



101 Eighth Street,
Joseph P. Bort
MetroCenter
Oakland, CA

Meeting Agenda

Regional Advisory Working Group

Tuesday, October 6, 2015

9:30 AM

Lawrence D. Dahms Auditorium

Call Meeting to Order

9:30 a.m.

1. [15-0865](#) Welcome, Introductions

Presenter: ABAG and MTC

9:35 a.m.

2. [15-0881](#) Plan Bay Area (PBA) 2040 Scenario Workshop

Small group sessions to provide input on the development of three land-use / transportation scenarios for Plan Bay Area 2040

Action: Information

Presenter: Miriam Chion, ABAG and Ken Kirkey, MTC

Attachments: [Plan Bay Area -PBA- 2040 Scenario Workshop.pdf](#)

[Scenario Planning - PPT.pdf](#)

[2a Handout - PBA Scenario Draft Concepts One-Pagers - BCC + lcp - 10.5.15](#)

[2b HANDOUT Goals.pdf](#)

[2c HANDOUT Example Policy Strategies.pdf](#)

[2d Handout - 6 Wins EEJ Scenario Letter 9 23 15.pdf](#)

Please Note: The Plan Bay Area (PBA) 2040 Scenario Workshop will not be audiocast due to the small group discussions.

11:30 a.m.

3. [15-0882](#) One Bay Area Grant Program 2 Proposal
- Proposed Framework for the second round of One Bay Area Grant (OBAG) funding.
- Action:** Information
- Presenter:** Anne Richman, MTC
- Attachments:** [One Bay Area Grant Program 2 Proposal.pdf](#)
 [OBAG2 Oct RAWG PowerPoint](#)

12:00 p.m.

4. [15-0761](#) Priority Development Area (PDA) Assessment Update
- Overview of the update to the 2013 PDA Readiness Assessment, an in-depth representative analysis of the ability of the PDAs to accommodate new residential development in Plan Bay Area.
- Action:** Information
- Presenter:** Therese Trivedi, MTC and Cynthia Kroll, ABAG
- Attachments:** [Priority Development Area -PDA- Assessment Update.pdf](#)

12:30 p.m.

5. Next Steps / Other Business / Public Comments

12:35 p.m.

6. Adjournment / Next Meeting

The next meeting of the Regional Advisory Working Group will be November 3, 2015, 9:30 a.m. in the Lawrence D. Dahms Auditorium, First Floor, 101 Eighth Street, Oakland, CA.

Public Comment: The public is encouraged to comment on agenda items at committee meetings by completing a request-to-speak card (available from staff) and passing it to the committee secretary. Public comment may be limited by any of the procedures set forth in Section 3.09 of MTC's Procedures Manual (Resolution No. 1058, Revised) if, in the chair's judgement, it is necessary to maintain the orderly flow of business.

Meeting Conduct: If this meeting is willfully interrupted or disrupted by one or more persons rendering orderly conduct of the meeting unfeasible, the Chair may order the removal of individuals who are willfully disrupting the meeting. Such individuals may be arrested. If order cannot be restored by such removal, the members of the committee may direct that the meeting room be cleared (except for representatives of the press or other news media not participating in the disturbance), and the session may continue.

Record of Meeting: MTC meetings are recorded. Copies of recordings are available at a nominal charge, or recordings may be listened to at MTC offices by appointment. Audiocasts are maintained on MTC's Web site (mtc.ca.gov) for public review for at least one year.

Accessibility and Title VI: MTC provides services/accommodations upon request to persons with disabilities and individuals who are limited-English proficient who wish to address Commission matters. For accommodations or translations assistance, please call 510.817.5757 or 510.810.5769 for TDD/TTY. We require three working days' notice to accommodate your request.

可及性和法令第六章：MTC 根據要求向希望來委員會討論有關事宜的殘疾人士及英語有限者提供服務/方便。需要便利設施或翻譯協助者，請致電 510.817.5757 或 510.817.5769 TDD / TTY。我們要求您在三個工作日前告知，以滿足您的要求。

Acceso y el Titulo VI: La MTC puede proveer asistencia/facilitar la comunicación a las personas discapacitadas y los individuos con conocimiento limitado del inglés quienes quieran dirigirse a la Comisión. Para solicitar asistencia, por favor llame al número 510.817.5757 o al 510.817.5769 para TDD/TTY. Requerimos que solicite asistencia con tres días hábiles de anticipación para poderle proveer asistencia.

Attachments are sent to committee members, key staff and others as appropriate. Copies will be available at the meeting.

All items on the agenda are subject to action and/or change by the Committee. Actions recommended by staff are subject to change by the Committee.

MTC's Chair and Vice-Chair are ex-officio voting members of all standing committees.



Metropolitan Transportation Commission

101 Eighth Street,
Joseph P. Bort MetroCenter
Oakland, CA

Legislation Details (With Text)

File #: 15-0865 **Version:** 1 **Name:**
Type: Report **Status:** Informational
File created: 9/11/2015 **In control:** Regional Advisory Working Group
On agenda: 10/6/2015 **Final action:**
Title: Welcome, Introductions

Sponsors:

Indexes:

Code sections:

Attachments:

Date	Ver.	Action By	Action	Result
------	------	-----------	--------	--------

Subject:

Welcome, Introductions

Presenter:

ABAG and MTC



Metropolitan Transportation Commission

101 Eighth Street,
Joseph P. Bort MetroCenter
Oakland, CA

Legislation Details (With Text)

File #:	15-0881	Version:	1	Name:	
Type:	Report	Status:		Informational	
File created:	9/14/2015	In control:		Regional Advisory Working Group	
On agenda:	10/6/2015	Final action:			
Title:	Plan Bay Area (PBA) 2040 Scenario Workshop				
	Small group sessions to provide input on the development of three land-use / transportation scenarios for Plan Bay Area 2040				

Sponsors:

Indexes:

Code sections:

Attachments: [Plan Bay Area -PBA- 2040 Scenario Workshop.pdf](#)
[Scenario Planning - PPT.pdf](#)
[2a Handout - PBA Scenario Draft Concepts One-Pagers - BCC + lcp - 10.5.15 v. 2.pdf](#)
[2b HANDOUT Goals.pdf](#)
[2c HANDOUT Example Policy Strategies.pdf](#)
[2d Handout - 6 Wins EEJ Scenario Letter 9 23 15.pdf](#)

Date	Ver.	Action By	Action	Result
------	------	-----------	--------	--------

Subject:

Plan Bay Area (PBA) 2040 Scenario Workshop

Small group sessions to provide input on the development of three land-use / transportation scenarios for Plan Bay Area 2040

Presenter:

Miriam Chion, ABAG and Ken Kirkey, MTC

Recommended Action:

Information

Attachments



TO: Regional Advisory Working Group

Dated: September 29, 2015

FR: Miriam Chion, ABAG and Ken Kirkey, MTC

RE: Plan Bay Area (PBA) 2040 Scenario Workshop

ABAG and MTC are beginning the process of developing three land use and transportation scenarios to inform discussions about the strategic update of Plan Bay Area 2040. Scenarios show different options for how the Bay Area can grow and change over time in ways that help us meet our goals for a more prosperous, sustainable, and equitable region. A vital part of the Plan Bay Area 2040 strategic update, scenarios represent alternative Bay Area futures based on distinct land use development patterns and transportation investment strategies.

ABAG and MTC are requesting feedback about our draft scenario concepts to ensure they preserve the character of our diverse communities while adapting to the challenges of future population growth. After a short overview of our Plan Bay Area 2040 scenario development approach (Attachment 1), participants will have the opportunity to engage in small-group discussions around the initial scenario concepts (Attachment 2). Participants will be asked for their feedback on the draft scenario concepts, and to prioritize the policy and investment strategies that best shape each alternative.

Next Steps

Once refined, these scenario concept narratives will provide a framework for our scenario alternatives, which will be developed, modeled, and evaluated to understand the effects of different combinations of land use and transportation strategies on our shared goals and targets. The scenario planning process is summarized and next steps are identified in Attachment 3.

Attachments:

1. Scenario Planning Approach
2. Scenario Concepts Narratives
3. Scenario Development Process

Scenario Planning Approach

Background

In July 2013, MTC and ABAG adopted Plan Bay Area 2013 as the Bay Area's first Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS). The plan responds to State Law (SB 375) requiring the preparation of an integrated land-use and transportation plan to meet greenhouse gas (GHG) emission reduction targets. A lot has changed in the Bay Area since the Plan's adoption, as the region's economy is growing rapidly and housing costs continue to increase, and many communities have recently completed land use plans that envision how to accommodate future growth.

MTC and ABAG are required to update the RTP/SCS every four years. In spring 2015, MTC and ABAG began a limited and focused update of Plan Bay Area 2013, called Plan Bay Area 2040 (PBA 2040). From late April through May, a series of open houses were conducted across the region to introduce the public to the PBA 2040 update process, seek comments on goals and targets, and receive feedback on local priorities across a wide range of issue areas. The comments and feedback were compiled and shared with the Regional Advisory Working Group (RAWG) as well as MTC and ABAG other committees and working groups, in July 2015. Meanwhile, over the past several months, MTC and ABAG have presented information regarding PBA 2040's proposed Goals and Performance Targets, Regional Forecasts, and Project Performance Assessment to the RAWG, the MTC Planning and ABAG Administrative Committees, and various other committees and working groups. With the Goals and Performance Targets up for adoption this fall and the Regional Forecasts underway, the next milestone is to develop and evaluate regional scenarios that integrate land use and transportation strategies.

What is Scenario Planning?

Scenario planning is a common way for organizations such as MTC and ABAG to analyze and communicate the effects of different combinations of land use and transportation strategies on regional goals and targets.

Scenarios can help articulate alternative future paths and provide information to help partner agencies, local jurisdictions, and the general public understand trade-offs. Scenarios can be constructed to modify the status quo, analyze and evaluate strategies that may be practically or politically challenging, and engage the region in a common dialogue about planning for our common future.

Constructing and communicating scenarios generally requires adherence to the following principles:

- **Develop a small number of scenarios.** A good regional planning process should advance a short list of coherent scenarios that can be clearly communicated. This can be challenging, because the strategies underpinning scenarios can be arranged in an infinite number of ways.
- **Construct a preferred scenario.** Since an infinite number of scenarios can theoretically be constructed, it is not appropriate to conduct a "winner takes all" approach to scenario planning. Rather, a "preferred scenario" can incorporate some of the best ideas from each scenario alternative. This can be challenging, because most people naturally gravitate toward voting for a favorite scenario out of the alternatives presented.
- **Balance sophistication with simplicity.** Scenarios should be meaningful for the most engaged and sophisticated observers, but also be easy to communicate to a broad spectrum of people around the region. This can be challenging, because scenarios may seem overly simplistic to some audiences or cryptic to other audiences.

Scenario Planning in Plan Bay Area 2013

For Plan Bay Area 2013, MTC and ABAG conducted extensive outreach to develop multiple rounds of scenario development and evaluation. This led to the development and adoption of the preferred land use distribution and transportation investment strategy (preferred scenario). Once the preferred scenario was adopted, another set of scenarios was developed and evaluated as alternatives within Plan Bay Area 2013's Environmental Impact

Report (EIR). These multiple rounds of scenario development required a tremendous amount of time and effort on the part of MTC and ABAG, partner agencies, local jurisdictions, working groups and committees. In retrospect, this process may also have created confusion due to the large number of scenario alternatives (13 alternatives in total). As a result, in early project scoping meetings for PBA 2040, MTC and ABAG proposed a simplified approach to scenario planning as described in the following sections.

Recommended approach to PBA 2040 Scenario Development

As described in a July 2014 memo to the MTC Planning Committee and ABAG Administrative Committees, MTC and ABAG's approach for this RTP/SCS will be to conduct a limited and focused update, building off the core framework established in Plan Bay Area 2013. One key difference between Plan Bay Area 2013 and its update – PBA 2040 – is that PBA 2040 does not include the Regional Housing Need Allocation (RHNA), which will be included again in the 2021 RTP/SCS. The RHNA process required a great deal of outreach and planning work that will not be necessary for PBA 2040. In addition, this will not be the region's first RTP/SCS, so we can build on lessons learned in the first integrated transportation and land use planning effort.

The MTC Public Participation Plan, adopted in February 2015, lays out PBA 2040's scenario development approach. This approach can be summarized as follows:

- One round of scenario analysis and evaluation will be conducted, and a maximum of three scenarios will be developed;
- The scenarios will be constructed in an effort to achieve PBA 2040's goals and performance targets;
- The scenarios will be designed to inform the selection of a preferred scenario; and,
- The same scenario alternatives will be carried over into the Environmental Impact Report (EIR) process.

Additionally, in order to analyze and evaluate the scenario alternatives, each scenario output will include, at a minimum:

- **Land use**
 - Total jobs by PDA and city;
 - Total housing units and households by PDA and city; and
 - Total population by PDA and city.
- **Transportation**
 - Investments by mode and purpose; and,
 - GHG and other travel model outputs for performance targets assessment.

Specific Process and Timeline for Developing and Evaluating Scenarios

The scenario development and evaluation process will occur over the next nine months, with MTC and ABAG adopting a preferred scenario in June 2016. MTC and ABAG, using input from the public workshops held in Spring 2015, partner agencies, working groups, and committees will develop and evaluate three alternative scenarios composed of land use and transportation strategies.

The scenario planning process will have three phases:

- **Scenario Development.** In October, MTC and ABAG staff will host scenario development workshops with the RAWG and ABAG Regional Planning Committee (RPC) to kick off the scenario planning process; gather input on the draft scenario concepts; and identify potential jobs, housing and transportation strategies to support the scenario concepts. These workshops will help shape the development of the three scenario alternative concepts and their respective strategies.

Following the October workshops, MTC and ABAG staff will present the draft scenario concepts in November to the MTC Planning and ABAG Administrative Committees, ABAG Executive Board, and other committees and working groups as appropriate, for additional feedback.

In February and March 2016, MTC and ABAG staff will present to the RAWG, RPC, the MTC Planning and ABAG Administrative Committees, and the ABAG Executive Board defined scenario alternatives that show

different options for distributing forecasted housing, population, and employment growth, as well as the high performing projects of the project performance assessment and the costs to maintain and operate our existing transportation system.

- **Scenario Evaluation.** Following the November 2015 joint meeting of the MTC Planning and ABAG Administrative Committees, MTC and ABAG staff will begin an iterative process of scenario evaluation and refinement of each scenario's land use and transportation strategies to meet regional goals and targets. MTC and ABAG staff will use regional models, described in more detail in the following section, to develop and analyze the scenarios.

In March 2016, MTC and ABAG staff will present to the RAWG, the MTC Planning and ABAG Administrative Committees, and other committees and working groups as appropriate, the results of the performance targets and equity assessments for each of the three scenario alternatives.

In April 2016, MTC and ABAG will host public workshops to discuss the scenario alternatives and the results of their evaluation.

- **Scenario Adoption.** Following the April 2016 public workshops, MTC and ABAG staff will create a draft preferred scenario based on feedback from the public, local jurisdictions, MTC and ABAG's partner agencies, working groups, and committees. The draft preferred scenario will incorporate strategies that best achieve the adopted PBA 2040 goals and performance targets and equity metrics.

In May 2016, MTC and ABAG staff will present the draft preferred scenario to the RAWG, the MTC Planning and ABAG Administrative Committees, and ABAG Executive Board. Their input will be used to refine the preferred scenario before the MTC Commission and ABAG Executive Board are asked to adopt the final preferred scenario at a joint June 2016 meeting.



Figure 1

Modeling Tools

MTC and ABAG staff will use modeling tools to assist in the development and analysis of scenarios. The integration of the regional land use and travel demand models allows for analysis of how land use policies will affect transportation outcomes and how transportation projects and policies will affect land use outcomes. The models allow us to perform our targets assessment for each scenario.

- **UrbanSim.** This regional land use forecasting model relies on regional control totals of jobs, housing, and population, developed and adopted by ABAG, to analyze the effects of land use and transportation strategies on the forecasted regional development pattern. The model simulates the interactions of households, businesses, developers, and governments within the urban market. The model will produce land use outputs, including the forecasted location of new jobs and housing for each scenario alternative. MTC and ABAG staff will evaluate the model outputs through an extensive planning process involving input by local jurisdictions.
- **Travel Model One.** The regional travel demand model relies on UrbanSim's forecasted regional development pattern to analyze the significance of transportation impacts and estimate travel outcomes, including vehicle miles traveled, vehicle hours of delay, and accessibility for each scenario alternative.

Common Assumptions for All Scenarios

There are a number of core assumptions that will stay the same across different scenarios:

- **Regional Forecast – Total Jobs, Housing, and Population (Control Totals).** ABAG’s adopted regional forecast will set control totals for the total jobs, housing, and population in the region. This total number will not vary across scenarios.
- **Regional Housing Need Allocation (RHNA).** In 2013, ABAG adopted the *Final Regional Housing Need Plan for the San Francisco Bay Area: 2014-2022*, including the final housing unit allocations, by income, to local jurisdictions in the region. The three scenario alternatives will reflect the adopted 2013 RHNA, and will not vary across scenarios. The next RHNA process will occur in coordination with the 2021 RTP/SCS.
- **Regional PDA and PCA Framework.** PDAs and PCAs are locally nominated and their geography will not vary across scenarios; however, the extent to which growth is emphasized in PDAs and land in PCAs is conserved may be considered as strategies.
- **Regional Transportation Revenue Sources.** MTC develops a revenue forecast that accounts for all reasonably assumed revenue sources to 2040. The total amount of revenues and sources will not vary across scenarios; however, certain revenue enhancements may be considered as strategies.
- **Regional Committed Transportation Network.** The committed transportation network represents the existing transportation infrastructure and proposed transportation improvements that are fully funded and under construction. The committed transportation network will not vary across scenarios.

Strategies Varying Across Scenarios

The differences in scenario alternatives will be driven by alternative distributions of strategies, which generally comprise a short set of land use and housing policies, transportation policies, and transportation investments. While not an exhaustive list, the strategies generally encompass the following actions:

- **Land Use Strategies** that change a community’s capacity for new development or incentivize a particular type or location of growth, such as changes to zoning, fees and subsidies, incentives and growth boundaries.
- **Transportation Strategies**
 - Transportation Investments- includes strategies for different types of transportation investments by category (expansion, maintenance, state of good repair, etc.), and mode (highway, transit, bike/ped, etc.), and programs.
 - Transportation Policies- includes strategies to manage transportation demand, systems operations, parking policies, and taxes and fees.
 - Climate Strategies- includes technological advancements (e.g. clean vehicles) and incentive programs to encourage travel options that help meet GHG emissions reduction targets.

It is important to recognize that the distribution of different strategies within initial scenarios does not constitute a staff proposal or recommendation. This distribution is done simply to illustrate tradeoffs between alternative growth patterns and infrastructure investments and serve as a building block for developing a preferred scenario.

Next Steps

Stakeholder engagement will help shape the strategies across each of the three scenario alternatives. The October ’15 scenario workshops are the first opportunity for input.

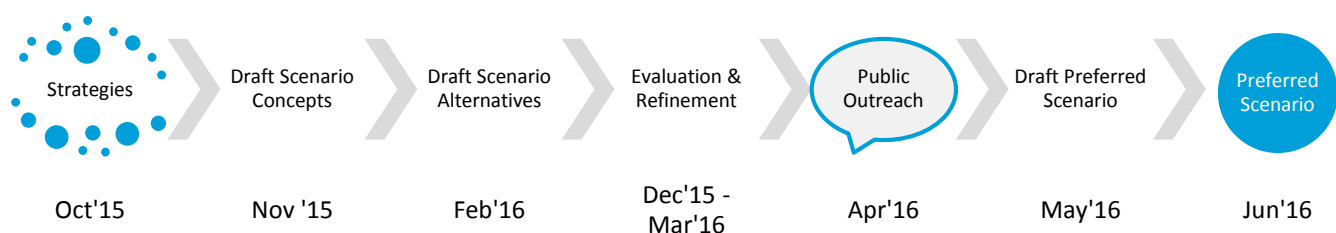


Figure 2

Draft Scenario Concepts Narratives

ABAG and MTC are beginning the process of developing three land use and transportation scenarios to inform discussions about the strategic update of Plan Bay Area 2040. The following draft scenario concept narratives show different options for how the Bay Area can grow and change over time in ways that help us meet our goals for a more prosperous, sustainable, and equitable region. A vital part of the Plan Bay Area 2040 strategic update, these scenarios represent three alternative Bay Area futures based on distinct land use development patterns and transportation investment strategies. Once refined, these scenario concept narratives will provide a framework for our scenario alternatives, which will be developed, modeled, and evaluated to understand the effects of different combinations of land use and transportation strategies on our shared goals and targets.

Similar to Plan Bay Area 2013, locally-identified Priority Development Areas (PDAs) and Priority Conservation Areas (PCAs) are the foundation for the scenario concepts. Growth is directed to PDAs in each scenario concept in recognition of the fact that PDAs have been identified by local governments as areas where new homes and jobs can be accommodated near transit. However, the extent to which population and job growth is emphasized in PDAs varies among the three draft scenario concepts, as does the amount of greenfield development expected. Of note, future growth is not assigned to areas that have been adopted as PCAs.

Scenario 1

Scenario 1 targets future population and employment growth to the downtowns of every city in the Bay Area to foster a region of moderately-sized, integrated town centers. As in the other scenarios, most growth will be in locally-identified PDAs, but this scenario offers the most dispersed growth pattern, meaning that cities outside the region's core are likely to see higher levels of growth and, within cities, more growth will be accommodated outside of PDAs than in other scenarios.

To accommodate this growth, investments, including resources for affordable housing, will be dispersed across PDAs, other transit-proximate locations outside PDAs, and underutilized transportation corridors across the region. This scenario comes closest to resembling a traditional suburban pattern, with an increase in greenfield development to accommodate the dispersed growth pattern. While an emphasis on multi-family and mixed-use development in downtowns will provide opportunities for households of all incomes to live near a mix of jobs, shopping, services, and other amenities, this scenario also assumes that many people will drive significant distances by automobile to get to work.

To support this scenario's dispersed growth pattern, transportation investment priorities will largely embrace new technologies and innovative strategies to manage travel demand. To accommodate increased reliance on automobiles for commuting, this scenario assumes a vast expansion of high-occupancy toll lanes on all regional highways, the institution of variable pricing, and highway widening at key bottlenecks. Additionally, the region will adopt transformational investments like automated buses and private vehicles. Bicycle and pedestrian infrastructure will create a network of regional trails and bike lanes, including a robust regional network of bike sharing. To support industry and goods movement, the scenario will focus largely on "smart operations and deliveries" — technology and operations to reduce congestion and increase safety on urban and rural roads.

To reach our climate goals, this scenario sees heavy investments in technology advancements, clean vehicles, and incentives and to pursue near-zero and zero emissions strategies wherever feasible. The mobility needs of seniors, persons with disabilities, and low-income communities will be addressed most centrally by "mobility management" solutions to link individuals to travel options that meet their specific needs, as well as the provision of demand-responsive strategies by the public, non-profit, and private sectors.

Scenario 2

Building from the final, adopted Plan Bay Area 2013, Scenario 2 targets future population and employment growth to locally-identified PDAs throughout the region, with an emphasis on growth in medium-sized cities with access to the region's major rail services, such as BART and Caltrain. Outside the PDAs, this scenario sees modest infill development, along with a small amount of greenfield growth. As these communities grow over the next 25 years, compact development and strategic transportation investments will provide residents and workers access to a mix of housing, jobs, shopping, services, and amenities in proximity to transit traditionally offered by more urban environments. Resources for affordable housing will be dispersed across the Bay Area, with some concentration in PDAs to support the development of affordable housing where the most population and employment growth is targeted.

To support this scenario's growth pattern, transportation investments will prioritize maintenance of existing infrastructure. The region's transit system will be modernized and expanded along key corridors to improve commutes and add capacity. Investments in bicycle and pedestrian infrastructure, including the regional bike sharing network, will support the creation of more walkable and bikeable downtowns. While this scenario would see limited expansion of the region's roadways, it will use travel demand strategies, including an expansion of the regional express lanes network to use existing roadways more efficiently. To support industry and goods movement, this scenario will support environmentally sustainable investments at our key global gateways to create local jobs, protect the community, and attract international commerce.

To protect the climate, this scenario prioritizes a number of innovative transportation initiatives, including car sharing and near-zero and zero emission goods movement technologies. The mobility and accessibility needs of seniors, persons with disabilities, and low-income communities will be addressed through continued investments in transit operations, transit capital, and a continued focus on "mobility management" solutions to link individuals to travel options that meet their specific needs.

Scenario 3

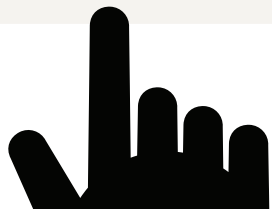
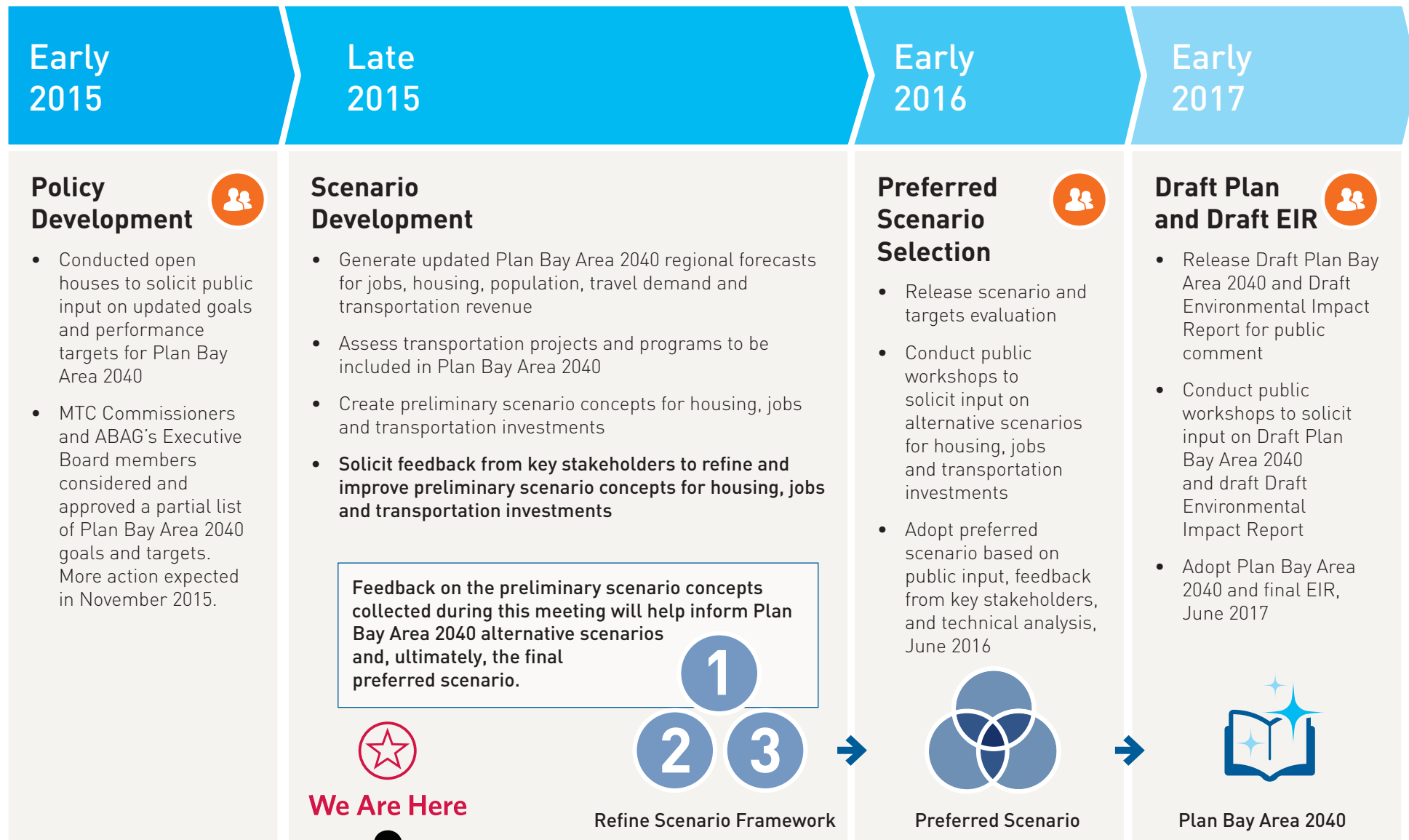
Scenario 3 concentrates future population and employment growth in the locally-identified PDAs within the Bay Area's three largest cities: San Jose, San Francisco and Oakland. Neighboring cities that are already well-connected to these three cities by transit will also see increases in population and employment growth, particularly in their locally-identified PDAs. The amount of growth outside these areas is minimal, with limited infill development in PDAs and no greenfield development. Growth in the three biggest cities will require substantial investment to support transformational changes to accommodate households of all incomes. This scenario will prioritize strategies to make these existing urban neighborhoods even more compact and vibrant, and enable residents and workers to easily take transit, bike or walk to clusters of jobs, stores, services, and other amenities. Resources for affordable housing will likewise be directed to the cities taking on the most growth.

To support this scenario's big city-focused growth pattern, the transportation infrastructure within and directly serving the region's core will be maintained to a state of good repair, modernized to boost service and improve commutes and capacity, and expanded to meet increased demand. While these transit investments will take priority, the roadway network will also require significant investments, such as a regional express lane network to prioritize direct access to the three biggest cities and regional express bus service to increase connections to the region's core. Bicycle and pedestrian infrastructure will be dramatically expanded in these cities, including a robust network of bike sharing. To support industry and goods movement, investments at the Port of Oakland will be ramped up quickly to enable more efficiency and to mitigate the impacts of Port activities on nearby communities.

To reach our climate goals, this scenario will focus technological and financial incentive strategies in and around the three biggest cities, which will accommodate a significant increase in population and travel demand. The mobility and accessibility needs of seniors, persons with disabilities, and low-income communities will be addressed by directing resources for a robust increase in transit operations and capital within the region's core.

Scenario Development Process

Plan
Bay Area
2040





Alternative Scenarios

Regional Advisory Working Group Discussion

Ken Kirkey, Planning Director, MTC
Miriam Chion, Planning & Research Director, ABAG
October 6, 2015

TODAY'S AGENDA

Plan
BayArea
2040

9:30am

Welcome



9:35am

Short Presentation
Introducing Scenario
Process

9:45am

Introduction to the
Group Exercise



9:50am

Group Discussions
about Alternative
Scenario Concepts



11:25am

Wrap Up

WHAT IS PLAN BAY AREA?

Plan
BayArea
2040

Plan Bay Area is a roadmap to help Bay Area cities and counties preserve the character of our diverse communities while adapting to the challenges of future population growth.



Promotes a strong regional **economy** by providing communities with the data they need to plan for future job growth, as well as any accompanying education, housing, and transportation needs.



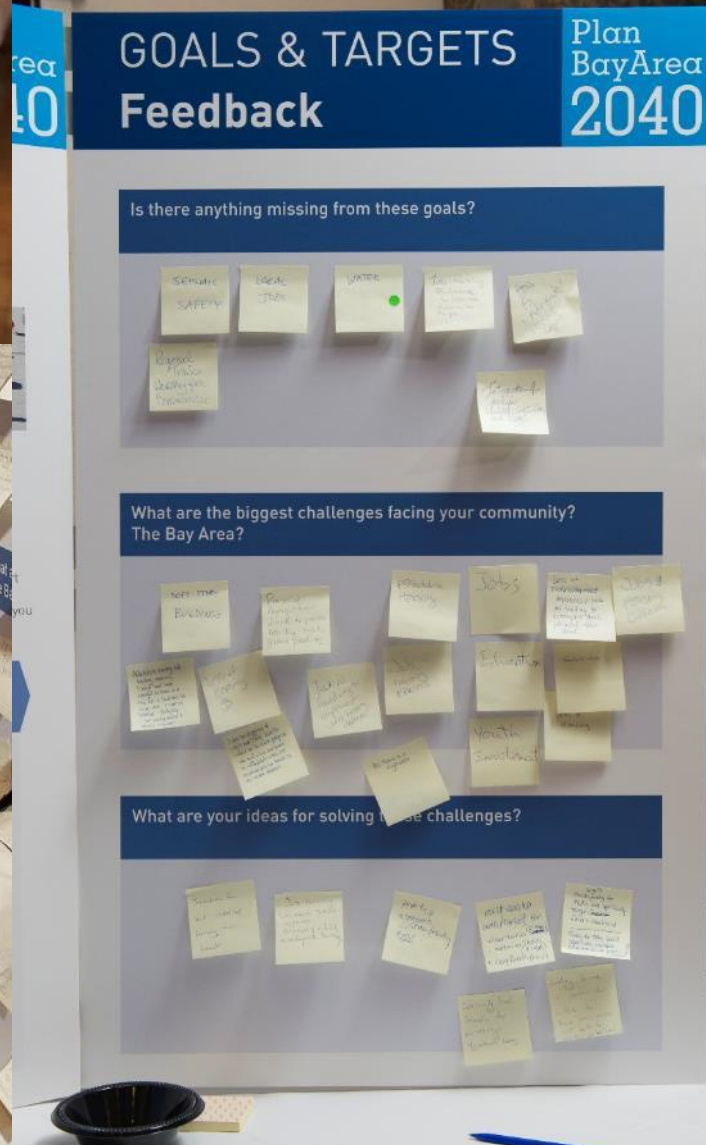
Informs local cities and counties in their decision-making around new **housing** developments by providing housing demand forecasts.



Supports strategic **transportation** investments that aim to decrease traffic congestion, improve travel options, and reduce pollution both locally and regionally.

2015 SPRING OPEN HOUSES

Plan
BayArea
2040

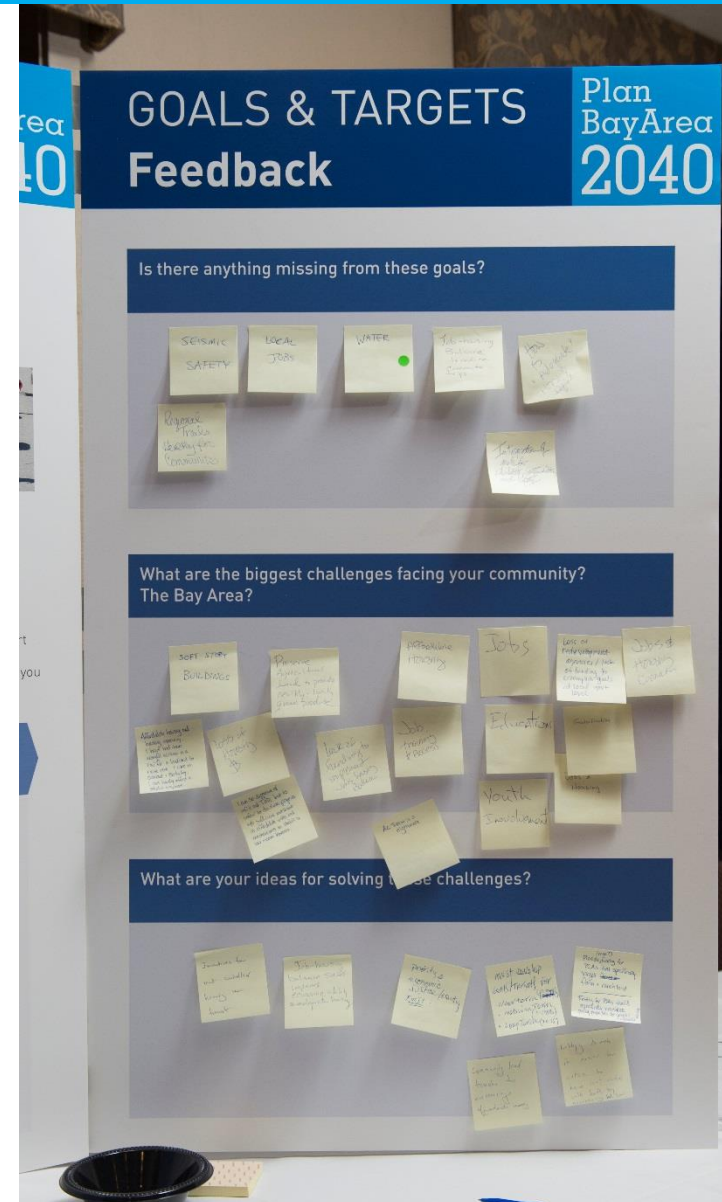


2015 SPRING OPEN HOUSES

Plan
BayArea
2040

Approximately 600 participants attended nine Bay Area Open Houses. General themes:

- We heard concerns about housing affordability and rapidly rising rents
- We heard suggestions for improving transit connections (especially BART)
- Many noted the lack of housing near available jobs and adequate transit options
- We heard about the importance of protecting open space and preserving water resources



FEEDBACK ON PBA GOALS & TARGETS

Plan
BayArea
2040



NEXT STEP: SCENARIOS

- Scenarios show different options for how the Bay Area can grow and change over time in ways that help us meet our goals for a more prosperous, sustainable, and equitable region.
- The alternative scenarios combine different strategies to highlight potential differences in the region's development pattern and transportation system.



SCENARIOS APPROACH

- Develop 3 scenarios
- Construct a preferred scenario
- Balance sophistication with simplicity



SCENARIO DEVELOPMENT PROCESS

Plan
BayArea
2040



SCENARIO CONCEPTS

Keep in mind:

- Alternative scenarios are required as part of Plan Bay Area 2040
- Our goal today is to improve the three scenario concepts via policy strategies that preserve the character of our diverse communities while adapting to the challenges of future population growth.
- Common assumptions for all three scenarios concepts:
 - Plan Bay Area 2040 goals and targets
 - Regional Forecast totals
 - Regional Housing Need Allocation (RHNA)
 - Regional PDAs and PCAs Framework
 - Regional Transportation Revenue Sources
 - Regional Committed Transportation Network



SCENARIO CONCEPTS

Plan
BayArea
2040

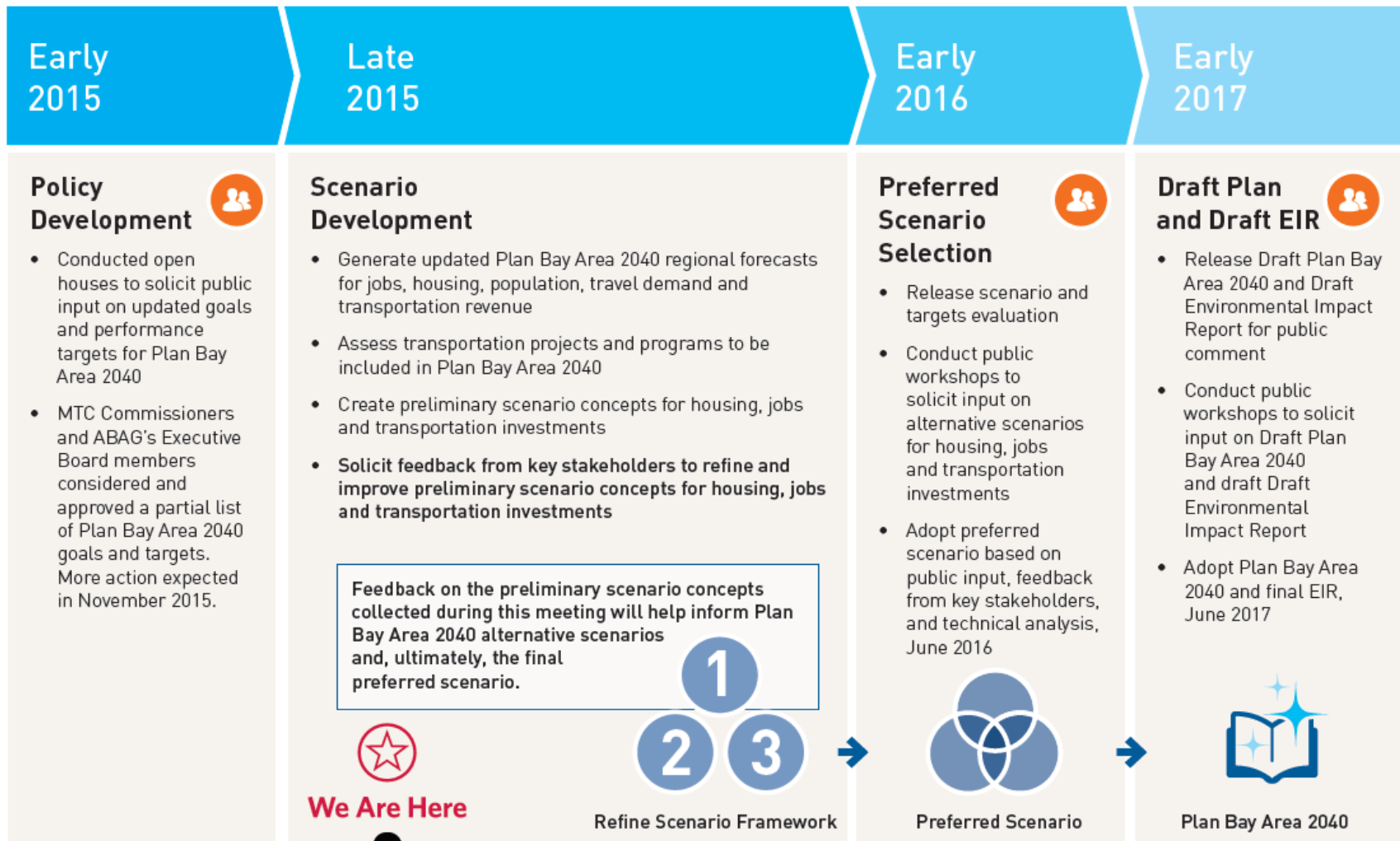
1

2

3

SCENARIO DEVELOPMENT PROCESS

Plan
Bay Area
2040



STAY INVOLVED

Plan
BayArea
2040



Subscribe to our mailing list to receive updates about Plan Bay Area and other regional initiatives at PlanBayArea.org



Contact MTC and ABAG directly to provide your comments in writing at info@planbayarea.org or join the discussion online on PlanBayArea.org or Facebook and Twitter.



Find an archive of past planning documents, frequently asked questions, regional planning agency calendars, and up-to-date planning information at PlanBayArea.org



Ken Kirkey
Planning Director
kkirkey@mtc.ca.gov
(510) 817-5790

Miriam Chion
Planning & Research
Director
miriamc@abag.ca.gov
(510) 464-7919



[Facebook.com/PlanBayArea](https://www.facebook.com/PlanBayArea)



[@PlanBayArea](https://twitter.com/PlanBayArea)

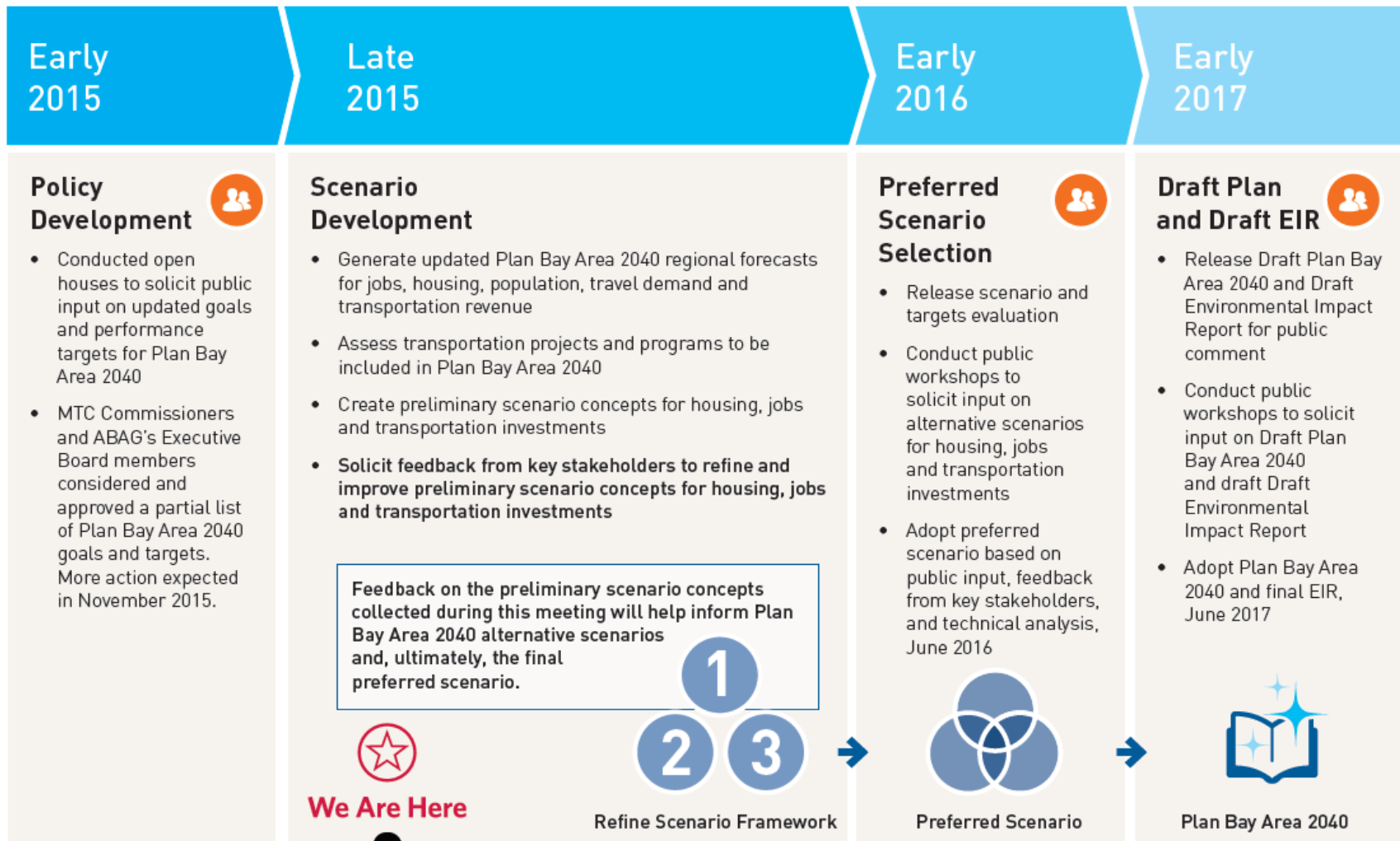
Plan
BayArea
2040

Thank You



SCENARIO DEVELOPMENT PROCESS

Plan
Bay Area
2040



Public Workshops
and Outreach



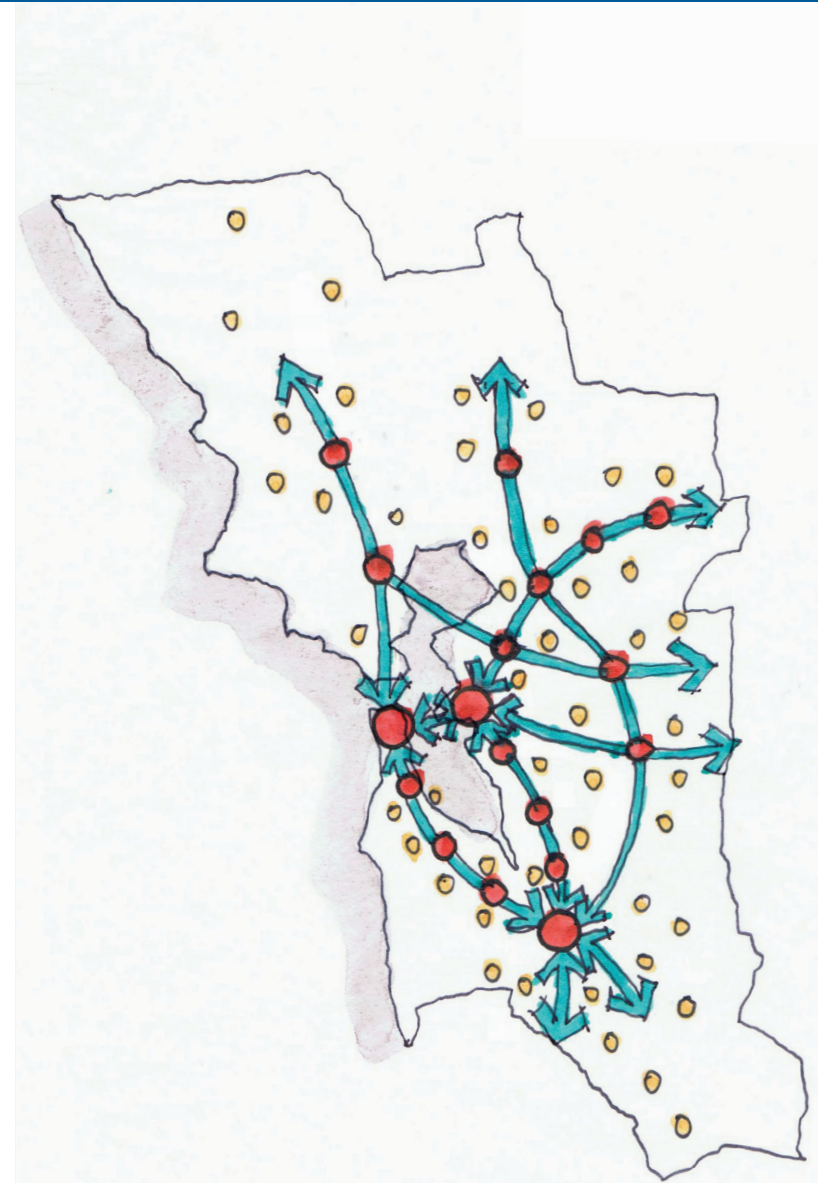
Scenario Draft Concept #1

Scenario 1 targets future population and employment growth to the downtowns of every city in the Bay Area to foster a region of moderately-sized, integrated town centers. As in the other scenarios, most growth will be in locally-identified PDAs, but this scenario offers the most dispersed growth pattern, meaning that cities outside the region's core are likely to see higher levels of growth and, within cities, more growth will be accommodated outside of PDAs than in other scenarios.

To accommodate this growth, investments, including resources for affordable housing, will be dispersed across PDAs, other transit-proximate locations outside PDAs, and underutilized transportation corridors across the region. This scenario comes closest to resembling a traditional suburban pattern, with an increase in greenfield development to accommodate the dispersed growth pattern. While an emphasis on multi-family and mixed-use development in downtowns will provide opportunities for households of all incomes to live near a mix of jobs, shopping, services, and other amenities, this scenario also assumes that many people will drive significant distances by automobile to get to work.

To support this scenario's dispersed growth pattern, transportation investment priorities will largely embrace new technologies and innovative strategies to manage travel demand. To accommodate increased reliance on automobiles for commuting, this scenario assumes a vast expansion of high-occupancy toll lanes on all regional highways, the institution of variable pricing, and highway widening at key bottlenecks. Additionally, the region will adopt transformational investments like automated buses and private vehicles. Bicycle and pedestrian infrastructure will create a network of regional trails and bike lanes, including a robust regional network of bike sharing. To support industry and goods movement, the scenario will focus largely on "smart operations and deliveries"—technology and operations to reduce congestion and increase safety on urban and rural roads.

To reach our climate goals, this scenario sees heavy investments in technology advancements, clean vehicles, and incentives and to pursue near-zero and zero emissions strategies wherever feasible. The mobility needs of seniors, persons with disabilities, and low-income communities will be addressed most centrally by "mobility management" solutions to link individuals to travel options that meet their specific needs, as well as the provision of demand-responsive strategies by the public, non-profit, and private sectors.

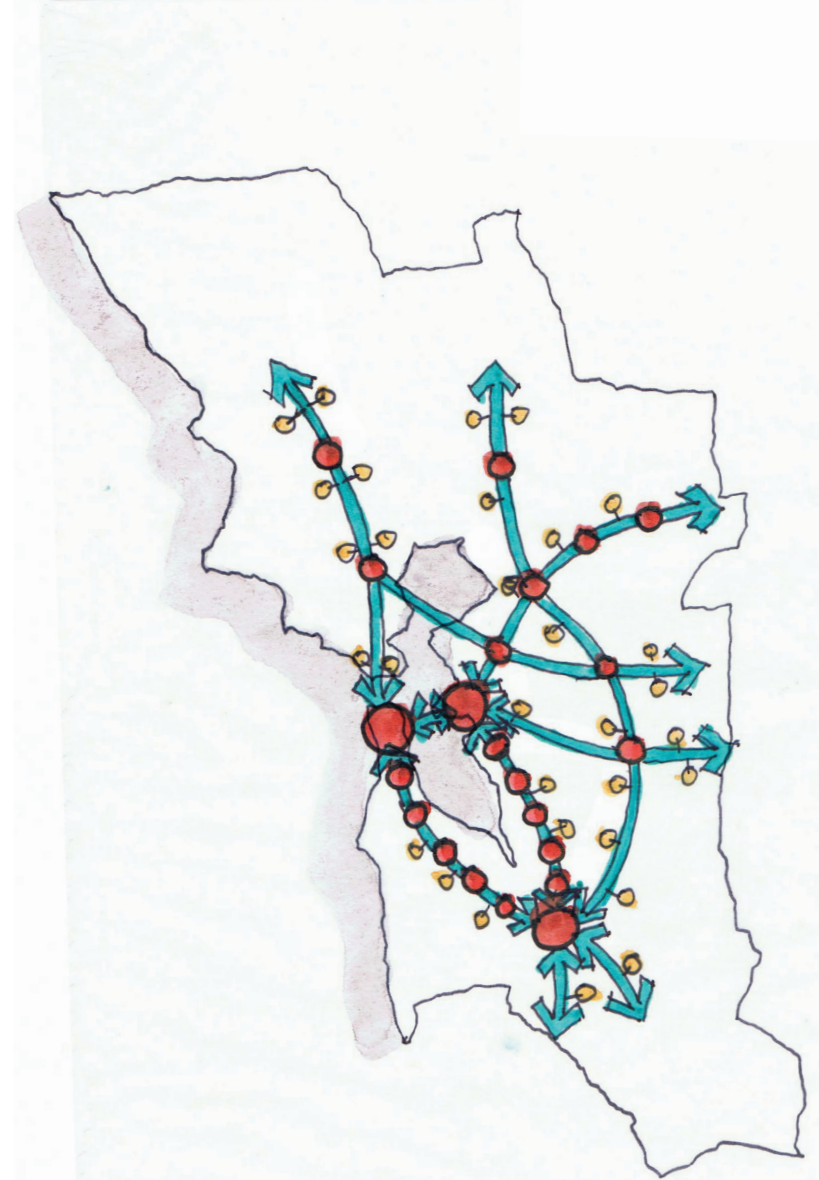


Scenario Draft Concept #2

Building from the final, adopted Plan Bay Area 2013, Scenario 2 targets future population and employment growth to locally-identified PDAs throughout the region, with an emphasis on growth in medium-sized cities with access to the region's major rail services, such as BART and Caltrain. Outside the PDAs, this scenario sees modest infill development, along with a small amount of greenfield growth. As these communities grow over the next 25 years, compact development and strategic transportation investments will provide residents and workers access to a mix of housing, jobs, shopping, services, and amenities in proximity to transit traditionally offered by more urban environments. Resources for affordable housing will be dispersed across the Bay Area, with some concentration in PDAs to support the development of affordable housing where the most population and employment growth is targeted.

To support this scenario's growth pattern, transportation investments will prioritize maintenance of existing infrastructure. The region's transit system will be modernized and expanded along key corridors to improve commutes and add capacity. Investments in bicycle and pedestrian infrastructure, including the regional bike sharing network, will support the creation of more walkable and bikeable downtowns. While this scenario would see limited expansion of the region's roadways, it will use travel demand strategies, including an expansion of the regional express lanes network to use existing roadways more efficiently. To support industry and goods movement, this scenario will support environmentally sustainable investments at our key global gateways to create local jobs, protect the community, and attract international commerce.

To protect the climate, this scenario prioritizes a number of innovative transportation initiatives, including car sharing and near-zero and zero emission goods movement technologies. The mobility and accessibility needs of seniors, persons with disabilities, and low-income communities will be addressed through continued investments in transit operations, transit capital, and a continued focus on "mobility management" solutions to link individuals to travel options that meet their specific needs.

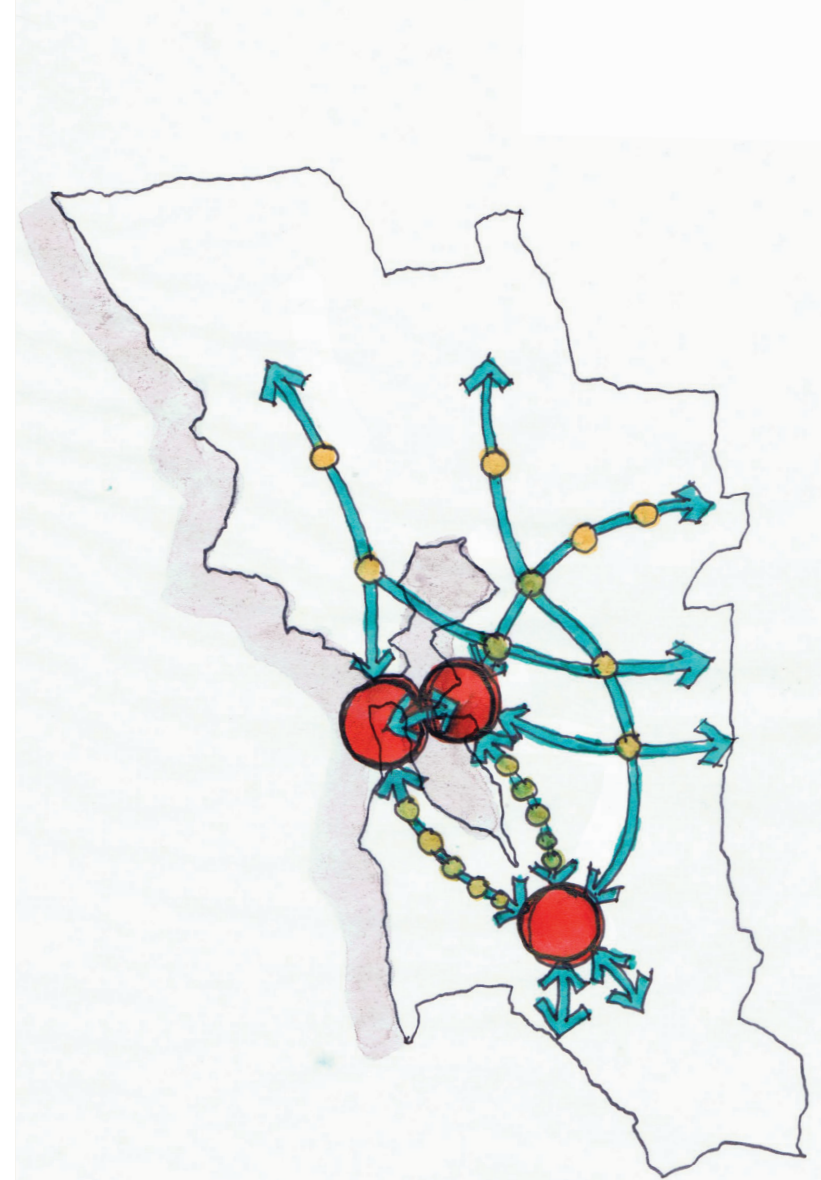


Scenario Draft Concept #3

Scenario 3 concentrates future population and employment growth in the locally-identified PDAs within the Bay Area's three largest cities: San Jose, San Francisco and Oakland. Neighboring cities that are already well-connected to these three cities by transit will also see increases in population and employment growth, particularly in their locally-identified PDAs. The amount of growth outside these areas is minimal, with limited infill development in PDAs and no greenfield development. Growth in the three biggest cities will require substantial investment to support transformational changes to accommodate households of all incomes. This scenario will prioritize strategies to make these existing urban neighborhoods even more compact and vibrant, and enable residents and workers to easily take transit, bike or walk to clusters of jobs, stores, services, and other amenities. Resources for affordable housing will likewise be directed to the cities taking on the most growth.

To support this scenario's big city-focused growth pattern, the transportation infrastructure within and directly serving the region's core will be maintained to a state of good repair, modernized to boost service and improve commutes and capacity, and expanded to meet increased demand. While these transit investments will take priority, the roadway network will also require significant investments, such as a regional express lane network to prioritize direct access to the three biggest cities and regional express bus service to increase connections to the region's core. Bicycle and pedestrian infrastructure will be dramatically expanded in these cities, including a robust network of bike sharing. To support industry and goods movement, investments at the Port of Oakland will be ramped up quickly to enable more efficiency and to mitigate the impacts of Port activities on nearby communities.

To reach our climate goals, this scenario will focus technological and financial incentive strategies in and around the three biggest cities, which will accommodate a significant increase in population and travel demand. The mobility and accessibility needs of seniors, persons with disabilities, and low-income communities will be addressed by directing resources for a robust increase in transit operations and capital within the region's core.



Plan Bay Area 2040 Goals



Climate Protection



Adequate Housing



Healthy and Safe Communities



Open Space and Agricultural Preservation



Equitable Access



Economic Vitality



Transportation System Effectiveness

Earlier this year, ABAG and MTC conducted open houses to solicit public input on updated goals and performance targets for Plan Bay Area 2040. In September, ABAG Executive Board members and MTC Commissioners approved the goals and a partial list of performance targets. More action is expected in November 2015. A joint meeting of the Plan Bay Area 2040 Performance Working Group and the Regional Equity Working Group will discuss the performance targets. The meeting date and time are shown below.

Stakeholder Meeting on the Plan Bay Area 2040 Targets

Tuesday, Oct. 6, 2015 at 1 p.m.

MetroCenter Auditorium

101 Eighth Street, Oakland

Examples of Policy Strategies

Background

Scenarios show different options for how the Bay Area can grow and change over time in ways that help us meet our goals for a more prosperous, sustainable, and equitable region. The three draft scenario concepts combine different policy strategies to highlight potential differences in the region's development pattern and transportation system projected over the next 25 years. The policy strategies incorporated into the different scenario alternatives generally comprise a set of land use and housing policies, transportation policies, and transportation investments.

While by no means an exhaustive list, the following policy strategies may help guide conversations about the draft scenario concepts. Some of these strategies can be directly incorporated into the regional land use and travel models because they affect development patterns by changing a community's capacity for new development or incentivizing a particular type or location of growth, or because they affect travel behavior or reduce greenhouse gas emissions. Other policies on this list cannot be modeled, but reflect strategies that should be pursued because they support the region's goals and targets for future growth. It is important to recognize that the distribution of different strategies within the draft scenario concepts does not constitute a staff proposal or recommendation. This distribution is done simply to illustrate tradeoffs between alternative growth patterns and infrastructure investments and serve as a building block for developing a preferred scenario.

Policy Strategies

Housing Policy Strategies

- Accommodate more housing in key locations, such as **Priority Development Areas (PDAs)**, **Transit Priority Areas (TPAs)**, and/or **high-opportunity areas**.
- Encourage patterns of jobs and housing that improve the **fit between the affordability of available housing and the income level** of residents.
- **Transition single-use office parks** to neighborhoods with housing, shopping, and other services.
- **Promote inclusionary housing policies**, which require developers to provide affordable homes when developing new market-rate units.
- **Increase funds available for affordable housing** development and preservation (e.g., **Redevelopment 2.0**, expanding **TOAH**, promoting local funds for affordable housing, etc.)
- **Promote neighborhood stabilization and anti-displacement** policies that fit the local context.
- Encourage more housing by **lowering or eliminating minimum parking requirements** along transit lines.

Employment Policy Strategies

- Accommodate more jobs in key locations, such as **Priority Development Areas (PDAs)**, **Transit Priority Areas (TPAs)**, and/or **high-opportunity areas**.
- Encourage patterns of jobs and housing that improve the **fit between the affordability of available housing and the income level** of residents.
- Protect **locations that are critical for industrial jobs and goods movement**.
- Support diverse clusters of **economic vitality along corridors**.
- Create **accessible middle-wage jobs** by investing in the region's workforce.

Environmental Policy Strategies

- **Limit expansion of urban growth boundaries** to concentrate growth in areas that have already been developed and reduce encroachment on agricultural land and open space.
- Discourage growth in areas likely to experience **sea level rise**.
- **Encourage efficient use of water** by encouraging more compact growth.
- Increase **funding for the region's Priority Conservation Area (PCA) Program**.
- Prioritize actions to **make the estuary more resilient** to the effects of climate change.
- Expand **access to trails and parks**.

Transportation Policy Strategies

Street and Highway Network	<ul style="list-style-type: none"> • Invest in expansion of our streets and highway network.
Transit Network	<ul style="list-style-type: none"> • Invest in expansion of our transit network. • Invest in expansion of bus operations. • Explore expansion of private shuttle service.
Freight Network	<ul style="list-style-type: none"> • Invest in a regional goods movement strategy including investments in ports and freight rail. • Explore goods movement smart delivery models to reduce truck congestion during peak hours. • Invest in near-zero or zero emissions goods movement strategies.
Bicycle/Pedestrian Network	<ul style="list-style-type: none"> • Invest in new walking paths and bike lanes, expanding Bay Area BikeShare programs or other projects that support biking and walking.
Express Lanes Network	<ul style="list-style-type: none"> • Invest in regional express lanes network. • Invest in regional express bus service on express lanes network. • Invest in expansion of dynamic/variable pricing on highways.
State of Good Repair	<ul style="list-style-type: none"> • Maintain transit at a state of good repair. • Maintain streets and highways at a state of good repair.
System Management	<ul style="list-style-type: none"> • Implement a regional highway operations strategies including investments in Intelligent Transportation Systems (ITS) and ramp metering. • Invest in expanded traveler information for our highway and transit networks. • Implement travel demand management strategies. • Invest in safety and security strategies for our streets and highway, transit, freight and bicycle/pedestrian networks.
Emerging Technologies	<ul style="list-style-type: none"> • Invest in automated buses, automated cars, point-to-point car sharing and electrified roadways across the Bay Area. • Invest in modernization of our transportation system.
Policy Initiatives	<ul style="list-style-type: none"> • Explore innovative transportation funding mechanisms. • Explore changes in speed limits to encourage energy-efficient driving and reduce collisions.

September 23, 2015

Metropolitan Transportation Commission
Association of Bay Area Governments
101 Eighth Street
Oakland, CA 94607

Re: Plan Bay Area – Equity, Environment and Jobs Scenario 2.0

Dear MTC Commissioners and ABAG Board members:

We write on behalf of members and allies of the 6 Wins for Social Equity Network, a regional coalition of over 20 organizations working to promote social, racial, economic and environmental justice in the Bay Area. As MTC and ABAG prepare to release their Plan Bay Area scenarios in November, **we urge you to include an updated Equity, Environment and Jobs Scenario (“EEJ 2.0”).**

Key components of EEJ 2.0 are summarized on the attached sheet and include (a) prioritizing the needs of underserved communities, (b) expanding local transit service, (c) creating and preserving affordable housing opportunities in transit-rich and high-opportunity communities, (d) protecting low-income residents from displacement, (e) creating living-wage and middle-wage jobs for local residents, and (f) improving health and safety in Communities of Concern.

Tackling Displacement Holistically

The EEJ scenario offers a comprehensive solution to the defining challenge of the Bay Area today – the displacement of low-income families – by investing in community-identified priorities, improving local transit, increasing affordable housing and tenant protections, and growing livable-wage jobs.

Both the scope of displacement and the fact that Plan Bay Area is contributing to it are confirmed by recent analyses. UC Berkeley researchers have found that 69% of the region’s low-income renter households live in “Priority Development Areas (PDAs), and 69% of those households are also at risk of being displaced from PDAs.”¹ At the same time, MTC and ABAG have highlighted the “inherent tension between the Plan’s emphasis on focused growth within [PDAs] and patterns of displacement risk in the region.”² While the region has made some initial commitments that could partially address this risk, MTC and ABAG recognize what low-income people around the region already know – that low-income communities and communities of

¹ UC Berkeley, The Regional Early Warning System for Displacement (REWS) Study, available at: http://iurd.berkeley.edu/uploads/CCI_Final_Report_07_23_15.pdf.

² MTC and ABAG, *Understanding Displacement in the Bay Area – Definition, Measures, and Potential Policy Approaches* (Sept. 4, 2015) 2-4.

color may “fail to benefit from [the] improvements” to their neighborhoods, given the high probability of their displacement from PDAs.³

The updated EEJ scenario gives MTC and ABAG the opportunity to meaningfully address this tension by incorporating lessons from the previous round of Plan Bay Area into the early stages of this round. The EEJ scenario studied in 2012-13 presented a vision of equitable focused growth and increased transit service that reduced displacement risk significantly,⁴ but this realization came late in the process.

Housing Affordability + Housing Stability + Local Transit + Jobs = Health

The EEJ scenario also offers a comprehensive approach to improving health outcomes. For example, access to affordable, stable housing means families aren’t diverting income away from other important household needs such as healthy food, medical care, and childcare⁵; living in crowded conditions that can cause stress and spread communicable diseases⁶; or traveling long distances to work, damaging air quality and increasing congestion, asthma and other respiratory diseases.⁷ The health impacts of housing instability are particularly intense for children, causing behavioral problems, depression, low birth weights, and other health conditions like asthma.⁸

Likewise, for the millions of “transit-dependent Bay Area residents who do not own or have access to a car, public transportation is a lifeline to jobs, education, family and friends, healthy, affordable food, recreation, and medical care, all of which are essential for individual health and wellbeing.”⁹ In particular, “[m]any bus riders are also people with disabilities, seniors, and youth who rely on the bus everyday to get to places essential for their health.”¹⁰ For transit riders, reduced service means longer waits, increased stress, safety concerns, more vehicle miles traveled and greenhouse gas emissions, cutting back on food and doctor visits to afford increased transportation costs, and missing work, school, and medical appointments.¹¹

³ Id.

⁴ The EEJ Alternative placed 15,800 fewer struggling families at high risk of displacement. See UC Davis analysis, available at http://www.publicadvocates.org/sites/default/files/library/uc_davis_comparison_of_draft_pba_with_eej_alternative_summary.pdf.

⁵ Joint Center for Housing Studies of Harvard University, *The State of the Nation’s Housing 2013* (2013), available at <http://www.jchs.harvard.edu/sites/jchs.harvard.edu/files/son2013.pdf>; Kushel, M. B., Gupta, R., Gee, L. and Haas, J. S., Housing Instability and Food Insecurity as Barriers to Health Care Among Low-Income Americans, *Journal of General Internal Medicine* (2006) 21: 71–77.

⁶ Causa Justa :: Just Cause, *Development without Displacement: Resisting Gentrification in the Bay Area* (2014), available at <http://cjjc.org/images/development-without-displacement.pdf>.

⁷ Department of Public Health, City and County of San Francisco, *Traffic density* (2014), available at <http://www.sfindicatorproject.org/indicators/view/46>; Causa Justa :: Just Cause, *Development without Displacement*.

⁸ Jelleyman, T. and N. Spencer. Residential Mobility in Childhood and Health Outcomes: A Systematic Review, *Journal of Epidemiology and Community Health* (2008); Gilman, S. E., Kawachi, I., Fitzmaurice, G. M., & Buka S.L., Socio-economic Status, Family Disruption and Residential Stability in Childhood: Relation to Onset, Recurrence and Remission of Major Depression, *Psychological Medicine* (2003) 33 (8), 1341-1355; Cohen, R., & Wardrip, K., *Should I Stay or Should I go? Exploring the Effects of Housing Instability and Mobility on Children*, Center for Housing Policy (2009), available at <http://www.nhc.org/media/files/HsgInstabilityandMobility.pdf>.

⁹ Alameda County Public Health Department, *Getting on Board for Health: A Health Impact Assessment of Bus Funding and Access* (May 2013), available at <http://www.acphd.org/media/308854/transithia.pdf>.

¹⁰ Id.

¹¹ Id. at 2-4.

Finally, a stable job with fair wages and benefits in the middle wage or above range allows individuals to provide their families with healthy food, quality childcare, and a healthy neighborhood, and increase life expectancy.¹²

Transit Service Leads to Jobs, Opportunity, and GHG Reductions

Increased transit service also has benefits that cut across jobs, housing, health and the environment. For example, research shows that transit operating expenditures create about 70% more jobs than spending on capital projects,¹³ affordable housing near entry-level jobs improves access to economic opportunity, and preventing displacement of low-income households and including affordable housing near transit increases ridership and reduces GHGs.¹⁴ Similarly, investing in robust local transit operations is the most cost-effective way to maximize GHG reductions, and affordable housing near jobs directly reduces driving.

Include the EEJ Early in the Process

Rather than again deferring its study of the EEJ until the Environmental Impact Report (EIR) at the very end of the planning process, MTC and ABAG should study it at the outset, alongside other scenarios. This will give decision makers and the public more time to understand, analyze and refine the scenarios in order to develop a new Plan Bay Area that will most strongly promote all of the “three Es”: equity for low-income communities and communities of color, economic opportunity, and environmental health.

In the previous round of Plan Bay Area, the community-driven EEJ scenario outperformed the others, not only on social equity performance measures, but on greenhouse gas (GHG) reduction and other important regional goals. When MTC and ABAG evaluated the EEJ alternative in the EIR for Plan Bay Area, they found it was “environmentally superior” to the other alternatives. MTC and ABAG also found that the EEJ alternative performed better than the plan developed by regional agency staff on a range of important regional goals. For instance, by removing 83,000 cars from our congested roads, and increasing transit boardings by 165,000 per day, the EEJ alternative would have reduced daily vehicle miles traveled by 3.5 million miles, and annual emissions by over half a million tons a year more than the adopted Plan Bay Area. It would have put tens of thousands fewer families at risk of flooding from sea-level rise and billions of dollars more into filling potholes on local streets and roads. It would have done all this while also providing the greatest benefits to disadvantaged families and protecting them the most from displacement.

¹² Robert Wood Johnson Foundation, “Culture of Health” (Jan. 2013), available at http://www.rwjf.org/en/culture-of-health/2013/01/stable_jobs_health.html.

¹³ Economic Development Research Group, *Job Impacts of Spending on Public Transportation: An Update* (Prepared for American Public Transportation Association, Apr. 29, 2009) 6-8, available at http://www.apta.com/gap/policyresearch/Documents/jobs_impact.pdf.

¹⁴ TransForm and California Housing Partnership Corporation, *Why Creating and Preserving Affordable Homes Near Transit is a Highly Effective Climate Protection Strategy* (May 2014) 3, 7-10, available at <http://www.chpc.net/dnld/AffordableTODResearch051514.pdf>.

In addition to including an EEJ scenario, MTC and ABAG should advance social equity outcomes in *all* of the scenarios by ensuring that investments are made in underserved communities that (1) meet an important need identified by low-income residents of the community, (2) result in significant benefits, (3) target those benefits to lower-income residents and households, and (4) avoid harms to the community, such as displacement.

Including and analyzing an equity scenario early in the process will provide the public and decision-makers with important information about the range of choices available, give us time to work together to develop the details, and result in the best outcomes for our region. We look forward to working with staff to fully develop the EEJ 2.0.

Sincerely,

Anthony Panarese
Alliance of Californians for Community Empowerment

Miya Yoshitani
Asian Pacific Environmental Network

Carl Anthony
Breakthrough Communities

Wendy Alfsen
California Walks

Dawn Phillips
Causa Justa :: Just Cause

Tim Frank
Center for Sustainable Neighborhoods

M. Paloma Pavel
Earth House Center

Kate O'Hara
East Bay Alliance for a Sustainable Community

Gloria Bruce
East Bay Housing Organizations

Kathryn Gilje
Genesis

Matt Vander Sluis
Greenbelt Alliance

Joshua Hugg
Housing Leadership Council of San Mateo County

Jill Ratner
New Voices Are Rising

Omar Medina
North Bay Organizing Project

David Zisser
Public Advocates

Tim Little
Rose Foundation for Communities and the Environment

Jennifer Martinez
San Francisco Organizing Project/Peninsula Interfaith Alliance

Rev. Kirsten Snow Spalding
San Mateo County Union Community Alliance

Peter Cohen and Fernando Marti
SF Council of Community and Housing Organizations

Rev. Earl W. Koteen
Sunflower Alliance

Clarrissa Cabansagan
TransForm

Bob Allen
Urban Habitat

Derecka Mehrens
Working Partnerships USA

Draft Equity, Environment and Jobs Scenario 2.0

September 2015

- **Set-aside for underserved communities:**
 - Invest at least 25 percent of the “discretionary” portion of Plan Bay Area 2040 revenues (about \$2 billion) over the first four years of the Plan in projects and programs identified as priorities by Communities of Concern through community-led processes.
 - Provide \$2 million in 2016 grants to community-based organizations with low-income and minority members in Communities of Concern to allow them to lead inclusive priority-setting discussions and identify the projects and programs responsive to priority unmet needs.
 - To provide meaningful benefits to Communities of Concern, investments must meet four requirements: 1) address an important community need, 2) result in significant benefits, 3) be targeted to lower-income residents and households, and 4) avoid harm to the community (e.g., displacement).
- **Transportation:**
 - Increase local transit service by growing the amount of regional operating funds available to run increased levels of local transit service – including prompt implementation of the “Campos Amendment” from Plan Bay Area 1.0 (which required MTC to develop a plan to “expand the funding available to support future increases in transit service”).
- **Housing and displacement:**
 - Prioritize investments and provide incentives that (1) strengthen and stabilize communities vulnerable to gentrification and displacement and (2) create and preserve affordable housing opportunities in transit-rich and high-opportunity communities that meet the regional need in all Bay Area cities.
 - Ensure that all local jurisdictions that receive funding have a locally appropriate set of anti-displacement and affordable housing policies in place, and prioritize funding to those jurisdictions that have particularly strong policies.
 - Tie affordability levels of new housing to the existing needs of local residents and workers, with particular attention on the availability of housing for those who are extremely low- and very low-income.
- **Jobs:**
 - Design land use, development and transportation projects to directly and indirectly create high quality jobs that pay good wages and benefits and create

career ladders for all Bay Area residents, with an emphasis on disadvantaged residents and communities, and encompassing urban, suburban and rural communities.

- Prioritize regional investments in ways that support good, livable-wage jobs and economic opportunity for all of the Bay Area's diverse communities, with a particular focus on creation and retention of living-wage and middle-wage jobs in Priority Development Areas and Transit Priority Areas.
- Prioritize local projects and programs that incorporate strategies or pilots intended to:
 - Increase the share of lower-wage jobs that provide a self-sufficiency wage within the project area or the local jurisdiction, and/or
 - Grow moderate-to-middle-wage jobs in the project area or jurisdiction and increase access to those jobs for local residents.
- **Healthy and safe communities:**
 - Prioritize transportation investments that will improve health and safety, especially in Communities of Concern, and that equalize mortality rates by race and income.
 - To improve health outcomes, protect existing residents from displacement, preserve and produce affordable housing near transit and jobs and in healthy and safe communities, improve local transit, and grow livable-wage jobs in transit-accessible areas.

TO:

MTC Planning Committee Members

James P. Spering, jimzspering@cs.com
Anne W. Halsted, ahalsted@aol.com
Alicia C. Aguirre, aaguirre@redwoodcity.org
Tom Azumbrado, Thomas_W._Azumbrado@HUD.GOV
Doreen M. Giacomini, dgiacomini@mtc.ca.gov
Scott Haggerty, district1@acgov.org
Steve Kinsey, skinsey@co.marin.ca.us
Sam Liccardo, mayoremail@sanjoseca.gov
Julie Pierce, jpierce@ci.clayton.ca.us

ABAG Executive Board Officers and Administrative Committee Members

Julie Pierce, jpierce@ci.clayton.ca.us
David Rabbitt, David.Rabbitt@sonoma-county.org
Mark Luce, mark.luce@countyofnapa.org
Ezra Rapport, ezrar@abag.ca.gov
Pat Eklund, peklund@novato.org
James P. Spering, jimzspering@cs.com
Bill Harrison, bharrison@fremont.gov
Scott Haggerty, district1@acgov.org
Eric Mar, Eric.L.Mar@sfgov.org
Pradeep Gupta, pradeep.gupta@ssf.net
Dave Pine, dpine@smcgov.org

CC:

Dave Cortese, dave.cortese@bos.sccgov.org
Steve Heminger, sheminger@mtc.ca.gov
Ken Kirkey, kkirkey@mtc.ca.gov
Dave Vautin, dvautin@mtc.ca.gov
Doug Johnson, djohnson@mtc.ca.gov
Allison Brooks, abrooks@mtc.ca.gov
Alix Bockelman, abockelman@mtc.ca.gov
Miriam Chion, MiriamC@abag.ca.gov
Johnny Jaramillo, johnnyj@abag.ca.gov
Pedro Galvao, pedrog@abag.ca.gov



Metropolitan Transportation Commission

101 Eighth Street,
Joseph P. Bort MetroCenter
Oakland, CA

Legislation Details (With Text)

File #: 15-0882 **Version:** 1 **Name:**
Type: Report **Status:** Informational
File created: 9/14/2015 **In control:** Regional Advisory Working Group
On agenda: 10/6/2015 **Final action:**
Title: One Bay Area Grant Program 2 Proposal

Proposed Framework for the second round of One Bay Area Grant (OBAG) funding.

Sponsors:

Indexes:

Code sections:

Attachments: [One Bay Area Grant Program 2 Proposal.pdf](#)
[OBAG2 Oct RAWG PowerPoint](#)

Date	Ver.	Action By	Action	Result
------	------	-----------	--------	--------

Subject:

One Bay Area Grant Program 2 Proposal

Proposed Framework for the second round of One Bay Area Grant (OBAG) funding.

Presenter:

Anne Richman, MTC

Recommended Action:

Information

Attachments



TO: Regional Advisory Working Group

DATE: September 29, 2015

FR: Anne Richman, Director, Programming and Allocations, MTC

RE: One Bay Area Grant Program 2 Proposal

Background

The inaugural One Bay Area Grant Program (OBAG 1) was approved by the Commission in May 2012 (MTC Resolution No. 4035) to better integrate the region's discretionary federal highway funding program with California's climate statutes and the Sustainable Communities Strategy (SCS). OBAG 1 supported *Plan Bay Area*, the region's Regional Transportation Plan / SCS, by incorporating the following program features:

- Targeting project investments into Priority Development Areas (PDA);
- Rewarding jurisdictions that accept housing allocations through the Regional Housing Need Allocation (RHNA) process and produce housing;
- Supporting open space preservation in Priority Conservation Areas (PCA);
- Providing a larger and more flexible funding pot to the county-level Congestion Management Agencies (CMAs) to deliver transportation projects in categories such as transportation for livable communities, bicycle and pedestrian improvements, local streets and roads preservation, and planning activities, while also providing specific funding opportunities for Safe Routes to School (SRTS).

The successful outcomes of this program are outlined in the "One Bay Area Grant Report Card," which was presented to the MTC Planning Committee in February 2014 (http://files.mtc.ca.gov/pdf/OBAG_Report_Card.pdf).

With only two years remaining of the OBAG 1 cycle (FY2015-16 and FY2016-17), preparations are well underway for the development and implementation of the next round of OBAG. Commission consideration of the OBAG 2 program proposal is anticipated at the November meeting.

Recommendations

Considering the positive results achieved to date in OBAG 1, staff recommends only minor revisions for OBAG 2. Listed below are principles that have guided the proposed program revisions:

1. Maintain Realistic Revenue Assumptions:

OBAG 2 funding is based on anticipated future federal transportation program apportionments. In recent years, the Surface Transportation Program/Congestion Mitigation and Air Quality Improvement programs (STP/CMAQ) have not grown, and changes in the federal and state programs (such as elimination of the Transportation Enhancement (TE) program) have resulted in decreases that were not anticipated when OBAG 1 was developed. For OBAG 2, a 2% annual escalation rate above current federal revenues is assumed, consistent with the mark-up of the Developing a Reliable and Innovative Vision for the Economy (DRIVE) Act by the Senate Environment and Public Works Committee. Even with the 2% escalation, revenues for OBAG 2 are 4% less than revenues for OBAG 1, due to the projections of OBAG 1 being higher than actual revenues, and the fact that OBAG 1 included Transportation Enhancement (TE) funds which are no longer available to be included in OBAG 2.

2. Support Existing Programs and maintain Regional Commitments while Recognizing Revenue Constraints:

The OBAG Program as a whole is expected to face declining revenues from \$827 million in OBAG 1 to \$790 million in OBAG 2. Therefore, staff recommends no new programs and to strike a balance among the various transportation needs supported in OBAG 1.

- a. The regional pot of funding decreases by 4%. With the exception of regional planning activities (that grows to account for escalation) and the Priority Conservation Area (PCA) program (that receives additional funds redirected from an OBAG 1 project), all other funding programs are either maintained at or decreased from their OBAG 1 funding levels.
- b. The OBAG 2 county program decreases by 4%. As compared to the county program under OBAG 1, largely the same planning and project type activities are proposed to be eligible under OBAG 2.

The proposed OBAG 2 funding levels for the regional and county programs are presented in Table 1 below. See Attachment 1 for more details on these programs and a comparison with the OBAG 1 fund cycle.

Table 1. OBAG 2 Funding Proposal

OBAG 2 Programs	OBAG 2 Proposed Funding (million \$, rounded)
Regional Planning Activities	\$10
Pavement Management Program	\$9
Regional Priority Development Area (PDA) Planning	\$20
Climate Change Initiatives	\$22
Priority Conservation Area (PCA) Program	\$16
Regional Active Operational Management	\$170
Regional Transit Priorities	\$190
County CMA Program	\$354
OBAG 2 Total	\$790

3. Support the Plan Bay Area's Sustainable Communities Strategy (SCS) by Linking OBAG Funding to Regional Housing Needs Allocation (RHNA), Housing Production, Affordable Housing, and Smart Growth Goals:

OBAG 2 continues to support the SCS for the Bay Area by promoting transportation investments in Priority Development Areas (PDAs). A few changes are proposed for OBAG 2, to further improve upon the policies that have worked well in OBAG 1 (see also Attachment 2).

- a. PDA Investment targets remain at OBAG 1 levels: 50% for the four North Bay counties and 70% for the remaining counties.
- b. PDA Investment Growth Strategies should play a strong role in guiding the County CMA project selection and be aligned with the Plan Bay Area update cycle.
- c. Three alternatives are under consideration for the county OBAG 2 distribution formula in response to Commission request at the July Programming and Allocations Committee meeting (see Table 2).

Table 2. OBAG Distribution Factor Alternatives

	Population	Housing Production	Housing RHNA	Housing Affordability
OBAG 1	50%	25%	25%	50%
OBAG 2 <i>Affordable Housing</i>	50%	30%	20%	60%
OBAG 2 <i>Affordable + Moderate</i>	50%	30%	20%	60%*
OBAG 2 <i>Housing Production</i>	50%	50%	0%	60%

*Includes moderate as well as low and very low income levels for RHNA and housing production.

Also, the distribution formula is proposed to be based on housing over a longer time frame, considering housing production between 1999 and 2006 (weighted 30%) and between 2007 and 2014 (weighted 70%) in order to mitigate the effect of the recent recession and major swings in housing permit approvals (see Table 3).

Table 3. Housing Production Trends

County	Total Housing Production ¹			
	1999-2006		2007-2014	
Alameda	33,697	15.9%	19,615	15.9%
Contra Costa	47,956	22.6%	16,800	13.6%
Marin	5,772	2.7%	1,543	1.3%
Napa	5,245	2.5%	1,434	1.2%
San Francisco	17,439	8.2%	20,103	16.3%
San Mateo	10,289	4.9%	8,169	6.6%
Santa Clara	52,018	24.5%	44,823	36.4%
Solano	18,572	8.8%	4,972	4.0%
Sonoma	20,971	9.9%	5,639	4.6%
Totals	211,959	100.0%	123,098	100.0%

¹ OBAG 1 total housing production numbers were based on the number of permits issued from 1999-2006. OBAG 2 total housing production numbers are based on the number of permits issued over a longer period from 1999-2006 (weighted 30%) and from 2007-2014 (weighted 70%) and have not been capped to RHNA allocations.

The resulting alternative county distribution formulas are presented in Attachment 2.

4. Continue Flexibility and Local Transportation Investment Decision Making:

OBAG 2 continues to provide the discretion and the same base share of the funding pot (40%) to the CMAs for local decision-making. Also, two previously regional programs, Safe Routes to Schools and the Federal-Aid Secondary (rural roads) programs, have been consolidated into the county program with funding targets to ensure that these programs continue to be funded at specified levels.

5. Cultivate Linkages with Local Land-Use Planning:

As a condition to access funds, local jurisdictions need to continue to align their general plans' housing and complete streets policies as part of OBAG 2 and as separately required by state law (see Attachment 3).

Complete Streets Requirements

Jurisdictions have two options for demonstrating complete streets compliance, which must be met by January 31, 2016:

- a. Adopt a Complete Streets Resolution incorporating MTC's nine required complete streets elements; or
- b. Adopt a significant revision to the circulation element of a General Plan after January 1, 2011 that complies with the California Complete Streets Act of 2008.

Housing Element Requirements

Jurisdictions must have a general plan housing element adopted and certified by the California Department of Housing and Community Development (HCD) for 2014-2022 RHNA by May 31, 2015. Furthermore, under state statute, applicable jurisdictions are required to submit Housing Element Annual Reports by April 1 every year. Jurisdictions receiving OBAG 2 funding must comply with this statute during the entire OBAG 2 funding period or risk de-programming of OBAG 2 funding.

6. Continue Transparency and Outreach to the Public Throughout the Project Selection Process:

CMAs will continue to report on their outreach process as part of their solicitation and selection of projects for OBAG 2. Each CMA will develop a memorandum addressing outreach, agency coordination and Title VI civil rights compliance.

Outreach and OBAG 2 Development Schedule

To date, MTC staff has made presentations on the OBAG 2 framework to the Policy Advisory Council, Programming and Allocations Committee, the Partnership Technical Advisory Committee and associated working groups. Comments received to date have been reviewed and revisions have been made to the proposal as a result of this stakeholder feedback. Comment letters and summarized stakeholder feedback have been posted at <http://www.mtc.ca.gov/funding/obag2/>.

The final OBAG 2 program is anticipated to be presented to the Commission in November for adoption, which will subsequently kick off the CMAs' project solicitation process. Commission approval of OBAG 2 regional programs and CMA project submittals is anticipated for December 2016 (see Attachment 4 for full schedule).

Other Noted Program Revisions

Regional Safe Routes to School (SRTS) Program: In December 2014, the Committee approved adding a fifth-year (FY 2016-17) to OBAG 1 in order to address program shortfalls due to lower than expected apportionments. After closing those shortfalls, the balance was directed to continue time critical operations and planning programs at lower levels than prior years. A number of committee members expressed interest in restoring funding up to the SRTS annual funding level of \$5 million. Staff has identified cost savings from prior cycles of federal funding, and is seeking consensus from the Committee to increase FY2016-17 SRTS funding from \$2.7 million to \$5.0 million. Staff will bring back the programming action to the Commission in November. For OBAG 2, recommended funding levels for the program are \$5 million per year (\$25 million total).

Available OBAG 1 Funding from Bikeshare Program: With the transition of the Bikeshare program to a public-private partnership model, \$6.4 million in OBAG 1 funds that were programmed to Bikeshare are now available for reprogramming. Staff proposes to augment the PCA program, providing an additional \$3.2 million each to the North Bay and Regional programs. The revised PCA program total of \$16 million is 60% higher than OBAG 1 funding levels – the only category proposed for such significant growth in OBAG 2.

MTC staff invites discussion and direction on any remaining issues as the OBAG 2 programming policies and procedures are being finalized.

J:\PROJECT\2017 RTP_SCS\RAWG\2015\10_Oct_2015\3_OBAG 2 RAWG memo.docx

OBAG 2 Program Considerations		OBAG 1	OBAG 2
Regional Programs		(millions)	
1. Regional Planning Activities			
<ul style="list-style-type: none"> Continue regional planning activities for ABAG, BCDC and MTC with 2.0% annual escalation from final year of OBAG 1 		\$8	\$10
2. Pavement Management Program			
<ul style="list-style-type: none"> Maintain PMP implementation and PTAP at OBAG 1 funding level 		\$9	\$9
3. PDA Planning and Implementation			
<ul style="list-style-type: none"> Maintain Regional PDA/TOD Planning and Implementation at OBAG 1 levels Focus on cities with high risk of displacement 		\$20	\$20
4. Climate Initiatives Program			
Continue climate initiatives program to implement the SCS		\$22	\$22
5. Priority Conservation Area (PCA)			
<ul style="list-style-type: none"> Increase OBAG 1 Programs: \$8M North Bay & \$8M Regional Program for the five southern counties and managed with the State Coastal Conservancy \$6.4M redirected from OBAG 1 regional bicycle sharing savings. Reduce match requirement from 3:1 to 2:1. MTC funding to be federal funds. Support State Coastal Conservancy to use Cap and Trade and other funds as potential fund source for federally ineligible projects. Regional Advance Mitigation Program (RAMP) activities eligible for funding 		\$10	\$16
6. Regional Operations			
<ul style="list-style-type: none"> Freeway Performance Initiatives, Incident Management, Transportation Management System, 511, Rideshare Focus on partnerships for implementation, key corridor investments, and challenge grant to leverage funding 		\$184	\$170
7. Transit Priorities Program			
<ul style="list-style-type: none"> BART Car Phase 1 Clipper Next Generation System Transit Capital Priorities (TCP), Transit Performance Initiatives (TPI) 		\$201	\$190
		\$454	\$436
Local Programs			
❖ Local PDA Planning			
Eliminate Local PDA Planning as a separate program.			
<ul style="list-style-type: none"> PDA planning eligible under County program. 		\$20	-
❖ Safe Routes to School (SRTS)			
Managed by CMAs. Provide Safe Routes To School grants to local jurisdictions.			
<ul style="list-style-type: none"> Maintain Safe Routes to School – Add to county shares. Use FY 2013-14 K-12 school enrollment formula \$25M minimum not subject to PDA investment requirements. Counties may opt out if they have their own county SRTS program 		\$25	-
❖ County Federal-Aid Secondary (FAS)			
Managed by CMAs. Provide FAS funding to Counties.			
<ul style="list-style-type: none"> Fully fund county FAS requirement (\$2.5 M per year). Funding not included in OBAG 1 because FAS requirement had been previously satisfied. \$13M guaranteed minimum not subject to PDA investment requirements 		-	-
		\$45	-
County CMA Programs			
❖ County CMA Program			
<ul style="list-style-type: none"> Local PDA Planning optional through CMA County OBAG Program SRTS included in County OBAG program (use K-12 school enrollment formula) FAS included in County OBAG program (use FAS formula) Adjustment to ensure county planning is no more than 50% of total amount CMA Planning Base with 2.0% annual escalation from final year of OBAG 1 County CMA 40% base OBAG program (not including CMA Planning Base) 		-	-
		-	\$25
		-	\$13
		-	\$1
		\$36	\$39
		\$291	\$276
		\$327	\$354
Program Total		\$827	\$790

OBAG 2
STP/CMAQ
County Formula
September 25, 2015

Attachment 2

				Weighting within RHNA and Housing Production		
Option	Population	Housing RHNA	Housing Production	Very Low + Low Income RHNA and Housing Production	Very Low + Low + Moderate Income RHNA and Housing Production	Total Housing Production
OBAG 1 Distribution	50%	25%	25%	50%	-	50%
OBAG 2 Affordable Housing	50%	20%	30%	60%	-	40%
OBAG 2 Affordable + Moderate	50%	20%	30%	-	60%	40%
OBAG 2 Production Housing Only	50%	0%	50%	60%	-	40%

OBAG CMA County Funding Formula

	Population 2014	1 OBAG 1	2 Affordable	3 Affordable+Moderate	4 Production Only
OBAG Cycle		OBAG 1	OBAG 2	OBAG 2	OBAG 2
Scenario		Actual	Affordable	Affordable+Moderate	Production Only
RHNA Years (2007-2014)		Draft RHNA	Final RHNA	Final RHNA	No RHNA
Housing Production - 1999-2006		1999-2006 (Capped)	1999-2006 (Uncapped) 30%	1999-2006 (Uncapped) 30%	1999-2006 (Uncapped) 30%
Housing Production - 2007-2014			2007-2014 (Uncapped) 70%	2007-2014 (Uncapped) 70%	2007-2014 (Uncapped) 70%
Housing Affordability		Affordable	Affordable	Affordable+Moderate	Affordable
Alameda	21.2%	19.6%	20.3%	19.9%	19.2%
Contra Costa	14.6%	14.1%	13.6%	14.8%	14.2%
Marin	3.4%	3.3%	2.6%	2.6%	2.8%
Napa	1.9%	2.3%	1.5%	1.6%	1.6%
San Francisco	11.3%	12.0%	13.9%	13.2%	14.5%
San Mateo	10.0%	8.3%	8.5%	8.5%	7.8%
Santa Clara	25.2%	27.3%	28.3%	27.6%	27.8%
Solano	5.7%	6.0%	4.9%	5.2%	5.1%
Sonoma	6.6%	7.3%	6.4%	6.6%	7.1%

J:\PROJECT\Funding\T4-MAP21\MAP21 - STP-CMAQ\MAP21 Cycle Programming\MAP21 Cycle 3\OBAG 2 Development\County Fund Distribution\OBAG 2 Distribution Scenarios.xlsx\County Distribution 09-25-15

- 1: OBAG1 Actual Distribution
2. Affordable Housing Production Weighted
3. Affordable AND Moderate Production Housing Weighted
4. Affordable Housing Production Only - No RHNA

OBAG 2 County Program Considerations

❖ County Generation Formula

- Continue existing PDA investment targets of 50% for North Bay counties and 70% for all others.
- Adjust county generation formula. Maintain population weighting factor while increasing housing production weighting factor, with housing affordability (very low and low) increased in weighting within both the Housing Production and RHNA.
- Consider housing production over a longer time frame, between 1999 and 2006 (weighted 30%) and between 2007 and 2014 (weighted 70%).
- Three alternatives are under consideration for the distribution formula:

OBAG Distribution Factor Alternatives

	Population	Housing Production	Housing RHNA	Housing Affordability
OBAG 1	50%	25%	25%	50%
OBAG 2 <i>Affordable Housing</i>	50%	30%	20%	60%
OBAG 2 <i>Affordable + Moderate</i>	50%	30%	20%	60%*
OBAG 2 <i>Housing Production</i>	50%	50%	0%	60%

*Includes moderate as well as low and very low income levels for RHNA and housing production.

❖ Housing Element

- Housing element certified by California Department of Housing and Community Development (HCD) by May 31, 2015.
- Annual report on housing element compliance.

Missed Deadline for Certified Housing Element

Jurisdiction	County
Fairfax	Marin
Half Moon Bay	San Mateo
Monte Sereno	Santa Clara
Dixon	Solano

❖ General Plan Complete Streets Act Update Requirements

- For OBAG 1, jurisdictions are required to have either a complete streets policy resolution or a general plan that complies with the complete streets act of 2008 by January 31, 2013.
- For OBAG 2, jurisdictions are required to have either a complete street policy resolution or a circulation element of the general plan updated after January 1, 2011 that complies with the Complete Streets Act of 2008. The deadline for compliance with this requirement is January 31, 2016. This modified approach focuses on the local complete streets resolution while acknowledging the jurisdictions that have moved forward with an updated circulation element in good faith of the requirements anticipated for OBAG 2.

❖ PDA Investment and Growth Strategy

- Currently, OBAG 1 requires an annual update of the PDA investment and growth strategy. For OBAG 2, updates are required every four years with an interim status report after two years. The update would be coordinated with the countywide plan updates to inform Regional Transportation Plan (RTP) development decisions. The interim report addresses needed revisions and provides an activity and progress status.

❖ Public Participation

- Continue using the Congestion Management Agency (CMA) self-certification approach and alter documentation submittal requirements to require a CMA memorandum encompassing three areas: public outreach, agency coordination and Title VI.

❖ Other

- BAAQMD "Healthy Places" type considerations allowed, but not required.

OBAG 2 Tentative Development Schedule	
May-June 2015	
<ul style="list-style-type: none"> Outreach <ul style="list-style-type: none"> Refine proposal with Bay Area Partnership and interested stakeholders Policy Advisory Council / ABAG 	
July 2015	
<ul style="list-style-type: none"> Present Approach to Programming and Allocation Committee (PAC) <ul style="list-style-type: none"> Outline principles and programs for OBAG 2 Approve complete streets requirement 	
July-October 2015	
<ul style="list-style-type: none"> Outreach <ul style="list-style-type: none"> Finalize guidance with Bay Area Partnership and interested stakeholders 	
November 2015	
<ul style="list-style-type: none"> Commission Approval of OBAG 2 Procedures <ul style="list-style-type: none"> November Programming & Allocations Committee (PAC) and Policy Advisory Council Commission approval of OBAG 2 procedures & guidance 	
December 2015 - September 2016	
<ul style="list-style-type: none"> CMA Call for Projects <ul style="list-style-type: none"> CMAs develop county programs and issue call for projects CMA project selection process County OBAG 2 projects due to MTC (September 2016) 	
December 2016	
<ul style="list-style-type: none"> Commission Approval of OBAG 2 Projects <ul style="list-style-type: none"> Staff review of CMA project submittals Commission approves regional programs & county projects 	NOTE: 2017 TIP Update: December 2016
February 2017	
<ul style="list-style-type: none"> Federal TIP <ul style="list-style-type: none"> TIP amendment approval 	
October 2017	
<ul style="list-style-type: none"> First year of OBAG 2 (FY 2017-18) <ul style="list-style-type: none"> On-going planning and non-infrastructure projects have access to funding 	NOTE: Plan Bay Area Update: Summer 2017
October 2018	
<ul style="list-style-type: none"> Second year of OBAG 2 (FY 2018-19) <ul style="list-style-type: none"> Capital projects have access to funding 	

OneBayArea Grant

OBAG 2 Proposal

Regional Advisory Working Group
October 6, 2015

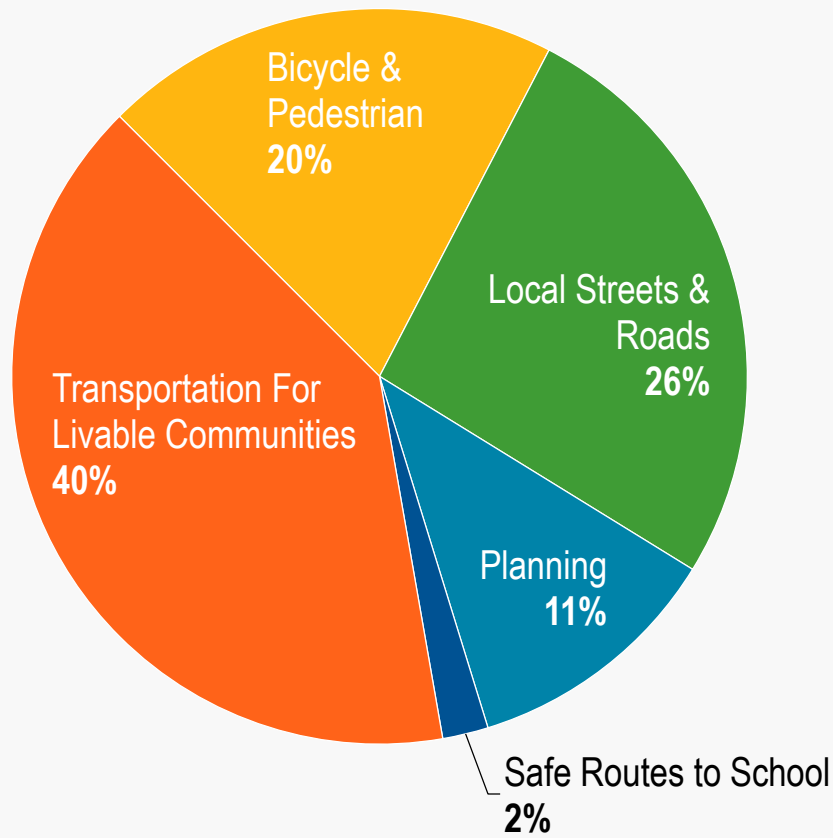


OneBayArea Grant: A Comprehensive Funding Approach

- Reward jurisdictions that accept and produce housing near transit
- Target OBAG investments in Priority Development Areas (PDAs) to support the Sustainable Communities Strategy
- Provide local funding and more flexibility on how money can be spent
- Distribute funding through a model that considers housing commitments and production
- Support open space preservation in Priority Conservation Areas (PCAs)
- Complete Street policies to better incorporate active transportation elements and transit

OBAG 1 County Program: Project Selection Outcome Summary

Program Categories

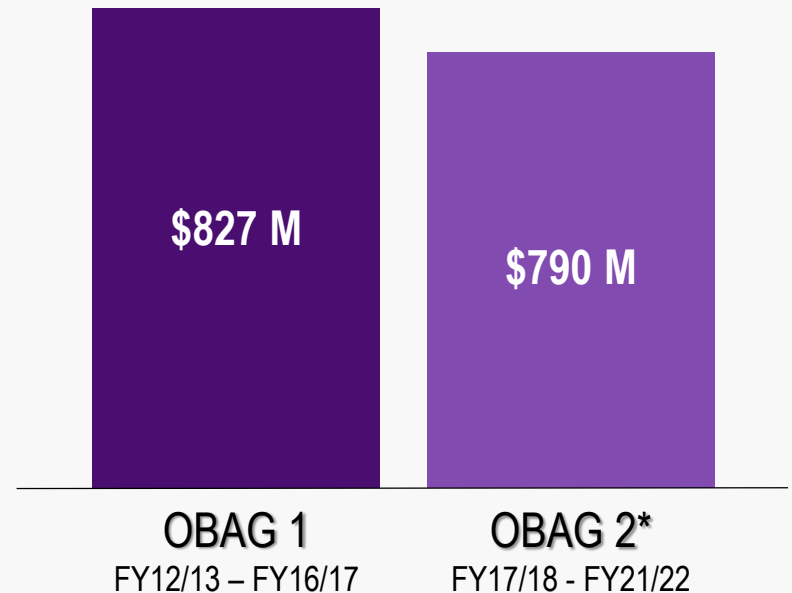


- Overall funding increased from previous cycle (\$126.8M to \$320M)
- More projects received grants (133 to 195)
- Average grant size increased (\$1.0M to \$1.6M)
- Average project size increased (\$2.1M to \$3.3M)
- Greater project complexity / multi-modalities and active transportation elements
- 60% of local projects contained complete streets elements

Source: OBAG Report Card, February 7, 2014

OBAG 2: Funding Assumptions

- OBAG 1 revenues were below expectations
- 2% annual escalation for future federal revenues, consistent with recent introduction of the Developing a Reliable and Innovative Vision for the Economy (DRIVE) Act
- STP/CMAQ funds only, no STIP or TE
- Five-year program from federal FY 2017-18 through FY 2021-22 to maintain program size
- \$790M available for OBAG 2
- No new programs
- Balance needs of existing programs



* OBAG 2 Program Proposal

OBAG 2: Regional Program Recommendations

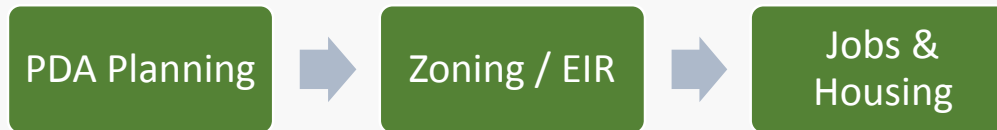
Millions \$, rounded

Program	OBAG 1	OBAG 2
Regional Planning Activities	\$8	\$10
Pavement Management Program	\$9	\$9
Priority Development Area (PDA) Planning and Implementation	\$20	\$20
Climate Initiatives Program	\$22	\$22
Priority Conservation Area (PCA)	\$10	\$16
Regional Operations Programs	\$184	\$169
Transit Priorities Program	\$201	\$190
Totals	\$454	\$436

OneBayArea Grant: Regional PDA Planning Program

Regional PDA Planning Program:
Implements *Plan Bay Area* by supporting neighborhood-level plans that link local aspirations and regional objectives

- Planning results to-date:
 - ☐ 51 projects
 - ☐ 60,000 + housing units
 - ☐ 103,000 + new jobs
 - ☐ 26 million sq. ft. commercial development



- Consider focusing on cities with highest risk of displacement

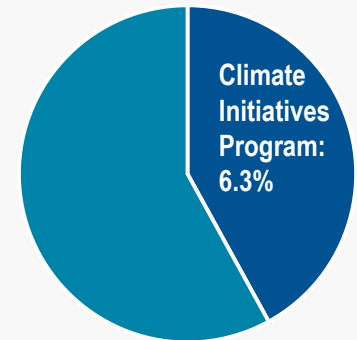


OneBayArea Grant: Climate Initiatives and PCA Programs

Climate Initiatives

- Identifies and implements strategies to reduce transportation-related GHG emissions mandated by SB 375
- Accounts for 6.3% of the 15% per capita Plan Bay Area GHG required emission reductions by the year 2035
- Future funding will continue to support successful efforts from pilots

Plan Bay Area
GHG Reduction Target
(15% per capita)



PCA Program

- Program increases with \$8M to the North Bay, \$8M to the Regional Program (other counties) – includes \$6.4 million in savings from OBAG 1 Bikeshare project

OBAG 2: Regional Operations & Transit Priorities

Regional Operations

- Supports 511, Columbus Day Initiative, Transportation Management Systems (TMS), Rideshare
- Focus on partnerships, key corridors
- “Challenge grant” concept to leverage funding

Transit Priorities

- Support key commitments
 - ❑ BART car replacement
 - ❑ Clipper next generation system
- Contribute to Transit Capital Priorities (TCP) and Transit Performance Initiative (TPI) programs



OBAG 2: Support the Plan Bay Area's Sustainable Communities Strategy

- PDA investment targets remain at 50% for the four North Bay counties and 70% for the other counties
- OBAG 2 based on housing over a longer time frame, considering housing production between 1999 and 2006 (weighted 30%) and between 2007 and 2014 (weighted 70%)
- County Distribution Formula: 3 options for discussion

County Distribution Formula Options

Program	Population	Housing Production	Housing RHNA	Housing Affordability
OBAG 1	50%	25%	25%	50%
OBAG 2 <i>Affordable Housing</i>	50%	30%	20%	60%
OBAG 2 <i>Affordable + Moderate</i>	50%	30%	20%	60%*
OBAG 2 <i>Housing Production</i>	50%	50%	0%	60%

OBAG 2: Continue Flexibility and Local Decision Making



Local Decision
Making

Flexibility



Transparency

- Continue directing 45% of the OBAG pot to the County CMAs for local priority setting
- “Silo-less” approach to sub-program categories continues
- Safe Routes to School Program consolidated into County OBAG program
- CMAs continue to report on their outreach process in a more structured format including coordination and Title VI

OBAG 2: Cultivate Linkages with Local Land Use Planning

- Local jurisdictions need to continue to align their general plans' housing and complete streets policies as part of OBAG 2 per SB 375 and other state laws
- For OBAG 2, jurisdictions need to either have updated their circulation elements after January 1, 2011 to meet the State's Complete Streets Act of 2008, or adopt a complete streets resolution per the MTC model used for OBAG 1



OBAG 2: Next Steps

May – October 2015	Outreach with partners and stakeholders
November 2015	PAC/Commission scheduled review and approval of OBAG 2 procedures and guidance
December 2015 – September 2016	CMA project solicitation and selection followed by MTC staff review of projects
December 2016	Commission approves county and regional OBAG 2 projects





Metropolitan Transportation Commission

101 Eighth Street,
Joseph P. Bort MetroCenter
Oakland, CA

Legislation Details (With Text)

File #: 15-0761 **Version:** 1 **Name:**
Type: Report **Status:** Informational
File created: 8/10/2015 **In control:** Regional Advisory Working Group
On agenda: 10/6/2015 **Final action:**
Title: Priority Development Area (PDA) Assessment Update

Overview of the update to the 2013 PDA Readiness Assessment, an in-depth representative analysis of the ability of the PDAs to accommodate new residential development in Plan Bay Area.

Sponsors:

Indexes:

Code sections:

Attachments: [Priority Development Area -PDA- Assessment Update.pdf](#)

Date	Ver.	Action By	Action	Result
------	------	-----------	--------	--------

Subject:

Priority Development Area (PDA) Assessment Update

Overview of the update to the 2013 PDA Readiness Assessment, an in-depth representative analysis of the ability of the PDAs to accommodate new residential development in Plan Bay Area.

Presenter:

Therese Trivedi, MTC and Cynthia Kroll, ABAG

Recommended Action:

Information

Attachments



TO: Regional Advisory Working Group

DATE: September 29, 2015

FR: Therese Trivedi, MTC and Cynthia Kroll, ABAG

RE: Priority Development Area (PDA) Assessment Update

Background

In 2012, MTC and ABAG oversaw an assessment of the readiness of PDAs to accommodate housing projected in 2040, the horizon year of Plan Bay Area. The PDA Assessment evaluated a sample of twenty PDAs representing a variety of place types and market conditions, and focused on housing capacity, the existing planning and entitlement process, the level of community support for development (as demonstrated by elected official approval of PDA-supportive land uses as well as history of neighborhood opposition), market attractiveness, infrastructure capacity, unfunded needs and financing capability. The Assessment found that the baseline readiness of the PDA sample to take on residential growth was 62% of the 2040 forecast. With the implementation of a range of proposed policy and financial interventions, the Assessment estimated that an increase in the development capacity of the PDA sample to 80% or more was feasible.

The settlement agreement in the matter *Building Industry Association Bay Area v. Association of Bay Area Governments, et al.* (Alameda County Superior Court Case No. RG13692098) requires an update of the PDA Assessment in advance of the update to Plan Bay Area. Additional PDA Feasibility Analysis will be conducted in relation to the settlement agreement in the matter *Communities for a Better Environment v. Metropolitan Transportation Commission*. MTC engaged Environment & Planning Services (EPS) to update the assessment. An update to the analysis offers an opportunity to assess market conditions that have significantly changed in many PDAs since the initial PDA Assessment was completed.

Scope of Work

The PDA Assessment update was prepared in a manner comparable to the work completed in 2013. The scope of that analysis similarly evaluated the local planning and entitlement process, community support for development, market investment attractiveness, infrastructure capacity and financing. The 2015 Assessment includes an expanded sample of 65 PDAs; the initial 20 evaluated in 2013, as well as an additional 45 PDAs representing a range of place types and market conditions. The number of units allocated to the sample PDAs represents half of all of the housing units projected in Plan Bay Area and two-thirds of all Plan Bay Area units allocated to PDAs.

A technical advisory group, in which both MTC and ABAG staff participated, was established with the following perspectives represented: residential developers, local jurisdictions, congestion management agencies and the Building Industry Association. The committee met three times, first to review the framework for the analysis and the expanded sample, next to review initial baseline results, and again to review amended results that, with various policies

and investments applied, could advance PDA development. Staff in local jurisdictions provided data and input into the analysis of their PDAs, and had the opportunity to review their PDA findings.

Findings

The PDA Assessment reached the following conclusions.

- Given current local land use policies and development opportunity sites, there is capacity for about 70% of the Plan Bay Area 2013 allocation of residential units in the sample of PDAs (baseline readiness).
- With the implementation of a range of policy and investment interventions, the PDA Assessment estimates an **increase** in the development capacity of the PDA sample to 87% or more (amended readiness).
- Top PDA **development constraints** are similar to those found in the 2013 analysis and include infrastructure needs, limited local government financing and parcel assembly capacity (e.g. loss of redevelopment agencies and funding), market demand limitations, and in some cases, local zoning constraints.
- Also similar to the 2013 analysis, a range of policy actions could be implemented at the local, regional and state levels to address these development constraints and improve PDA development readiness, such as:
 - Refining local land use policies and zoning to improve the flexibility, predictability and efficiency of land use regulations;
 - Targeting available planning and capital funding to reflect development readiness; and
 - Expanding financing, particularly for infrastructure, and parcel assembly tools at the local level to provide jurisdictions with funding options or addresses parcel assembly challenges.

Development of non-PDA areas will also continue, as Plan Bay Area anticipated 20% of future housing growth will occur beyond PDA boundaries. In most instances non-PDA areas face constraints similar to PDAs. Ultimately, market forces will influence the precise location, development prototypes, and cost of future housing.

Next Steps

Agency and EPS staff will present the attached slides at your meeting, providing additional detail about the project.

The PDA Assessment final report will be completed by the end of October. Staff will review the report findings as one of the inputs into the development of Plan Bay Area 2040 scenarios. In addition, recommended PDA Assessment policy actions will be considered for inclusion in Plan Bay Area 2040 and related advocacy efforts.



Priority Development Area (PDA) Assessment - 2015 Update

Regional Advisory Working Group
October 6, 2015

Therese Trivedi, MTC
Cynthia Kroll, ABAG
Darin Smith, EPS



METROPOLITAN
TRANSPORTATION
COMMISSION



Association of
Bay Area Governments

Study Purpose

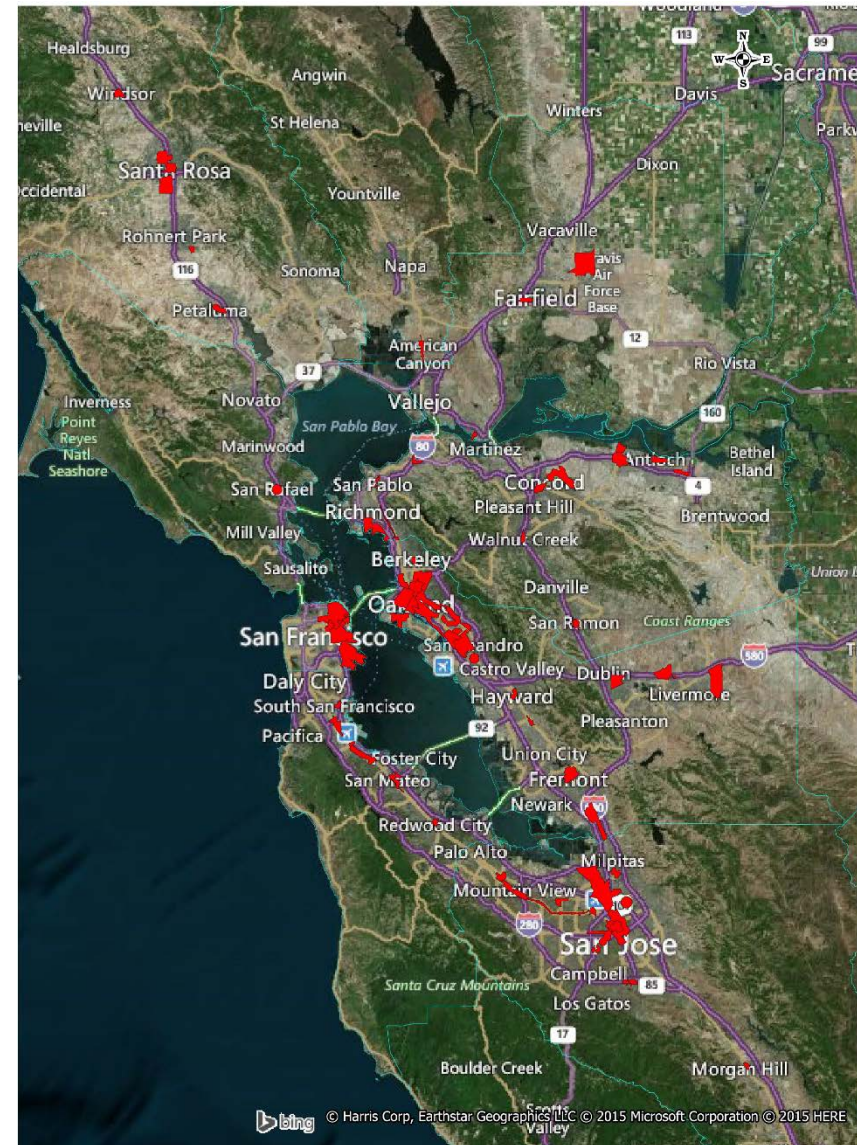
2013 Assessment

- Estimate PDAs “readiness” to accommodate residential units projected in *Plan Bay Area*
- Determine policy and investment initiatives to improve feasibility
- Results: PDAs can achieve **62%** of *Plan Bay Area* growth forecast, **80%** with policy actions

2015 Update

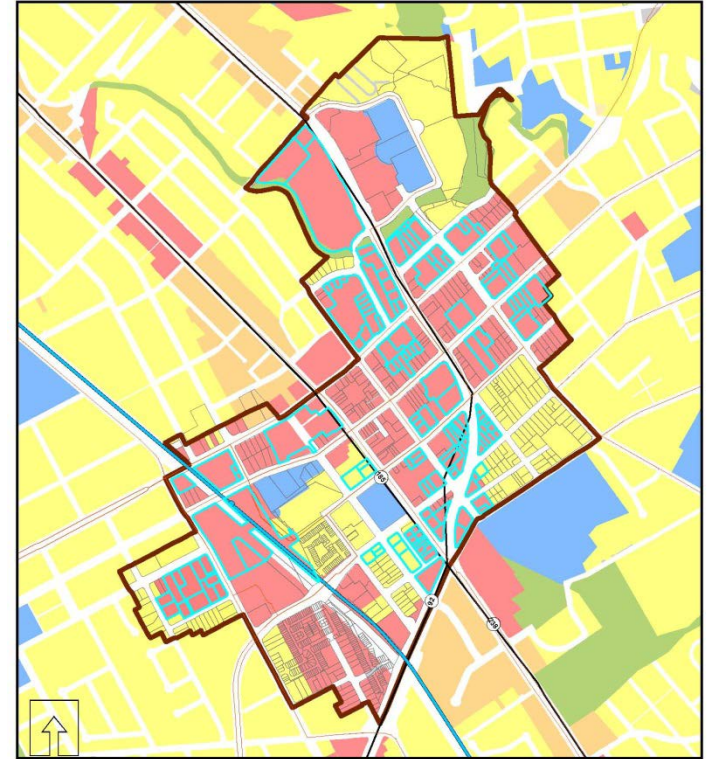
- Update outlined in Settlement Agreement
(*Building Industry Association Bay Area v. Association of Bay Area Governments, et al.*)
- Significant market changes since 2013
- Technical Advisory Group
- More robust sample than in 2013
 - 2/3 of housing projected in PDAs
 - 1/2 of overall housing in Plan Bay Area

Figure 1: 65 PDAs in 2015 Sample



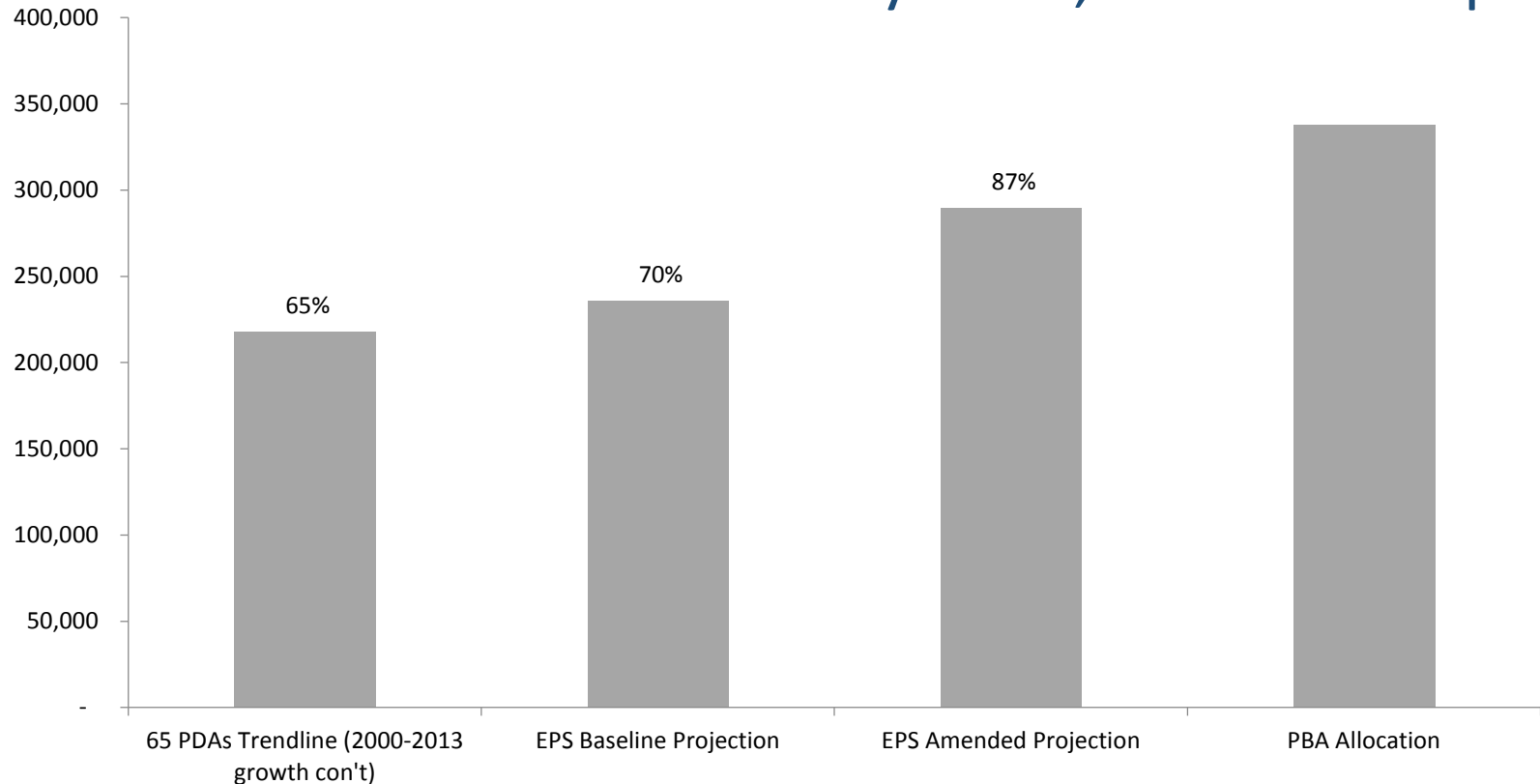
2015 Update - Framework for Analysis

- Readiness Criteria - same as 2013 Assessment
 - Housing capacity estimate
 - Existing planning & entitlement process
 - Level of community support
 - Market attractiveness
 - Infrastructure capacity, needs
- Evaluate baseline readiness
- Determine amended readiness assuming certain policy actions or investments



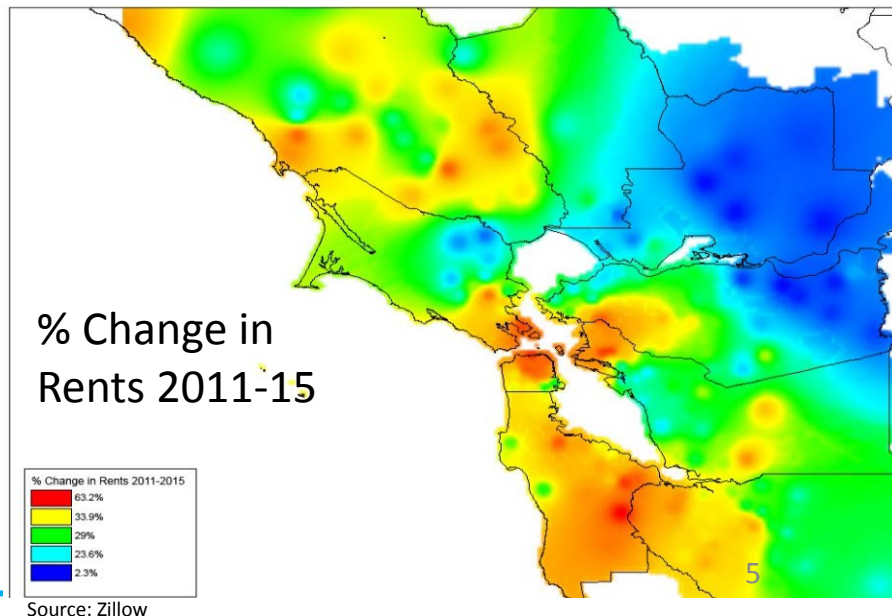
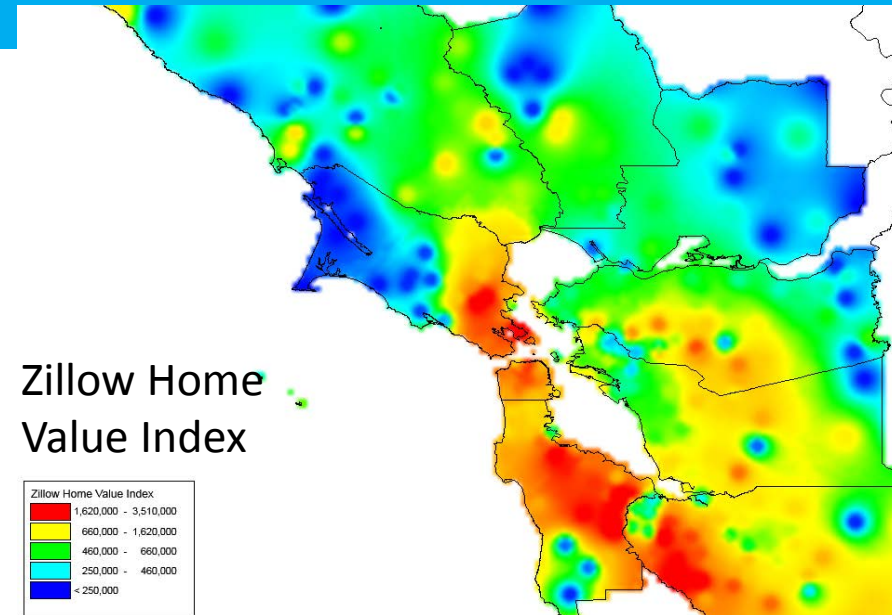
Finding #1: ~70% “Ready” in Baseline, ~87% “Ready” in Amended Conditions

Chart 2: Net New Units by 2040, 65 PDA Sample



Finding #2: PDA Readiness and Challenges Vary by Location

- Strong markets face community and political scrutiny
- Community and political support often stronger in weaker multifamily markets



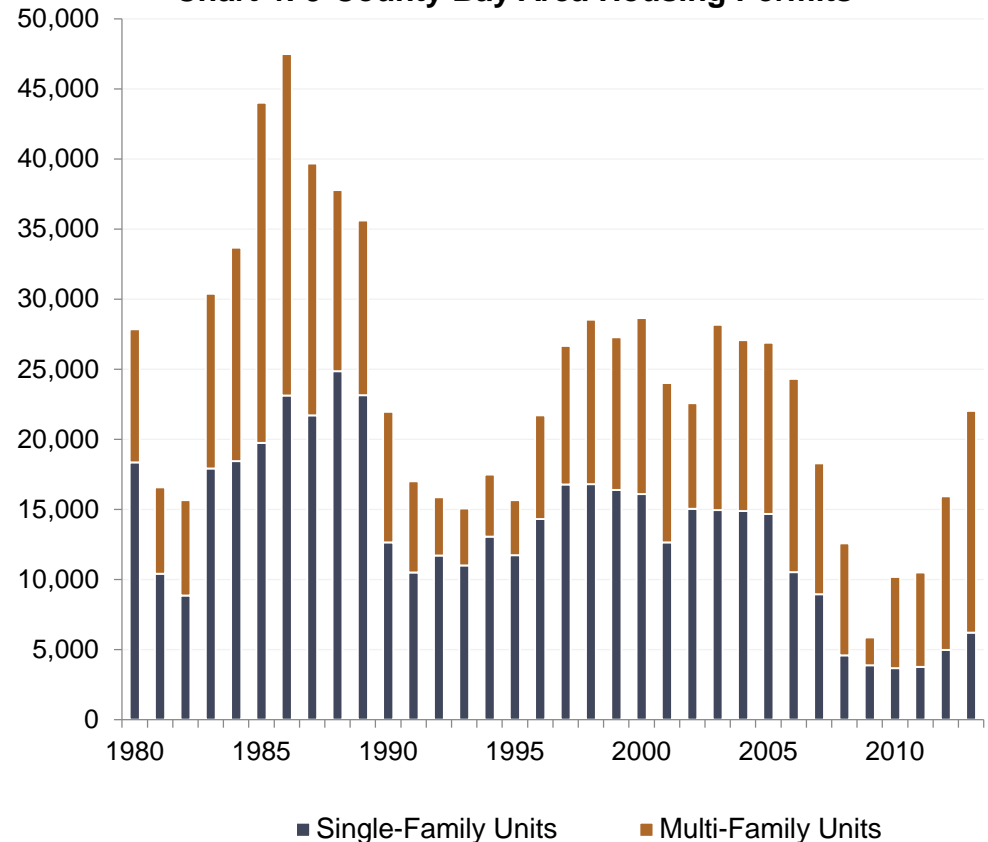
Changes Since 2013 Assessment

- Constraint

improvements:

- More Specific Plans/EIRs in place
- Housing permits have increased
- Prices have increased
- Density bonuses more viable
- New funding mechanisms (i.e. cap and trade)

Chart 4: 9-County Bay Area Housing Permits

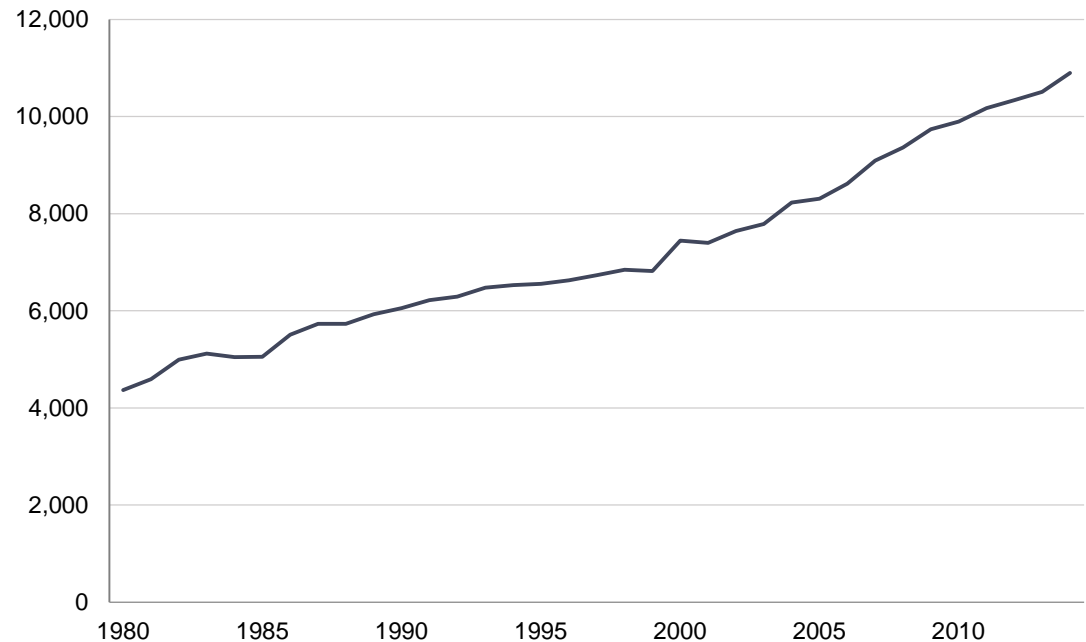


Source: Vital Signs, MTC

Changes Since 2013 Assessment

- Intensified constraints:
 - Construction costs are up
 - Fee and exaction increases in many communities
 - Reductions in federal funding for affordable housing
 - Concerns about displacement

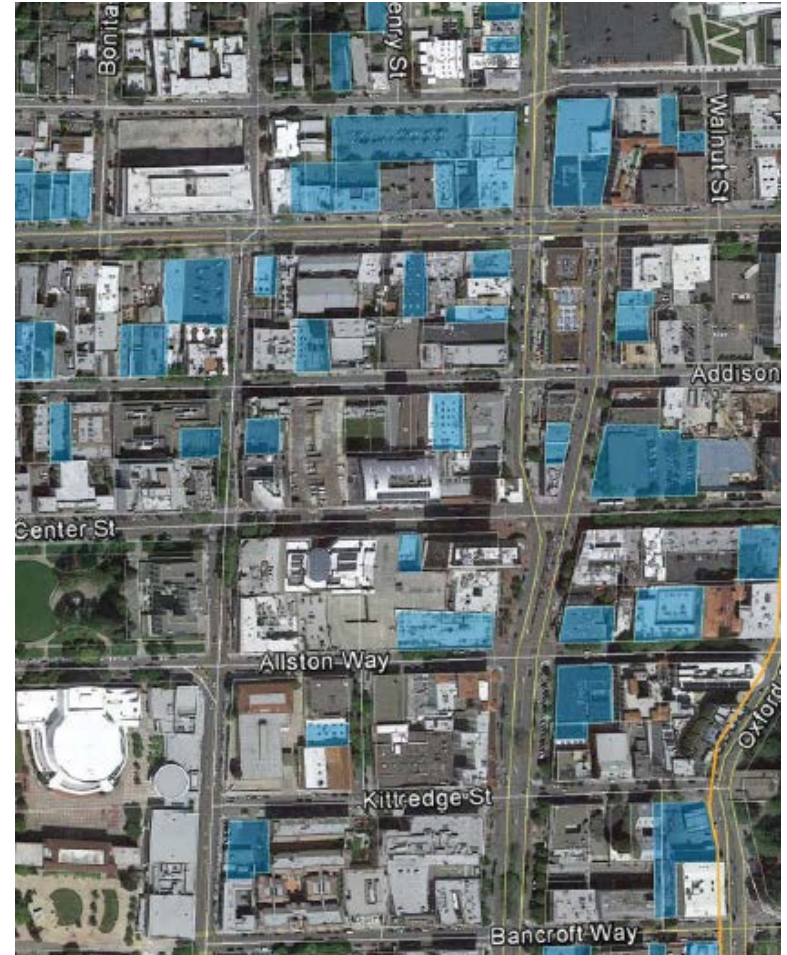
Chart 5: Construction Cost Index



Source: Engineering News-Record

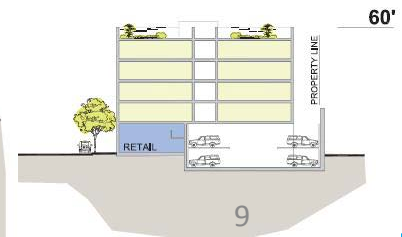
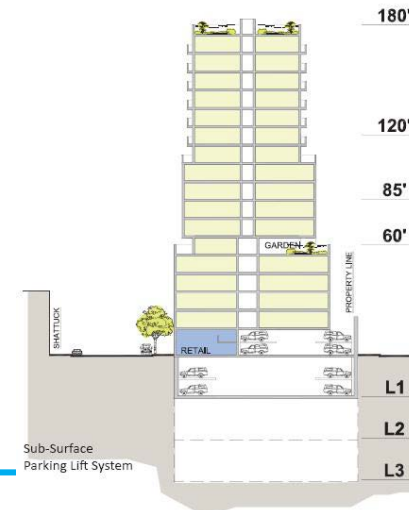
Persistent Conditions

- Site configuration/ small parcels
- Existing uses
- Neighborhood adjacencies
- Some unproven markets for more dense development
- Infrastructure needs



Interventions to Improve Readiness

- Included in Amended Results
 - Infrastructure financing/funding mechanisms
 - Parcel assembly tools
 - Selected upzoning or other capacity increases
 - Completing plans and EIRs to streamline processes
 - Removing policy-based constraints



Review and Next Steps

- Results shared with project Technical Advisory Group, local jurisdictions in sample, Regional Advisory Working Group
- Final report in October
- Results to inform Plan Bay Area 2040
 - Scenario development
 - Investments and policy advocacy in Plan

