



**CITY OF SALINAS
COUNCIL STAFF REPORT**

DATE: AUGUST 8, 2023
DEPARTMENT: COMMUNITY DEVELOPMENT DEPARTMENT
FROM: LISA BRINTON, DIRECTOR
THROUGH: ROD POWELL, ASSISTANT DIRECTOR
BY: GRANT LEONARD, PLANNING MANAGER
TITLE: REGIONAL LOCAL EARLY ACTION PLANNING 2.0 (REAP 2.0)
GRANT APPLICATION

RECOMMENDED MOTION:

A motion to approve a resolution authorizing applying for and entering into agreements for the Regional Early Action Planning 2.0 Grant Program.

EXECUTIVE SUMMARY:

In 2021, the State initiated a second phase of the Regional Early Action Planning (REAP) Grant program. Known simply as REAP 2.0, the program is intended to support housing production by providing funding to implement local housing plans. Although funded by the State, REAP 2.0 is administered locally by the Association of Monterey Bay Area Governments (AMBAG). REAP 2.0 includes two grant programs, a local suballocation entitlement grant program and a regional competitive grant program. The local suballocation entitlement for Salinas is \$180,000. The regional competitive program has \$6 million in available funding, and applicants must request a minimum of \$500,000. Staff intends to apply for funding to support the development of affordable housing within Chinatown. The application for the suballocation entitlement program is due August 15th, 2023. The application for the competitive grant program is due August 31, 2023.

BACKGROUND:

The first round of REAP funding was directed towards assisting jurisdictions with the preparation of planning documents, process improvements that accelerate housing production, and facilitation of compliance in implementing the sixth cycle of the regional housing need assessment (RHNA). In 2020, the City applied for and received \$530,000 in entitlement REAP funding to support preparation of the 2023-2031 Housing Element and the Visión Salinas 2040 General Plan update.

DISCUSSION:

REAP 2.0 is intended to help jurisdictions further support housing production by providing funding for implementation of projects and programs identified in the previous REAP planning efforts. Due to its focus on implementation, REAP 2.0 has a relatively short timeframe, with the funding required to be expended by March of 2026.

In addition to being focused on implementation, REAP 2.0 includes three core objectives:

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

REAP 2.0 provides an opportunity to the City to further support housing production by providing funding to implement the projects and programs identified in the City's Housing Element and adopted community plans. After reviewing the program guidelines and requirements, staff plans to apply for funding to support the development of affordable housing within Chinatown as it is a prime location for infill housing, would support fair housing, and would reduce vehicle miles traveled by providing housing close to downtown and transit. Additionally, with the City's previous purchase of properties on Soledad Street, the City is well positioned to use the REAP 2.0 funding by the expenditure deadline of March 2026. The REAP 2.0 Notice of Funding Availability is attached to this staff report.

CEQA CONSIDERATION:

The proposed action is not a project as defined by the California Environmental Quality Act (CEQA) (CEQA Guidelines section 15378). Any subsequent discretionary projects resulting from implementation of REAP funding will be assessed for CEQA applicability.

STRATEGIC PLAN INITIATIVE:

REAP 2.0 funding will support the City of Salinas Strategic Plan 2022-2025 goal of Housing/Affordable Housing by creating opportunities for future housing development in Chinatown.

DEPARTMENT COORDINATION:

While the Community Development Department will administer REAP funding, this effort will require coordination between multiple City departments. Implementation of affordable housing projects in Chinatown may require collaboration with Public Works, the City Manager's Office, as well as the Legal and Finance Departments.

FISCAL AND SUSTAINABILITY IMPACT:

A successful Local Suballocation application will result in \$180,000 in grant funding, and a successful Competitive Grant application will result in a minimum of \$500,000 in grant funding.

REAP 2.0 does not require a local financial commitment or “match”. REAP 2.0 funds may be leveraged with other grant funding or the Chinatown Capital Improvement Program (CIP) allocation depending on total project cost and the final award amount from AMBAG.

ATTACHMENTS:

Attachment A – Resolution to Approve Applying for and Entering into Agreements for the Regional Early Action Planning 2.0 Grant Program

REAP 2.0 Notice of Funding Availability