

Lasting Affordability Program Frequently Asked Questions

Program Overview & Funding

WHAT IS THE PROGRAM?

The second notice of funds available for the Regional Early Action Planning Grants (REAP 2.0) Lasting Affordability Program falls under one of the three funding areas under SCAG's Programs to Accelerate Transformative Housing (PATH).

WHAT ARE THE REAP 2.0 PROGRAM OBJECTIVES?

The funding is intended to achieve transformative planning and implementation activities that:

- Accelerate infill development to expand housing supply, choice, and affordability.
- Affirmatively further fair housing (AFFH).
- Reduce vehicle miles traveled (VMT).

HOW MUCH FUNDING IS AVAILABLE IN ROUND 2?

This round makes \$20 million available. The maximum amount an applicant can request is \$5 million. SCAG reserves the option to award partial funding based on competitive scores.

WHAT IS THE FUNDING SOURCE?

The program is funded by the state's Regional Early Action Planning Grants of 2021.

Eligibility, Definitions, and Use of Funds

WHO IS ELIGIBLE TO APPLY?

Eligible applicants are those who manage **existing** housing trusts and catalyst funds. This includes cities, counties, joint powers authorities, housing authorities, and nonprofit organizations. The trust or fund must have a financing program that is ready to accept funding at the time of application.

WHAT IS A "HOUSING TRUST OR CATALYST FUND?"

A "housing trust" is defined as "a distinct fund established by a government agency or nonprofit organization that receives ongoing, dedicated sources of public or private funding to support the preservation and production of affordable housing." A 'Catalyst Fund' uses the same definition, but funds are often deployed earlier in the development process.



WHAT IS AN "ELIGIBLE ACTIVITY" FOR THE FUNDS?

The funds must support existing finance tools that secure **lasting affordability**. This can include, but is not limited to:

 Loan products, grant programs, and debt/equity investment strategies that finance land or property acquisition, pre-development, permanent, bridge, and gap financing, and affordable home ownership.

CAN FUNDS BE USED TO ESTABLISH A NEW FINANCE PROGRAM?

The program must be **fully established** by the application deadline, including all required application documents (underwriting, program guidelines, etc.) ready for submission. A program that has all documents listed in the self-certification letter but has not yet issued funding is eligible if the program is ready to issue funding.

CAN FUNDS BE USED TO REIMBURSE ACTIVITIES TO BUILD/EXPAND THE FUND ITSELF?

No, the funds are focused solely on expanding the existing funding pools of established trusts and funds.

DO PROJECTS FUNDED HAVE TO BE 100 PERCENT AFFORDABLE?

No, the program does not require projects to be 100 percent affordable.

MUST THE PROJECT AREA BE WITHIN AN "INFILL" AREA?

Yes. All actions and activities related to housing development that utilize these funds must be located within areas that meet the REAP 2.0 infill definition. Please review the Infill Guidance for more information. For programs that will revolve funds, this requirement is perpetual.

CAN I APPLY ON BEHALF OF ANOTHER ORGANIZATION?

No. The application must be submitted by the organization that manages the trust or fund.

Application Process & Timeline

WHAT IS THE DEADLINE TO APPLY?

The application must be submitted by email with a 'send' time stamp of no later than 11:59 p.m. PST on Jan. 20, 2026.

CAN I SUBMIT MORE THAN ONE APPLICATION?

No, only one application is permitted per applicant. While the call is open, you may update a submitted application. If this occurs, SCAG will consider the last document package submitted as the application.



WHAT DOCUMENTS ARE REQUIRED FOR A COMPLETE APPLICATION?

In addition to the application form, a complete response requires:

- A project budget, timeline, scope, and deliverables spreadsheet.
- Three required project area maps (Infill, Priority Population, and Priority Growth Area).
- A letter of support.
- A subrecipient self-certification letter, which includes required attachments like governance documents, financial structure, underwriting criteria, and program guidelines.

HOW MANY LETTERS OF SUPPORT ARE REQUIRED?

One letter of support from a third party is required for this application. Letters of support can come from, and are not limited to, the following agencies or partners: advocacy groups, chambers of commerce, community-based organizations, city or county agencies, councils of governments, state agencies.

IS A LOCAL MATCH REQUIRED?

No, a local match is not required; however, including one is an opportunity to gain additional points during the evaluation.

WHEN WILL FUNDING AWARDS BE ANNOUNCED?

The evaluation period will take place in January and February, with *tentative* Regional Council consideration for funding awards in March or April 2026.

WHERE CAN I GET HELP WITH THE APPLICATION?

SCAG offers weekly one-on-one office hours through Jan. 13, 2026. You can schedule time using the <u>Office Hours Request Form</u>, or via the technical assistance section of the SCAG PATH website. You can also submit your questions to <u>housing@scag.ca.gov</u>.

More information is available on the PATH website.

Evaluation, Expenditure, and Compliance

HOW WILL APPLICATIONS BE EVALUATED?

Once the call closes, applications will be reviewed for completeness. Only complete applications will be evaluated. Each application will be evaluated independently based on responses provided in the application for the five criteria. A score of zero in any area automatically disqualifies the application.

HOW WILL FUNDS BE AWARDED?

The Lasting Affordability Program Round 2 funding will be awarded in two tiers. Tier 1 is reserved for new applicants (those who did not receive Lasting Affordability Round 1 funding) and will be considered first.



Applicants who received funding in the Lasting Affordability Program Round 1 will be considered in Tier 2. All Tier 1 applicants not awarded will be placed on a contingency list with all evaluated Tier 2 applicants for future consideration for awards if funding becomes available.

ARE SPECIFIC (DEVELOPMENT) PROJECTS REQUIRED TO BE IDENTIFIED IN THE APPLICATION?

No. SCAG is funding the financing tool (the trust fund) at a programmatic level. Specific projects do not need to be identified at the time of application.

WHAT IS THE DEADLINE TO RECEIVE THE GRANT FUNDING?

The organization must execute the memorandum of understanding, meet all requirements, and receive the lump sum funding by July 31, 2026, unless extended in advance in writing by SCAG. If an awardee is unable to meet this deadline, SCAG may cancel the award.

WHAT IS THE DEADLINE TO DEPLOY THE FUNDS IN A PROJECT?

Once the organization receives the grant award, the funds must be used for qualifying projects under development by Dec. 31, 2031.

WHAT IS THE COMPLIANCE REQUIREMENT FOR REVOLVING FUNDS?

If the awarded funds are used in a financing structure that revolves, any repaid funds and proceeds must continue to be used as defined in the trust fund's financing program in perpetuity.

ARE THESE FUNDS SUBJECT TO PREVAILING WAGE?

No, SCAG does not require prevailing wage. However, the awardee should determine whether a prevailing wage would be required for the specific project they intend to fund.

For complete details on the Lasting Affordability Program Round 2, including the call guidelines, application, required attachments, and technical assistance scheduling, please visit the SCAG <u>Programs to Accelerate Transformative Housing</u> website.