

**Metropolitan Transportation Commission
Programming and Allocations Committee**

May 08, 2024

Agenda Item 2i-24-0622

MTC Resolution No. 4650

Subject:

Approval of the Regional Early Action Planning Grant (REAP 2) project selection and programming resolution, including programming of \$2.8 million in conditional awards for the Priority Sites Technical Assistance grant program.

Background:

The Regional Early Action Planning Grant (REAP 2) Program is a one-time \$600 million state investment to advance implementation of adopted regional plans by funding transformative planning and implementation activities that accelerate infill housing development, reduce per capita vehicle miles traveled (VMT), and affirmatively further fair housing. Initially launched in 2019 as a part of Governor Newsom’s “Comeback California Plan” (AB 140), the program is administered by California Department of Housing and Community Development (HCD), in collaboration with California Office of Planning and Research (OPR), Strategic Growth Council (SGC), and California Air Resources Board (CARB). MTC was allocated \$102.8 million in REAP 2, formula funds for projects and subgrantees throughout the region.

MTC has approved two resolutions governing the distribution of REAP 2 funds. In November 2022, the Commission approved the overall REAP 2 expenditure plan and authorized staff to submit an allocation request to HCD for MTC’s share of formula funding (MTC Resolution No. 4548). In March 2023, the Commission also authorized the transfer of \$43 million to BAHFA, as outlined in the approved expenditure plan, for the Priority Sites Predevelopment and Preservation Pilot programs (MTC Resolution No. 4565).

This month, staff recommend approval of MTC Resolution No. 4650 to incorporate MTC’s approved REAP 2 expenditure plan and document funding commitments to project sponsors.

- **REAP 2 Expenditure Plan:** As a reminder, MTC’s expenditure plan, adopted in November 2022, focuses REAP 2 funds into three program areas that align with both State and regional objectives: (1) accelerating the implementation of the *Plan Bay Area 2050* (PBA 2050) Growth Framework, (2) delivering near-term priorities from the Transit Transformation Action Plan, and (3) augmenting the Community Action Resource & Empowerment (CARE) program to invest in additional local projects and programs prioritized by residents of Equity Priority Communities (EPCs).

MTC Resolution 4650, Attachment A incorporates MTC's REAP 2 current expenditure plan. Subsequent changes to MTC's REAP 2 expenditure plan, including funding awards to specific projects, will be approved by the Commission through revisions to this resolution.

- **Priority Sites Technical Assistance Grants:** Consistent with recommendations to the Planning Committee this month, staff recommend the conditional programming of \$2.8 million to MTC for Priority Sites Technical Assistance in the following jurisdictions: Berkeley, Piedmont, Pleasanton, Concord, Orinda, Pittsburg, Corte Madera, Marin County, American Canyon, South San Francisco, Campbell, Los Altos Hills, Milpitas, Palo Alto, San Jose, Rohnert Park, and Santa Rosa. Specific award amounts and project locations are provided in Attachment A to the resolution.

These fund awards are conditional due to ongoing uncertainty in the State budget. Should REAP 2 remain fully funded in the State budget, MTC staff will proceed to execute funding agreements with awarded sponsors immediately. However, should REAP 2 funding be reduced in the State budget, staff will return to the Commission for further programming actions, which may include reduction or rescission of conditional awards.

Issues:

Until the State budget is finalized in June, MTC staff will continue to proceed cautiously to implement the REAP 2 program of projects consistent with the approved expenditure plan. MTC staff will return to the Commission after the budget is enacted, should any changes be needed to MTC's approved REAP 2 expenditure plan and project programming.

Recommendations:

Refer MTC Resolution No. 4650 to the Commission for approval.

Attachments:

- MTC Resolution No. 4650, Attachment A



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