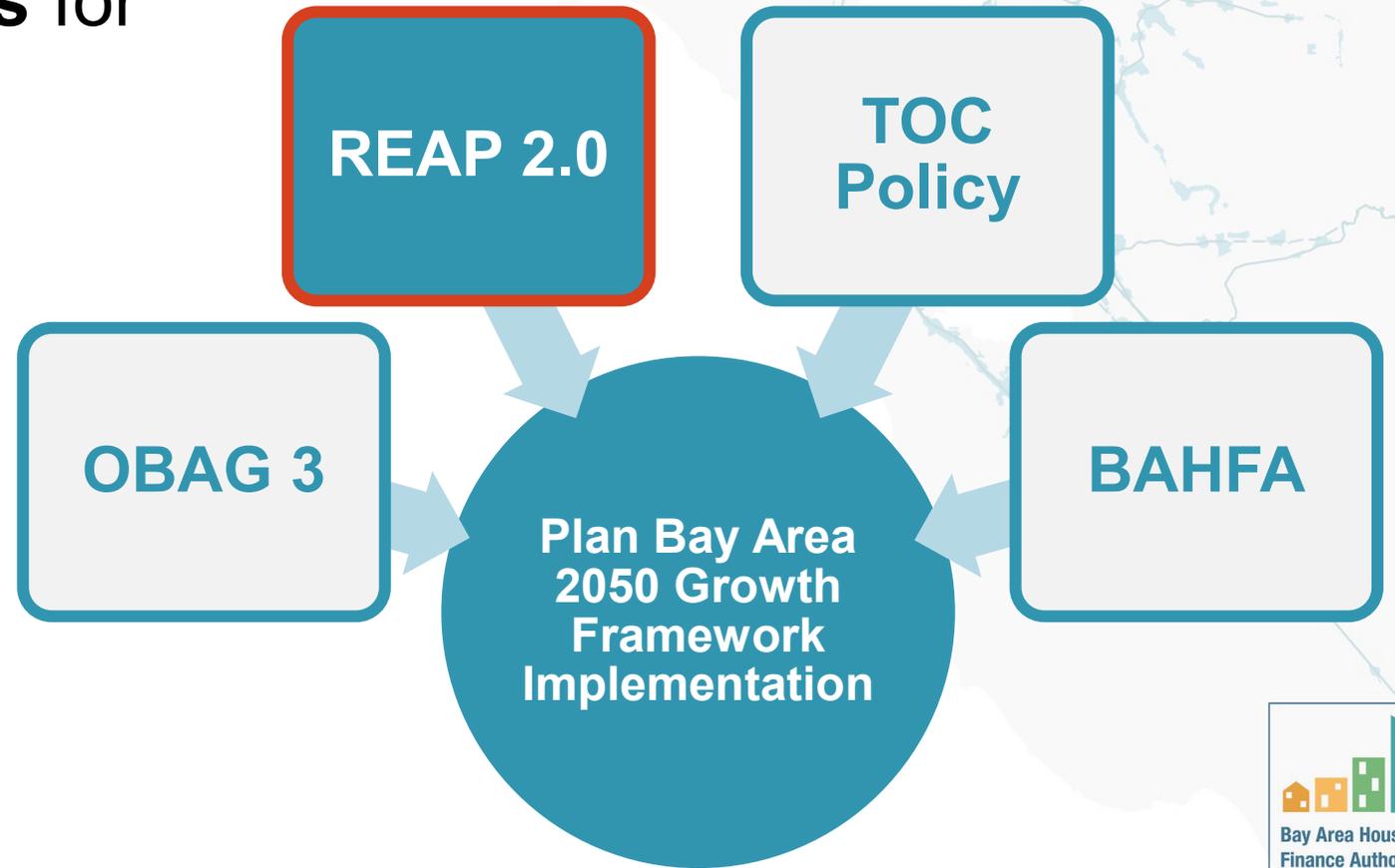
- **\$600M** statewide
- **\$103M** to MTC
- **All program uses must:**
  - Accelerate infill development that facilitates housing supply, choice, and affordability
  - Affirmatively further fair housing
  - Reduce vehicle miles traveled (VMT)
- Application Deadline: 12/31/22
- Expenditure Deadline: 6/30/26



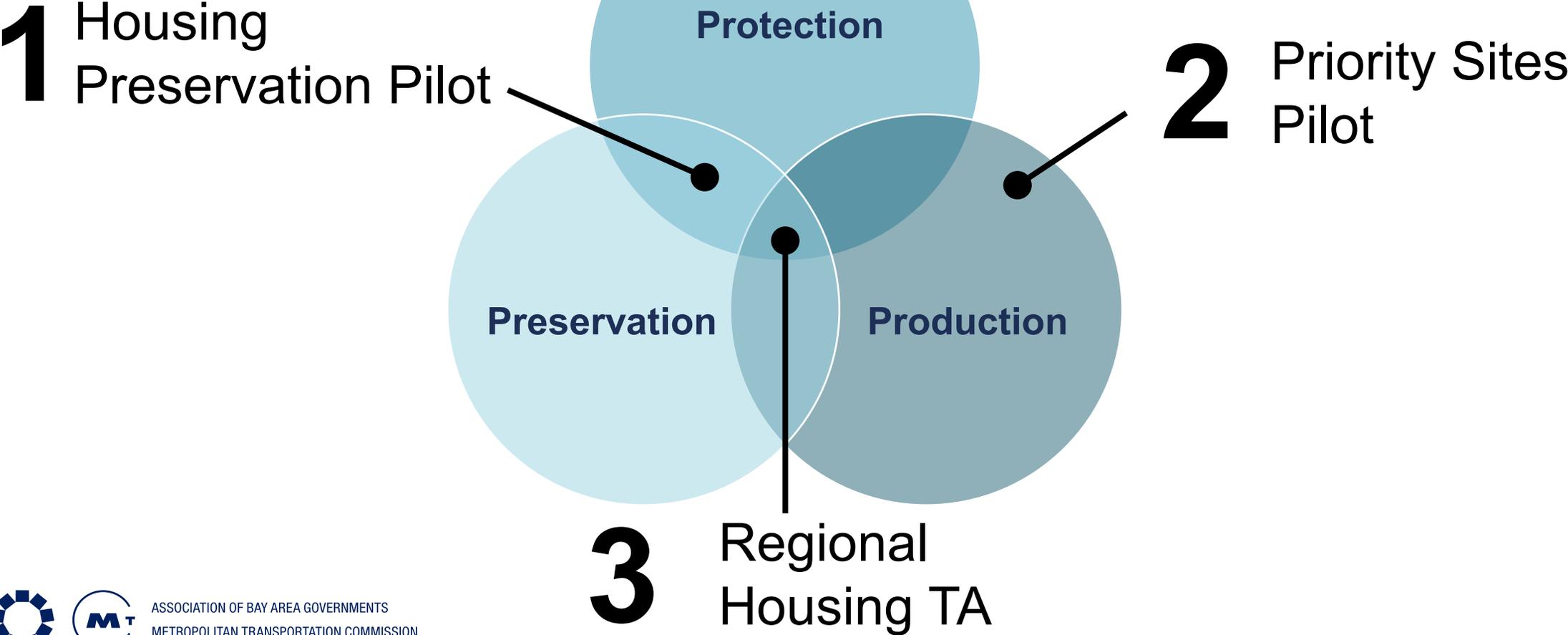
# Working in concert to implement the Regional Growth Framework

REAP 2.0 is one of several **implementation opportunities** for the **Plan Bay Area 2050 Regional Growth Framework**

Goal: *complementary and mutually reinforcing* set of implementation mechanisms that advance Plan Bay Area 2050.



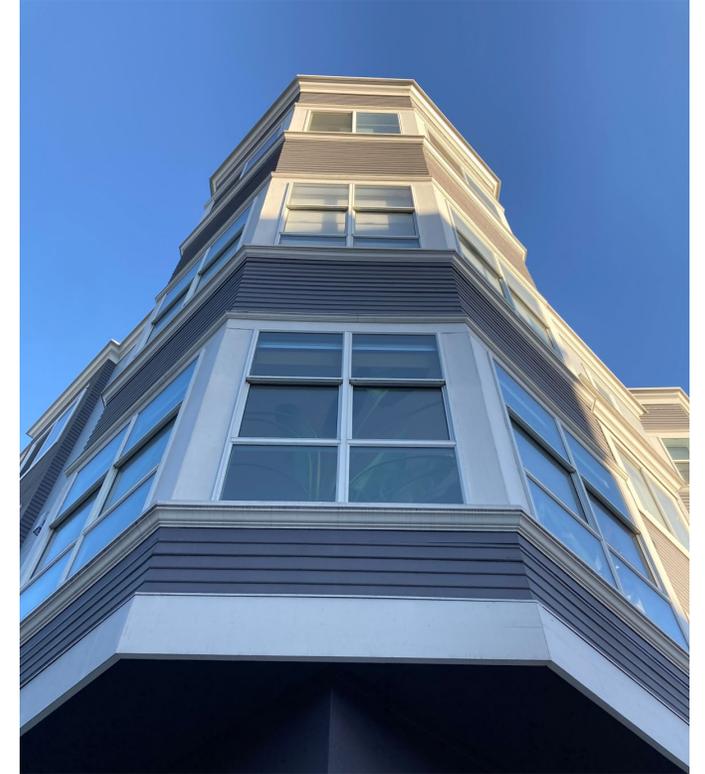
# Proposed REAP 2.0 Housing Programs to Advance the Three P's



# 1 Housing Preservation Pilot (\$15M)

## Overview

- ✓ Provide nimble over-the-counter capital financing to non-profit developers and community land trusts for acquisition-rehab
- ✓ Prevent displacement of 60-75 families by creating permanently affordable homes
- ✓ Begin to fulfill PBA 2050 commitment to take lead on preservation
- ✓ Demonstrate “proof of concept” for regional value-add exemplified by BAHFA to support future ballot measure
- ✓ Build upon existing Bay Area Preservation Pilot (BAPP)
- ✓ Strike a balance between achieving scale and helping historically disadvantaged households build equity



# 1 Housing Preservation Pilot Projects Proposed Priorities

- ✓ **Affordability:** Average income at or below 80% of the area median income
- ✓ **Scale:** Open to all property sizes, with guidelines tailored to either small or large projects
- ✓ **Affirmatively Furthering Fair Housing:** Focus on systematically marginalized communities
- ✓ **Infill Development and VMT Reduction:** Focus on proximity to existing and planned transit infrastructure
- ✓ **Set-Aside for Community-Controlled Projects**
- ✓ **Financial Sustainability:** Emergency Rental Assistance Reserve



# 2 Priority Sites Pilot (\$28M)

## Overview

- ✓ Launch projects resulting in 750 - 3,000 affordable homes, bringing up to \$2 billion into the region, leveraging BAHFA expertise
- ✓ Establish network of regionally-significant, locally-nominated priority development sites
- ✓ Transform surplus public land and aging malls and offices into vibrant neighborhoods
- ✓ Make scarce local funding go farther and create pipeline for potential future BAHFA funding



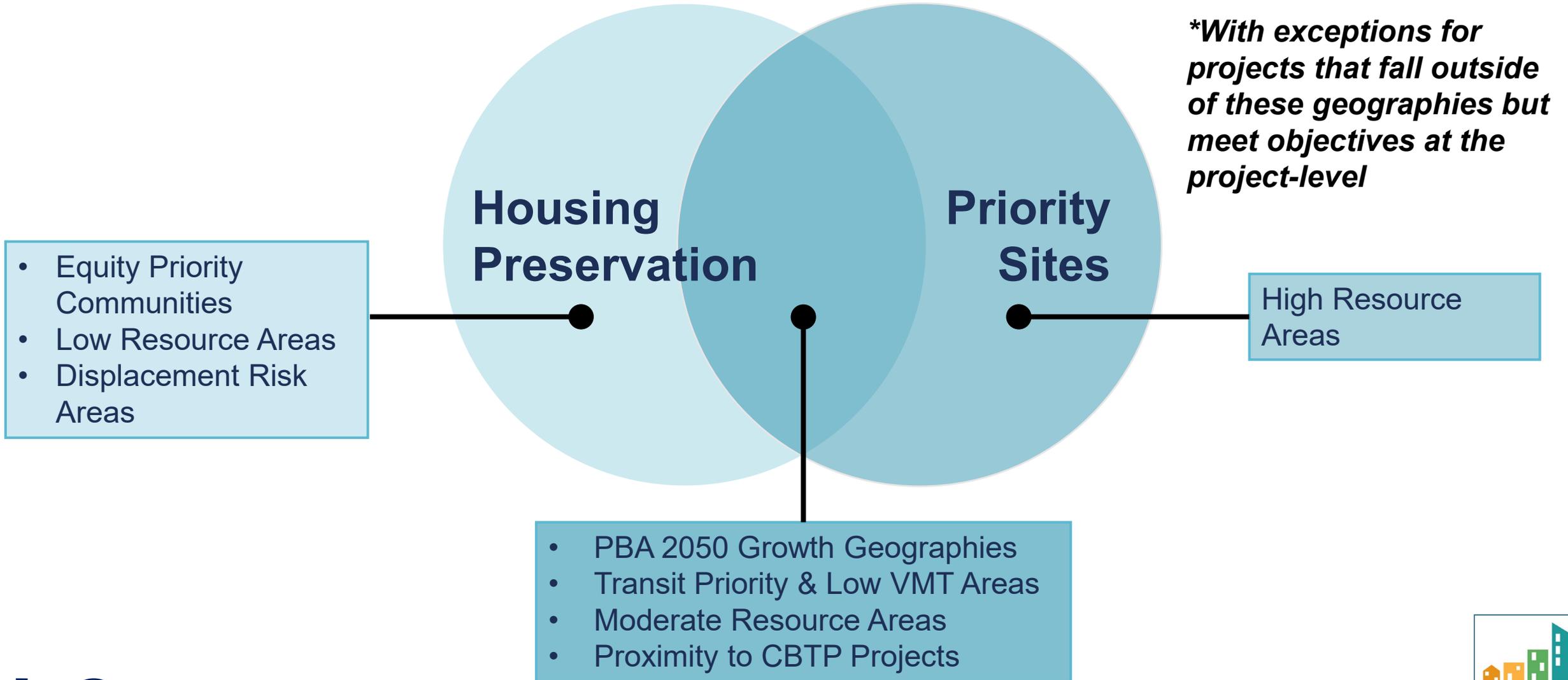
# 2 Priority Sites Pilot Projects

## Proposed Priorities

- ✓ **Affordability:** Number of deed-restricted units, depth of affordability
- ✓ **Readiness:** Entitlements, financial feasibility
- ✓ **Affirmatively Furthering Fair Housing:** Focus on expanding access to High Resource areas, supporting community investment region-wide
- ✓ **Infill Development & VMT Reduction:** Focus on Plan Bay Area 2050 Growth Geographies, existing and planned transit
- ✓ **Local commitment:** Committed funding, streamlined review, inclusion in Housing Element or Specific Plan



# Capital Pilots: Geographic Prioritization\*



*\*With exceptions for projects that fall outside of these geographies but meet objectives at the project-level*



# 3 Regional Housing TA & Local Grants (\$15M)

## Overview

### Regional Technical Assistance

- ✓ Continued support for county-based Planning Collaboratives
- ✓ TA on Housing Element Implementation
- ✓ Building on success of RHTA program, provide regional TA on key housing strategies including implementation of Transit-Oriented Communities (TOC) Policy, VMT & Pro-housing Policies.
  - Refine focus to a smaller number of high impact policies

### “Race to the top” Housing Policy Grants

- ✓ Grants to local jurisdictions for impactful policy development & adoption

### Strategic initiatives

- ✓ TBD to leverage other programs and funding



# 3 “Race to the top” Housing Policy Grants Potential Priorities

- ✓ TOC Policy Implementation & Compliance
- ✓ VMT Policy Adoption
- ✓ Innovative implementation of AFFH
- ✓ Pro-housing Designation

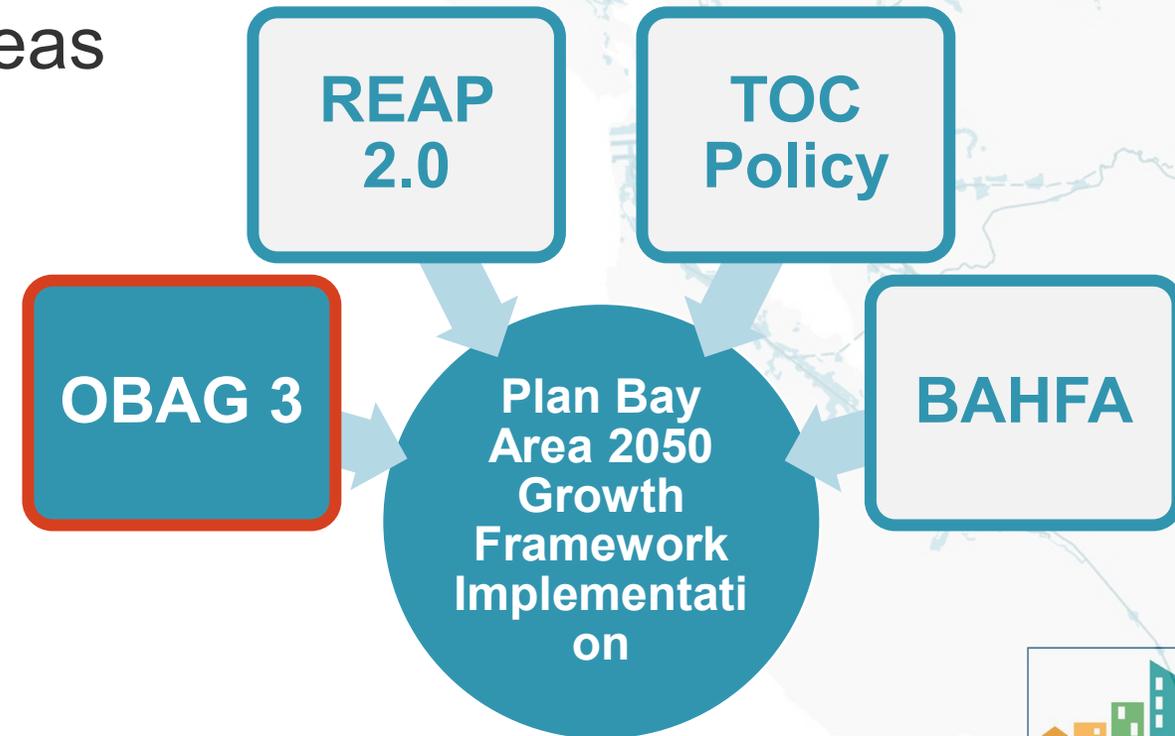
## Challenges:

- HCD requirement that every suballocation meet all three program goals (accelerating infill development, AFFH and VMT reduction)
- Supporting minimum compliance requirements while also rewarding exemplary policy adoption

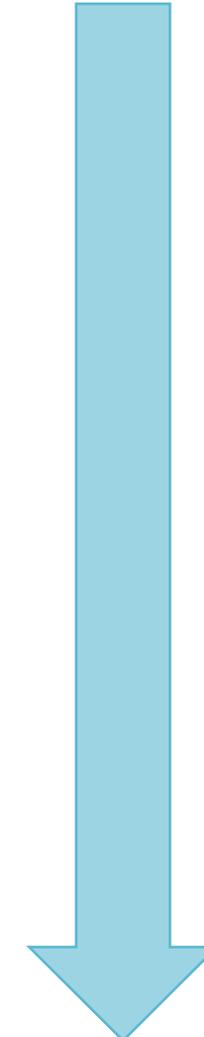


# + Complementary OBAG3-funded Program: PDA Planning Grants & Technical Assistance (\$23M)

- ✓ Complements REAP 2.0 programs to fund comprehensive Specific Plans for Priority Development Areas (PDAs)
- ✓ 30-50 Plans & TA Initiatives
- ✓ Maximize number of PDAs with plans by 2025
- ✓ Update guidelines to comply with PBA 2050, TOC Policy



# Next Steps



**Ongoing  
Outreach &  
Engagement**

**2026**



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# Discussion



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Bay Area Housing  
Finance Authority