



East Bay Housing Organizations



September 27, 2022

Re: September 28, 2022 MTC Commission Meeting Item 13.a: Transit-Oriented Communities (TOC) Policy

Dear Chair Pedroza and Vice Chair Josefowitz:

We appreciate the Commission and staff for the thoughtful work given to updating MTC’s Transit-Oriented Communities (TOC) Policy. Our organizations have been engaging with staff on designing an effective TOC policy since the process began almost two years ago, and we are eager to see the TOC Policy approved by the Commission so that jurisdictions across the region can take steps towards the goals of the TOC Policy and Plan Bay Area 2050. The TOC policy is a critical tool in our toolbox to start making a meaningful impact towards achieving our goals to tackle climate change, housing affordability and racial and social inequities. These are problems that continue to get worse without coordinated regional and local action, and we are grateful to the Commission and staff for drafting a policy that could set a national example. Now is the time to take action: our converging crises of housing unaffordability, climate change, and racial and economic inequities have deepened in scale and urgency.

The draft policy includes many important provisions to advance our regional goals for housing, climate, and access to opportunity. While we support the policy broadly, and commend staff and Commissioners for progress on various aspects of the policy design, there are several areas where the policy must be improved to follow through on its stated goals, and the imperatives unanimously approved in Plan Bay Area. We are particularly concerned by several recent changes that we believe significantly undermine the climate and equity goals of the policy.

Therefore, we strongly recommend that the Commission approve the policy with the following three amendments:

- 1) Eliminate the last-minute exemption for residential densities for some of the region’s most exclusive cities with abundant access to opportunity.** The current draft policy includes a new exemption for a small subset of cities with Tier 3 transit (i.e., served by 1 BART line, Caltrain, light rail transit, or bus rapid transit) that are home to less than 30,000 people. In practice, this exemption is targeted several of the region’s

most exclusive, racially segregated cities that have some of the highest median incomes and rank high on access to opportunity: Albany, Atherton¹, Belmont, Brisbane, Lafayette, and Orinda.

We recognize MTC's challenging role of furthering goals that at times may be in tension with one another, including affirmatively furthering fair housing and greenhouse gas emissions reduction. This only underscores how imperative it is that we commit to equitable development in areas that are both high opportunity and transit rich areas given the multiple co-benefits it would provide. This exemption does not further the goals of the TOC policy, nor does it appear to be designed to respond to any place-specific constraints on development capacity.

This last-minute exemption would be acting in direct opposition to MTC and ABAG commitments to both affirmatively further fair housing and reduce GHG emissions; it would allow jurisdictions that have long excluded multifamily housing to continue to be exempted from engaging in our collective efforts for a more sustainable, and less racially and economically segregated, region. We strongly urge you to remove this exemption in the final policy.

- 2) **As we stated in our letter on July 6th, 2022, it is critical that the "3 P's menus be consolidated and strengthened if the policy is going to incentivize genuine impact for affordable housing and anti-displacement for the region; at present, the menus have left jurisdictions with too many low-impact options, and leave ample opportunity for jurisdictions to meet their affordable housing requirements without meaningfully changing local policy or funding.** We recommend specifically:
 - a) **The policy should require no-net-loss and the right to return for demolished homes as a baseline requirement.** Requiring no-net-loss and right to return for demolished homes (specifically enconcing current state law, SB 330, without a sunset date) is a commonsense baseline policy to prevent direct displacement, and it presents no cost to the local jurisdiction.
 - b) **The policy should focus its affordable housing production menu options on high impact policies that have a specific focus on affordable housing production.** The affordable housing production menu has been updated and now includes three options that require only that local jurisdictions adopt various components of current state law (SB 330) without a sunset date, including a new policy that is not specific to affordable housing. **We recommend that the production aspects of SB 330 be either consolidated to count as a single policy in the menu or that they be removed from the menu and made baseline requirements.**

Failing to consolidate the 3 P's menus will weaken the affordability and equity commitments for the policy that MTC has committed to from the outset of this policy development process. The affordable housing and equity community has provided extensive feedback on how to design the menus to reflect best practices and focus on high-impact policies, and we urge you to incorporate this feedback in the final policy.

- 3) **Eliminate Tier 4 minimum parking requirements.** All versions of the policy prior to the one published last week have prohibited minimum parking requirements, thus preventing jurisdictions from forcing the construction of parking adjacent to great transit. It is [well-documented](#) that minimum parking requirements increase congestion and GHG emissions while making conditions worse for walking, biking, and transit. In short, minimum parking requirements directly contradict TOC policy goals.

Some jurisdictions use minimum parking requirements in an effort to avoid spillover parking from new development, but minimum parking requirements fail to achieve this desirable goal. For example, forcing a developer to build 1.5 parking spaces per unit does nothing to prevent occupants from owning 3 vehicles per unit. If a jurisdiction wishes to successfully manage spillover parking from new development, it must do so directly, by managing residential and commercial parking through strategies such as time-limits,

¹ While the Atherton Caltrain station has closed, roughly 60 acres of Atherton are within ½ mile of the Menlo Park Caltrain station.

parking permits, pricing, and enforcement. Thankfully, committee agenda item 7a explains MTC's strategy to devote \$15 million dollars to support jurisdictions implementing such policies, which are described in MTC/ABAG's excellent [Parking Playbook](#).

Minimum parking requirements in Tier 4 areas will undermine the TOC policy's stated goals, will fail to deliver the desired benefit, and distract from policies that can actually prevent spillover parking. Please reconsider this last-second policy change and eliminate minimum parking requirements in Tier 4 zones.

Thank you again for your time, engagement, and consideration.

Respectfully,

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