

STAFF REPORT



MEETING DATE:	February 26, 2026
SUBJECT:	Receive Update on Regional Early Action Planning 2.0 Program and Approve Changes to Emergent 3D Subrecipient Agreement
AGENDA ITEM:	14
STAFF CONTACT:	Michael Kuker, CNU-A, Senior Transportation Planner

SUMMARY:

Site challenges have developed with one of the region's projects, necessitating board approval of changes to the Emergent 3D scope of work and agreement. The California Department of Housing and Community Development was consulted and approved the revised project scope. Work on the other two Regional Early Action Planning (REAP) 2.0 projects continues to progress steadily.

STAFF RECOMMENDATION:

It is recommended that the board of directors:

1. Receive an update on the REAP 2.0 program; and
2. Authorize the executive director to amend the sub-recipient agreement with Emergent 3D for a revised project scope of work, and to make any necessary minor administrative amendments as appropriate based on input from the California Department of Housing and Community Development.

DISCUSSION:

Background – SRTA received REAP 2.0 program grant funds in 2023 in the amount of \$2,111,914 to support infill development, housing, and supportive infrastructure in the region. REAP 2.0 funds were provided primarily to metropolitan planning organizations to support implementation of the Sustainable Communities Strategy of the Regional Transportation Plan. The California Department of Housing and Community Development (HCD) and SRTA Board of Directors approved use of REAP funds to support housing projects in the cities of Redding and Shasta Lake. See Attachment A for a history of related items.

Project Updates – A summary status of projects awarded to the cities of Redding and Shasta Lake are listed below:

- **City of Shasta Lake** – Construction on the housing infrastructure support project began on October 13, 2025, and is anticipated to be completed within the next 1–2 months or sooner. Invoices totaling \$83,995.00 have been received, and \$810,122.65 remains to be billed.
- **City of Redding** – Site work is scheduled to begin March 2026. Factory-built modular buildings are expected to arrive on site in April 2026 and will be joined to create the appearance of traditional stick-built construction. The project is expected to receive a certificate of occupancy in August 2026. Invoices totaling \$416,985.68 have been received, and \$288,896.67 remains to be billed.

Emergent 3D Project and Revised Scope – In September 2025, staff were informed by Emergent 3D that they had run into certain project challenges. The project originally proposed site preparation for ten units

and construction of two single-family homes for sale in Redding near Leland and Grange Avenue. However, per staff's update in October 2025, it was determined various issues became cost-prohibitive for the city and Emergent to move forward with a project. Staff discussed the situation with HCD staff and requested that Emergent 3D prepare an alternate proposed scope of work for review by SRTA and HCD.

Emergent's revised scope proposes a partnership on property owned by North Valley Catholic Social Services where, as part of a phased project, Emergent 3D will initially construct two single family homes for rent on the 1100 block of Black Canyon Road in the city of Shasta Lake (see map in Attachment B). The final build-out is proposed to consist of eight additional units for a total of ten: five single-family homes and five accessory dwelling units (ADUs). Completion of the initial two homes is contingent upon Emergent 3D receiving Shasta County Permanent Local Housing Allocation (PLHA) program funds. Should Emergent 3D not receive PLHA funds, they will only be able to build one home. HCD has approved of the proposed changes.

	Initial Stage with REAP 2.0 Funds ¹	Full Build-Out
Original Scope (located near Leland and Grange in city of Redding)	Site prep for 10 homes, construction of two single-family homes to be sold as affordable housing for first-time buyers	10 single-family homes to be sold as affordable housing for first-time buyers
Proposed New Scope (located on Black Canyon Road in city of Shasta Lake)	Construction of two single-family homes <i>(if Emergent receives PLHA funds from Shasta County)</i> ² or Construction of one single-family home <i>(if Emergent does not receive PLHA funds)</i> ²	Construction of five single-family homes and five ADUs.
	Emergent 3D will construct the homes and Northern Valley Catholic Social Services will rent the homes as affordable housing.	

¹ REAP 2.0 funds must be spent by December 31, 2026.

² REAP 2.0 funds will pay for work up to and including printing of the walls (to be completed by December 31, 2026) and remaining construction will complete in June 2027 using additional funds (e.g., a construction loan).

Due to the scale of the scope changes, it is necessary to amend the existing subrecipient agreement with Emergent 3D (see Attachment C). Due to the extremely compressed timeline, staff has created "offramps" at two key milestones: submission of construction documents (May 2026) and permit approval (September 2026). Should the project not achieve the proposed milestones, the funds may be diverted to other regional projects to ensure the REAP 2.0 funds remain in the region. Emergent has already invoiced \$25,395.17 for design services, which will be utilized at the new location.

ALTERNATIVES:

The board of directors may ask questions or request more information to be provided at a future meeting. The board of directors may decline to approve changes to Emergent's project, which would require staff to re-engage with HCD on approval of use of the remaining funds.

OTHER AGENCY INVOLVEMENT:

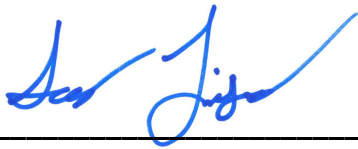
REAP 2.0 is administered statewide by HCD in collaboration with the Governor's Office of Land Use and Climate Innovation, the Strategic Growth Council, and California Air Resources Board. SRTA staff met frequently with the city of Shasta Lake planning and public works departments regarding Emergent's project.

FISCAL & POLICY COMMITTEE REVIEW:

The Fiscal and Policy Committee met on February 18, 2026, to review and discuss updates on REAP 2.0 projects and voted to recommend that Emergent 3D's revised scope of work be approved by the board of directors.

FISCAL IMPACT:

The Shasta Region received approximately \$2,111,914 in REAP 2.0 funds, a total of \$593,257.50 has been billed. SRTA may use five percent of REAP funds for administrative activities, which are included in the Overall Work Program.



Sean Tiedgen, AICP, Executive Director

Attachments:

- A:** History of Related SRTA Board of Directors Agenda Items
- B:** Project map
- C:** Draft Amendment

REGIONAL EARLY ACTION PLANNING (REAP) 2.0 PROGRAM

HISTORY OF RELATED SRТА BOARD OF DIRECTORS AGENDA ITEMS

Full staff reports are provided via hyperlink.

2022

MEETING ON OCTOBER 27, 2022, [AGENDA ITEM #9](#)

RECEIVE UPDATE ON REGIONAL EARLY ACTION PLANNING (REAP) 2.0 PROGRAM

It is recommended that the board of directors receive an update on the REAP 2.0 Program.

The Shasta Region has the opportunity to apply for up to \$2,243,909 in Regional Early Action Planning (REAP) 2.0 funds that will help further housing development opportunities in the region that connect people to jobs and essential services, and mobility options such as public transit and active transportation. SRTA issued a call for projects from eligible entities on October 18, 2022. A list of recommended projects will be presented for board of directors' consideration at the December meeting. SRTA must submit approved projects to the State by December 31, 2022.

Update only, no motion made.

MEETING ON DECEMBER 15, 2022, [AGENDA ITEM #12](#)

APPROVE PRELIMINARY PROJECTS FOR REGIONAL EARLY ACTION PLANNING (REAP) 2.0 PROGRAM FUNDING

It is recommended that the board of directors:

1. Adopt Resolution 22-14 (attached) and approve the recommended projects for the Regional Early Action Planning Grant Program of 2021 (REAP 2.0); and
2. Authorize the executive director to submit REAP 2.0 applications for the board-approved projects and make any administrative amendments necessary to meet state requirements.

Table 2 – Project Funding Recommendations

Applicant	Score (out of 100)	Project Summary	Recommended Award?	Recommended Funding
COR	73.18	Transitional and permanent housing for homeless individuals and families (12 residential units); Mixed land use; Improving walking facilities	Yes	\$750,000
COSL	70.30	- Increasing opportunities to reduce VMT by improving active transportation facilities for nearby neighborhoods and supports development opportunities for 38 affordable housing units in the project area. - Compliments and connects to an approved \$36.5 million 49-unit Affordable Housing Sustainable Communities project.	Yes	\$950,000
Emergent 3D	63.30	Adding 8 affordable housing units; The project is close to walking, biking, and transit routes	Yes	\$431,713.62
Regional Benefits:		- Adding 20 affordable housing units - Connecting more than 850 households to key destinations and reducing VMT by improving active transportation facilities	Total Award: \$2,131,713.62	

By motion made, seconded (Mezzano/Rickert), and unanimously carried, the staff recommendation passed unanimously.

2023

MEETING ON AUGUST 31, 2023, [AGENDA ITEM #7-4](#)

RECEIVE UPDATE ON REGIONAL EARLY ACTION PLANNING (REAP) 2.0 PROGRAM AND AUTHORIZE EXECUTIVE DIRECTOR TO EXECUTE AGREEMENTS WITH PROJECT APPLICANTS

It is recommended that the board of directors:

1. Authorize the executive director to prepare and execute sub-recipient agreements with the REAP 2.0 project applicants, Emergent 3D, city of Redding, and city of Shasta Lake, and to make any necessary minor administrative amendments as appropriate based on input from the California Department of Housing and Community Development; and

2. Authorize the executive director to set up a bank account to receive REAP 2.0 funds in advance and to make payments to awardees for eligible expenditures.

By motion made, seconded (Kelstrom/Watkins), and unanimously carried, Consent Calendar Items 7-2, 7-3, 7-4, and 7-5 were approved.

2024

MEETING ON OCTOBER 31, 2024, [AGENDA ITEM #7-8](#)

RECEIVE UPDATE ON REGIONAL EARLY ACTION PLANNING (REAP) 2.0 PROGRAM

It is recommended that the board of directors receive an update on the REAP 2.0 Program.

Following SRTA's initial REAP 2.0 allocation was reduced by approximately \$131,995 following a state budget cut. This will require some minor changes to two of the three previously approved projects.

Table 1 – Summary of the Revised Allocations

Project	Original Allocation (OA)	Revised Allocation (RA)	Adjustment
COR	\$750,000.00	\$705,882.35	(\$44,117.65)
E3D	\$431,713.62	\$406,318.70	(\$25,394.92)
SRTA*	\$62,195.45	\$58,536.89	(\$3,658.56)
COSL	\$950,000.00	\$894,117.65	(\$55,882.35)
SRTA**	\$50,000.00	\$47,058.82	(\$2,941.18)
Totals	\$2,243,909.07	\$2,111,914.42	(\$131,994.65)
*Administration and outreach for COR and E3d			
** Administration and outreach for COSL			

Update only, no motion made.

2025

MEETING ON OCTOBER 30, 2025, [AGENDA ITEM 7-9](#)

RECEIVE UPDATE ON REGIONAL EARLY ACTION PLANNING 2.0 PROGRAM

It is recommended that the board of directors receive an update on the REAP 2.0 Program.

Update only, no motion made.

Attachment B – Project Location



The five lots secured by Northern Valley Catholic Social Services. The two lots with the dashes through them indicate the lots the initial two single-family houses will be constructed on. Access to the three easterly lots will eventually be constructed as shown, with a shared driveway.



REGIONAL EARLY ACTION PROGRAM (REAP 2.0)
AMENDMENT #1 TO SUB-APPLICANT AGREEMENT BETWEEN
THE SHASTA REGIONAL TRANSPORTATION AGENCY AND EMERGENT 3D

This amendment hereby amends the Sub-Applicant Agreement Between the Shasta Regional Transportation Agency and Emergent 3D dated October 9, 2024, as follows:

- 1.) Replaces the original preamble preceding the Exhibit A recitals with the following:

“This agreement is entered into between the Shasta Regional Transportation Agency (“SRTA”) and Emergent 3D (“Sub-recipient”) for the purpose of developing a housing project located at the 1100 block of Black Canyon Road as part of an Infill Development in the City of Shasta Lake hereinafter referred to as the Emergent 3D Infill Development in the City of Shasta Lake.”

- 2.) Updates the expenditure date in Exhibit B, Section 3(B) to “December 31, 2026.”
- 3.) Updates the language in Exhibit B, Section 3(C) to specify that final invoices must be submitted to SRTA by March 31, 2027.
- 4.) Adds the following to Exhibit A, Section 5 (Monitoring):

G. The Sub-Recipient accepts the addition of two deadlines for project milestone as follows: The Sub-recipient agrees to submit construction documents to the City of Shasta Lake Building department for review no later than May 15, 2026, and begin construction no later than September 1, 2026. Should either deadline not be met, SRTA has the sole right to exercise reallocating REAP 2.0 funds away from this project to ensure they can be spent in the region before the program deadline.

- 5.) Replaces the original Attachments A (“SCOPE OF WORK AND SCHEDULE”) and B (“BUDGET”) with the attached revised Attachment A.
- 6.) Removes Attachment C from the agreement.

SIGNATURES ON NEXT PAGE

IN WITNESS THEREOF, SRTA and Sub-Recipient have executed this agreement amendment on the day and year of the last signature set forth below. By their signatures below, each signatory represents that he/she has the authority to execute this agreement and to bind the party on whose behalf his/her execution is made.

SHASTA REGIONAL TRANSPORTATION AGENCY

Date: _____

Sean Tiedgen, AICP, Executive Director

EMERGENT 3D

Date: _____

Joe Chimenti, Director

TAX ID #: _____

APPROVED AS TO FORM

John S. Kenny, Counsel

Date

Attachment A

SCOPE OF WORK, SCHEDULE, BUDGET

Activity Type	Budget (REAP 2.0 & Other Funds)	Estimated End Date
Pre-construction reviews and activities	\$25,395	5/27/2025
Land acquisition		3/1/2026
Design Review Approval		2/20/2026
Schematic Design	\$1,000	3/1/2026
Construction Documents	\$27,500	5/8/2026
Confirm Submission to Building Department	\$28,729	5/15/2026
Permit Approval		8/14/2026
Construction Start of at least one single-family home. (Two, if PLHA funds are awarded)	\$522,719	9/1/2026
All REAP funds expended		12/31/2026
All invoices submitted to SRTA		3/31/2027
Construction Complete		6/11/2027
Occupancy Certificate		6/25/2027

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