



**ORANGE COUNTY
COUNCIL OF GOVERNMENTS**
Technical Advisory Committee

Meeting Date / Location

Tuesday, September 1, 2020
9:30 A.M. – 12:00 P.M.

<https://yorbalingda.zoom.us/j/98573530975?pwd=dktua0JHbmJhVDIqOTdsOW16ZUxvVUT09>

Meeting ID: 985 7353 0975

Passcode: OCCOGTAC

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Agenda Item

Staff

Page

INTRODUCTIONS

(Chair Nate Farnsworth,
City of Yorba Linda)

PUBLIC COMMENTS

(Chair Farnsworth)

The agenda descriptions are intended to give members of the public a general summary of items of business to be transacted or discussed. The posting of the recommended actions does not include what action will be taken. The Technical Advisory Committee may take any action which it deems appropriate on the agenda item and is not limited in any way by the notice of the recommended action.

At this time members of the public may address the TAC regarding any items within the subject matter jurisdiction, which are not separately listed on this agenda. Members of the public will have an opportunity to speak on agenda items at the time the item is called for discussion. NO action may be taken on items not listed on the agenda unless authorized by law. Comments shall be limited to three minutes per person and an overall time limit of twenty minutes for the Public Comments portion of the agenda.

Any person wishing to address the TAC on any matter, whether or not it appears on this agenda, is requested to complete a "Request to Speak" form available at the door. The completed form is to be submitted to the TAC Chair prior to an individual being heard. Whenever possible, lengthy testimony should be presented to the TAC in writing and only pertinent points presented orally. A speaker's comments shall be limited to three minutes.

ADMINISTRATION

1. **OCCOG TAC Meeting Minutes** (Chair Farnsworth) 5
- Draft OCCOG TAC minutes for the August 4, 2020 meeting

Recommended Action: Approve OCCOG TAC minutes for the August 4, 2020 meeting, as presented or amended

PRESENTATIONS, DISCUSSION AND ACTION ITEMS, REPORTS

2.	Center of Demographic and Research Update <ul style="list-style-type: none"> • Housing Inventory System (HIS) Data Collection • 2020 Census Data & Geographies Expected Timeline <p><i>Recommended Action:</i> Receive report. Discussion.</p>	(Ms. Deborah Diep, Director, Center for Demographic Research) – 15 minutes	9
3	Connect SoCal and RHNA Update <p><i>Recommended Action:</i> Receive report. Discussion.</p>	Chair Farnsworth) 15 Minutes	10
4.	Accessory Dwelling Units Ad Hoc Committee <p><i>Recommended Action:</i> Receive report. Discussion</p>	(Chair Farnsworth) 15 minutes	17
5.	REAP Grant <p><i>Recommended Action:</i> Receive report. Discussion</p>	(Ms. Primmer, Executive Director) 15 minutes	104

REPORT FROM THE OCCOG EXECUTIVE DIRECTOR

MATTERS FROM OCCOG TAC MEMBERS

ANNOUNCEMENTS FROM NON-MEMBERS

ITEMS FOR NEXT MEETING

IMPORTANT DATES OR UPCOMING EVENTS

- September 3, 2020: SCAG Regional Council Meeting

Adjourn to: OCTOBER 6, 2020
LOCATION: TBD

OCCOG GLOSSARY

ADU- Accessory Dwelling Units
AQMD/SCAQMD - (South Coast) Air Quality Management District
AQMP- Air Quality Management Plan
ARB/CARB- (California) Air Resources Board
CAA- Community Analysis Area
CCR- Conditions of Children Report
CDR- Center for Demographic Research
CEQA- California Environmental Quality Act
CLERK/ OCCR- Orange County Clerk-Recorder Office (former Sponsor)
COUNTY- County of Orange (CDR Sponsor)
CSUF- California State University, Fullerton (CDR Sponsor)
DOF- California State Department of Finance
EDD- California State Economic Development Dept.
ESRI- Environmental Systems Research Institute, GIS Software maker: ArcGIS, ArcInfo, ArcPro...
GHG- Greenhouse gas (emissions, typically in reference to SB 375 & RTP/SCS)
GIS- Geographic Information Systems (generic mapping software reference)
HCD- California State Dept. of Housing & Community Development
HIS- Housing Inventory System
HOV- high occupancy vehicle
IGR- Inter-governmental review
IRB- Institutional Review Board
LOCC/League - The- League of California Cities, Orange County Division (former CDR sponsor)
LU- Land Use
LUS- Land Use Survey
MARS- Modified Age Race Sex
MOC- CDR Management Oversight Committee
MOU- Memorandum of Understanding (with CDR Sponsors, establishes CDR)
MWDOC- Municipal Water District of Orange County (CDR Sponsor)
NCCP- Natural Community Conservation Planning (preservation of open space)
OCCOG- Orange County Council of Governments (CDR Sponsor)
OCP- Orange County Projections
OCSD- Orange County Sanitation District (CDR Sponsor)
OCTA- Orange County Transportation Authority (CDR Sponsor)
OCTAM- Orange County Transportation Analysis Model
OCWD- Orange County Water District (CDR Sponsor)
PASE- Population by Age, Sex and Race/Ethnicity
PHE- Population, housing, and employment
RCP- (SCAG's) Regional Comprehensive Plan
RFP- Request for Proposal
RFQ- Request for Quote
RHNA- Regional Housing Needs Assessment
RSA- Regional Statistical Area



- RTIP-** Regional Transportation Improvement Program
- RTP-** Regional Transportation Plan
- SCAG-** Southern California Association of Governments (CDR sponsor)
- SCS-** Sustainable Communities Strategy (from Senate Bill 375)
- SIP-** State Implementation Plan
- SSRC-** Cal State Fullerton Social Science Research Center
- SWQA-** State Water Quality Assessment
- TAC-** Technical Advisory Committee
- TAZ-** Traffic Analysis Zones
- TCA-** Transportation Corridor Agencies (CDR Sponsor)
- TWG-** SCAG Technical Working Group
- VMT-** Vehicle Miles Traveled
- WEROC-** Water Emergency Response Organization of Orange County



**ORANGE COUNTY
COUNCIL OF GOVERNMENTS**
Technical Advisory Committee

Draft Action Minutes

Meeting of September 1, 2020

The Orange County Council of Governments Technical Advisory Committee (OCCOG TAC) meeting of August 4, 2020, was called to order by Chair Nate Farnsworth, City of Yorba Linda. The meeting was held through video and telephone conferencing.

PUBLIC COMMENT:

There were no public comments at this time.

ADMINISTRATION

1. OCCOG TAC Meeting Minutes

The OCCOG TAC meeting minutes of July 7, 2020, were unanimously approved by the TAC as moved by Vice Chair Equina, City of Irvine, and a second by Belinda Deines, City of Dana Point.

PRESENTATIONS, DISCUSSION AND ACTION ITEMS, REPORTS

2. Center for Demographic Research – Housing Inventory System (HIS) Data Collection and EDD Labor Force Data by Jurisdiction

Housing Inventory System (HIS) Data Collection

January 1 – June 30, 2020 housing construction and demolition data was due on July 24, 2020.

HIS submission forms were updated in 2020 to include additional sample entries, clarifications in the instructions, and an updated HIS unit flow chart to better explain how to record unit activity when attached ADUs are involved. This is similar to DOF's new housing survey flow chart DOF, but is tailored to CDR's 4 ADU types. An additional optional column was added "Building Permit Date Issued" to assist in compiling HIS, DOF and HCD APR data.

Please submit data to CDR using the new 2020 HIS form located at <http://www.fullerton.edu/cdr/HISform.xls>. Revisions to prior years may use either the new or old form. Please verify that the same data reported to CDR is also provided to DOF in their annual Housing Unit Change Survey. For HIS questions, please contact Tania Torres at 657-278-3417 or tatorres@fullerton.edu.

EDD Labor Force Data by Jurisdiction

In response to inquiries for city-level unemployment data, CDR has compiled monthly data by city for 2019-2020 from CA State EDD. The data is attached in PDF format.

3. Legislative Update on Housing Bills Status

Ms. Wendy Strack, OCCOG's Legislative Consultant, presented a status summary of pending bills that could have a significant impact on Orange County jurisdictions. Such bills include: SB 902, 995, 1085, 1120, 1385. The status summary is also attached to the OCCOG TAC packet.

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Action: Received Report. Discussion.

4. Connect SoCal and RHNA

On September 3, 2020, SCAG staff will present the SCS portion of Connect SoCal to the Regional Council for approval. After the adoption of Connect SoCal, each local jurisdiction will receive formal notification from SCAG on their draft RHNA allocation. The period to file appeals is expected to commence on the eighth day after the Regional Council adopts the Connect SoCal in its entirety. The appeals process will then follow the adopted RHNA Appeals Procedures with timelines updated to reflect the delay of the Connect SoCal Plan adoption.

Action: Received Report. Discussion.

5. ADU

Chair Farnsworth indicated that a survey was distributed to the OCCOG TAC members regarding the status of their ADU ordinance. The survey results will be provided to the TAC members after the data is compiled.

Additionally, Mr. Kevin Kane and Ms. Meg Healy from SCAG, provided findings of an ADU Affordability Analysis and Technical Tool that was presented to the California Department of Housing and Community Development (HCD). The ADU package would allow for pre-approved affordability assumptions for the SCAG region that could be used for the 6th Cycle Housing Element.

In the affordability analysis, SCAG conducted a regional analysis of current market rents that could be used to assign ADU's to income categories in the Housing Element.

Action: Received Report. Discussion.

6. REAP

Executive Director Marnie Primmer presented to the OCCOG TAC for review and input a draft list of projects eligible for REAP grant funds. The project list takes into account input from OCCOG member jurisdictions and stakeholders, and is intended to aid in the preparation of housing elements, ADU's, and permanent supportive housing. Such projects include: ADU support, support for OC Housing Trusts, Housing Site Planning Visualization Tools, and more.

A survey will be provided to the OCCOG TAC members for input on the proposed projects.

Action: Received Report. Discussion.

7. HCD Housing Element Sites Inventory Guidebook

On July 24, 2020, HCD provided a webinar for the Housing Element site's inventory in the 6th cycle. HCD staff introduced their new guidebook and forms, walked through the sites requirements, and announced future tools and technical assistance opportunities. A copy of the

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PowerPoint presentation and a summary of the housing sites inventory process is attached to the TAC agenda.

Action: Received Report. Discussion.

8. Housing Element Data Support

SCAG staff indicated that the Pre-Certified Housing Needs Data will be available in approximately two weeks. The information is intended to help streamline housing element development and review. Examples of data sets available to each jurisdiction include: large families, seniors, housing stock characteristics, overcrowding, and more.

Action: Received Report. Discussion.

REPORT FROM CHAIR/VICE CHAIR

There was no additional report from the Chair or Vice Chair.

REPORT FROM THE EXECUTIVE DIRECTOR

There was no additional report from the Executive Director.

MATTERS FROM OCCOG TAC MEMBERS

There were no items to report from OCCOG TAC Members.

ANNOUNCEMENTS FROM OCCOG TAC NON-MEMBERS

There were no items to report from OCCOG TAC Non-Members.

ITEMS FOR NEXT MEETING

There were no items discussed for next meeting.

IMPORTANT DATES OR UPCOMING EVENTS

ADJOURNMENT

The meeting was adjourned by Chair Farnsworth until Tuesday, September 1, 2020 via video and teleconferencing.

Submitted by:

Justin Equina, City of Irvine
OCCOG TAC Vice Chair

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ATTENDANCE:

Nate Farnsworth, City of Yorba Linda
Justin Equina, City of Irvine
Ruby Zaman, Center of Demographic Research
Warren Whiteaker, OCTA
Wendy Starks, City of Rancho Santa Margarita
Paige Montojo, City of Brea
Jennifer Ward, OCBC
Derek Bingham, City of Rancho Santa Margarita
Laura Stokes, City of San Juan Capistrano
Gail Shiimoto-Lohr, City of Mission Viejo
Heather Allen, City of Fullerton
Madison LaScalza, City of San Juan Capistrano
Scott Reekstin, City of Tustin
Nicolle Aube, Huntington Beach
Justin Arios, City of Costa Mesa
Joanna Chang, County of Orange
Jay Wu, City of Laguna Hills
Brian James, city of Fountain Valley
Steven Ayers, City of Fountain Valley
Jaime Murillo, City of Newport Beach
Minoo Ashabi, City of Costa Mesa
Ben Zdeba, City of Newport Beach
So Kim, City of Laguna Beach
Steven Giang, County of Orange
Izzak Mireles, City of Stanton
Sandie Kim, City of Westminster
Charles Guiam, City of Anaheim
Belinda Deines, City of Dana Point
Larry Longenecker, City of Mission Viejo
Chris Chung, City of Garden Grove
Chris Schaefer, City of La Habra
Jonathan Hughes, SCAG
Steve Fowler, City of Seal Beach
Deborah Diep, CDR/CSUF
Doug Feremenga, TCA
Kevin Kane, SCAG
Meg Healy, SCAG
Ron Santos, City of Lake Forest
Roy Ramsland, City of La Habra
Jennifer Savage, City of San Clemente



Item 2: Center for Demographic Research (CDR) Updates
Recommended Action: Receive reports.

Reports

1. Housing Inventory System (HIS) Data Collection

January 1 – June 30, 2020 housing construction and demolition data was due on July 24, 2020.

HIS submission forms were updated in 2020 to include additional sample entries, clarifications in the instructions, and an updated HIS unit flow chart to better explain how to record unit activity when attached ADUs are involved. This is similar to DOF’s new housing survey flow chart DOF, but is tailored to CDR’s 4 ADU types. An additional optional column was added “Building Permit Date Issued” to assist in compiling HIS, DOF and HCD APR data.

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2. 2020 Census Data & Geographies Expected Timeline

<https://www.census.gov/programs-surveys/decennial-census/about/rdo/summary-files.2020.html>

2020 Census P.L. 94-171 Redistricting Data Summary Files
Posting February 2021 through March 2021

2020 Census P.L. 94-171 Geographic Support Products
Posting December 2020 through January 2021

- Shapefiles
- Maps (.pdf)
- Block Assignment Files/Name Look-up Tables
- 2010 to 2020 tabulation block crosswalk

Contact: Ms. Deborah Diep, Director, Center for Demographic Research
657/278-4596 ddiep@fullerton.edu

Employment data: Ms. Ruby Zaman, Assistant Director, CDR
657/278-4709 ruzaman@fullerton.edu

For GIS: Mr. Ian Boles, GIS Analyst, CDR
657/278-4670 iboles@fullerton.edu

For HIS: Ms. Tania Torres, Demographic Analyst, CDR
657/278-3417 tatorres@fullerton.edu

Item 3: **Connect SoCal & RHNA Updates**
Recommended Action: Receive reports.

Reports

Summary

With SCAG’s upcoming proposed approval of its Sustainable Communities Strategy (SCS) for the region, Connect SoCal, stakeholders have raised concerns that the traffic analysis zones (TAZs) within the Connect SoCal plan may be used or relied upon as the prescriptive “pattern” of future development for any purpose relating to the Regional Housing Needs Assessment (RHNA) process, General Plan amendment or approval process. This concern is accentuated by the fact that several Orange County jurisdictions have identified some inconsistencies within their own jurisdictions’ TAZ level data. The Board is asked to consider sending SCAG a letter requesting clarification that TAZ level data can never be used to conclude that creation of new households/housing above TAZ is inconsistent with Connect SoCal and TAZ maps are not “development patterns” to be followed for general plans.

Background

SB 375, at Section 65080(K), provides that an SCS does not “supersede” local land use authority. However, Section 65584.04(i) of SB 375 requires that RHNA housing allocations comply with the “development pattern” of a region’s adopted SCS. This “development pattern” consistency requirement arguably creates a substantial constraint on the ability of local governments to shape their own development and land use policies and practices (as they work to implement RHNA), particularly given the “patterns of development” that SCAG has created by allowing no new households in many existing neighborhoods over for the next 25 years.

An area of concern raised by stakeholders is that the development pattern envisioned by Connect SoCal could result in significant displacement and gentrification in less affluent areas and communities of color by projecting the construction of costly higher density housing in those areas. SCAG has repeatedly explained, including in its Connect SoCal Technical Report, that use of SCAG’s sub-jurisdictional-level data is “advisory and non-binding” and emphasized the “does not supersede” statutory language in formulating Connect SoCal. However, the SCS “consistency” requirements remain part of the statutory scheme as described above, with the potential adverse consequences for inconsistent plans and projects, and the mandate for RHNA allocations to follow the SCS “development pattern.”

Local governments faced with the legal obligation to accommodate large RHNA allocations may find it challenging to follow the Connect SoCal development pattern, given that Connect SoCal (i) negates any and all household growth in large areas throughout many cities, and (ii) would concentrate household growth in only a relatively few, centralized areas. Therefore, if the development pattern that underpins Connect SoCal were to be followed, the challenges that local governments face in connection with the imminent Sixth Cycle RHNA allocation would be greatly compounded. It could require cities to squeeze ever-more dense housing into town centers and into denser existing neighborhoods, based to a large degree on proximity to transit (even to that which is marginally used – such as bus stops).

Additionally, various elements of the California Environmental Quality Act (CEQA) require consistency between (i) an approved SCS (concerning the use designation, and building density and intensity in the project area) and (ii) an individual project to qualify for some types of state funding and incentives. Use of the TAZ maps and data could be a logical way to find consistency. As such, concern exists that CEQA



could be used by project challengers where the TAZ data proves inconsistent with a particular project and result in undue legal challenges to entitlement approvals.

On August 20, 2020, the County of Orange and City of Irvine sent joint letter to SCAG raising some of these concerns by seeking clarification on the use of the TAZ map projections, including that they do not constitute and may not be used or relied upon as the prescriptive “development pattern” for any purpose relating to the RHNA process, General Plan amendments or approval process. A copy of the County’s/Irvine’s 8/20/20 letter is attached as Attachment 1. On August 26, 2020, SCAG provided a response back to the County and Irvine stating that they believe that they will be addressing their concerns in the proposed Resolution approving Connect SoCal. A copy of this letter has been included as Attachment 2. On August 27, 2020, the OCCOG Board authorized its Executive Director to send a letter to SCAG outlining similar concerns.

Connect SoCal is scheduled to be approved by SCAG’s Regional Council on September 3. If approved, the Regional Council would also be requested to approve the draft final RHNA, which would initiate the start of the RHNA appeals period. RHNA appeals are scheduled to begin on the eighth day following approval of the RHNA and must be filed within 45 days to be considered. It is anticipated that the RHNA appeals public hearings will happen late 2020/early 2021.

Attachments:

Attachment 1 – August 20, 2020 Letter from County of Orange and City of Irvine

Attachment 2 – August 26, 2020 SCAG Response Letter to County of Orange and City of Irvine



August 20, 2020

Mr. Kome Ajise
Executive Director
Southern California Association of Governments
900 Wilshire Boulevard, Suite 1700
Los Angeles, California 90017

Subject: 2020 Regional Transportation Plan/Sustainable Communities Strategy – Connect SoCal Comments

Dear Mr. Ajise:

Due to concerns brought to our attention from several stakeholders and a number of jurisdictions, we are requesting more information and clarification on the Traffic Analysis Zones (TAZs) within the Connect SoCal plan. Specifically, we are looking for input from cities regarding conformity and land use control for current and future projects.

As members of Southern California Association of Governments (SCAG), we want to ensure the Connect SoCal plan is providing complete transparency and communication with its members and stakeholders. To date, we have not received any formal briefings or information specifically on how the Connect SoCal plan will affect our jurisdictions' general plans. While we have previously identified some inconsistencies within our own jurisdiction's TAZ level data in the past couple of months following SCAG's outreach effort after the May 7, 2020 Regional Council meeting, we have not received any feedback from SCAG staff to confirm that those issues were, in fact, resolved.

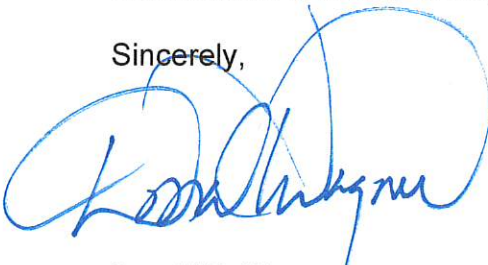
We are formally requesting that SCAG conduct a "General Plan and TAZ Map" outreach with every jurisdiction starting with the SCAG leadership and Board, followed by SCAG hosted briefings with each jurisdiction that is inclined to participate. We believe this information and communication is warranted and will help move the Connect SoCal plan forward in a positive, collaborative manner. We have identified the following areas to be addressed and clarified:

1. Assessment of the household/housing, employment, and population projections in the TAZ maps used to model the emission consequences of Connect SoCal and its intentions to create any recommended cap or limit on household/housing, employment, or population within the boundaries of the individual TAZs.
2. Clarification of the Connect SoCal plan and its official or intended role solely as an advisory and elective planning vision for consideration by other stakeholders or its more legal definition.

3. Clarification that the TAZ map projections do not constitute and may not be used or relied upon as the prescriptive "pattern" of future development for any purpose relating to the Regional Housing Needs Assessment (RHNA) process, General Plan amendment or approval process.
4. Update on how cities' and counties' General Plans and amendments on zoning designations will be able to accommodate the substantial new RHNA sixth cycle housing mandates.
5. Clarification of the required RHNA General Plan and zoning changes that will need to accommodate many more housing units and population growth than projected in the combined TAZs within the jurisdiction that could possibly exceed the total number of housing units and population growth assigned to that jurisdiction in Connect SoCal (Inconsistencies between the RTP/SCS and the RHNA).
6. Clarification of obligations to comply with state housing laws including RHNA, pertaining to jurisdictional and/or individual TAZ exceedances that result from city or county compliance with sixth cycle RHNA requirements.

We believe obtaining this information will help solve many of the questions and/or issues to ensure that local control of land use decision-making is not intended to be constrained or negatively impacted in any way by Connect SoCal. We support SCAG and appreciate the efforts this organization has made to support the SoCal plan. We look forward to a written response and will assist your office as needed.

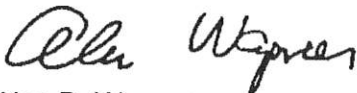
Sincerely,



Donald P. Wagner
County of Orange, Supervisor



Michael C. Carroll
SCAG Regional Council District 14 Representative



Alan D. Wapner
Past President of the
Southern California Association of Governments (SCAG)

Mr. Kome Ajise
August 20, 2020
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cc: O.C. Board of Supervisors
Rex Richardson, President, SCAG
Irvine City Council
John Russo, Irvine City Manager
Marianna Marysheva, Irvine Assistant City Manager
Marnie Primmer, O.C. Council of Governments Executive Director



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August 26, 2020

Hon. Michael C. Carrol
Vice Mayor
City of Irvine
1 Civic Center Plaza
Irvine, California 92606

Hon. Donald P. Wagner
Supervisor, Third District
County of Orange
333 W. Santa Ana Boulevard
Santa Ana, California 92701

Hon. Alan D. Wapner
Council Member
City of Ontario
303 East "B" Street
Ontario, California 91764

Subject: Comments from the City of Irvine, City of Ontario, and County of Orange on the 2020 Regional Transportation Plan/Sustainable Communities Strategy ("Connect SoCal")

Dear Regional Council Members Carroll, Wagner and Wapner:

Thank you for your letter dated August 20, 2020 in which you requested additional information and clarification on the Transportation Analysis Zones (TAZ)-level data related to Connect SoCal. Furthermore, you requested SCAG to conduct "General Plan and TAZ Map" outreach with SCAG leadership and the Regional Council, followed by SCAG-hosted briefings with each jurisdiction to address questions on the use of Connect SoCal's TAZ-level growth forecast for local general planning, including housing element and zoning updates as required by the Regional Housing Needs Assessment (RHNA) process. We are pleased to be able to provide this clarification and additional information.

During the delay caused by the Coronavirus Disease 2019 (COVID-19) pandemic, SCAG conducted additional outreach to jurisdictions to confirm general plan/entitlement information in the Connect SoCal growth forecast as directed by the Regional Council at the May 7, 2020 meeting. From this additional outreach, six jurisdictions requested revisions along these lines. SCAG confirmed those revisions earlier this month. Additionally, SCAG shared an update with local city managers and county administrators on these [revisions to the Connect SoCal growth forecast](#) and updated a broad group of stakeholders on [COVID-19 related outreach](#) earlier this month. These efforts were in preparation for consideration of Connect SoCal's full adoption by SCAG's Regional Council on September 3, 2020. We have also conferred with several stakeholders who raised similar concerns to yours; and, as a result, SCAG

will be including additional information and clarifications on the limitations of the TAZ-level growth forecast in the Connect SoCal staff report and recommended Resolution for consideration at the September 3, 2020 meetings of the Joint Policy Committees and Regional Council.

We anticipate that several of your questions will be addressed in the September 3, 2020 staff report, principally on the advisory and non-binding nature of this dataset. We will further clarify that local control of land use decision-making is not constrained or limited by Connect SoCal. Also, the Connect SoCal TAZ-level growth forecast does not constitute a prescriptive “pattern” of future development for General Plan or zoning code amendments (including intra-jurisdictional RHNA compliance and housing element updates), or for any individual project approval.

Since development of the Draft RHNA allocations must be coordinated with Connect SoCal, once the plan is adopted, the RHNA process will proceed. To the extent that implementation of Connect SoCal and/or the RHNA process raises additional concerns that have not been addressed to your satisfaction, staff is committed to conduct any requested outreach to resolve them.

We sincerely appreciate your raising these questions to help move the Connect SoCal plan forward in a positive and collaborative manner. Please do not hesitate to contact me directly should you require any additional information.

Sincerely,



Kome Ajise
Executive Director



Item 4: **ADU Ad Hoc Committee Update**
Recommended Action: Receive reports.

Reports

There are generally two major questions related to ADUs and RHNA this housing cycle: 1) How much ADU capacity can a jurisdiction claim? 2) What level of affordability can a jurisdiction assume for ADUs?

Over the past several months, HCD has made it very clear that they intend to allow jurisdictions determine ADU capacity based on one of three methods:

- 1) The average jurisdictional or regional ADU production since 2018 (in the SCAG region, this represents 4.4% of total new housing units).
- 2) Five times the jurisdictional or regional ADU production between 2013-2017 (in the SCAG region, this represents 2.4% of total new housing units).
- 3) Jurisdictions can establish a more aggressive capacity analysis supported by aggressive policies and programs to support the production of ADUs.

SCAG has been working with HCD to address the question of affordability at a regional level. On August 26, 2020, the ADU Ad Hoc Committee convened to discuss ways that the TAC might be able to support SCAG in their efforts to work with HCD on a regional ADU affordability analysis, which would potentially allow for jurisdictions to claim more RHNA credit from ADUs in their housing sites inventory. On August 27, 2020, SCAG received approval for a pre-certified affordability analysis for the SCAG region. This was presented at SCAG’s Housing Element Workshop on August 27. A copy of the presentation has been included as an attachment; however, all of the presentations from the Workshop will be available at: <http://scag.ca.gov/programs/Pages/Housing-Elements-2020.aspx>. As can be seen on slide 4 of the attachment, Orange County has been approved as a “safe harbor” option for jurisdictions to count ADUs as follows; however, jurisdictions are also able to propose their own affordability analysis to HCD for consideration:

- Extremely Low – 15%
- Very Low – 10%
- Low – 43%
- Moderate – 30%
- Above Moderate – 2%

Finally, HCD has stated on several occasions that they will also entertain a more aggressive counting of ADUs in the housing sites inventory with a more aggressive ADU policy and program strategy on a case by case basis.

Attachments:

- 1) 6th Cycle Housing Element Update Technical Assistance – ADU Affordability Analysis from SCAG’s August 27, 2020 Housing Element Workshop



6th Cycle Housing Element Update Technical Assistance – ADU Affordability Analysis

Meg Healy, Assistant Regional Planner
Compliance and Performance Monitoring
August 27, 2020

www.scag.ca.gov



SCAG ADU Affordability Analysis

- In order to use potential ADU development to be used toward RHNA allocations, local governments must provide an analysis of anticipated affordability levels
- SCAG conducted a regional analysis of current market rents that can be used to assign ADUs to income categories in Sixth Cycle Housing Elements



SCAG ADU Affordability Analysis

- There are myriad ways to conduct an affordability analysis of anticipated ADU rents
- SCAG's study surveyed market rents of 158 existing ADUs in the region
- Used key words such as "ADU," "in-law," "granny," and "detached guest studio" to identify units
- Local governments are encouraged to augment this survey of rental listings with their own data



Affordability Assumptions (pre-certified by HCD)

- Regional sample size: 158 units
- Range of rents: \$650 (Phelan) – \$4,800 (Mar Vista)
- Cost per square foot: \$1.29/sqft (Newport Beach) – \$6.17/sqft (Costa Mesa)

	LA County I	LA County II	Ventura County	Orange County	San Bernardino/Riverside Counties
Extremely Low	15%	15%	15%	15%	15%
Very Low	2%	9%	0%	10%	8%
Low	43%	45%	31%	43%	35%
Moderate	6%	2%	43%	30%	35%
Above Moderate	34%	30%	12%	2%	8%

- Note: LA County I includes City of Los Angeles, Las Virgenes–Malibu, South Bay Cities, and Westside Cities; LA County II includes all other LA County jurisdictions

ADU Affordability Analysis Process

1. Calculate maximum rent limits for RHNA income categories for both one-person and two-person households by county
2. Survey of ADU rents (sample size of 158 rental listings)
3. Determine proportion of ADUs within each income category for both one-person and two-person households
4. Make assumptions for what percentage of ADUs are rented for free based on existing literature and allocate those towards ELI
5. Combine rented and non-rented ADUs into single affordability breakdown by county

Step 1: Calculate maximum rent limits for RHNA income categories



- HCD and HUD develop income thresholds based on county and household size
- ADUs are generally suitable for 1 or 2 person households
- Median household incomes in Los Angeles and Orange counties lead the region, resulting in higher rent limits

Orange County Maximum Rent by RHNA Income Category					
Category	Income Range	One Person Household		Two Person Household	
		Income ¹	Max Rent ²	Income ¹	Max Rent ²
Extremely Low	Below 30% of area median income	\$26,950	\$674	\$30,800	\$770
Very Low	30%–50% of area median income	\$44,850	\$1,121	\$51,250	\$1,281
Low	50%–80% of area median income	\$71,750	\$1,794	\$82,000	\$2,050
Moderate	80%–120% of area median income	\$86,500	\$2,163	\$98,900	\$2,473
Above Moderate	Over 120% of area median income	No max	No max	No max	No max

¹)Maximum of income range multiplied by household median income average based on 2020 State income limits (<https://www.hcd.ca.gov/grants-funding/income-limits/state-and-federal-incomelimits/>)

Step 2: Survey of Rents

- SCAG sample size: 158 units covering 58 jurisdictions (i.e. what we were able to find)
- Sizes ranged from 175 sqft to 1605 sqft, with cost ranging from \$1.29/sqft to \$6.17/sqft
- Survey demonstrates ADUs offer relatively affordable rents, particularly in Los Angeles and Orange

County	Jurisdiction	General Location (As Listed)	Rent	Sq Ft	Price/S qft
Los Angeles	Palmdale	Palmdale	\$700		
Los Angeles	Los Angeles	West Hills	\$1,000		
Los Angeles	Los Angeles	Winnetka	\$1,000		
Los Angeles	Los Angeles County	Castaic	\$1,000	399	\$2.51
Los Angeles	Los Angeles	View Heights	\$1,050		
Los Angeles	Alhambra	Alhambra	\$1,070	375	\$2.85
Los Angeles	Los Angeles	West Los Angeles	\$1,200	200	\$6.00
Los Angeles	San Dimas	San Dimas	\$1,200		
Los Angeles	Los Angeles	Lake Balboa	\$1,300		
Los Angeles	Los Angeles	North Hollywood	\$1,300	400	\$3.25
Los Angeles	Sierra Madre	Sierra Madre	\$1,300	380	\$3.42
Los Angeles	Montebello	Montebello	\$1,300	300	\$4.33

Steps 3-5: Additional Assumptions

- How many people will occupy ADUs?
 - Data from Gebhardt, Gilden, and Kidron 2014
 - Suggests 51% are one-person, 49% are 2+ person
 - Assume 50/50

Number of Adults	Number of Households	Percent of Total
1	72	51%
2	61	43%
More than 2	8	6%
Total	141	100%

Based on 2018 survey of ADU residents in Portland

- How many ADUs are occupied rent-free?
 - Assumptions for non-rented ADUs relies on literature from the Bay Area and Portland, which conservatively estimate 15% of units are rented to family for free
 - Assume these are available to extremely low-income households

Orange County Affordability Assumption for All ADUs			
Category	Affordability Assumption for Rented ADUs ¹ 85% of Total	Affordability Assumption for Non-Rented ADUs ² 15% of Total	Affordability Assumption for all ADUs ³ 100% of Total
Extremely Low	0%	100%	15%
Very Low	11%	0%	9%
Low	58%	0%	49%
Moderate	25.5%	0%	22%
Above Moderate ²⁵	5.5%	0%	5%

- Combine to develop affordability assumption

ADU Affordability Assumptions

- SCAG’s analysis underscores the need for more comprehensive survey data and studies centered in Southern California
- With pre-certification from HCD, this study provides:
 - A “safe harbor” assumption for ADU affordability which can be used by local jurisdictions
 - A widely-understood methodology for calculating ADU affordability in a jurisdiction or subregion if additional rental data or information on other assumptions is available
 - A jurisdiction or subregion may develop alternative methodologies
- SCAG is exploring additional resources and studies that would further remove barriers for ADU production

Thank you!

Meg Healy

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AGENDA ITEM #5

Proposed Regional Early Action Planning Grant Program (REAP) Project List

SUMMARY

In anticipation of funding the Orange County Council of Governments (OCCOG) will receive from a sub-allocation of the Regional Early Action Program (REAP) grant funds approved by the Southern California Association of Governments (SCAG), OCCOG staff is presenting a draft list of projects for Board review and input.

The list of projects proposed takes into account both formal and informal input from OCCOG member jurisdictions and stakeholders, and is intended to support the preparation of housing elements, provide jurisdictions with support on multiple ways for implementation of updated housing-related laws, and support the development of housing for low- and very low-income residents, including permanent supportive housing for our most vulnerable populations. The list of proposed projects is intended to provide support to all OCCOG member jurisdictions by offering a menu of options for OCCOG member jurisdictions to access services and tools depending on their unique needs. Not all projects will be relevant to all jurisdictions, but it is our intent that the projects proposed be accessible to all OCCOG members.

Working closely with the TAC and the OCCOG Executive Management Committee (EMC), OCCOG will prepare RFPs for consultant support for the projects listed in Attachment A, with the intent to release RFPs and be prepared to start work as soon as possible upon the Notice to Proceed (NTP) from SCAG. OCCOG will have access to approximately \$200,000 starting September 17, 2020, and the full amount of our REAP funding allocation, approximately \$3,000,000 in February 2021.

BACKGROUND

At the March 5, 2020 Southern California Association of Governments meeting, the Regional Council approved the \$23.6M in funding from the REAP to the 15 designated SCAG sub-regions consistent with the allocation shares of new housing units from the Regional Housing Needs Assessment (RHNA). Funding from the REAP is provided by [AB 101](#), which also specifies how the funds must be used and the deadline for funds to be expended.

Based on SCAG's regional determination and the apportionment of housing units to Orange County from the RHNA methodology, SCAG staff has indicated that the OCCOG sub-region will receive approximately \$3.2M in funding via the REAP grant program sub-allocation.



SCAG is working with the sub-regions, including OCCOG, to identify projects, activities, and programs that will lead to more housing production, and have value for our member jurisdictions.

SCAG's draft Program Guidelines indicate that funding will be provided on a reimbursement basis unless special arrangements are made. The size of the REAP program and amount of funding being made available are beyond the ability of OCCOG's budget to support in a reimbursable manner. Therefore, OCCOG will be working with SCAG on the mechanism for funding that will work best for our sub-region. SCAG staff has indicated that they are open to directly paying invoices for project vendors submitted to and approved by the OCCOG for activities that have been approved by SCAG. OCCOG staff will return to the Board, hopefully as early as October 2020, with a draft Memorandum of Understanding (MOU) with SCAG to codify the relationship and ensure a timely turnaround for invoices, as well as OCCOG compliance with all grant program administrative requirements.

Since April 2020, OCCOG staff has worked closely with the OCCOG Technical Advisory Committee (TAC), the OCCOG ADU Working Group, OCCOG Executive Management Committee (EMC), OCCOG ex-officio partners, the Orange County City Managers Association (OCCMA), and the County of Orange, as well as SCAG staff, to develop a draft plan for using the funds provided via the SCAG Regional Council's February action. It has always been OCCOG's intent to make our proposed project list as inclusive of possible and, as a regional program, to deliver value to our member jurisdictions and partners.

At the August 4, 2020 Technical Advisory Committee (TAC), OCCOG staff presented a refined list of proposed projects for feedback, and was requested to develop a formal survey mechanism. The survey was shared broadly and OCCOG received 34 responses to the survey, representing 27 different OCCOG jurisdictions, three ex-officio partners, and the County of Orange. The survey responses are attached for your review.

Subsequent to the TAC meeting, OCCOG staff corresponded and met multiple times with SCAG staff, and have received the Draft REAP Program Guidelines, which will guide our application to SCAG for funding for the projects approved by the Board. Importantly, both the Department of Housing and Community Development and Notice of Funding Availability (NOFA) and the SCAG REAP Program Guidelines prohibit the direct allocation of funding to local jurisdictions.

As a consequence of the feedback, and affirmation from SCAG that direct funding allocations to jurisdictions are not an option, OCCOG has refined the list of projects to focus on three main areas of support: housing production planning support, housing trust support, and RHNA support. OCCOG has adjusted the proposed funding allocations to be able to execute each project, meet REAP program deadlines, and ensure that deliverables are produced.



Attachment A provides a summary of the proposed projects and funding. More details, including projected deliverables are below:

HOUSING PRODUCTION PLANNING SUPPORT (\$210,000)

NEW! Model Ordinance Development (\$50,000)

Based on suggestions received from survey respondents, OCCOG has added an additional proposed project to support jurisdictions as they navigate myriad new housing laws to ensure local ordinances are compliant, or to assist jurisdictions to develop model local ordinances intended to hasten housing production. Examples could include:

- Motel Conversions
- Inclusionary Zoning
- ADUs
- Other

Housing Production Collateral Materials Development (\$10,000)

With input from the OCCOG TAC and EMC, produce “ADU How-To” manual (to be printed by jurisdictions) to communicate with residents interested in building ADUs. Deliverables: 1) Detailed “ADU How-To” manual that residents can use when exploring whether they want to build an ADU/JADU. Topics may include eligibility requirements, FAQs, checklist, contact information, resources, etc. 2) Single page grab-and-go “ADU How-To” handout with information on ADU resources. 3) Other housing-related informational materials as required.

Pre-Approved ADU Designs/Plans (\$100,000)

Working through OCCOG TAC and/or an ad hoc committee, develop a scope of services and seek proposals via an RFP process. Provide approximately 5 pre-approved design plans for ADUs that residents can select to expedite their application for building an ADU and lower their costs to build the ADU.

Public Engagement (0)

Based on feedback from the survey, OCCOG is proposing to remove this project from further consideration.

ADU How-To Website (\$25,000)

Create a robust interactive “ADU How-To” website similar to <https://napasonomaadu.org> or <https://secondunitcentersmc.org> for Orange County.



Housing Videos (\$25,000)

Create 10-12 90-second videos to help residents demystify housing policy and learn about ADUs. Smaller “snackable” length snippets can be used for social media and OCCOG e-news. Proposed videos were presented to the Board at the [May 28, 2020 board meeting](#).

RHNA Support (\$2,000,000)

Staff Augmentation (\$750,000)

Provide jurisdictions access to a bench of consultants for staff augmentation. OCCOG will work closely with the TAC to develop a scope of services and will request TAC participation in consultant selection, once the Board has approved the release of the RFP. Types of consulting services could include, but is not limited to:

- Support housing element preparation including site selection and rezoning
- Additional planning counter staff to help expedite housing permits
- Public engagement
- Provide support to residents for ADUs
- Update Local Coastal Plans related to housing and the 6th cycle
- Infrastructure planning that prioritizes infill development

Countywide GIS-based Site Selection Support (\$800,000)

Online tool for jurisdictions to identify RHNA-compliant housing sites. Includes overlays to assist jurisdictions to determine the most efficient locations to site housing, such as those with lowest per capita vehicle miles traveled and highest access to transit, jobs and other opportunities, as well as quantifying parking impacts, and impacts to disadvantaged communities. OCCOG understands that this tool is most impactful if it is developed quickly, and staff intends to bring forward an RFP for Board approval at our September 2020 Board meeting.

Housing Site Planning Visualization Tool (\$450,000)

Web-based tool for visualizing opportunities for site development and enhancing public communication. The tool will use the information from the GIS-based tool but then add detail, allowing residents, developers and decision-makers to see the nature of a proposed development earlier in the process than is currently standard practice. OCCOG intends to work with the TAC to develop an application for jurisdictions who wish to make use of this service.

Support for OC Housing Trusts (\$987,000)

There was strong support to provide funding to the Orange County housing trusts with 54% of survey respondents indicating this was one of their top three REAP funding priorities. In



extensive conversations with the County of Orange, OCCMA, the ACC-OC Housing Committee, OCCOG EMC and TAC, and others, OCCOG staff heard wide support for this concept, especially if it could offset needed financial support from local jurisdictions.

Based on discussions with the housing trusts and with SCAG staff, as well as OCCOG member jurisdictions and the County of Orange, OCCOG is proposing tailored support for each of Orange County's two housing trusts. Orange County Housing Trust is requesting support for their strategic planning activities and efforts to become certified by the Department of Treasury as a Community Development Entity and subsequently a Community Development Financial Institution. In contrast, the Orange County Housing Finance Trust is requesting that OCCOG use REAP program dollars to fund their operations for the next two years. This request would require a modification to SCAG's proposed REAP Program Guidelines. See Attachments B and C for a more detailed outline of the request for support from each trust.

How OCCOG Plans to Implement the REAP Program

As we have throughout the development of the project list, OCCOG will continue to work closely with our members in implementing the REAP program. It has been several years since OCCOG has had the opportunity to administer a project as complex as the REAP program. It is important that we meet all program guidelines in our application process, follow all procurement protocols, and use project management best practices. It is also important that we maintain an open and transparent process for how we are administering the projects and communicate effectively with member jurisdictions about how they can benefit from REAP projects. For this reason, OCCOG staff plans monthly updates to the TAC and EMC, and will continue to seek input and guidance from the Board. The REAP program will allow OCCOG to demonstrate operational efficiency, deliver value to our members, and support housing production in Orange County.

Additional information about the REAP can be found on the Housing and Community development (HCD) website at the following URL: <https://www.hcd.ca.gov/grants-funding/active-funding/reap.shtml - activities>

Information about the SCAG Regional Council Action is found here: http://www.scag.ca.gov/committees/CommitteeDocLibrary/EAC_fullagn030520.pdf



RECOMMENDED ACTION

Approve the list of projects for OCCOG to submit to SCAG for funding under the REAP grant program, as presented or amended. Approve letter to SCAG regarding requested changes for the REAP Program Guidelines. Direct staff to begin work on the Memorandum of Understanding with SCAG regarding the REAP grant program. Direct staff to prepare OCCOG's REAP application(s), Scopes of Work, and Requests for Proposals immediately upon the opening of the application period September 17, 2020, in consultation with the TAC and under direction of the Executive Management Committee, with the understanding that staff will return to the Board for approval of same as expeditiously as possible.

ATTACHMENTS

- A. DRAFT List of proposed REAP projects for OCCOG sub-region.
- B. Proposal from Orange County Housing Trust (OCHT)
- C. Proposal from Orange County Housing Finance Trust (OCHFT)
- D. OCCOG REAP Project List Survey Responses
- E. DRAFT letter to SCAG with requested changes to DRAFT REAP Program Guidelines
- F. DRAFT SCAG REAP Program Guidelines

STAFF CONTACT

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Orange County Council of Governments

Orange County Council of Governments (OCCOG)
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Irvine, CA 92606

info@occog.com

August 27, 2020

Ms. Ma'Ayn Johnson
Southern California Association of Governments

Sent email only to johnson@scag.ca.gov

Subject: OCCOG Comments on Draft Regional Early Action Planning Grant Program Guidelines

Dear Ma'Ayn,

Thank for you for providing the Orange County Council of Governments with the opportunity to review and comment on the draft Regional Early Action Planning (REAP) Grant Program Guidelines. This important funding source will enable OCCOG to provide much needed support to our member jurisdictions as they work towards updating their housing elements and seek to bring more housing to Orange County.

Attached you will find detailed comments from OCCOG regarding the draft document you provided. I wanted to call your attention to our top three issues for your consideration:

1. **Broader support for Housing Trusts.** As you are aware, Orange County has two housing trusts that are working diligently to bring more housing for low- and very low-income residents, as well as permanent supportive housing, to support our most vulnerable population. In our recent survey of our members, 54% of our respondents ranked support for our housing trusts as a top priority for use of OCCOG's REAP funding. OCCOG encourages SCAG to add an additional eligible activity to support housing trusts to include their operational activities, which are geared by their very nature to support the goals of the REAP program. For greater detail on this request, please see the letter provided by Adam Eliason of the Orange County Housing Trust, attached.
2. **Align reimbursement dates for eligible activities with HCD's NOFA.** OCCOG understands that SCAG will be administering this REAP sub-allocation program and that you have discretion over the terms and expectations for the program. However, the Department of Housing and Community Development (HCD) in its Notice of Funding Availability (NOFA) provided guidelines about the start date for project eligibility and the requirements for when all projects must be complete and documentation provided. Thus, OCCOG urges SCAG to align your milestones and dates of project eligibility for reimbursement with HCD's NOFA, and projects should be eligible for reimbursement on October 1, 2019. SCAG should accept invoices through July 31, 2023 to allow work to complete by June 30, 2023.
3. **Clarity of Requirements.** OCCOG appreciated SCAG's willingness to work with your sub-regions to develop the REAP sub-allocation program. We understand that before SCAG will



approve an application from a sub-region for a project(s) that we must enter into a Memorandum of Understanding (MOU) with SCAG regarding the REAP Program. The draft guidelines indicate that SCAG will begin accepting applications on September 17, 2020. When will SCAG make the MOU available for sub-regions to review? For us to be successful, we will require as much detail as SCAG can provide regarding reporting requirements and documentation as early in the process as possible. We have asked several clarifying questions in the attached draft guidelines feedback, and I want to especially call out these items;

- a. How will jurisdictions need to document the work of employees related to REAP?
- b. Will projects be eligible to be funded from Phase 1 and 2 funds? Will separate applications be required for each Phase or is a single application acceptable?
- c. Will OCCOG be required to enter into a binding partnership agreement with non-member jurisdictions who wish to access projects under our REAP program? If so, could SCAG provide a template for such agreements to ensure it meets SCAG's standards.

OCCOG looks forward to partnering with SCAG to deliver the program of projects that have been approved by the OCCOG Board of Directors August 27, 2020. The list of projects is attached for your reference. We will continue to work closely with SCAG staff to submit our applications as expeditiously as possible and to manage the program of projects according to the requirements set up by SCAG for procurement, management, accounting, and reporting. If you have any questions or concerns regarding this matter please do not hesitate to contact me at marnie@occog.com or 949-698-2856.

Sincerely,
Orange County Council of Governments

Marnie O. Primmer
Executive Director

- Encl:
- i. Draft REAP Program Guidelines, annotated
 - ii. Letter from Orange County Housing Finance Trust
 - iii. List of approved OCCOG REAP projects

Cc: OCCOG Board of Directors
Kome Ajise, SCAG
file

Regional Early Action Planning (REAP) Subregional Partnership Program Guidelines

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REAP Subregional Partnership Program Guidelines

Section 1

Program Objectives

The Regional Early Action Program (REAP) Subregional Partnership Program is intended to increase planning to accelerate housing production throughout the SCAG region, increasing housing supply to meet the sixth cycle regional housing needs assessment (RHNA), and have a net-positive effect on housing supply by increasing housing planning. The Subregional Partnership program has been designed to augment and complement funds that are awarded to jurisdictions by the California Department of Housing and Community Development (HCD) pursuant to Senate Bill 2 Planning Grants and the Local Early Action Program (LEAP).

Additional objectives for the Subregional Partnership Program were developed from SCAG's program framework for REAP funding, as reviewed by the Regional Council at its October 3, 2019 meeting. These objectives include:

- Align resources with allocation methodology for the 6th Cycle of RHNA to support local jurisdictions in addressing identified housing needs,
- Advance Connect SoCal sustainable development goals including supporting local jurisdictions in promoting housing in priority growth areas to increase access to jobs and transit and reduce environmental impacts,
- Maximize funding allocations by providing technical assistance and capacity building necessary to support local agencies in applying for and expending program resources, and
- Direct resources toward programs and activities that complement and increase the competitiveness of the SCAG region for other funding programs, including by increasing the number of jurisdictions that are designated by HCD as "pro-housing", pursuant to AB (Assembly Bill) 101 (2019), qualifying them to receive additional points in the scoring of program applications for housing and infrastructure programs pursuant to guidelines adopted by HCD.
- Build longer term capacity at SCAG and in the region to address housing issues, including by:
 - Facilitating compliance with state housing law
 - Defining a sustainable role for SCAG that marries housing with transportation objectives
 - Strengthening regional/sub-regional partnerships, collaborations and funding models
 - Establishing regional/subregional vision as basis for future funding

Based on these broader objectives, the Southern California REAP program aims to align investment in housing planning and production with the RHNA allocation while building subregional capacity to coordinate these goals. The emphasis on subregional partnerships is integral to this program area of REAP funding. While other programs provide technical assistance directly to local jurisdictions and other stakeholders, this program relies on subregional partnerships to encourage a cross-jurisdiction approach to the housing crisis while considering local needs and opportunities. This subregional partnership approach creates a means for local efforts to align with SCAG's regional plans and implement the broader goals of the Connect SoCal Plan.

Section 2

Background

The REAP is one of two one-time planning programs enacted with the State 2019-20 Budget Act. The LEAP (Local Early Action Program) program is a formula grant program cities and counties are eligible for based on population size.¹ Councils of government (COGs) such as SCAG are eligible for REAP program awards of planning funds of fixed amounts for planning activities that will accelerate housing production and facilitate compliance in implementing a jurisdiction's 6th cycle Regional Housing Needs Assessment (RHNA).

The REAP program authorizes subregional partnerships and encourages inter-governmental collaboration on projects that have a broader regional impact on housing. SCAG is eligible to administer \$47 million in REAP funding for activities to support local governments and stakeholders in housing planning. SCAG intends to administer the REAP funds through a combination of direct technical assistance, including housing element data components and policy assessments, subregional partnerships, community-based partnership grants in collaboration with philanthropic organizations, and Sustainable Communities Strategy Integration competitive grants to local jurisdictions or entities serving single or multiple jurisdictions.

Of the \$47 million SCAG is eligible for, up to 50 percent of this amount will be allocated, or approximately \$23 million, to fund subregional partnership projects. Qualifying projects will be authorized by SCAG subsequent to a consultation and application process. Funds are available on a reimbursement basis, requiring completed contractual deliverables. For the most part, approved projects and activities will be reimbursed directly by SCAG.

The planning activities are required to accommodate the development of housing and supportive infrastructure that will accelerate housing production in a way that aligns with state planning priorities, housing, transportation, equity, and climate goals and regional priorities.

¹ As of this writing LEAP applications are due January 31, 2021 and will not be available for applications after that date.

Section 3

3a. Eligible Applicants/ Sub-Allocation Methodology

Eligible applicants for Subregional Partnership Program funding are limited to agencies designated as subregions under this program. While most of SCAG's fifteen defined subregional entities are considered as subregions for this program, several jurisdictions have membership in more than one subregion. Additionally, several jurisdictions span more than one subregion. To address these unique circumstances, the designated subregions and thus eligible program applicants are:

Coachella Valley Association of Governments	Orange County COG (Council of Governments)
Gateway Cities 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	Ventura COG
County of Riverside	Westside Cities COG
North Los Angeles County	Western Riverside COG

Except for the entities listed above, funding will not be made available directly to local jurisdictions for this program. A full list of subregional assignment by jurisdiction for this program is included in attachment 3.

Based on the Regional Council action of March 5, 2020, approximately \$23,736,000 of REAP funds available to SCAG can support local partnerships implementing eligible activities, leveraging SB 2 Planning Grants and local LEAP funds where appropriate. The amount of funding allocated to each subregional applicant will be determined by the subregion's total share of regional housing need, as determined by the RHNA allocation scheduled for adoption in early 2021.

Funding for each subregional partner is non-competitive and will be based on the adopted final RHNA allocation. While the final RHNA allocation will not be available until early 2021, below is the estimated amount of funding available to each subregion based on the estimated RHNA allocation from the RHNA methodology, which was adopted by the SCAG Regional Council in March 2020. The amounts in the table are subject to change based on the completion of the RHNA process, which includes the release of the Draft RHNA allocation in September 2020 and the RHNA appeals process, which will occur in Fall 2020. To ensure that Subregional Program projects are sufficient to augment LEAP and SB 2 activities, the minimum amount per subregional partner will be set to \$100,000.

If a jurisdiction elects not to participate with its suggested subregional partner (see attachment 3), the funding allocation for that jurisdiction will be subtracted from the total amount available to the subregional partner. However, unless the partner is identified in this section, funding will not be provided directly to individual jurisdictions. Remaining funds due to the non-participation of a jurisdiction with a subregional partner or unencumbered by a subregion after the application deadline will be used to fund other REAP programs by SCAG.

A list of each subregional partner's estimated sub-allocation from this program is included in attachment 3.

3b. Eligible Recipients

Funding recipients can be different than the subregional applicants. Subregional partnerships should include projects benefiting multiple jurisdictions within each subregion and can contractually include administrative and additional participating entities eligible for Partnership Agreements. Partnership agreements may be used with one or more local governments or other forms of government, or other entities where the project will be a planning document designed to have a direct effect on housing-related land-use or development within the participating localities. This includes, but is not limited to, partnerships with 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. Applicants forming partnerships must submit a legally binding agreement between the partners. Such partnerships are encouraged where funds can be aggregated or leveraged for more cost-efficient use and benefit addressing inter-jurisdictional common needs.

3c. Eligible uses and activities

Projects funded by the Subregional Partnership Program must be used for housing planning activities and must create a net-positive effect on housing supply. In alignment with the HCD-issued REAP notice of funding availability (NOFA):


1. Projects must be housing planning and processes and associated environmental certification activities, which can include, for example, general plan element updates triggered by housing element update or housing program design but excludes planning for individual development projects or their operational costs. Climate Action Plans, Environmental Impact Reports (EIR), and other related documents are considered indirect planning activities and to qualify, must demonstrate a clear nexus to housing plans that are designed to result in housing production. All deliverables, including EIRs (Environmental Impact Reports), must be completed by the end of the project period, or June 30, 2023.
2. Activities with components such as housing preservation or anti-displacement strategies must be in conjunction with incentivizing new housing development or other programs that result in a net-positive effect on housing supply.
3. Projects should align with State and regional planning priorities, housing, transportation, equity, and climate goals. The key policies of Connect SoCal constitute SCAG's regional planning priorities (see attachment 2)
4. Projects and activities must have a clear and demonstrable completed deliverable, such as an adopted housing planning document, adoption of a policy or program, or housing units produced or permits processed. While feasibility studies and other types of housing-related analysis can be components of eligible projects, there must be an expected outcome or result, such as an adopted inclusionary zoning ordinance, specific plan, or other regulatory document.

Potential housing planning projects proposed under the Subregional Partnership program can include, but are not limited to:

- Technical Assistance via temporary staffing for local government process(es)
- Other Technical Assistance improving housing permitting and planning
- General plan element(s) updates (including housing elements)
- Local Coastal Plan amendments
- New or amended zoning ordinances (including rezoning)
- Development of policies promoting ADUs (Accessory Dwelling Units) or other innovative building strategies
- Development of objective design & development standards supporting by-right development
- Infrastructure Planning supporting additional housing
- Affordable housing preservation programs in conjunction with promoting new housing construction
- Development of pre-approved architectural & site plans
- Planning document promoting development of publicly owned land for housing, including Surplus property
- Fee reduction strategies
- Data collection on permit tracking, feasibility studies, site analysis, or other background studies ancillary that will result in an adopted policy, plan, or program to accelerate housing production
- Feasibility studies supporting efficient housing siting
- Other Pro-housing activities,
- Establishing a new regional or countywide housing trust fund for affordable housing: an adopted strategy for the legal development and operational plan for a new housing trust fund supporting affordable housing development with services to be available at least countywide; or an adopted financing or operational plan or policy guidelines for a housing trust fund which has been legally established for two years or less. The implementation period for either plan should be within the housing element update cycle.
- A Financial Incentive Plan for Affordable Housing Development – an adopted set of policies and procedures and implementation strategy for deploying existing financial resources, or targeting and securing new financial resources supporting provision of housing affordable to low or moderate income households; to be implemented within the housing element update cycle; can be an activity related to a countywide or regional housing trust fund

Projects eligible for funding under this Program must result in a deliverable, such as a policy or program, that will help to accelerate housing production. Eligibility of a project in the published REAP NOFA does not automatically mean the application will be accepted by SCAG. To apply for project funding, the applicant will be required to demonstrate a specific deliverable or adopted program designed to result in the acceleration of housing production.

- *Indirect activities:* Some proposed activities and projects may be indirectly related to housing production. Climate Action Plans, environmental impact reports (EIR), supporting infrastructure plans, and other related activities are considered indirect to housing production. Such projects must demonstrate a strong nexus to housing production.

- *Staffing activities:* Temporary staff support to manage and implement eligible activities is an eligible activity provided incurred from additional staffing must involve work on eligible 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 


3d. Ineligible Activities

- Activities unrelated to accelerating housing production
- Activities unrelated to preparation and adoption of planning documents, and process improvements to accelerate housing
- 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;
- Capital financing, operation or funding related to programs of individual housing development projects; and
- 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.

Section 4

4a. Application

To apply for project funding, subregional partners will be required to submit a Subregional Partnership Program application (attachment 1). The application will require information on proposed projects and activities, key tasks and deliverables, estimated costs, and identification of the implementing agency for each project and activity. It will also require details regarding the projects' nexus to housing production, alignment with SCAG regional priorities, status of LEAP applications for local jurisdiction  and progress toward housing element implementation. Applicants must receive approval o Applications will be reviewed by SCAG staff on an ongoing basis and will be assessed on activity eligibility, nexus to housing production, alignment with REAP program objectives and SCAG regional priorities², status of LEAP applications for local jurisdictions, and progress toward housing element implementation. r authorization by the applicant's decision-making body on the portfolio of projects prior to submittal to SCAG.

The first filing date for applications is September 17, 2020 and all applications must be submitted to SCAG by December 1, 2020. Projects that do not meet the assessment criteria cannot be funded under this program, however the subregional partner may revise their project scope to meet these criteria and resubmit their application. SCAG staff intends to evaluate applications with a decision made within 21 days of receipt.

² Per the published February 27, 2020 REAP NOFA, "Suballocation of moneys directly and equitably to jurisdictions or other subregional entities in the form of grants for planning that will accommodate the development of housing and infrastructure that will accelerate housing production in a way that aligns with state planning priorities, housing, transportation, equity, and climate goals."

4b. Assessment Criteria

To further the objectives of REAP, SCAG will be evaluating submitted projects using the following assessment criteria:

- Prioritization of eligible activities
- Nexus to accelerating housing production
- Alignment with SCAG regional priorities

Prioritization of eligible activities

Activities proposed for funding must qualify as an eligible activity for REAP funding as described by the published REAP NOFA and the corresponding section of these guidelines. SCAG encourages applicants to evaluate the priorities of local jurisdictions, particularly in three main areas: (1) Housing element update preparation; (2) Temporary staffing for housing element preparation and other eligible activities, and; (3) Activities related to accessory dwelling units to prepare and implement housing elements. Projects and activities that align with these three main areas are highly encouraged, particularly in subregions where resources to achieve them is limited.

Nexus to accelerating housing production

Projects and activities that are outside of these areas will be further evaluated on their nexus to housing production and alignment with SCAG regional priorities. All REAP activities must accelerate housing production by demonstrating an outcome that achieves this. Examples of outcomes include the adoption of policies or plans that remove barriers to housing production or increase residential capacity, an increase in affordable housing units to existing housing stock, and measured time saved from streamlining a development process. Submitted projects must clearly describe expected outcomes that will result in accelerating housing production. As part of the evaluation process, SCAG will evaluate the project's expected outcome and feasibility in achieving these goals.

Alignment with SCAG regional priorities

To coordinate SCAG's regional planning goals with REAP objectives, applicants will be required to describe how the specified project or activity aligns and advances the priorities of the adopted Connect SoCal Plan. A full list of Connect SoCal Plan and SCAG Housing Program objectives is attached to these guidelines.

Applications for ineligible activities or projects or that do not meet the above criteria will not be accepted. However, applicants may resubmit applications for previously reviewed projects to address feedback from SCAG. Applications will be accepted on an ongoing basis until the December 1, 2020 deadline.

Section 5

5a. Implementing Agencies

Eligible applicants are not required to serve as the implementing agency of the program projects and activities for which it has applied for funding. Applicants 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 sub-contracting 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 will take on this implementation role.


5b. Administrative fee


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 project invoices, processing project invoices, 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.

5c. Expenditure period

Per the requirements of AB 101, all funds distributed under REAP must be expended by December 31, 2023. In order to meet this deadline and receive reimbursement in alignment with REAP guidelines, SCAG will require that all invoices associated with the Subregional Partnership Program be submitted to SCAG no later than June 30, 2023. Invoices received by SCAG after this date cannot be guaranteed for reimbursement by SCAG. 

Advance Funding ("Phase 1")

For the first phase of the program, a maximum of \$200,000 will be available for each subregional partner until an agreement for the remainder of REAP funds from HCD is signed by SCAG, after which the remaining allocated amount will be available for subregional projects.  An exception will be made for the City of Los Angeles, which is eligible to receive \$300,000 in advance funding for projects. Subregional partners that have an estimated allocation smaller than \$200,000 will have their full allocation made available during the initial application period.

Due to the limited amount of funding available for subregional projects at the time of the filing start date in September 2020, applicants will be requested to prioritize projects for funding in their respective applications. It is encouraged to prioritize projects and activities that are intended to prepare or assist in the preparation of housing elements due to the October 2021 statutory deadline for housing element adoption. 

Remaining Available Funding ("Phase 2")

The remainder of Subregional Partnership Program funds outside of Phase 1 advance funding will be made available for projects and activities after SCAG receives its remaining REAP funding amount from HCD, which will most likely occur in February or March 2021. Subregional partners may submit multiple applications through the final due date for eligible projects and activities until they have reached their estimated allocation threshold based on the draft RHNA allocation. Awards outside of the initial Phase 1 amount are conditional until the final RHNA allocation is adopted and an agreement is signed with HCD for the remaining REAP funding. All applications for project funding are due to SCAG by December 1, 2020. Remaining funds due to the non-participation of a jurisdiction with a subregional partner or unencumbered by a subregion after the application deadline will be used to fund other REAP programs by SCAG.

Applicants may combine projects and activities into one application if they identify which projects will be funded under Phase 1 and Phase 2. SCAG will prioritize evaluation of phase 1 projects though they may also approve Phase 2 projects with the condition of funding availability. Costs incurred for a Phase 2 project prior to a signed agreement between HCD and SCAG for full REAP funding may not be eligible for reimbursement.


5d. Reimbursement

All projects must submit invoices to SCAG on a monthly basis to receive reimbursement. Invoices must follow the requirements set forth in the Subregional Partnership contract and SCAG's regular invoicing procedures. 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.

SCAG will provide reimbursement only for costs as specified in the signed agreement(s) with the subregional partner. Costs incurred prior to the September 3, 2020 Regional Council approval of the Subregional Partnership Program guidelines will not be reimbursed. For costs incurred in between the guidelines approval and before an agreement for Phase 1 projects is signed between SCAG and the subregional partner, SCAG will only reimburse costs specifically associated with program development, such as preparation of the program application, 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 in order to ensure that activities receive appropriate reimbursement.

Section 6

6a. Reporting Requirements

Consistent with SCAG's Overall Work Program reporting procedures, each subregional partner will be required to provide a quarterly progress report 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 

6b. Metrics

All REAP activities must be designed to have a net-positive effect on housing supply. The applications and final invoice submitted to SCAG must include proposed metrics and a short description of how the funded activities have had an impact on housing supply and/or accelerated housing production within the subregional area. Quantitative metrics can include a summary of building permits, certificates of occupancy, or other completed entitlements issued by jurisdictions within the subregion, a summary of zoning ordinances that have been updated or streamlined and their effect, and/or the average decrease in time for the issuance of residential permits. Metrics are not limited to this list and may be customized according to the specific activity.

Section 7

7a. Technical assistance

SCAG will provide technical assistance to subregional partners starting in Fall 2020 through June 2023. Technical assistance will be available to help subregional partners prioritize activities and augment or compliment the planned LEAP activities and complete the application and contracting process. After the start of subregional partnership projects, SCAG will also retain an external consultant to assist jurisdictions on an on-call basis to link projects to ongoing SB 2 and LEAP projects, along with assisting with invoicing and reporting. All technical assistance will be coordinated with the technical assistance provided by HCD for SB 2 and LEAP grants.

7b. Timeline

- June 9 and 17, 2020: Subregional partner listening sessions
- June 2020: Survey conducted with subregions on project administration capacity and needs
- July-August 2020: SCAG staff held consultation meetings with subregional partners to follow up on submitted surveys and eligible activities.
- September 3, 2020: Regional council adoption of Subregional Partnership Program guidelines
- September 17, 2020: Application for REAP Subregional Partnership Program with prioritized projects from subregions due to SCAG
- October/November 2020: Initial subregional partnership agreements completed; start of subregional partnership projects
- December 1, 2020: Final application and list of prioritized projects from subregions due to SCAG by this date
- February 4, 2021: Adoption of final RHNA allocation
- October 15, 2021: Housing elements due to HCD
- June 30, 2023: All REAP projects and activities must be completed; final activity reports due to SCAG; final project invoices due to SCAG

List of Attachments

- (1) REAP Subregional Partnership Program Application
- (2) SCAG Regional Planning Priorities and Housing Program Framework and Objectives
- (3) List of Subregional Partners and Jurisdictions

Attachment 1: Application

Regional Early Action Planning (REAP) Grant Subregional Partnership Program

Application for Project and Activity Funding

Program Objectives

The Regional Early Action Program (REAP) Subregional Partnership Program is intended to help accelerate housing production throughout the SCAG region and have a net-positive effect on housing supply by increasing housing planning, meeting the sixth cycle regional housing needs assessment (RHNA). The Subregional Partnership program has been designed to augment and complement funds that are awarded to jurisdictions by the California Department of Housing and Community Development (HCD) pursuant to SB (Senate Bill) 2 Planning Grants and the Local Early Action Program (LEAP).

Approximately \$23 million is available to fund subregional partnership projects. The REAP funds are available on a reimbursement basis, requiring completed contractual deliverables.

The planning activities are to accommodate the development of housing and infrastructure that will accelerate housing production in a way that aligns with state planning priorities, housing, transportation, equity, and climate goals and regional priorities.

Please refer to the Subregional Partnership Program guidelines for more information about this program, along with requirements for project funding, applicants, and other important information.

Questions about REAP and the Subregional Partnership Program can be submitted to Ma'Ayn Johnson, Housing Program Manager, at johnson@scag.ca.gov.

Application

All subregional partners requesting project or activity funding must submit a program application. Applications may be filed starting September 17, 2020. All applications are due to SCAG no later than December 1, 2020. Subregional partners may submit more than one application for different projects and activities during this time period.

Applications should be submitted to: Ma'Ayn Johnson, Housing Program Manager, at johnson@scag.ca.gov.

Regional Early Action Planning (REAP) Grant Subregional Partnership Program

Application for Project and Activity Funding

Date	
Applicant (subregional partner)	
Authorized representative name	
Authorized representative title	
Authorized representative address	
Contact person name	
Contact person title	
Contact person email	

Projects and Activities

Please list the projects and activities the applicant is requesting funding for and how much funding will be required for Phase 1 and Phase 2 REAP funding:

	Project/Activity Name	Phase 1 funding	Phase 2 funding
1			
2			
3			
4			
5			
6			

Total funding amount requested in this application	\$
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Individual Project/Activity Information

Using the list of projects/activities in the above section, please provide more information about each one listed. Use additional pages if needed.

1	
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Estimated cost	
Expected start date	
Expected end date	
Does this project require the procurement of a consultant?	<input type="checkbox"/> yes <input type="checkbox"/> no
Agency expected to procure consultant	<input type="checkbox"/> subregional partner <input type="checkbox"/> SCAG <input type="checkbox"/> Other, please specify:
Agency expected to administer or implement project or activity*	<input type="checkbox"/> subregional partner <input type="checkbox"/> SCAG <input type="checkbox"/> Other, please specify:
Which agency will be directly paying consultant invoices?	<input type="checkbox"/> subregional partner (SCAG will reimburse the subregional partner) <input type="checkbox"/> SCAG

*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.

For each project and activity listed, please provide more details about the project or activity, including

- Brief Description of project Key deliverables and tasks, proposed performance indicators
- Nexus to housing production
- Expected outcome of project or activity (i.e., plans for adoption or implementation)
- Related Tasks that will be funded from other funding sources besides REAP (e.g., LEAP, SB 2) and the amount

1	
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Alignment with SCAG Connect SoCal regional priorities (refer to Program Guidelines and attachment)

Please describe below how the project or activity aligns and advances Connect SoCal and Housing Program regional priorities and framework



1	
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Project/Activity Tasks

Task	Estimated cost	Begin date	End date	Deliverable
Total projected cost	\$			

Housing element progress


Subregional partners must demonstrate jurisdictional progress toward housing element preparation before projects and activities that are not directly related to housing element preparation can be funded. In the section below, please list the jurisdictions your subregional area covers, planned SB 2 and LEAP activities (if any), and housing element progress. The rubric below can be used to indicate housing element progress: Use additional space if needed.

- A. The jurisdiction has either consultant or dedicated staff resources for their housing element updates, with all updates underway; no additional REAP support is proposed.*
- B. The jurisdiction has either consultant or dedicated staff resources for their housing element updates. A REAP support project for housing element updates is proposed by our subregion.*
- C. The jurisdiction has neither consultant nor dedicated staff resources for their housing element updates. A REAP support project for housing element updates by our subregion is NOT proposed. This jurisdiction will need technical assistance resources for their housing element update.*
- D. Our subregion is unaware of the status of housing element updates for this jurisdiction*

Jurisdiction	SB 2 or LEAP (Local Early Action Program) Tasks re: Housing Element	Housing element progress (A. , B., C. or D.)

Attachment 2: Alignment with Regional Planning Priorities

To coordinate SCAG's regional planning goals with REAP objectives, SCAG will evaluate a project's alignment with regional priorities from the adopted Connect SoCal Plan and SCAG Housing Program objectives as identified in a report to the Regional Council at their October 3, 2019 meeting.

REAP Subregional Partnership applications will be required to describe how the specified project or activity aligns with these priorities, strategies, and objectives. 

Priorities and Strategies in the Connect SoCal Plan

The adopted Connect SoCal Plan lists several priorities and strategies specifically relating to land use, housing, sustainability, and social equity:

Focus Growth Near Destinations & Mobility Options

- Emphasize land use patterns that facilitate multimodal access to work, educational and other destinations
- Focus on a regional jobs/housing balance to reduce commute times and distances and expand job opportunities near transit and along center-focused main streets
- Plan for growth near transit investments and support implementation of first/last mile strategies
- Promote the redevelopment of underperforming retail developments and other outmoded nonresidential uses
- Prioritize infill and redevelopment of underutilized land to accommodate new growth, increase amenities and connectivity in existing neighborhoods
- Identify ways to "right size" parking requirements and promote alternative parking strategies (e.g. shared parking or smart parking)

Promote Diverse Housing Choices

- Preserve and rehabilitate affordable housing and prevent displacement
- Identify funding opportunities for new workforce and affordable housing development
- Create incentives and reduce regulatory barriers for building context sensitive accessory dwelling units to increase housing supply
- Provide support to local jurisdictions to streamline and lessen barriers to housing development that supports reduction of greenhouse gas emissions

Support Implementation of Sustainability Policies

- Pursue funding opportunities to support local sustainable development implementation projects that reduce greenhouse gas emissions
- Support statewide legislation that reduces barriers to new construction and that incentivizes development near transit corridors and stations
- Support local jurisdictions in the establishment of Enhanced Infrastructure Financing Districts (EIFDs), Community Revitalization and Investment Authorities (CRIAs), or other tax increment or value capture tools to finance sustainable infrastructure and development projects, including parks and open space
- Work with local jurisdictions/communities to identify opportunities and assess barriers to implement sustainability strategies
- Enhance partnerships with other planning organizations to promote resources and best practices in the SCAG region
- Continue to support long range planning efforts by local jurisdictions
- Provide educational opportunities to local decisions makers and staff on new tools, best practices and policies related to implementing the Sustainable Communities Strategy

Objectives of the Housing Program Framework

At the October 3, 2019 Regional Council meeting, concepts for a Housing Program Framework were included as part of the agenda. These objectives were developed based on preliminary discussions with policy members and stakeholders and are intended not only for REAP activities, but also to guide a broader SCAG Housing Program:

- Align resources with allocation methodology for the 6th Cycle of RHNA to support local jurisdictions in addressing identified housing needs
- Advance Connect SoCal sustainable development goals including supporting local jurisdictions in promoting housing in priority growth areas to increase access to jobs and transit and reduce environmental impacts
- Maximize funding allocations by providing technical assistance and capacity building necessary to support local agencies in applying for and expending program resources
- Direct resources toward programs and activities that complement and increase the competitiveness of the SCAG region for other funding programs, including by increasing the number of jurisdiction that are designated by HCD as “pro-housing”, as specified in AB 101, qualifying them to receive additional points in the scoring of program applications for housing and infrastructure programs pursuant to guidelines adopted by HCD.
- Build longer term capacity at SCAG and in the region to address housing issues, including by:
 - Facilitating compliance with state housing law
 - Defining a sustainable role for SCAG that marries housing with transportation objectives
 - Strengthening regional/sub-regional partnerships, collaborations and funding models
 - Establishing regional/subregional vision as basis for future funding

Other objectives

Other SCAG programs also include similar housing, land use, sustainability, and social equity objectives. In an effort to coordinate strategies and objectives, the Sustainable Communities Program (SCP), which will include a focus area for housing-related project grants in an upcoming call for projects, outlines several key goals, including:

- Provide needed planning resources to local jurisdictions for active transportation and multimodal planning efforts, sustainability, land use, and planning for affordable housing;
- Promote, address and ensure health and equity in regional land use and transportation planning and to close the gap of racial injustice and better serve our communities of color;
- Encourage regional planning strategies to reduce motorized Vehicle Miles Traveled (VMT) and greenhouse gas (GHG) emissions, particularly in environmental justice communities where there is the highest need for air quality improvements;
- Develop local plans that support the implementation of key strategies and goals outlined in Connect SoCal and the Sustainable Communities Strategy;

Evaluation of Subregional Partnership Program Applications

All projects and activities funded by the Subregional Partnership Program will need to identify how they align with SCAG program priorities, strategies, and objectives. Applicants for the Subregional Partnership Program are encouraged to discuss with SCAG their proposed projects prior to submitting an application to discuss ways to align their projects with the priorities of SCAG’s regional planning efforts. Since funded projects will be considered as an implementation tool of SCAG’s regional plans, it is expected that program projects and activities support -- and not undermine -- the Connect SoCal Plan.

Attachment 3: Subregional Partnership Program Sub-allocation and List of Subregional Partners and Jurisdictions

Subregion	Estimated percentage of Sub-allocation*	Estimated Sub-allocation*
Coachella Valley Association of Governments (CVAG)	2.4%	\$558,000
Gateway Cities Council of Governments (GCCOG)	5.5%	\$1,316,000
Imperial County jurisdictions (ICTC)	1.2%	\$282,000
Las Virgenes-Malibu Council of Governments	0.4%**	\$100,000**
City of Los Angeles	34.0%	\$8,058,000
County of Los Angeles	6.7%	\$1,589,000
County of Riverside	3.0%	\$721,000
North Los Angeles County	1.2%	\$276,000
Orange County Council of Governments (OCCOG)	13.7%	\$3,245,000
San Bernardino Council of Governments (SBCOG)	10.3%	\$2,437,000
San Fernando Valley Council of Governments (SFVCOG)	2.5%	\$600,000
San Gabriel Valley Council of Governments (SGVCOG)	6.7%	\$1,582,000
South Bay Cities Council of Governments (SBCCOG)	2.5%	\$603,000
Ventura Council of Governments (VCOG)	1.8%	\$432,000
Westside Cities Council of Governments (WCCOG)	1.4%	\$340,000
Western Riverside Council of Governments (WRCOG)	7.1%	\$1,678,000
Total	100.0%	\$23,819,000

*The estimated amount is derived from the estimated draft RHNA allocation based on the RHNA methodology adopted in March 2020. This amount is subject to change and will not be final until the adoption of the Final RHNA allocation in early 2021.

**The amount originally allocated for this subregional partner based on the estimated RHNA allocation was lower than the minimum threshold amount.

Subregional Partners and Jurisdictions

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

Gateway	Artesia city
Gateway	Avalon city
Gateway	Bell city
Gateway	Bell Gardens city
Gateway	Bellflower city
Gateway	Cerritos city
Gateway	Commerce city
Gateway	Compton city
Gateway	Cudahy city
Gateway	Downey city
Gateway	Hawaiian Gardens city
Gateway	Huntington Park city
Gateway	La Habra Heights city
Gateway	La Mirada city
Gateway	Lakewood city
Gateway	Long Beach city
Gateway	Lynwood city
Gateway	Maywood city
Gateway	Norwalk city
Gateway	Paramount city
Gateway	Pico Rivera city
Gateway	Santa Fe Springs city
Gateway	Signal Hill city
Gateway	South Gate city
Gateway	Vernon city
Gateway	Whittier city
Imperial	Brawley city
Imperial	Calexico city
Imperial	Calipatria city
Imperial	El Centro city
Imperial	Holtville city
Imperial	Imperial city
Imperial	Unincorporated Imperial Co.
Imperial	Westmorland city
Las Virgenes Malibu	Agoura Hills city
Las Virgenes Malibu	Calabasas city
Las Virgenes Malibu	Hidden Hills city
Las Virgenes Malibu	Malibu city

Las Virgenes Malibu	Westlake Village city
Los Angeles City	Los Angeles city
North LA County	Lancaster city
North LA County	Palmdale city
OCCOG	Aliso Viejo city
OCCOG	Anaheim city
OCCOG	Brea city
OCCOG	Buena Park city
OCCOG	Costa Mesa city
OCCOG	Cypress city
OCCOG	Dana Point city
OCCOG	Fountain Valley city
OCCOG	Fullerton city
OCCOG	Garden Grove city
OCCOG	Huntington Beach city
OCCOG	Irvine city
OCCOG	La Habra city
OCCOG	La Palma city
OCCOG	Laguna Beach city
OCCOG	Laguna Hills city
OCCOG	Laguna Niguel city
OCCOG	Laguna Woods city
OCCOG	Lake Forest city
OCCOG	Los Alamitos city
OCCOG	Mission Viejo city
OCCOG	Newport Beach city
OCCOG	Orange city
OCCOG	Placentia city
OCCOG	Rancho Santa Margarita city
OCCOG	San Clemente city
OCCOG	San Juan Capistrano city
OCCOG	Santa Ana city
OCCOG	Seal Beach city
OCCOG	Stanton city
OCCOG	Tustin city
OCCOG	Unincorporated Orange Co 
OCCOG	Villa Park city

OCCOG	Westminster city
OCCOG	Yorba Linda city
Riverside County	Unincorporated Riverside Co.
SBCTA/SBCOG	Adelanto city
SBCTA/SBCOG	Apple Valley town
SBCTA/SBCOG	Barstow city
SBCTA/SBCOG	Big Bear Lake city
SBCTA/SBCOG	Chino city
SBCTA/SBCOG	Chino Hills city
SBCTA/SBCOG	Colton city
SBCTA/SBCOG	Fontana city
SBCTA/SBCOG	Grand Terrace city
SBCTA/SBCOG	Hesperia city
SBCTA/SBCOG	Highland city
SBCTA/SBCOG	Loma Linda city
SBCTA/SBCOG	Montclair city
SBCTA/SBCOG	Needles city
SBCTA/SBCOG	Ontario city
SBCTA/SBCOG	Rancho Cucamonga city
SBCTA/SBCOG	Redlands city
SBCTA/SBCOG	Rialto city
SBCTA/SBCOG	San Bernardino city
SBCTA/SBCOG	Twentynine Palms city
SBCTA/SBCOG	Unincorporated San Bernardino Co.
SBCTA/SBCOG	Upland city
SBCTA/SBCOG	Victorville city
SBCTA/SBCOG	Yucaipa city
SBCTA/SBCOG	Yucca Valley town
SFVCOG	Burbank city
SFVCOG	Glendale city
SFVCOG	San Fernando city
SFVCOG	Santa Clarita city
SGVCOG	Alhambra city
SGVCOG	Arcadia city
SGVCOG	Azusa city
SGVCOG	Baldwin Park city

SGVCOG	Bradbury city
SGVCOG	Claremont city
SGVCOG	Covina city
SGVCOG	Diamond Bar city
SGVCOG	Duarte city
SGVCOG	El Monte city
SGVCOG	Glendora city
SGVCOG	Industry city
SGVCOG	Irwindale city
SGVCOG	La Cañada Flintridge city
SGVCOG	La Puente city
SGVCOG	La Verne city
SGVCOG	Monrovia city
SGVCOG	Montebello city
SGVCOG	Monterey Park city
SGVCOG	Pasadena city
SGVCOG	Pomona city
SGVCOG	Rosemead city
SGVCOG	San Dimas city
SGVCOG	San Gabriel city
SGVCOG	San Marino city
SGVCOG	Sierra Madre city
SGVCOG	South El Monte city
SGVCOG	South Pasadena city
SGVCOG	Temple City city
SGVCOG	Walnut city
SGVCOG	West Covina city
South Bay Cities	Carson city
South Bay Cities	El Segundo city
South Bay Cities	Gardena city
South Bay Cities	Hawthorne city
South Bay Cities	Hermosa Beach city
South Bay Cities	Inglewood city
South Bay Cities	Lawndale city
South Bay Cities	Lomita city
South Bay Cities	Manhattan Beach city
South Bay Cities	Palos Verdes Estates city
South Bay Cities	Rancho Palos Verdes city
South Bay Cities	Redondo Beach city
South Bay Cities	Rolling Hills city

South Bay Cities	Rolling Hills Estates city
South Bay Cities	Torrance city
Ventura	Camarillo city
Ventura	Fillmore city
Ventura	Moorpark city
Ventura	Ojai city
Ventura	Oxnard city
Ventura	Port Hueneme city
Ventura	San Buenaventura (Ventura) city
Ventura	Santa Paula city
Ventura	Simi Valley city
Ventura	Thousand Oaks city
Ventura	Unincorporated Ventura Co.
Westside Cities	Beverly Hills city
Westside Cities	Culver City city
Westside Cities	Santa Monica city
Westside Cities	West Hollywood city
WRCOG	Banning city
WRCOG	Beaumont city
WRCOG	Calimesa city
WRCOG	Canyon Lake city
WRCOG	Corona city
WRCOG	Eastvale City
WRCOG	Hemet city
WRCOG	Jurupa Valley City
WRCOG	Lake Elsinore city
WRCOG	Menifee city
WRCOG	Moreno Valley city
WRCOG	Murrieta city
WRCOG	Norco city
WRCOG	Perris city
WRCOG	Riverside city
WRCOG	San Jacinto city
WRCOG	Temecula city
WRCOG	Wildomar city

Orange | Housing
County | Finance
Trust

August 19, 2020

Ms. Marnie O'Brien Primmer
Orange County Council of Governments
3972 Barranca Pkwy. Suite J127
Irvine, CA 92606

RE: REAP Funding Request Proposal

Dear Ms. Primmer,

The Orange County Housing Finance Trust (Trust), was established by legislation as a regional Joint Power Authority consisting of 23 member cities and the County of Orange representing over 80% of the population in Orange County. The Trust has a singular purpose: to strengthen the communities of Orange County by financing the development of affordable and supportive housing.

Just one year after their first Board Meeting, seven housing developments were awarded the funds needed to move forward and create 467 new affordable and supportive housing units scattered throughout the County of Orange. Capital funding came from County and State funding sources. The Trust continues to explore and pursue various other sources of capital funding to promote its mission.

The Regional Early Action Planning Grant Program (REAP) overview states, *"Increasing the availability of affordable homes statewide is critical to bettering the quality of life of all Californians and to ending homelessness. REAP provides one-time grant funding to regional governments and regional entities for planning activities that will accelerate housing production and facilitate compliance in implementing the sixth cycle of the Regional Housing Needs Allocation."* Again, the Trust's sole purpose is to financially support the development of affordable housing in Orange County and it has demonstrated success in doing so.

Section I.d.i. of HCD's REAP NOFA states, "Staff and overhead costs directly related to carrying out the eligible activities are "activity costs" and not "administrative costs.'" The Trust has an annual operating budget of \$450,000, all of which goes towards the provisioning of new affordable housing units in the County. These operating expenses are for consultants and to

reimburse the County of Orange through a Memorandum of Understanding (MOU) agreement for County staff time spent directly on work performed for the Trust.

The following Trust staff functions are identified below.

1. Trust Manager (contract)
2. Administrative Assistant (contract)
3. Trust Counsel (MOU with County)
4. Clerk of the Trust (MOU with County)
5. Audio/Video Staff (MOU with County)
6. Treasurer (MOU with County)
7. Auditor-Controller (MOU with County)
8. Development Services (MOU with County)
9. Financial Consultant (contract)
10. Auditing Consultant (contract)
11. Advocacy/Lobbying (contract)
12. Marketing & Communication Services (contract)

The Trust requests that OCCOG approve an allocation of REAP funding to cover the Trust's expenses for private and contract consultants identified in the Trust budget. It is understood that REAP funding must be spent by June 2023. Therefore, the Trust requests \$1,000,000 in REAP funding for the purposes stated above.

Unlike municipalities and other jurisdictions, the administrative costs of the OCHFT directly result in the funding and development of housing units. Therefore, the operation of the OCHFT itself is an eligible activity and all costs associated with the OCHFT should be considered eligible costs. We would like a small modification to SCAG's REAP Subregional Partnership Program Guidelines to allow for the funding of the OCHFT as an eligible activity and the operational costs of the OCHFT as eligible costs under the REAP program in accordance with HCD's REAP NOFA.

We propose adding a bullet point to the list of eligible activities in Section 3c of the Subregional Partnership Program Guidelines to read:

- Operations of existing regional or countywide housing trust fund for affordable housing.

If approved, the deliverable for the allocation of this REAP funding will be capital funding letters of commitment from the Trust to various developers that will create 400-500 new affordable and supportive housing units per year all of which will be restricted to households earning 30% area median income and below. This helps fulfill the RHNA requirements of the County of Orange and the Trust member cities. It lessens the financial burden of cities in these hard economic times and allows the Trust to encourage the remaining cities in Orange County to join the Trust at no cost and continue to strengthen the Trust as a strong regional collaborative

entity addressing the most vulnerable populations during this affordable housing crisis. The Trust looks forward to partnering with OCCOG in achieving our common goal of meeting the housing needs of our residents.

If you should have any questions, please feel free to contact me.

Sincerely,

Adam B. Eliason

Adam B. Eliason (Aug 20, 2020 11:36 PDT)

Adam B. Eliason

Trust Manager

(909) 706-7193

aeliason@ochft.org






OCHFT REAP Funding Request 08.19.2020

Final Audit Report

2020-08-20

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ATTACHMENT A

Proposed List of REAP Grant Program Projects for OCCOG Sub-region

Project	Description	Proposed Allocation
HOUSING PRODUCTION SUPPORT	"ADU How-To" toolkit including: <ul style="list-style-type: none"> • Website • Videos, • Collateral (printed by jurisdictions) • Pre-approved ADU plans Support developing Housing-related Ordinances <ul style="list-style-type: none"> • Motel Conversion • Inclusionary Zoning • ADUs • Other 	\$210,000
HOUSING TRUST SUPPORT	<ul style="list-style-type: none"> • Support strategic planning and certification activities of OCHT • Support for consultant and staff resources for OCHFT for 2 years 	\$987,000
RHNA SUPPORT		2,000,000
Staff Augmentation	Access to on-call consultant services to support individual jurisdiction needs. Potential consultant support could include: <ul style="list-style-type: none"> • Housing element preparation including site selection and rezoning • Additional planning counter staff to help expedite housing permits • Public engagement, outreach, and/or meeting facilitation • Provide support to residents for ADUs • Update Local Coastal Plans related to housing and the 6th cycle • Infrastructure planning that prioritizes infill development 	



	<ul style="list-style-type: none"> • EIR preparation support for housing projects • Conduct feasibility or parking studies related to accelerating housing production 	
*Countywide GIS-based Site Selection Support	Online tool for jurisdictions to identify RHNA-compliant housing sites. Includes overlays for parking availability/impacts, VMT, GHG emissions, ADUs, EJ, jobs rich and transit rich areas, etc.	
Housing Site Planning Visualization Tool	Web-based tool for visualizing specific site development opportunities	
TOTAL		\$3,197,000

*OCCOG has confirmed SCAG is not providing this tool region-wide, rather this tool will augment data that will be provided by SCAG.