

# Regional Early Action Planning (REAP) 2021: Subregional Partnership 2.0 Program Guidelines

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#### Section 1 - Overview

These guidelines have been developed with input from the Subregional Councils of Government to align with the adopted SCAG Regional Early Action Planning (REAP) 2021 Program Framework and the state final REAP 2.0 Program Guidelines. The Subregional Partnership (SRP) 2.0 Program Guidelines ("Guidelines") implement the SRP 2.0 funding program in the SCAG Program Framework. The state REAP 2.0 grant supports accelerating housing production, reducing greenhouse gas emissions, and aiding historically underserved communities and areas of concentrated poverty. *The SRP 2.0 program, geographic eligibility, infill definition, and suballocation methodology are under review by the state partners. Therefore, the SRP 2.0 program guidelines remain subject to change.* These guidelines are consistent with, and when necessary, defer to, the state REAP 2.0 Program Guidelines for establishing terms, conditions, forms, procedures, and other mechanisms necessary to effectuate the program. The California Department of Housing and Community Development (HCD) released REAP 2.0 final program guidelines on July 26, 2022. The SCAG REAP 2.0 program application is based on inclusive and broad engagement. These guidelines and program will be adjusted as necessary to comply with the state program.

In the REAP 2.0 Guidelines, the state reserves the right, at their sole discretion, to suspend, amend, or modify the provisions of the REAP 2.0 Guidelines at any time, including, without limitation, the amount of funds available hereunder. If such an action occurs, the Department will notify all interested parties. As such, SCAG reserves the right, at its sole discretion, to suspend or amend the provisions of the SRP 2.0 guidelines in collaboration with the State, including but not limited to, grant award amounts.

## 1a. Background

REAP 2.0 (REAP 2021) was established through AB 140 (July 2021) as part of the mid-year budget revise for the State's FY 21-22 budget for transformative and innovative projects that implement a region's Sustainable Communities Strategy (SCS) and help achieve the objectives of more housing and transportation options that reduce reliance on cars. REAP 2.0 builds on actions completed through the 2019 REAP grant program but expands the focus by integrating housing and climate goals, and by allowing for broader planning and implementation investments, including infrastructure investments supporting housing development. All REAP 2.0 funds are to be obligated by June of 2024 and expended by June 2026, with a final closeout report due June 2026.

On July 7, 2022, the Regional Council adopted SCAG's REAP 2021 Program Development Framework, which outlines the core objectives, guiding principles, programmatic areas, major milestones, and schedule for allocating funds available to SCAG through the REAP 2.0 state grant program. The Framework includes three major funding programs: the Early Program Initiatives, the Transportation Partnership Program, and the Programs to Accelerate Transformative Housing (PATH). The SRP 2.0 program is one of the early program initiatives, which also includes expansion of SCAG's Sustainable Communities Program, Go Human Initiative, and Regional Data Platform. Actions completed through SRP 2.0, and in coordination with other early initiatives and REAP 2.0 funding programs, will accelerate foundational transformative changes in local development potential and processes to achieve the 6<sup>th</sup> Cycle RHNA and the infill development and VMT reduction goals in the Connect SoCal plan in line with the state planning goals. Further, as envisioned, the three funding areas in the program framework work together to help achieve the state REAP 2.0 program goals through the core program objectives in the Framework.

The Core Program Objectives in the SCAG REAP 2.0 Framework are as follows:



- Support **transformative** planning and **implementation** activities that realize Connect SoCal objectives
- Leverage and augment the **Connect SoCal Implementation Strategy** to support activities that can be implemented quickly and in line with community-driven, **pandemic recovery** priorities
- Build regional capacity to deliver housing that realizes 6<sup>th</sup> cycle RHNA goals
- Represent best practices in vehicle miles traveled (VMT) reduction
- Demonstrate consistency with the Racial Equity Early Action Plan
- Promote infill development in Connect SoCal identified Priority Growth Areas

SRP 2.0 builds off the work achieved through SRP 1.0. In 2020, SCAG set aside approximately \$23 million of REAP 1.0 funding for a Subregional Partnership (SRP) 1.0 program to fund subregional planning activities that accelerate housing production and facilitate compliance implementing a jurisdiction's 6<sup>th</sup> cycle RHNA, including developing 6<sup>th</sup> cycle Housing Elements. Funding was non-competitively awarded based on each subregion's final Regional Housing Needs Assessment (RHNA) with a minimum allocation of \$100,000. SRP 1.0 was developed to augment resources available through locally received SB 2 and LEAP grants and to foster subregional collaboration to take advantage of economies of scale in meeting housing goals.

## 1b. REAP 2.0 Program Objectives

Based on feedback from Subregional Councils of Government (COGs), the SRP 2.0 program has been developed within the SCAG REAP 2.0 Draft Program Framework. SRP 2.0 supports implementation of the region's housing element work plans as a means of investing in actions identified at the local level that support housing production throughout the region, achieve the Connect SoCal plan, and achieve the state REAP 2.0 Program Objectives, which are:

- 1. Accelerating Infill\* Development that Facilitates Housing Supply, Choice, and Affordability; and
- 2. Affirmatively Furthering Fair Housing; and
- 3. Reducing Vehicle Miles Traveled

All Project activities must be entirely located in infill areas per the definition below to be considered eligible for funding. The REAP 2.0 Infill definition pursuant to State guidelines provides that:

\*"Infill", for the purposes of the REAP 2.0 Program, means areas where all the following apply: (1) the area consists of unused or underutilized lands (2) within existing development patterns (3) that is or will be accessible to destinations and daily services by transit, walking, or bicycling and located in either:

- a. An urban center, urban corridor, or area with transit-supportive densities, or
- b. An established community that meets all the following criteria:
  - i. The area consists or previously consisted of qualified urban uses
  - ii. The area is predominantly surrounded (approximately 75 percent of the perimeter) by parcels that are developed or previously developed with qualified urban uses. In counting this, perimeters bordering navigable bodies of water and improved parks shall not be included, and
  - iii. No parcel within or adjoining the area is classified as agricultural or natural and working lands.



## Section 2 – Eligibility

SRP 2.0 funding will be available on a non-competitive basis for eligible activities to subregional councils of governments (COG) and other listed eligible applicants ("subregional partners") to implement the Programs in draft, adopted and/or compliant housing elements.

As referred to in these guidelines "Programs" are defined as those programs included in a jurisdiction's housing element for compliance with HCD requirements. HCD requires each jurisdiction to identify specific programs in its housing element that will allow it to implement the stated policies and achieve the stated goals and objectives. Programs include specific action steps the locality will take to implement its policies and achieve its goals and objectives. Housing element programs include a specific timeframe for implementation, identify the agencies or officials responsible for implementation, describe the jurisdiction's specific role, and (whenever possible) identify specific measurable outcomes.

# 2a. Allocation Methodology and Eligible Applicants

Contingent on approval from the state and subject to change, up to \$23 million of SCAG's REAP 2 funding allocation shall be available for SRP 2.0. Funding shall be shared between subregional partners proportionally with each subregion's total share of regional housing need (total units assigned) in the 6<sup>th</sup> Cycle RHNA. All subregions will be eligible to receive at least the minimum funding level of \$100,000.

Eligible applicants are agencies designated as subregional partners under this program. While most of SCAG's fifteen defined subregional entities are considered eligible for the program, several jurisdictions have membership in more than one subregion. Additionally, several jurisdictions geographically span more than one subregion.

To address unique circumstances, the eligible program applicants are:

Coachella Valley Association of Governments	Orange County COG
Gateway Cities Council of Governments (COG)	San Bernardino COG
Imperial County Transportation Commission	San Fernando Valley COG
Las Virgenes-Malibu COG	San Gabriel Valley COG
City of Los Angeles	South Bay Cities COG
County of Los Angeles (unincorporated)	Ventura COG
County of Riverside (unincorporated)	Westside Cities COG
North Los Angeles County	Western Riverside COG

Except for the jurisdictions listed above, funding will not be available directly to local jurisdictions for this program. The subregional assignments by jurisdiction for this program is included in Attachment 2.

# 2b. Eligible Partnerships

Eligible partners include, but are not limited to, other local governments, regional governments, housing authorities, school districts, special districts, community-based organizations, or any duly constituted governing body of an Indian Reservation or Rancheria. An eligible applicant may partner with other eligible entities to fulfill one or more projects included in the subregional application. Subregional partners may



elect to partner with other subregional partners for projects and activities that cross subregional boundaries. One or more eligible applicants may form a partnership to expend part, or all, of a subregion's SRP 2.0 funding. Partnerships are encouraged when aggregating funds creates an opportunity for leveraging additional outside funding, and for cost-efficiency addressing common needs and actions.

Applicants forming partnerships must provide a legally binding agreement between all partners. A template agreement will be made available. Applicants that are considering this are encouraged to discuss their proposals with SCAG staff prior to applying to ensure projects are eligible and the work can be completed prior to the end of the expenditure period.

### 2c. Eligible uses and activities

REAP 2.0 funds are focused on **implementation of policies, programs and projects**, rather than the planning processes that were the focus of REAP 1.0. The subregional partnership approach supports housing element implementation and creates a means for local efforts to align with SCAG's regional plans, implement the infill and VMT reduction goals of the Connect SoCal Plan, and support state planning goals.

To receive funding, applicants must:

- 1. Assemble a portfolio of proposed projects and identify the implementing agencies to complete the work. Applicants are not required to directly implement projects and may contract for services following state requirements, and when applicable federal requirements. Applicants are not required to apply for all funds available.
- 2. Demonstrate a nexus to all three REAP 2.0 Program Objectives for each project proposed:
  - Accelerating Infill Development that Facilitates Housing Supply, Choice, and Affordability; and
  - Affirmatively Furthering Fair Housing; and
  - Reducing Vehicle Miles Traveled
- 3. Demonstrate project is eligible for funding. Based on the final REAP 2.0 Program Guidelines (dated July 26, 2022) the SRP 2.0 program has the following eligible activities and uses:
  - Land use planning, related studies and/or programs that result in implementable/adoptable programs and policies (meaning subject to adoption or approval of the legislative body) required to meet the programs, projects, and commitments in draft, adopted and/or compliant 6<sup>th</sup> cycle Housing Elements;
  - Outreach supporting programs, projects or plans required in draft, adopted and/or compliant 6<sup>th</sup> cycle Housing Elements and consistent with SCAG's adopted Racial Equity Action Plan;
  - Housing strategies for increasing supply and lasting affordability including strategic planning and/or seed funding for subregional housing trust funds and community land trusts in compliance with the Guidelines;
  - Technical assistance to implement the eligible activities and uses listed above, including temporary staffing and consultant costs. The SRP 2.0 program can fund existing or temporary staff support to manage and implement eligible REAP 2.0 activities. Costs incurred by existing staff must clearly delineate and differentiate work that is funded by existing sources and is limited to work on REAP-eligible activities; and
  - Eligible activities in the **Housing Supportive Infrastructure Program**.



4. Submit a complete application along with all required supporting documents within the application period. See Section 3 for information on applying for funding.

Consultants or other external resources may be used for work on eligible activities but are not required. Applicants will indicate in their funding application whether they intend to use existing staff, temporary staff, consultants, or other resources for each activity.

## 2d. Ineligible Activities

- Activities where a clear nexus to the Program Objectives listed in Section 1 is not demonstrated.
- Activities that obstruct or hinder housing production, e.g., moratoriums, downzoning, planning documents with conditional use permits that significantly impact approval certainty and timing, planned development, or other similarly constraining processes.
- Administrative costs of persons employed by the grantee for activities not directly related to the preparation and adoption of the proposed Activity or Activities.

SCAG will not accept applications for, nor reimburse for, ineligible activities or projects. Expenditure reimbursement requires prior authorization in writing from SCAG for the eligible projects and activities. SCAG may be subject to repayment of REAP 2.0 funds to HCD if it is found in breach of its agreement with HCD, which can occur if REAP 2.0 funds are used for ineligible activities. If SCAG is required to repay funds to HCD, SCAG will require reimbursement from the subregional partner.

#### Section 3 – Application Process

Funding will be made available for projects and activities after SCAG receives approval and funding for its full REAP application from HCD, which is anticipated to occur in February or March 2023. Funding allocated for each subregion is non-competitive, however a funding application, or a notice of intent to apply for funding and a funding application, is required. All activities proposed must meet the requirements established in these guidelines and the state's REAP 2.0 Program Guidelines.

Once an application or an intent to apply for funding form is submitted, subregional partners will meet with SCAG staff monthly to review proposed project eligibility and receive feedback from SCAG staff until a program application is submitted and approved.

## 3a. Applying for Funding

**Process and Timing:** To apply for project funding, subregional partners must submit a Subregional Partnership 2.0 Application (Attachment 3). A subregional partner may submit multiple applications through the final due date for eligible projects and activities until it has reached its funding maximum.

The application period will be opened after concurrence has been secured from the state on the items noted above and will close 45 days after the opening of the application period.

Regardless of when the full application is prepared, each subregional partner must submit an Intent to Apply for Funding Form (Attachment 4) by **5:00pm on September 30, 2022.** This form does not require approval from the subregional partner's decision-making body for submission to SCAG. Information submitted with the notice may differ from the information submitted with the completed application.



**Application Submittal and Review:** The application must include information on proposed projects and activities, key tasks and deliverables, estimated costs, and identification of the implementing agency for each project and activity, among other requirements provided in the application template.

Prior to submitting the application to SCAG, the applicant must receive approval to apply for funding from the applicant's decision-making body or authorized signatory and agree to the reporting requirements. To the extent feasible, if the application proposes partnerships or further suballocation to jurisdictions, approval or authorization from the related decision-making bodies is encouraged. Applications will be reviewed by SCAG staff on an ongoing basis and will be assessed for eligibility, nexus to the REAP 2.0 program objectives, and alignment with the SRP 2.0 and the State REAP 2.0 Guidelines.

SCAG staff intends to evaluate applications with a decision made within 60 days from the close of the application period. Once reviewed, SCAG will provide an award letter to the subregional partner indicating the submitted projects are approved for funding, or a letter indicating how the application needs to be revised to be accepted. Projects that do not meet the funding criteria cannot be funded through SRP 2.0. A subregional partner may revise its application or project scope to meet the funding criteria and resubmit the application up until the final due date.

Applications will be accepted until the final date to apply, which will be 45 days after the opening of the application period.

Given the schedule requirements of the REAP 2.0 Guidelines to award suballocations, conditional award letters shall be distributed within 60 days of the close of the application period for a suballocation (not inclusive of encumbrance or an executed Standard Agreement).

### 3b. Unallocated Funds

Remaining funds that are: 1) due to the lack of participation by a subregional partner (not submitting an application or notice of intent to apply for funding by 5:00pm on October 14, 2022), or 2) remaining unencumbered by a subregional partner after the application deadline will be available for projects in the subregion area through the REAP 2.0 Programs to Accelerate Transformative Housing (PATH).

By January 31, 2024, all SRP 2.0 funds must be fully encumbered unless an extension is approved in advance in writing by SCAG.

## 3c. Funding Criteria

The funding application must demonstrate the following:

All activities are within areas meeting the State definition for infill (see Section 1b, Page 3):
Projects proposed are eligible uses and activities (Section 2c.)
There is a clear deliverable for each project that can be acted on by the legislative body or designee.
Each project includes metrics for measuring the baseline conditions and effectiveness of the
project (Section 3d.).
All projects align with REAP 2.0 Threshold Requirements (Section 3c.(1) below):

- o Aligns with the REAP 2.0 Program Objectives (Guidelines, Section 3c.(1))
- o Meets the Definition of a Transformative Planning and Implementation Activity (Guidelines, Section 3c.(2))



- o Provides a Significant Beneficial Impact (Guidelines, Section 3c.(3))
- o Includes Targeted Equitable Outreach (Guidelines, Section 3c.(4))
- o Aligns and advances the Connect SoCal Plan (Guidelines, Section 3c.(5)).

## 3d. REAP 2.0 Threshold Requirements

Applications will be scored on meeting the Threshold Requirements using the rubrics provided after each criterion in this section. A score of less than 1 for any criterion will disqualify the application.

(REAP 2.0 State Guidelines, Section 203: <a href="https://www.hcd.ca.gov/docs/grants-and-funding/MPO-REAP-2-0-Final-Guidelines.pdf">https://www.hcd.ca.gov/docs/grants-and-funding/MPO-REAP-2-0-Final-Guidelines.pdf</a>

# □ 3d.(1) Each project advances all state REAP 2.0 Program objectives, including:

- 3d.(1)(1) Accelerates infill development that facilitates housing supply, choice, and affordability
- 3d.(1)(2) Affirmatively Furthers Fair Housing (AFFH)
- 3d.(1)(3) Reduces Vehicle Miles Traveled
- ☐ 3d.(2) Meets the definition of a Transformative Planning and Implementation Activity<sup>1</sup>
- 3d.(3) Provides a significant beneficial impact, meaning demonstrates the potential to meet the REAP 2.0, SCAG's Connect SoCal, and PATH program objectives by establishing and supporting the infrastructure for accelerating housing supply, choice, and affordability, affirmatively furthering fair housing, and reducing VMT by transforming current corridor-wide or area-wide housing policies, site planning, financial models, predevelopment and development processes, and homeownership patterns in a significant and quantifiable manner Significant beneficial impacts must lead to substantial changes in land use patterns and travel behaviors. In your response, discuss the measurable outcomes included in the attachment.<sup>2</sup>

<sup>&</sup>lt;sup>1</sup> Transformative Planning and Implementation Activities means: Housing, planning, infrastructure investments supporting Infill development that facilitates Housing supply, choice and affordability, and other actions that enable meeting Housing goals that also result in Per Capita vehicle miles traveled reductions, including accelerating Infill development, supporting residents through realizing Multimodal Communities, shifting travel behavior through reducing driving, and increasing transit ridership. Transformative Planning and Implementation Activities are meant to address these goals together and to lead to changes in land use patterns and behaviors. Transformative Planning and Implementation Activities shall be in furtherance of all of the following:

a. State Planning Priorities, as described in Section 65041.1 of the Government Code.

b. Affirmatively Furthering Fair Housing pursuant to Section 8899.50 of the Government Code.

c. Facilitating Housing Element compliance for the sixth cycle Regional Housing Needs Assessment pursuant to Section 65302 of the Government Code prepared in accordance with Article 10.6 (commencing with Section 65580) of Chapter 3 of Division 1 of Title 7 of the Government Code.

d. A region's Sustainable Community Strategy, as described in paragraph (2) of subdivision (b) of Section 65080 of the Government Code, or Alternative Planning Strategy, as described in paragraph (2) of subdivision (b) of Section 65080 of the Government Code, as applicable.

<sup>&</sup>lt;sup>2</sup> In demonstrating significant beneficial impacts, all of the following can be considered: rates of change, the magnitude of impact relative to variables or targets, the proportion of need achieved, and the impact relative to past trends, policies, and practices. Variables or targets may include but are not limited to benefitting households by



3d.(4)	Includes	Targeted	Equitable	Outreach

# ☐ 3d. (5) Aligns and advances SCAG Connect SoCal Priorities

## 3d.(1)(1) Accelerate Infill Development that Facilitates Housing Supply, Choice, and Affordability

The application must describe how each proposed project will accelerate Infill<sup>11</sup> development near jobs and other key destinations to support increasing Housing choices and affordability that effectively reduce VMT and greenhouse gas emissions. One way this can be done is to focus development in Priority Growth Areas, as discussed in Chapter 3 beginning on Page 66 of the Connect SoCal – [provide link to document]. [link to map].

The application should also describe how the proposed project will prioritize development that increases Housing choice and affordability at Infill sites and describe the Housing affordability components in the project that serve Low- and Moderate-income Households. For Affordable Housing development programs — which may involve allowable predevelopment costs (e.g., studies, land acquisition, entitlements), and bridge and gap large expenditures and capital investments — to be an eligible use the program must accelerate the supply of long-term Affordable Housing for Lower and Moderate- income Households and commit to development within a reasonable time frame (e.g., within 5 years of the expenditure deadline).

The following should be discussed in the application:

- i. The proposal's impact on Housing supply, choice, and affordability
- ii. The proposal is located or implemented within an Infill area.
  - a. Located in a Priority Growth Area and meeting the definition of infill or
  - b. Located in an area meeting the definition of infill
- iii. The proposal can be measured by, but is not limited to:
  - a. Number of Housing units (total, type, affordable, and per acre) projected within the 8-year 6<sup>th</sup> cycle RHNA period and potential to create lasting affordability (perpetual affordability),
  - b. Capital investments to support Housing development,
  - c. Mix of Housing unit types or sizes,
  - d. Increasing land use intensities,
  - e. Count of sites developable for future Housing, and/or
  - f. Number of new Housing units supported or provided by the Proposed Use or policy

#### 3d.(1)(2) Affirmatively Further Fair Housing (AFFH)

The application must describe how each proposed project combats discrimination, overcomes patterns of segregation, and fosters equitable and inclusive communities. Each proposed project must include

income group; Regional Housing Needs Assessment; Housing units (new construction, preservation/conservation, and rehabilitation); density; infrastructure; infrastructure capacity and accessibility; public space; community amenities; investments; Vehicle Miles Traveled reduction goals or targets; regional or local equity policies and programs included in an adopted RTP/SCS; and GHG reduction goals or targets.



meaningful actions, that taken together, address significant disparities in Housing needs and in access to opportunity, replacing segregated living patterns with truly integrated and balanced living patterns, and transforming racially and ethnically concentrated areas of poverty into areas of opportunity. Each proposed project must support regional and local efforts that work towards ensuring all people have full and equal access to opportunities enabling them to lead healthy lives.

Actions to Affirmatively Further Fair Housing may include, but are not limited to:

- Establishing and enhancing strategies that create Housing mobility by improving access and/or removing barriers to Housing, or improving regional utilities supporting Housing in areas of opportunity;
- Encouraging development of new Affordable Housing in high resource areas by promoting Housing, regional utilities supporting Housing, and affordability in areas of high and higher opportunity and outside of areas of concentrated poverty;
- Improving place-based strategies to encourage community revitalization. This includes
  preservation of existing Affordable Housing that involves approaches focused on conserving and
  improving assets in areas of lower-opportunity and concentrated poverty, such as: targeting
  investments in neighborhood revitalization, preserving, or rehabilitating existing Affordable
  Housing, improving infrastructure, schools, employment, parks, transportation, and other
  community amenities; and
- Protecting existing residents from displacement and preserving Housing choices and affordability in areas of low- and moderate-opportunity and areas of concentrated poverty.

The application must describe how the applicant considered AFFH principles and equity in the proposed project. Any proposed project that may have a negative impact on AFFH objectives must have appropriate mitigation efforts. Applicants shall take no action that is materially inconsistent with AFFH. Applicants shall target funding to benefit Disadvantaged and Historically Underserved Communities (see definition section in the state REAP 2.0 program guidelines). A city or county's 6<sup>th</sup> cycle Housing Element can be a good resource for identifying State-approved AFFH policies and programs.

The following must be discussed in the application:

- i. The project will be located or implemented within:
  - a. Higher Resource communities or Areas (See state REAP 2.0 guidelines, Attachment 2: Definitions), or
  - b. Disadvantaged and Historically Underserved Priority Populations
- ii. The project can be measured by, but is not limited to:
  - a. Number of proposed Affordable Housing units,
  - b. Number of existing housing units continued to be made available and affordable,
  - c. Zoning, Streamlined Housing Production (including permit streamlining), fees, incentives, and other approaches to increase housing choices and affordability,
  - d. Increase accessible number of units above state law,
  - e. For Higher Resource Communities or Areas:
    - I. Increase in rate of Housing Choice Voucher usage in high opportunity census tracts,



- II. New lower- and moderate-income targeted Housing created through new development or through acquisition and preservation of existing Housing.
- f. For Disadvantaged and Historically Underserved Communities:
  - I. New or enhanced public services and community assets such as parks, social service programs, active transportation, infrastructure, and other community amenities,
  - II. Increased access to public services, and
  - III. Housing-supportive infrastructure service in areas of concentrated poverty or similar areas
- g. Other metrics found in the California Housing and Community Development Department (HCD) AFFH Guidance Memo, available online: (https://www.hcd.ca.gov/community-development/affh/docs/affh\_document\_final\_4-27-2021.pdf)
- h. As well as other HCD AFFH data and mapping resources available online (https://affh-data-resources-cahcd.hub.arcgis.com/)

#### 3d.(1)(3) Reduce Vehicle Miles Traveled

The REAP 2.0 Program provides for investments to support Housing planning and production in Infill areas that reduce VMT towards helping the state meet multiple goals. The application must include a description of how the proposed project promotes development and aligns Housing production in Infill locations consistent with the state's climate targets and goals discussed in the <u>California Climate Change Scoping Plan.</u> Proposed projects shall focus on the VMT-reducing elements of Connect SoCal, as applicable, to achieve and maintain the region's greenhouse gas emission reduction targets by supporting or implementing Housing and Affordable Housing action-oriented plans, policies, and investment strategies broadly described as: "land use planning, policies, and investment strategies that encourage Infill development that facilitates Housing supply, choice, and affordability and is serviced by existing and planned expansions of a multimodal transportation system."

Applicants are encouraged to pursue new Housing development that is or can be integrated with or connected to transportation shifting travel away from driving though pedestrian, bicycle, transit, and other alternative transportation programs.

Applicants should discuss the following in the application (See the state REAP 2.0 program guidelines, Attachment 4, Applying Units of Measurement for supplemental materials that describe land use and transportation planning, policies, and investment strategies):

The proposal is located or implemented within Infill areas.

- a. Located in a Priority Growth Area and meeting the definition of infill or
- b. Located in an area meeting the definition of infill

The proposal is expected to lead to shifting travel behavior and to direct or indirect VMT reductions: Is or will be accessible to destinations and daily services by transit, walking, or bicycling, or Is in proximity to existing or planned transportation improvements.



The proposal, dependent upon what funding source(s) are utilized, can be measured by, but is not limited to:

- a. Estimate for VMT reduced Per Capita,
- b. Number of distinct land uses within and around the site,
- c. Number of internal and surrounding connections to the active transportation and transit networks,
- d. Mix of Housing unit types or sizes, and limited number of off-street parking

## 3d.(2) Transformative Planning and Implementation Activities

The application should describe how the project is a *Transformative Planning and Implementation Activity* providing a *Significant Beneficial Impact* that leads to a substantial change in land use patterns, equity, and travel behaviors. Transformative Planning and Implementation Activities is defined as:

Housing, planning, infrastructure investments supporting Infill development that facilitates Housing supply, choice and affordability, and other actions that enable meeting Housing goals that also result in Per Capita vehicle miles traveled reductions, including accelerating Infill development, supporting residents through realizing Multimodal Communities, shifting travel behavior through reducing driving, and increasing transit ridership.

Transformative Planning and Implementation Activities are meant to address these goals together and to lead to changes in land use patterns and behaviors. Transformative Planning and Implementation Activities shall be in furtherance of all the following:

- a. State Planning Priorities, as described in Section 65041.1 of the Government Code.
- b. Affirmatively Furthering Fair Housing pursuant to Section 8899.50 of the Government Code.
- c. Facilitating Housing Element compliance for the sixth cycle Regional Housing Needs Assessment pursuant to Section 65302 of the Government Code prepared in accordance with Article 10.6 (commencing with Section 65580) of Chapter 3 of Division 1 of Title 7 of the Government Code.
- d. A region's Sustainable Community Strategy, as described in paragraph (2) of subdivision (b) of Section 65080 of the Government Code, or Alternative Planning Strategy, as described in paragraph (2) of subdivision (b) of Section 65080 of the Government Code, as applicable.

#### 3d.(3) Lead to a Transformative Significant Beneficial Impact

The application must include a summary of how the proposed use advances all REAP 2.0 and SCAG's program goals and objectives, meets the definition of a Transformative Planning and Implementation Activity (refer to Section 2.0), and provides a **Significant Beneficial Impact**, meaning demonstrates the potential to meet the REAP 2.0, Connect SoCal, and PATH program objectives by establishing and supporting the infrastructure for accelerating Housing supply, choice, and affordability, affirmatively furthering fair housing, and reducing VMT by transforming current corridor-wide or area-wide Housing policies, site planning, financial models, predevelopment and development processes, and ownership patterns in a significant and quantifiable manner. SCAG is interested in innovative models that can be replicated across the region and the state.



#### 3d.(4) Equitable Targeted Outreach

The application should describe in the application any prior outreach completed and include a commitment to continuing outreach and engagement, especially with Disadvantaged and Historically Underserved community members while the project is underway and through the funding expenditure date, which is July 30, 2026. Outreach methods must consider language access and other potential barriers to providing input. Outreach may include coordination with other Eligible Applicants (including Tribal Entities) within the same subregion or in other subregions. Eligible Applicants may wish to consider the potential for joint activities and coordination on outreach activities.

**3d.(5)** Aligns and advances SCAG Connect SoCal Priorities. (<a href="https://scag.ca.gov/sites/main/files/file-attachments/0903fconnectsocal-plan 0.pdf?1606001176">https://scag.ca.gov/sites/main/files/file-attachments/0903fconnectsocal-plan 0.pdf?1606001176</a>). The application should clearly describe how the project realizes the Housing Supportive Infrastructure Key Connection in SCAG's 2020 adopted Connect SoCal by creating the foundational conditions that allow housing to be realized: such as financing, investments in infrastructure, and land use planning. Projects must demonstrate how the activity can be implemented in line with the objectives of the Connect SoCal Implementation Strategy.

#### 3e. Metrics

Metrics must be included when demonstrating Significant Beneficial Impact. Applicants may consider rates of change (e.g., percent increase over a baseline), the magnitude of impact relative to variables or targets, the proportion of need achieved, and the impact relative to past trends, policies, and practices. Variables or targets may include but are not limited to benefitting households by income group; meeting and exceeding the housing production goals of the Regional Housing Needs Assessment; the number of Housing units anticipated and achieved (new construction, preservation/ conservation, and rehabilitation); density; infrastructure; infrastructure capacity and accessibility; community amenities; investments; Vehicle Miles Traveled reduction goals; regional and local equity policies; and GHG reduction goals.

The application should describe how each project proposed provides a significant beneficial impact that leads to a substantial change in land use patterns, equity, and travel behaviors. This is to be done by describing how the project will address the following criteria and including appropriate metrics. (See Appendix 4 of the state REAP 2.0 program guidelines for examples)

## Section 4 – Contract Administration

## 4a. Implementing Agencies

Subregional partners are not required to serve as the implementing agency of the projects and activities applied for. Subregional partners may elect to serve as the implementing agency but agencies such as local housing authorities may also serve as an implementing agency. Implementing agencies must be entities eligible to enter into intergovernmental agreements and must demonstrate capacity to implement government grant administration tasks in a timely manner, including applications, contract execution and monitoring, funds management and transfer, and accounting and reporting, including any competitive subcontracting if applicable. The implementing agency cannot have any unresolved audit findings from prior government contracts and cannot be party to pending land use, housing, or environmental litigation which could impact the proposed activities.



The implementing agency will be responsible for developing the scope of work for the project or activity and leading the procurement process for obtaining consultants and/or resources. The implementing agency may also elect to manage and administer the project, which includes tasks such as monitoring activity progress, reviewing tasks and deliverables, and reviewing and processing invoices. If the implementing agency does not elect to manage and administer the project, SCAG can take on this

#### 4b. Administrative fee

implementation role.

Up to five percent (5%) of a subregional partner's allocation may be charged as administrative activities by the subregional partner. Tasks such as reviewing and processing project invoices, processing contract amendments, and preparing reports and metrics of project progress and completion are considered administrative activities. Activities such as developing scopes of work and requests for proposals (RFP), reviewing tasks and deliverables, and outreach with jurisdictions related to the project are considered programmatic and can be charged as a program activity. For projects and activities administered by SCAG, SCAG reserves the right to use the 5% administrative fee for costs related to project administration.

## 4c. Encumbrance and Expenditure Periods

All funding awards must be encumbered, meaning the MOU between SCAG and the awarded applicant (sub-recipient) is executed, by January 31, 2024, unless extended in advance in writing by SCAG. Regardless of any extension funding awards must be encumbered before June 30, 2024. To meet the state program deadline and receive reimbursement, all invoices must be submitted to SCAG no later than December 31, 2025, unless extended in advance in writing by SCAG. SCAG cannot guarantee invoices received after this date will be reimbursed.

#### 4d. Reimbursement

All projects must submit invoices to SCAG monthly and a status report quarterly to receive reimbursement. Invoices must follow the requirements set forth in the Subregional Partnership contract and SCAG's regular invoicing procedures and must comply with applicable state and/or federal requirements. SCAG may consider advance payments or alternative arrangements to reimbursement and payment methods based on demonstrated need of the subregional partner. These arrangements will be included in the agreements between SCAG and the subregional partner. After the agreement is signed, the subregional partner or consultant may submit invoices for reimbursement for eligible activities as specified in the signed agreement. Expenditure reimbursement requires prior authorization of the eligible projects and activities, and SCAG may be subject to repayment of REAP funds to HCD if it is found in breach of its agreement with HCD, which can occur if REAP funds are used for ineligible activities. If SCAG must repay REAP 2.0 funds to the state, SCAG will require reimbursement from the subregional partner.

SCAG will provide reimbursement only for costs as specified in the signed agreement(s) with the subregional partner or partner's designee. Costs incurred prior to the date which is to be determined in consultation with HCD will not be reimbursed. SCAG will provide the date as soon as possible. For costs incurred in between this date and before an agreement for projects is signed between SCAG and the subregional partner, SCAG will only reimburse costs beginning on the date of Regional Council approval of the SRP 2.0 guidelines that are specifically associated with program development, such as preparation of



the program application, outreach to the subregional partners' jurisdictions, development of guidelines and other related documents, and development of scopes of work and contracts. Subregional partners are encouraged to discuss with SCAG planned costs during this time to ensure that activities receive appropriate reimbursement.

#### 4e. Reporting Requirements

Consistent with SCAG's Overall Work Program reporting procedures, each subregional partner will be required to provide a quarterly progress report and monthly invoices to track and measure activity progress. Project progress will be measured according to the tasks, deliverables, costs, and timeline outlined in the subregional partnership agreement.

#### Technical assistance

SCAG staff will provide technical assistance to subregional partners starting in Fall 2022 through June 2026. Technical assistance will be available to help subregional partners prioritize activities and complete the application and contracting process. After the start of subregional partnership projects SCAG staff will be available for guidance with invoicing and reporting.

#### Timeline

- June 2022: SCAG staff held one-on-one meetings with subregional partners to discuss the proposed program framework and eligible activities.
- July 7, 2022: CEHD review and recommendation to Regional Council of SRP 2.0 Program Guidelines.
- September 1, 2020: Regional Council adopted the Subregional Partnership Program guidelines.
- Upon securing concurrence from state on SRP 2.0: Application period opens.
- September 30, 2022: The intent to apply for funding form is due to SCAG by 5:00 p.m.
- September 2022 Spring 2023: SCAG staff will meet monthly with subregional partners to provide technical assistance in application development.
- Application Period (45 days): Final application and list of prioritized projects from subregions due to SCAG. (period opens once SCAG receives State concurrence)
- December 31, 2025: All REAP projects and activities must be completed; final activity reports due to SCAG; final project invoices due to SCAG.

#### **Attachment**

• Funding Allocations and Subregional Partnership List



# Funding Allocation and Subregional Partnership List

Funding allocation is contingent on approval for the state and is subject to change.

Subregion	Units Assessed in 6th Cycle RHNA	Percent of RHNA*	Funding Allocation
County of Los Angeles	90,052	6.7%	\$1,543,564
County of Riverside	40,647	3.0%	\$696,722
CVAG	31,619	2.4%	\$541,975
Gateway Cities COG	71,678	5.3%	\$1,228,619
Imperial	15,993	1.2%	\$274,133
Las Virgenes-Malibu	933	0.1%	\$15,992**
City of LA	456,643	34.0%	\$7,827,230
North LA county	15,663	1.2%	\$268,476
OCCOG	183,861	13.7%	\$3,151,526
SBCOG/SBCTA	138,110	10.3%	\$2,367,317
SFVCOG	34,023	2.5%	\$583,182
SGVCOG	89,616	6.7%	\$1,536,091
South Bay Cities	34,179	2.5%	\$585,856
VCOG	24,452	1.8%	\$419,127
Westside Cities COG	19,273	1.4%	\$330,355
WRCOG	95,085	7.1%	\$1,629,834
Total	1,341,827	100.00%	\$23,000,000

<sup>\*</sup>Derived from the Final 6<sup>th</sup> Cycle RHNA Allocation Plan adopted March 4, 2021.

# Subregional Partners and Jurisdictions

Subregional Partner	Member Jurisdiction
CVAG	City of Blythe
CVAG	City of Cathedral City
CVAG	City of Coachella
CVAG	City of Desert Hot Springs
CVAG	City of Indian Wells
CVAG	City of Indio
CVAG	City of La Quinta
CVAG	City of Palm Desert
CVAG	City of Palm Springs
CVAG	City of Rancho Mirage

<sup>\*\*</sup>Funding based on RHNA is less than the minimum in the Guidelines, subregion will be allocated \$100,000.



Subregional Partner	Member Jurisdiction
Gateway	City of Artesia
Gateway	City of Avalon
Gateway	City of Bell
Gateway	City of Bell Gardens
Gateway	City of Bellflower
Gateway	City of Cerritos
Gateway	City of Commerce
Gateway	City of Compton
Gateway	City of Cudahy
Gateway	City of Downey
Gateway	City of Hawaiian Gardens
Gateway	City of Huntington Park
Gateway	City of La Habra Heights
Gateway	City of La Mirada
Gateway	City of Lakewood
Gateway	City of Long Beach
Gateway	City of Lynwood
Gateway	City of Maywood
Gateway	City of Norwalk
Gateway	City of Paramount
Gateway	City of Pico Rivera
Gateway	City of Santa Fe Springs
Gateway	City of Signal Hill
Gateway	City of South Gate
Gateway	City of Vernon
Gateway	City of Whittier
Imperial	City of Brawley
Imperial	City of Calexico
Imperial	City of Calipatria
Imperial	City of El Centro
Imperial	City of Holtville
Imperial	City of Imperial
Imperial	Unincorporated Imperial County
Imperial	City of Westmorland
mpenai	City of Westinorianu
Las Virgenes Malibu	City of Agoura Hills
Las Virgenes Malibu	City of Calabasas



Subregional Partner	Member Jurisdiction
Las Virgonas Malibu	City of Liddon Lills
Las Virgenes Malibu	City of Hidden Hills
Las Virgenes Malibu	City of Malibu
Las Virgenes Malibu	City of Westlake Village
Los Angeles City	City of Los Angeles
Los Angeles County	Unincorporated Los Angeles County
North LA County	City of Lancaster
North LA County	City of Palmdale
occog	City of Aliso Viejo
occog	City of Anaheim
occog	City of Brea
occog	City of Buena Park
occog	City of Costa Mesa
occog	City of Cypress
occog	City of Dana Point
occog	City of Fountain Valley
occog	City of Fullerton
occog	City of Garden Grove
occog	City of Huntington Beach
occog	City of Irvine
occog	City of La Habra
occog	City of La Palma
occog	City of Laguna Beach
occog	City of Laguna Hills
occog	City of Laguna Niguel
occog	City of Laguna Woods
occog	City of Lake Forest
occog	City of Los Alamitos
occog	City of Mission Viejo
occog	City of Newport Beach
occog	City of Orange
occog	City of Placentia
occog	City of Rancho Santa Margarita
occog	City of San Clemente
occog	City of San Juan Capistrano
occog	City of Santa Ana



Subregional Partner	Member Jurisdiction
OCCOG	City of Seal Beach
OCCOG	City of Stanton
OCCOG	City of Tustin
OCCOG	Unincorporated Orange County
OCCOG	City of Villa Park
OCCOG	City of Westminster
occog	City of Yorba Linda
Riverside County	Unincorporated Riverside County
SBCTA/SBCOG	City of Adelanto
SBCTA/SBCOG	Town of Apple Valley
SBCTA/SBCOG	City of Barstow
SBCTA/SBCOG	City of Big Bear Lake
SBCTA/SBCOG	City of Chino
SBCTA/SBCOG	City of Chino Hills
SBCTA/SBCOG	City of Colton
SBCTA/SBCOG	City of Fontana
SBCTA/SBCOG	City of Grand Terrace
SBCTA/SBCOG	City of Hesperia
SBCTA/SBCOG	City of Highland
SBCTA/SBCOG	City of Loma Linda
SBCTA/SBCOG	City of Montclair
SBCTA/SBCOG	City of Needles
SBCTA/SBCOG	City of Ontario
SBCTA/SBCOG	City of Rancho Cucamonga
SBCTA/SBCOG	City of Redlands
SBCTA/SBCOG	City of Rialto
SBCTA/SBCOG	City of San Bernardino
SBCTA/SBCOG	City of Twentynine Palms
SBCTA/SBCOG	Unincorporated San Bernardino Co.
SBCTA/SBCOG	City of Upland
SBCTA/SBCOG	City of Victorville
SBCTA/SBCOG	City of Yucaipa
SBCTA/SBCOG	Town of Yucca Valley
SFVCOG	City of Burbank
SFVCOG	City of Glendale
SFVCOG	City of San Fernando



Subregional Partner	Member Jurisdiction
SFVCOG	City of Santa Clarita
SGVCOG	City of Alhambra
SGVCOG	City of Arcadia
SGVCOG	City of Azusa
SGVCOG	City of Baldwin Park
SGVCOG	City of Bradbury
SGVCOG	City of Claremont
SGVCOG	City of Covina
SGVCOG	City of Diamond Bar
SGVCOG	City of Duarte
SGVCOG	City of El Monte
SGVCOG	City of Glendora
SGVCOG	City of Industry
SGVCOG	City of Irwindale
SGVCOG	City of La Cañada Flintridge
SGVCOG	City of La Puente
SGVCOG	City of La Verne
SGVCOG	City of Monrovia
SGVCOG	City of Montebello
SGVCOG	City of Monterey Park
SGVCOG	City of Pasadena
SGVCOG	City of Pomona
SGVCOG	City of Rosemead
SGVCOG	City of San Dimas
SGVCOG	City of San Gabriel
SGVCOG	City of San Marino
SGVCOG	City of Sierra Madre
SGVCOG	City of South El Monte
SGVCOG	City of South Pasadena
SGVCOG	City of Temple City
SGVCOG	City of Walnut
SGVCOG	City of West Covina
South Bay Cities	City of Carson
South Bay Cities	City of El Segundo
South Bay Cities	City of Gardena
South Bay Cities	City of Hawthorne



Subregional Partner	Member Jurisdiction	
South Bay Cities	City of Hermosa Beach	
South Bay Cities	City of Inglewood	
South Bay Cities	City of Lawndale	
South Bay Cities	City of Lomita	
South Bay Cities	City of Manhattan Beach	
South Bay Cities	City of Palos Verdes Estates	
South Bay Cities	City of Rancho Palos Verdes	
South Bay Cities	City of Redondo Beach	
South Bay Cities	City of Rolling Hills	
South Bay Cities	City of Rolling Hills Estates	
South Bay Cities	City of Torrance	
South Day Cities	orey of forfulice	
Ventura	City of Camarillo	
Ventura	City of Fillmore	
Ventura	City of Moorpark	
Ventura	City of Ojai	
Ventura	City of Oxnard	
Ventura	City of Port Hueneme	
Ventura	City of San Buenaventura (Ventura)	
Ventura	City of Santa Paula	
Ventura	City of Simi Valley	
Ventura	City of Thousand Oaks	
Ventura	Unincorporated Ventura County	
Westside Cities	City of Royarly Hills	
	City of Beverly Hills	
Westside Cities	City of Culver City	
Westside Cities	City of Santa Monica	
Westside Cities	City of West Hollywood	
WRCOG	City of Banning	
WRCOG	City of Beaumont	
WRCOG	City of Calimesa	
WRCOG	City of Canyon Lake	
WRCOG	City of Corona	
WRCOG	City of Eastvale	
WRCOG	City of Hemet	
WRCOG	City of Jurupa Valley	
WRCOG	City of Lake Elsinore	



Subregional Partner	Member Jurisdiction
WRCOG	City of Menifee
WRCOG	City of Moreno Valley
WRCOG	City of Murrieta
WRCOG	City of Norco
WRCOG	City of Perris
WRCOG	City of Riverside
WRCOG	City of San Jacinto
WRCOG	City of Temecula
WRCOG	City of Wildomar