May 13, 2021	**Agenda Item 8.a.**

Regional Early Action Planning (REAP) Funds

Subject: Adoption of Resolution No. 06-2021, to suballocate $1 million of Regional Early Action Planning (REAP) funds to local jurisdictions as described in Attachment A and to allocate $470,000 of REAP funds for regional VMT Policy Working Groups, and authorization of the Executive Director of the Metropolitan Transportation Commission (MTC), or her designee, on behalf of the Association of Bay Area Governments, to negotiate and enter into REAP funding agreements

Overview: The State is providing unprecedented support for housing planning to regional governments in the form of Regional Early Action Planning (REAP) grants including $23,966,861 to ABAG.

The Executive Board approved the Regional Housing Technical Assistance Program Design and Framework for REAP in November 2020, which included the creation of a $1,000,000 competitive round of funding for suballocations of REAP funds to local jurisdictions to support housing elements and rezoning. The Board established a minimum set-aside of 1/3 of the competitive funding to be awarded to small jurisdictions defined as having populations of 60,000 or less.

Call for Letters of Interest Process

In late December 2020, staff released a joint Call for Letters of Interest for REAP grants, including previously approved non-competitive REAP suballocations and the $1 million in competitive funding, as well as approximately $7.8 million in competitive Priority Development Area (PDA) Planning and Technical Assistance Grants. The deadline to submit applications closed on February 12, 2021. Following broad outreach that included multiple notifications to all planning directors, city managers and, where applicable, housing directors, four webinars, presentations to staff in all nine Bay Area counties, and numerous one-on-one virtual meetings, 100% of local jurisdictions submitted requests for their non-competitive REAP funding and 65 submitted requests for over $6 million in REAP competitive grants—more than six times the $1 million in available competitive funding.

The joint call for Letters of Interest alongside the PDA Program allowed staff unprecedented visibility into locally prioritized transportation and housing planning projects throughout the region. With this perspective, staff was able to identify common themes

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and prioritize the delivery of some technical assistance more cost effectively at the regional level. Accordingly, staff recommends allocating $470,000 of REAP funding to leverage the REAP and PDA funding together to support regional VMT Policy Working Groups to assist 78 jurisdictions in the Bay Area to come into compliance with SB 743.

Proposals were evaluated by MTC/ABAG staff using objective criteria that included: location within a Community of Concern; location within a Growth Geography or Priority Development Area; implementation of Plan Bay Area 2050 housing strategies; and identification of a funding gap. Additional preference was given to proposals that would increase the capacity and feasibility of affordable and moderate-income housing, describe methods to overcome barriers to implementation, and demonstrate innovation and regional replicability.

REAP Competitive Grant Recommendations

Staff recommends awarding competitive REAP funding to the jurisdictions in amounts specified below, with additional information provided in Attachment A. Although jurisdictions could apply for up to $100,000 in funding, considering the significantly oversubscribed pool of funding, staff recommends issuing awards not to exceed $75,000. The staff recommendation would award funds to 14 jurisdictions, including 7 small jurisdictions and 10 Communities of Concerns. Staff recommends the following suballocations:

Regional Early Action Planning (REAP) Funds

Jurisdiction	Amount
Oakland	$75,000
San Pablo*	$75,000
San Francisco	$75,000
Berkeley	$75,000
Alameda County	$75,000
Milpitas	$75,000
Santa Clara County	$75,000
San Rafael*	$75,000
Concord	$75,000
Orinda*	$75,000
Larkspur*	$75,000
Napa County*	$75,000
Cotati*°	$50,000
East Palo Alto*°	$50,000

* Population below 60,000
° Last qualifying jurisdictions tied and split the balance
                              equally

<u>Authorization of Local Funding Agreements</u>

In addition to the amounts mentioned above, on November 19, 2020 and on January 21, 2021 the Executive Board authorized the following suballocations of REAP funding:

- $20,000 to support the Solano RHNA Subregion

- $4.68 million to counties or their designees to support Subregional Planning Collaboratives

- $2.18 million in minimum suballocations ($20,000 to every jurisdiction)

- $3 million to support local jurisdictions that received at least 1,000 units in the Draft RHNA Methodology

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Attachment B summarizes these allocations by recipient and indicates the total amount for each REAP funding agreement. To streamline the distribution of these funds, the Executive Board is requested to authorize the Executive Director of the Metropolitan Transportation Commission (MTC), or her designee, on behalf of the Association of Bay Area Governments, to negotiate and enter into REAP funding agreements with each jurisdiction as set forth in Attachment B.

Issues: None

Recommended Action: The ABAG Housing Committee is requested to recommend Executive Board adoption of Resolution No. 06-2021—Allocation of Regional Early Action Planning (REAP) Funds and authorization of the Executive Director of the Metropolitan Transportation Commission (MTC), or her designee, on behalf of the Association of Bay Area Governments, to negotiate and enter into REAP funding agreements.

Attachments: A. Recommended Competitive REAP Suballocations

                         B. Summary of Funding Agreement Amounts

                         C. Resolution No. 06-2021

                         D. Presentation

Reviewed: _Therese W. McMillan_

Therese W. McMillan