Association of Bay Area Governments Housing Committee

Metropolitan Transportation Commission Executive Committee

October 15, 2020 Agenda Item 9.a.

Regional Housing Technical Assistance Program

Subject: Report on Regional Housing Technical Assistance Program

Design and Framework

Update on the design of a new Regional Housing Technical Assistance Program to assist local jurisdictions with Housing Element updates, funded by the Regional Early Action Planning

Grants (REAP).

Overview:

The State is providing unprecedented support for housing planning to local and regional governments in the form of SB 2 grants, Local Early Action Planning (LEAP) grants and Regional Early Action Planning (REAP) grants. Together, SB 2 and LEAP are providing nearly \$50 million directly to city and county governments in the Bay Area to prepare, adopt, and implement plans and process improvements that streamline housing approvals, accelerate housing production and to help local governments prepare for their 6th cycle RHNA. These awards are summarized in Attachment A.

Additionally, REAP provides grants to Councils of Governments (COGs), including ABAG to collaborate on projects that have a broader regional impact on housing. ABAG was approved by HCD to receive an initial REAP grant disbursement of \$5.9M (approximately 25% of the full award) on February 25, 2020. State budget negotiations delayed receipt of this disbursement until July 29, 2020. ABAG can apply for the \$18,066,861 balance of the grant award (approximately 75%) at any time before January 31, 2021 once "substantial progress" can be shown on the initial \$5.9M.

The following program framework for ABAG's REAP funds was reached in consensus with local planning staff and has been presented to the RPC, ABAG's Executive Board and the General Assembly:

- A Collaborative & Cohort-based approach
- A Regional Consulting Bench
- Regional coordination with HCD
- Regional housing leadership development & community engagement

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Staff is launching a robust Regional Housing Technical Assistance (TA) Program funded primarily by REAP to advance the three P's of housing (Production, Preservation and Protection) and to leverage the \$50M in SB2 and LEAP grants provided by the State to local Bay Area jurisdictions. This Regional TA Program will be delivered in two parts: (1) regional assistance, and (2) supplemental local allocations.

The regional assistance will include providing regionally applicable products such as staff report templates, FAQs and slide decks regarding the implementation of new state housing laws to avoid duplication of effort. The regional program will support local planning collaboratives, facilitate peer cohorts for jurisdictions facing similar planning challenges such as agricultural towns, and form subject-matter specific workgroups on hot topics such as ADUs and objective design standards. To achieve economies of scale and reduce costs, ABAG will establish a robust regional consulting bench to assist with jurisdiction-specific implementations of housing policies such as local ordinance drafting and rezoning.

ABAG will also produce locally tailored housing needs data packets for each Bay Area jurisdiction that can be inserted directly in their housing elements, including data relevant to implementation of the new laws regarding Affirmatively Furthering Fair Housing (AFFH). Additionally, ABAG will release an interactive online site selection tool that identifies potential sites for inclusion in jurisdictions' Housing Element site inventories and flags those that will likely require rezoning to be used under new state laws. This tool will screen sites based on HCD's minimum requirements and will automatically populate sections of HCD's new reporting form. The data packets and site selection tool will be pre-reviewed by HCD with the goal of establishing safe harbors if used.

Staff proposes non-competitive local allocations of \$5.5M in REAP funds and future competitive allocations in amounts to be determined in November to supplement the \$50M in SB2 and LEAP grants available to local jurisdictions from the state. Four tranches of local allocations are proposed by staff. The overall amounts and purposes of Tranches 1 & 2 were set by the Executive Board last November as part of the initial REAP application. Tranches 3 & 4 would be funded through the application for the balance of REAP funds; staff brings these proposals forward now to provide greater predictability to local jurisdictions.

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- 1) \$500,000: \$20,000 to support the two RHNA Subregions (\$10,000 each), plus \$480,000 to support local Planning Collaboratives (using OBAG formula with a \$30,000 floor). Staff will bring recommendations for further funding of local Planning Collaboratives in November.
- 2) <u>\$2.18M</u>: "Minimum Initial Distribution" (\$20,000 to each of 109 jurisdictions).
- 3) \$3M: "Supplemental RHNA Allocation" to jurisdictions with more than 1,000 RHNA units (pro rata based on number of units in Draft RHNA slated for approval in December). This Tranche responds to concerns from local governments about challenges in meeting their new RHNA targets by supplementing allocations to jurisdictions that are taking on a significant share of the region's total allocation.
- 4) Competitive Round(s): TBD in November, with anticipated small jurisdiction set aside.

These four Tranches are described in more detail in Attachment B. Staff will provide more detail in November after completing the budget for the Regional TA.

Issues: None

Recommended Action: Information

Attachments: A. SB2 and LEAP Grants by Jurisdiction

B. Local REAP Allocations

C. Presentation

Reviewed:

Therese W. McMillan