



STAFF REPORT
Board Meeting of November 23, 2022

AGENDA ITEM: 5-B

PREPARED BY: Evelyn Espinosa, Senior Regional Planner

SUBJECT:

Madera County Transportation Commission (MCTC) Regional Early Action Planning (REAP) 2.0 Housing Planning Grants Program

Enclosure: Yes

Action: Approve submittal of the MCTC REAP 2.0 Housing Planning Grants Final Application and Delegate authority to Executive Director to submit a Final Application for the REAP 2.0 Program by adoption of Resolution 22-19

SUMMARY:

The purpose of REAP 2.0 is to support transformative planning and implementation activities that include but are not limited to: accelerating infill and affordable development; supporting residents through realizing multimodal communities; shifting travel behavior through reducing driving; and increasing transit ridership, walking, and biking as primary modes of transportation.

Through a budget revision for the State's FY 21-22 budget (specifically AB 140), the California Department of Housing and Community Development (HCD) in collaboration with the Governor's Office of Planning and Research (OPR), the Strategic Growth Council (SGC), and the California Air Resources Board (CARB) established the Regional Early Action Planning (REAP) 2.0 program. REAP 2.0 allocates \$600 million from state and federal investment, with 85% allocated directly to Metropolitan Planning Organizations (MPOs), such as the Madera County Transportation Commission. The program is set to advance the implementation of adopted regional plans by funding planning and implementation activities that accelerate infill housing and reductions in per capita Vehicle Miles Traveled (VMT).

REAP 2.0 builds on the success of 2019's REAP program but expands the focus by integrating housing and climate goals and allowing for broader planning and implementation investments, including infrastructure investments that support future housing development. REAP 2.0 is explicitly intended to meet multiple objectives – Infill development, Housing for all incomes, Vehicle Miles Traveled (VMT) reduction, and Affirmatively Furthering Fair Housing (AFFH) in ways that lead to transformative Policy Outcomes and accelerate the implementation of regional and local plans to achieve these goals. REAP 2.0 provides funds to regional governments to accelerate housing production and facilitate compliance with the

6th cycle of the Housing Element, including Regional Housing Needs Assessment. In addition, REAP 2.0 is specifically designed to provide MPOs and other eligible entities with tools and resources to help implement and advance plans, primarily by furthering the Sustainable Communities Strategies (SCS) adopted as part of Regional Transportation Plans to pursue greenhouse gas emission reduction targets through land use and transportation strategies.

Eligible Applicants

Most of the program's funding (85 percent, or \$510 million) will flow directly to the state's 18 Metropolitan Planning Organizations (MPOs), and the MPOs may subgrant a portion of the funds to eligible entities (cities, counties, transit/transportation agencies) in their metropolitan region. The remaining funds are split into a set aside for tribal entities and for eligible entities in smaller counties in non-MPO regions (5 percent, or \$30 million), as well as for a Higher Impact Transformative set aside for all eligible entities (5 percent, or \$30 million).

The MCTC's region anticipated maximum award is \$2,213,724.74, of which an initial allocation of 10% (10%) of funds may be available for outreach to support program development and preparation of the full program funding application, which is due by December 31, 2022. REAP 2.0 program guidelines were released by HCD in July 2022.

Suballocations must comply with the REAP 2.0 Program, including but not limited to REAP 2.0 objectives. The program guidelines can be found on the Department of Housing and Community Development [website](#).

In September 2022, the MCTC Policy Board delegated authority to the Executive Director to submit a REAP 2.0 Advance Application to HCD. MCTC staff is recommending the MCTC Policy Board delegate authority to the Executive Director to submit a REAP 2.0 Final Application to HCD.

The Madera County Transportation Commission (MCTC) has prepared a Draft REAP 2.0 Final Application to allocate the REAP 2.0 housing funds in the Madera region. MCTC is anticipated to receive a total of \$2,213,724.74 for REAP 2.0 activities. MCTC will retain 5% in the amount of \$110,686.24 for program administration and \$27,667.74 for direct costs. The remaining \$2,075,370.76 in REAP 2.0 funding will be suballocated for eligible projects on an application-based pro-rata basis.

MCTC staff has discussed the Draft REAP 2.0 Final Application with each member agency and at the MCTC Technical Advisory Committee, and all agree with the proposed application.

MCTC will submit a REAP 2.0 Suballocation Application to HCD by March 31, 2023.

FISCAL IMPACT:

No fiscal impact yet to the approved 2022-23 Overall Work Program and Budget. Once the application is approved and funding verified, staff will amend the grant into the Overall Work Program and Budget at that respective time.