



# Project Summary

Regional Early Action Planning (REAP) Grant  
SCAG Subregional Partnership Program

# REAP Work Program

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Gateway Cities Council of Governments

## What is REAP?

The state's Regional Early Action Planning (REAP) Grant funds support regional agencies in their effort to accelerate housing production and to facilitate local government implementation of the sixth cycle of the Regional Housing Needs Allocation (RHNA). They are meant to complement the funds that have been awarded to local jurisdictions from Senate Bill (SB) 2 Planning Grants and the Local Early Action Program (LEAP) and will be disbursed from May 2021 to June 2023. The Gateway Cities COG will receive approximately \$1.3 million as part of the REAP program.

# INNOVATIVE HOUSING FINANCE STRATEGIES

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## PROJECT BACKGROUND

This project will provide data that will build on the work already done by COG economic development staff in the subregion considering legislative fixes and funding strategies to facilitate housing development. The study will be modeled on a SPUR and California Forward report from September 2020 that explored whether cities that receive a low share of the state property tax would have an incentive to produce more housing if their share of the property tax was increased. Recommendations from the Gateway study can offer policy options for increasing the fiscal incentives – tax structure changes and other incentives – to support jurisdictions in promoting rezoning for residential in the subregion.

## Key Activities

COG staff will procure the services of a consultant to prepare a City Finance/Revenue vs Cost/Housing Production Impact Study and Recommendations that will assess the budgetary conditions in the Gateway Cities, their sources of revenue, and the impact that the development of housing and the provision of services and infrastructure relating to it, has on their finances and budgets.

## How This Accelerates Housing Production

Because many of the Gateway Cities are financially challenged, and struggle to maintain their precarious City budgets, while adding the new services, infrastructure and amenities required by the development of new housing, the analysis in this task is essential to the development of strategies to increase housing production in this specific subregion. This work program is intended to address the financial challenges that local jurisdictions face in funding the infrastructure and needed services for residents of new housing units.