



Bay Area Metro Center
375 Beale Street
San Francisco, CA 94105

Meeting Agenda

Joint MTC Planning Committee with the ABAG Administrative Committee

Friday, October 14, 2016

9:40 AM

Board Room - 1st Floor

This meeting is scheduled to be webcast live on the Metropolitan Transportation Commission's Web site: <http://mtc.ca.gov/whats-happening/meetings> and will take place at 9:40 a.m. or immediately following the 9:35a.m. Legislation Committee meeting.

1. Roll Call / Confirm Quorum

Quorum: A quorum of this committee shall be a majority of its regular voting members (4).

2. ABAG Compensation Announcement - Clerk of the Board

3. ABAG Administrative Committee Approval of Summary Minutes

- 3a. [15-1972](#) ABAG - Minutes of the September 9, 2016 Meeting

Action: ABAG Administrative Committee Approval

Attachments: [3a_AC 20161014 Item 3 Minutes 20160909 Draft](#)

4. Consent Calendar

- 4a. [15-1913](#) Minutes of the September 9, 2016 Meeting

Action: Committee Approval

Attachments: [4a_PLNG Minutes_Sept 2016](#)

5. Information

- 5a. [15-1954](#) Update on Plan Bay Area 2040 Draft Preferred Scenario and Investment Strategy

Update on recent efforts with Plan Bay 2040, including outreach to local jurisdictions and feedback to-date.

Action: Information

Presenter: Ken Kirkey

Attachments: [5a_Update on PBA 2040 Draft Preferred Scenario and Investment Strategy](#)
[5a_Handout - Draft Preferred Scenario Correspondence as of 10-13-2016 3pm](#)
[5a_Handout - Draft Preferred Scenario Correspondence after 3pm 10-13-2016](#)

6. Public Comment / Other Business

7. Adjournment / Next Meeting

**The next meeting of the Planning Committee will be November 4, 2016, 9:30 a.m.
at the Bay Area Metro Center, 375 Beale Street, San Francisco, 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 judgment, 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: Committee 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 415.778.6757 or 415.778.6769 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 415.778.6757 或 415.778.6769 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 Título 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 415.778.6757 o al 415.778.6769 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.



Metropolitan Transportation Commission

375 Beale Street, Suite 800
San Francisco, CA 94105

Legislation Details (With Text)

File #: 15-1972 **Version:** 1 **Name:**

Type: Report **Status:** Informational

File created: 9/28/2016 **In control:** Joint MTC Planning Committee with the ABAG Administrative Committee

On agenda: 10/14/2016 **Final action:**

Title: ABAG - Minutes of the September 9, 2016 Meeting

Sponsors:

Indexes:

Code sections:

Attachments: [3a AC 20161014 Item 3 Minutes 20160909 Draft](#)

Date	Ver.	Action By	Action	Result
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Subject:

ABAG - Minutes of the September 9, 2016 Meeting

Recommended Action:

ABAG Administrative Committee Approval

Attachments

SUMMARY MINUTES (DRAFT)

ABAG Administrative Committee Meeting
Friday, September 9, 2016
Bay Area Metro Center
375 Beale Street, Board Room
San Francisco, California

1. CALL TO ORDER / ROLL CALL / CONFIRM QUORUM

ABAG President and Committee Chair Julie Pierce, Councilmember, City of Clayton, called the meeting of the Administrative Committee of the Association of Bay Area Governments to order at about 9:05 a.m.

The Committee met jointly with the Planning Committee of the Metropolitan Transportation Commission.

A quorum of the Committee was present.

Members Present

Councilmember Julie Pierce, City of Clayton
Supervisor Dave Cortese, County of Santa Clara
Mayor Pat Eklund, City of Novato
Vice Mayor Pradeep Gupta, City of South San Francisco
Supervisor Scott Haggerty, County of Alameda
Mayor Bill Harrison, City of Fremont
Supervisor Mark Luce, County of Napa
Supervisor Eric Mar, City and County of San Francisco
Councilmember Raul Peralez, City of San Jose
Vice Mayor Greg Scharff, City of Palo Alto

Members Absent

Supervisor Dave Pine, County of San Mateo (Alternate)
Supervisor David Rabbitt, County of Sonoma

Staff Present

Ezra Rapport, ABAG Executive Director
Miriam Chion, ABAG Planning and Research Director

2. ABAG COMPENSATION ANNOUNCEMENT

Fred Castro, Clerk of the Board, made the compensation announcement.

3. APPROVAL OF ABAG ADMINISTRATIVE COMMITTEE SUMMARY MINUTES OF MEETING ON JULY 8, 2016

President Pierce recognized a motion by Scott Haggerty, Supervisor, County of Alameda, which was seconded by Bill Harrison, Mayor, City of Fremont, to approve the Administrative Committee summary minutes of July 8, 2016.

The ayes were: Gupta, Haggerty, Harrison, Luce, Pierce, Scharff.

The nays were: None.

The abstentions were: None.

The absences were: Cortese, Eklund, Mar, Peralez, Pine (Alternate), Rabbitt.

The motion passed unanimously.

4. MTC PLANNING COMMITTEE CONSENT CALENDAR

A. MTC Planning Committee Approval of Minutes of the July 8, 2016 Meetings

The MTC Planning Committee approved its minutes of the July 8, 2016 meetings.

5. PLAN BAY AREA 2040

A. Plan Bay Area 2040: Draft Preferred Land Use Scenario

B. Plan Bay Area 2040: Draft Transportation Investment Strategy

C. Plan Bay Area 2040: Draft Preferred Scenario—Preliminary Results for Performance Targets and Equity Measures

Miriam Chion, ABAG Planning and Research Director, gave an overview of the Draft Preferred Land Use Scenario, including the Priority Development Areas and framework for local effects, small and medium cities, rural and agricultural areas and open space, sustainability, equity, and resilience.

Ken Kirkey, MTC Planning Director, gave a presentation on the update on the Draft Preferred Land Use Scenario and Draft Transportation Investment Strategy.

Members discussed changing land use patterns; housing at the edge of the region; jobs and housing close to transit; housing affordability; focused look at real, possible, and achievable; opportunity for comments and discussion; outreach to local jurisdictions; urban growth boundaries; state greenhouse gas targets; congestion; financial efficiency of transit agencies; mega region growth study; displacement; federal fair housing law; housing and jobs in Priority Development Areas; performance targets; inclusionary zones; distribution of housing and job growth report and draft plan to elected officials; growth in PDAs and creating PDAs near transit; comparing jobs next to transit and housing next to transit; parking near housing; modeling; stakeholder review and comments; housing and jobs ratio; equity and equity analysis; local agencies and local plans; housing and transportation costs; workforce housing; housing issues and transportation funding.

The following individuals gave public comment: Pedro Galvao, Non-profit Housing Association of Northern California; Matt Vander Sluis, Greenbelt Alliance.

6. PUBLIC COMMENT / OTHER BUSINESS

The following individuals gave public comment: Jane Kramer; Ken Bukowski.

7. ADJOURNMENT / NEXT MEETING

The meeting adjourned at about 11:35 a.m. in memory of Patricia Jones, former Assistant Executive Director, Association of Bay Area Governments.

The next joint meeting of the ABAG Administrative Committee and MTC Planning Committee on the ABAG/MTC Merger Study will be announced.

Submitted:

Agenda Item 3a

Summary Minutes (Draft)

ABAG Administrative Committee Special Meeting

Friday, September 9, 2016

3

/s/ Ezra Rapport, Secretary-Treasurer

Date Submitted: September 30, 2016

Date Approved:

*For information, contact Fred Castro, Clerk of the Board, at (415) 820 7913 or
FredC@abag.ca.gov.*



Metropolitan Transportation Commission

375 Beale Street, Suite 800
San Francisco, CA 94105

Legislation Details (With Text)

File #: 15-1913 **Version:** 1 **Name:**
Type: Minutes **Status:** Consent
File created: 9/7/2016 **In control:** Planning Committee
On agenda: 10/14/2016 **Final action:**
Title: Minutes of the September 9, 2016 Meeting
Sponsors:
Indexes:
Code sections:
Attachments: [4a_PLNG Minutes_Sept 2016](#)

Date	Ver.	Action By	Action	Result
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Subject:
Minutes of the September 9, 2016 Meeting

Recommended Action:
Committee Approval

Attachments



Agenda Item 4a

Bay Area Metro Center
375 Beale Street
San Francisco, CA 94105

Meeting Minutes - Draft

Joint MTC Planning Committee with the ABAG Administrative Committee

Friday, September 9, 2016

9:05 AM

Board Room - 1st Floor

1. Roll Call / Confirm Quorum

Present: 6 - Chairperson Spering, Vice Chair Halsted, Commissioner Aguirre, Commissioner Haggerty, Commissioner Liccardo and Commissioner Pierce

Absent: 1 - Commissioner Kinsey

Non-Voting Member Present: Commissioner Giacopini

Non-Voting Member Absent: Commissioner Azumbrado

Ex Officio Voting Member Present: Commission Chair Cortese

Ex Officio Voting Member Absent: Commission Vice Chair Mackenzie

Ad Hoc Non-Voting Members Present: Commissioner Bates, Commissioner Campos, Commissioner Luce, Commissioner Tissier, Commissioner Wiener, and Commissioner Worth

ABAG Administrative Committee Members Present: Cortese, Eklund, Gupta, Haggerty, Harrison, Luce, Mar, Peralez, Pierce, and Scharff.

2. ABAG Compensation Announcement - Clerk of the Board

3. ABAG Administrative Committee Approval of Summary Minutes

3a. [15-1835](#) ABAG - Minutes of the July 8, 2016 Meeting

Action: ABAG Administrative Committee Approval

Attachments: [3a AC 20160909 Item 04 Summary Minutes 20160708 Draft \(002\)](#)

4. Consent Calendar

Upon the motion by Commissioner Haggerty and second by Vice Chair Halsted,
the Consent Calendar was unanimously approved by the following vote:

Aye: 5 - Chairperson Sperring, Vice Chair Halsted, Commissioner Aguirre, Commissioner Haggerty and Commissioner Pierce

Absent: 2 - Commissioner Kinsey and Commissioner Liccardo

Approval of the Consent Calendar

4a. [15-1820](#) Minutes of the July 8, 2016 Meetings

Action: Committee Approval

Attachments: [4a1 PLNG Minutes July 2016](#)
[4a2 Joint PLNG Minutes July 2016](#)

Commissioner Liccardo arrived after the approval of the Consent Calendar.

5. Information

5a. [15-1821](#) Plan Bay Area 2040 Draft Preferred Land Use Scenario

Presentation on the Draft Preferred Land Use Scenario, which represents
a regional pattern of household and employment growth for the year 2040.

Action: Information

Presenter: Ken Kirkey, MTC

Attachments: [PPT Unified Slide Deck Planning](#)
[5a PBA2040 Preferred Land Use Scenario](#)
[5a Handout - Comment Letter Rec](#)

Pedro Galvao, Nonprofit Housing Association of Northern California was
called to speak.

Matt Vander Sluis, Greenbelt Alliance was called to speak.

5b. [15-1822](#) Plan Bay Area 2040 Draft Transportation Investment Strategy

Presentation on forecasted revenues and expenditure needs, and a breakout of investments by different categories.

Action: Information

Presenter: Ken Kirkey, MTC

Attachments: [5b_PBA 2040 - Draft Transportation Investment Strategy](#)
[5b Handout - Comment Letters Rec. v6](#)

5c. [15-1892](#) Plan Bay Area 2040: Draft Preferred Scenario - Preliminary Results for Performance Targets and Equity Measures

Performance of the draft preferred scenario against the Plan's adopted targets and equity framework.

Action: Information

Presenter: Ken Kirkey, MTC

Attachments: [5c Draft PBA 2040 Performance Targets](#)
[5 Handout - Comment Letter Rec 9-9-16.pdf](#)

6. Public Comment / Other Business

Jane Kramer was called to speak.

Ken Bukowski was called to speak.

7. Adjournment / Next Meeting

The next meeting of the Planning Committee will be October 14, 2016, 9:30 a.m. at the Bay Area Metro Center, 375 Beale Street, San Francisco, CA.



Metropolitan Transportation Commission

375 Beale Street, Suite 800
San Francisco, CA 94105

Legislation Details (With Text)

File #:	15-1954	Version:	1	Name:	
Type:	Report	Status:		Informational	
File created:	9/19/2016	In control:		Planning Committee	
On agenda:	10/14/2016	Final action:			
Title:	Update on Plan Bay Area 2040 Draft Preferred Scenario and Investment Strategy				
	Update on recent efforts with Plan Bay 2040, including outreach to local jurisdictions and feedback to-date.				
Sponsors:					
Indexes:					
Code sections:					
Attachments:	5a Update on PBA 2040 Draft Preferred Scenario and Investment Strategy				
	5a Handout - Draft Preferred Scenario Correspondence as of 10-13-2016 3pm				
	5a Handout - Draft Preferred Scenario Correspondence after 3pm 10-13-2016 v2				

Date	Ver.	Action By	Action	Result
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Subject:

Update on Plan Bay Area 2040 Draft Preferred Scenario and Investment Strategy

Update on recent efforts with Plan Bay 2040, including outreach to local jurisdictions and feedback to-date.

Presenter:

Ken Kirkey

Recommended Action:

Information

Attachments



TO: MTC Planning Committee and the
ABAG Administrative Committee

DATE: October 7, 2016

FR: Executive Director

W.I. 1121

RE: Update on Plan Bay Area 2040 Draft Preferred Scenario and Investment Strategy

Background

In September, staff presented the Plan Bay Area 2040 Draft Preferred Scenario and Investment Strategy at a Joint Meeting of the MTC Planning and ABAG Administrative Committees. The Draft Preferred Scenario encompasses a 2040 regional pattern of household and employment growth and a prioritized set of transportation investments comprising \$309 billion of anticipated revenues. Staff have requested comments by October 14. At today's meeting, staff will update the committee on the feedback received thus far.

Feedback Received So Far

Over the last month, staff has presented this information to a number of different audiences, including MTC advisory committees and working groups, the ABAG Regional Planning Committee and the ABAG Executive Board. Staff has also presented this information to local planning directors and congestion management agencies in all nine counties. Staff invited individual jurisdictions to meet one-on-one with staff about any technical issues related to the household and employment forecasts. In total, ABAG and MTC staff met with 17 jurisdictions, listed in Table 1 below, in late September and early October.

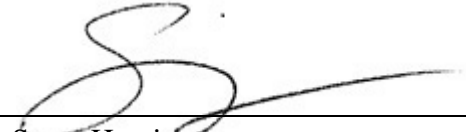
Table 1

Brisbane	Palo Alto	San Mateo
Corte Madera	Portola Valley	Santa Clara Valley
Foster City	Saint Helena	Transportation Authority
Gilroy	San Anselmo	South San Francisco
Mill Valley	San Francisco	County of Marin
Millbrae	San Jose	Vacaville

The attached presentation (Attachment 1) includes a broad overview of the feedback received thus far on the draft preferred scenario. Additionally, staff has assembled a Frequently Asked Questions (Attachment 2) about some of the assumptions used in the analysis process. Formal correspondence received since the draft preferred scenario's release can be viewed online here: <http://www.planbayarea.org/your-part/your-comments.html>.

Next Steps

Staff will develop a Revised Preferred Scenario, integrating feedback heard over the past month for consideration and adoption by the Commission and Executive Board in a Joint Meeting on November 17, 2016. The joint board meeting will be held here at the Bay Area Metro Center. Staff will also develop policy and implementation actions in early 2017 for inclusion in the Draft Plan Document, currently slated for spring 2017. The final approval of the EIR and Plan Bay Area 2040 is slated for fall 2017.



Steve Heminger

Attachments:

- Attachment 1: Presentation
- Attachment 2: Frequently Asked Questions

SH: mm

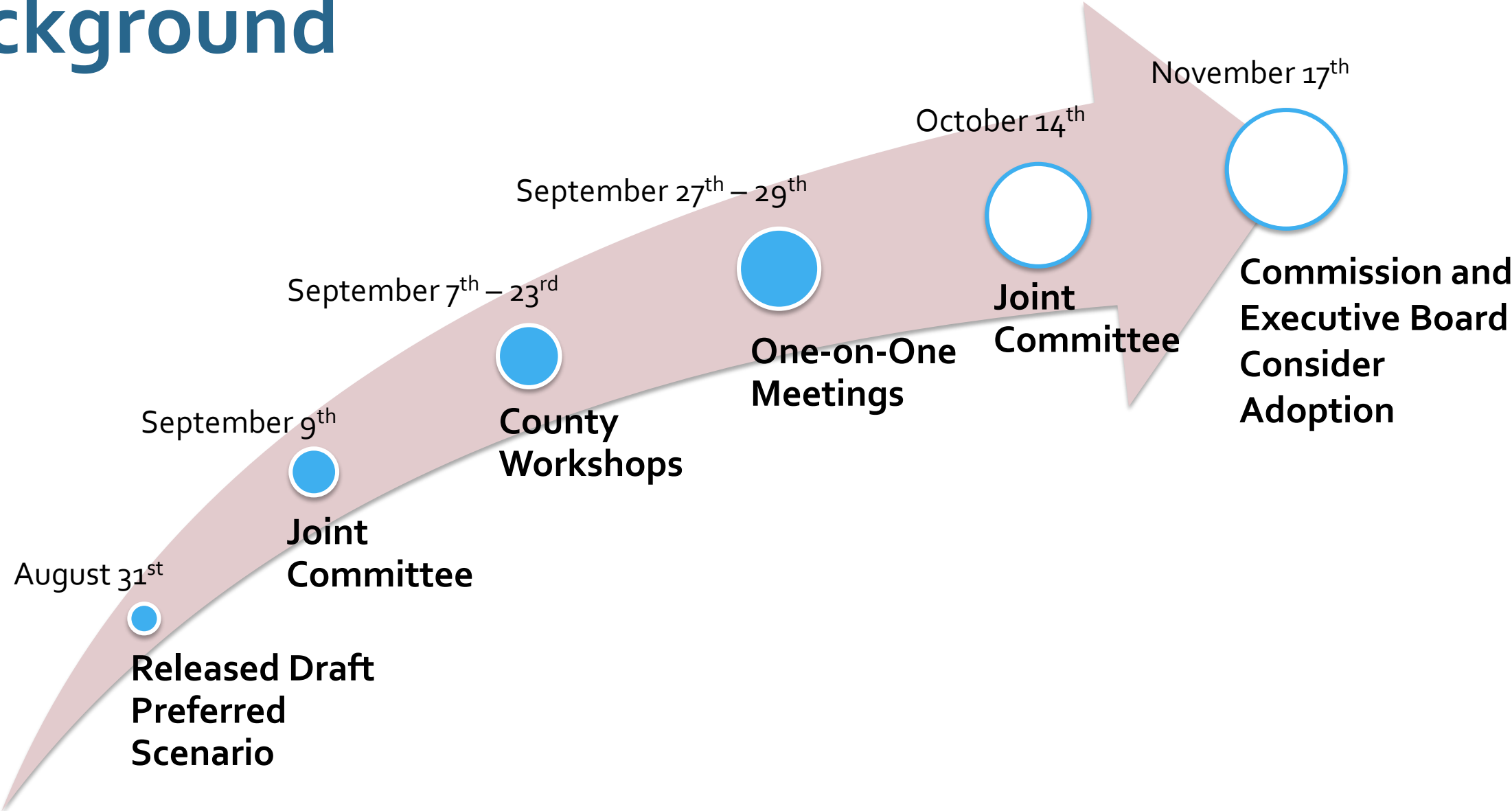
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Update on Plan Bay Area 2040 Draft Preferred Scenario and Investment Strategy

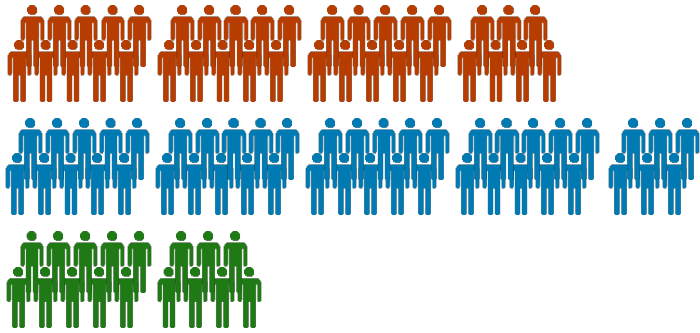
MTC Planning Committee and the ABAG Administrative Committee
October 14, 2016
Ken Kirkey, MTC

Background

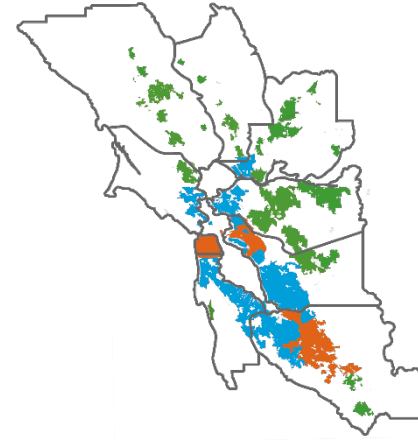


Our economy is booming – but we're not building enough housing.

Jobs added from 2011 through 2015:
501,000



Housing units built from 2011 through 2015:
65,000



Big 3 Cities:
1 housing unit built for every
7 jobs created

Bayside Cities and Towns:
1 housing unit built for every
15 jobs created

Inland, Coastal, Delta Cities and Towns:
1 housing unit built for every
3 jobs created

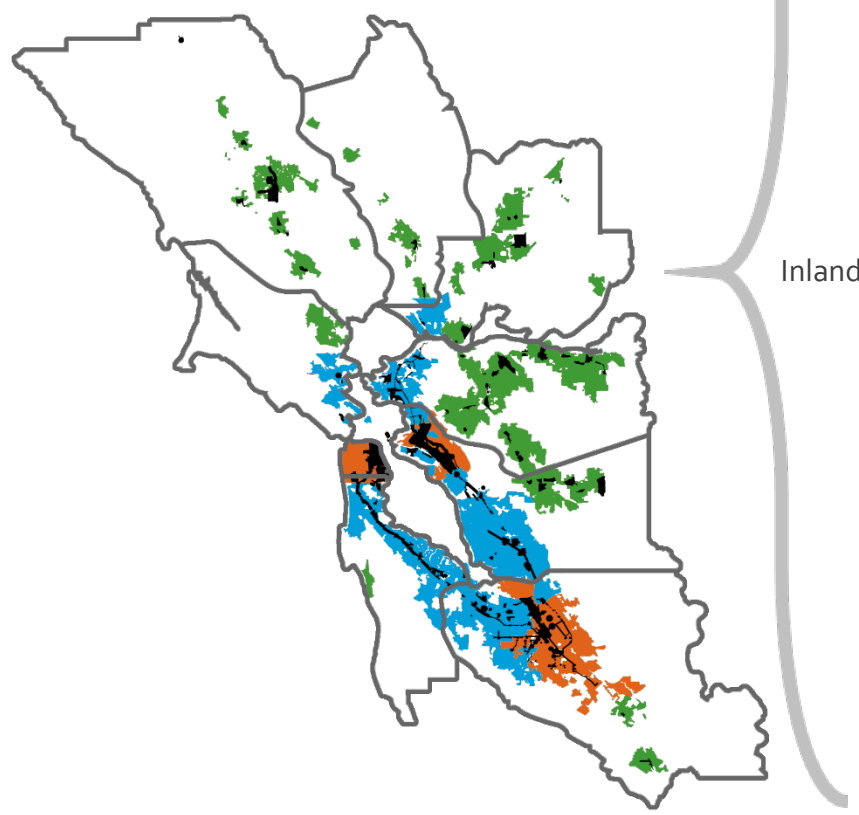
Regionally: 1 house was built for every 8 jobs created

<http://www.dof.ca.gov/research/demographic/reports/estimates/e-5/2011-20/view.php>



Similar to *Plan Bay Area*, the Draft Preferred focuses growth in the core of the region.

Where will the region plan for the 820,000 new households?



Big 3 Cities



Bayside



Inland, Coastal, Delta



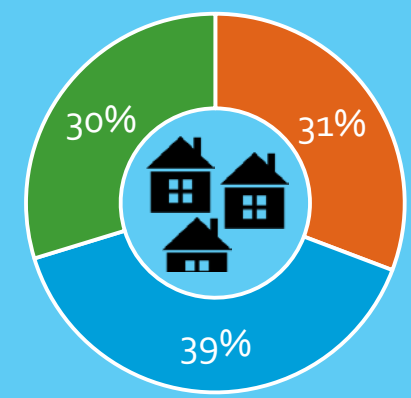
in PDA



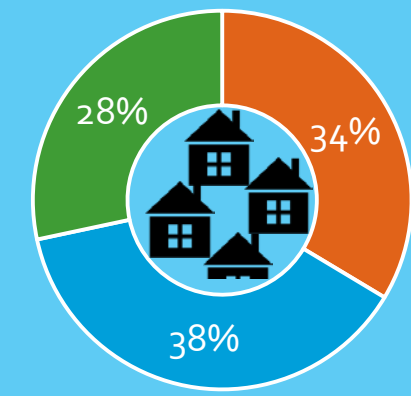
outside PDA



2010: **2.6 million** households

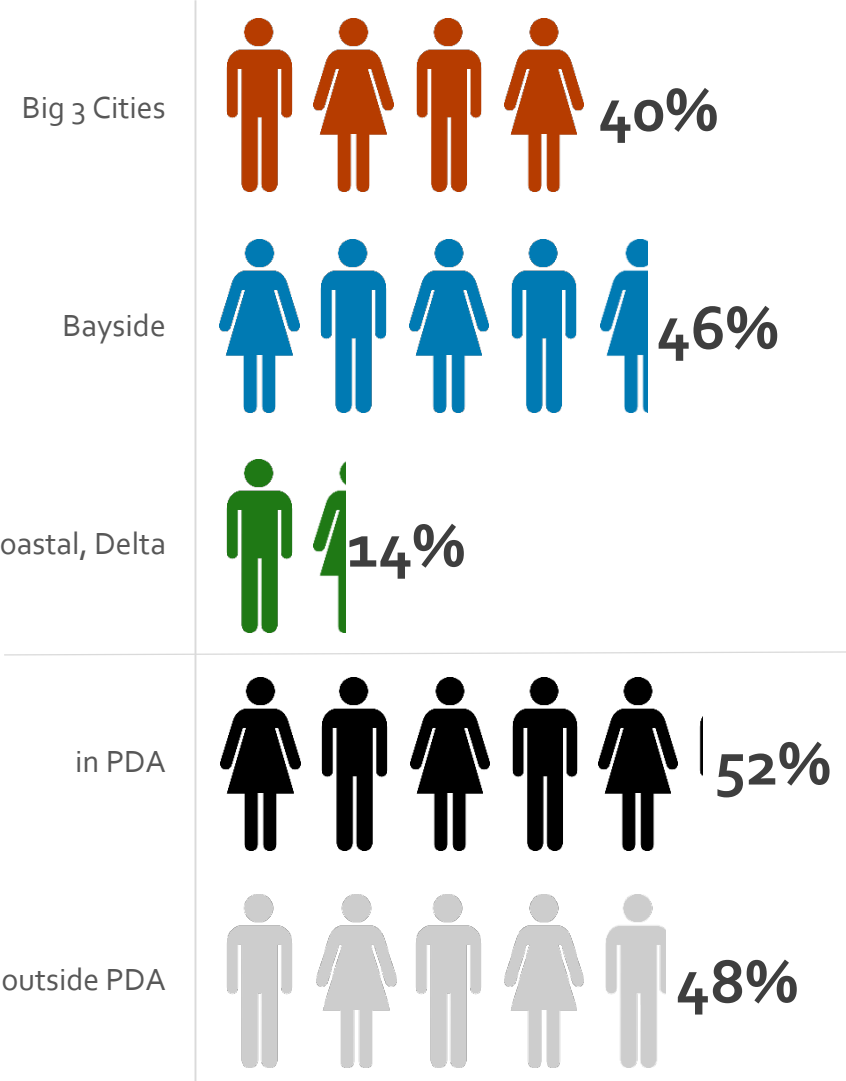
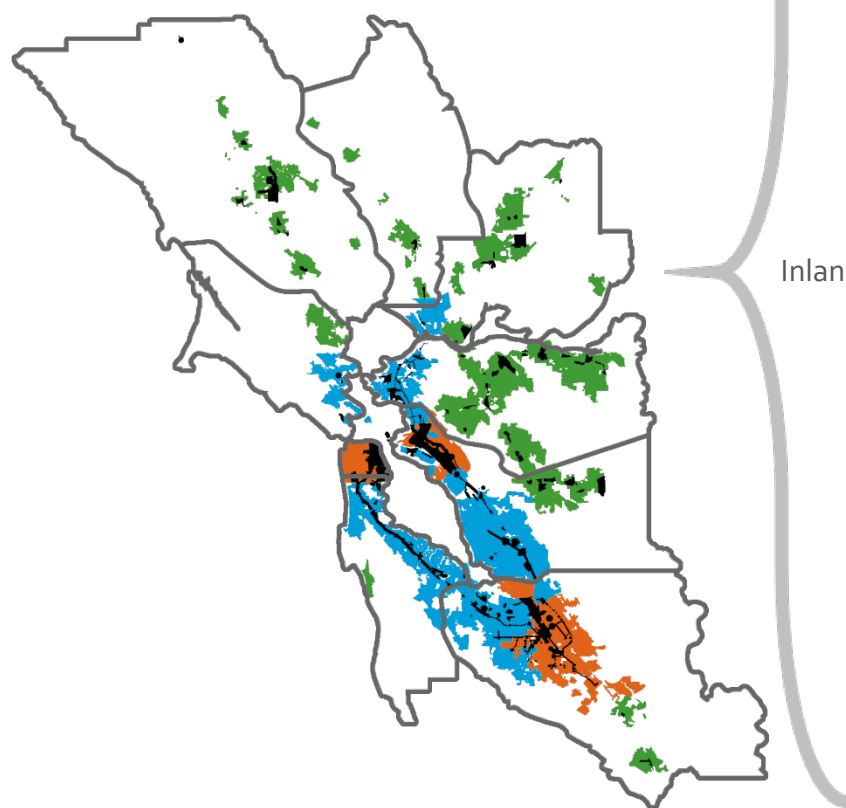


2040: **3.4 million** households

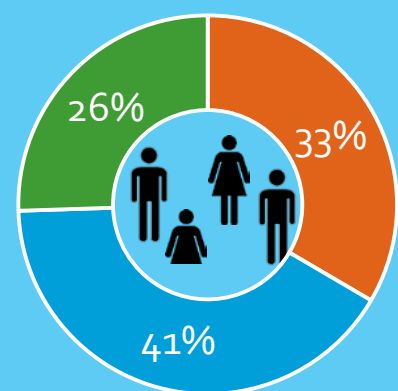


Fewer strategies exist to encourage shifts in job locations – meaning that the West Bay and South Bay remain primary employment centers.

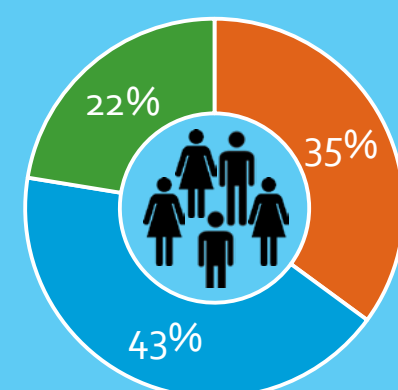
Where will the region plan for the 1.3 million new jobs?



2010: **3.4 million** jobs



2040: **4.7 million** jobs



Feedback so Far – Land Use

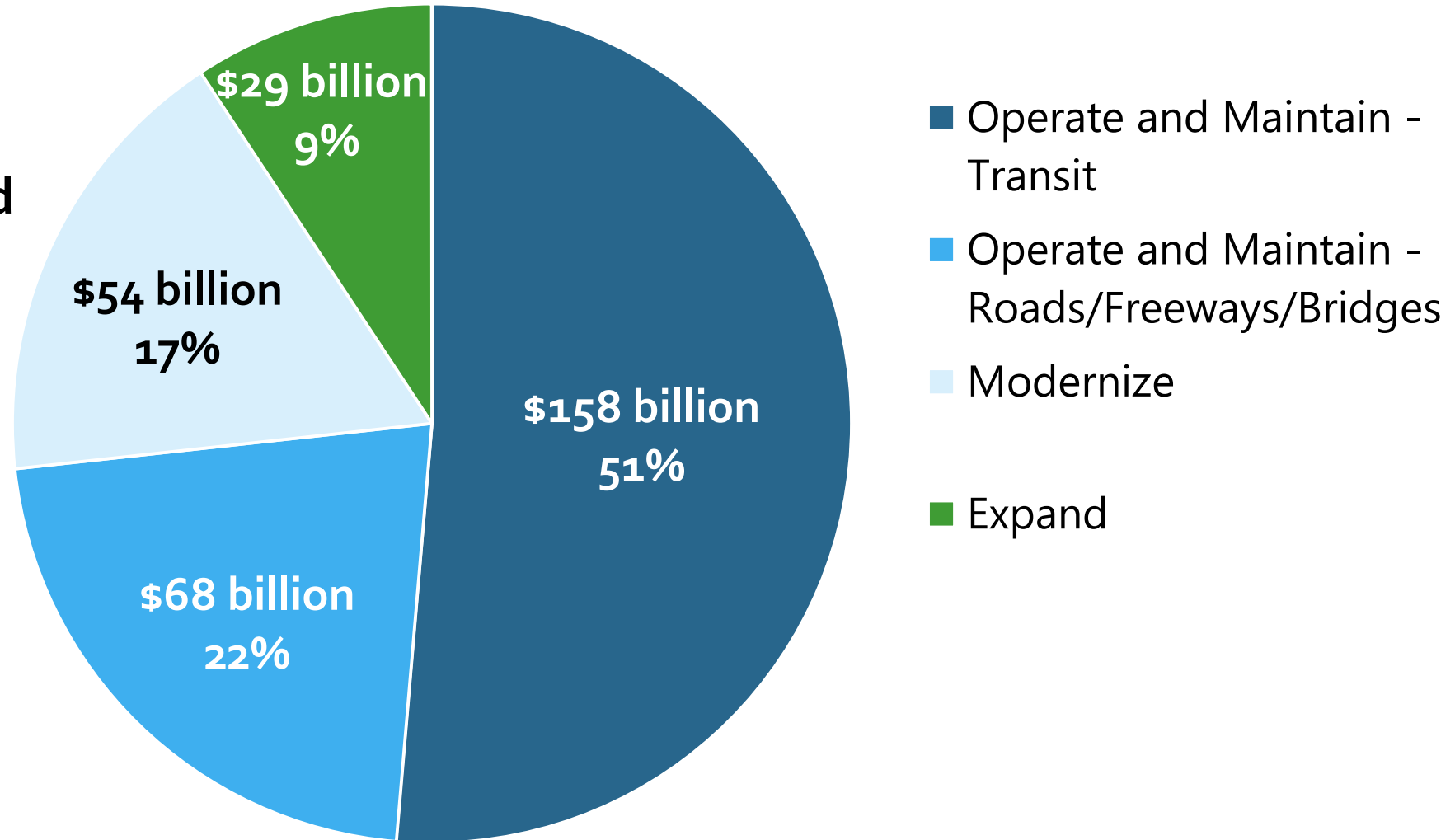
- **Methodology & Technical Feedback**
 - Clarify 2010 baseline household and employment counts
 - Clarify planning assumptions and strategies used in the forecast
 - Household or employment projections sometimes run contrary to local expectations
- **Policy Feedback**
 - Modify (add/subtract/change) regional land use strategies
 - Incorporate strategies to direct more housing to jobs-rich communities
 - What would it take to improve the region's housing affordability crisis?

The Draft Preferred Scenario allocates over 90 percent of funds towards maintenance and modernization, similar to Plan Bay Area.

Total Plan Bay Area 2040 Expenditures
(in billions of \$YOE)

91%
Operate, Maintain, and
Modernize

9%
Expand Existing
System



Feedback so Far – Transportation

- **Methodology & Technical Feedback**
 - Provide more detail on transportation investments
 - Break out discretionary and committed funding sources
 - Show more detail on increasing transit operations costs
 - Clarify revenue sources for major projects
 - Detail to be provided to the Partnership Board and Regional Advisory Working Group
- **Policy Feedback**
 - Include full build-out of the Express Lanes network
 - Provide more investment for Lifeline programs

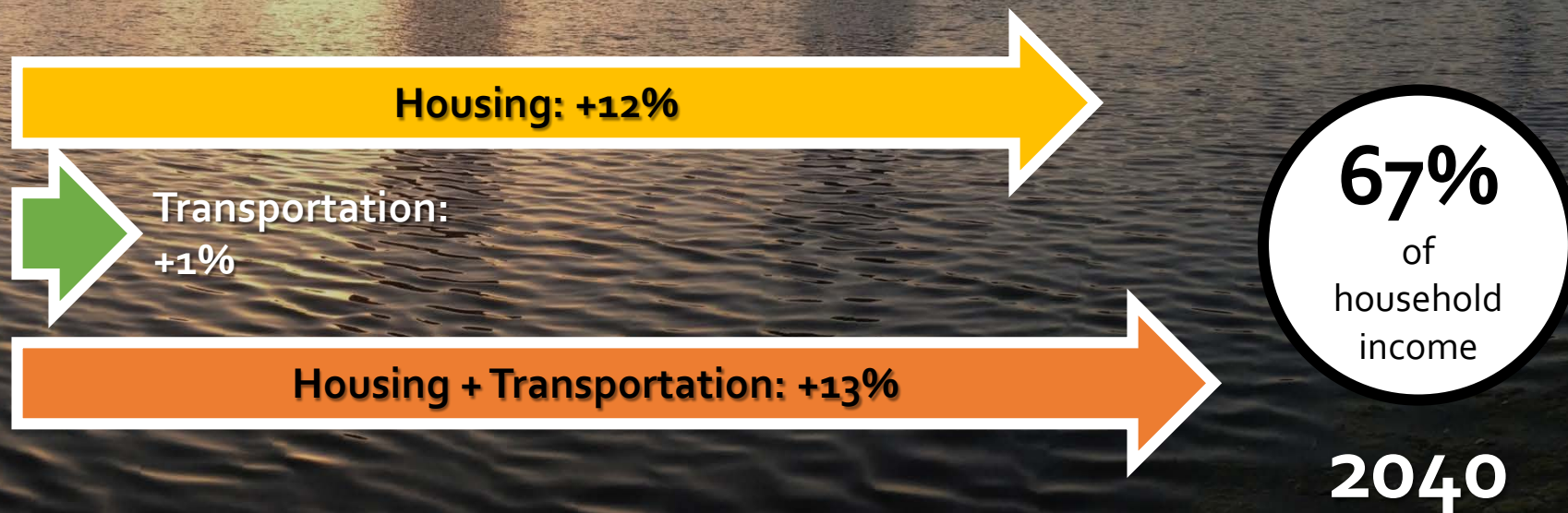
Plan BayArea 2040

If we really want to address affordability and equity challenges, action is needed by an engaged public and by all levels of government. Only the most aggressive policies will be sufficient to deal with our housing crisis.

Housing +
Transportation
Costs
(as a share of
income)*

54%
of
household
income

2005



* = for lower-income households

Plan Bay Area 2040: Approach to Implementation

- Draft Preferred Scenario meets or exceeds several important regional goals: climate protection, job creation, speed of goods movement
- But Scenario falls far short on issues of affordability, displacement risk, access to jobs
- Plan document will not solve all these problems, but can begin to articulate potential paths forward
- For further discussion in early 2017

Next Steps

- Formal comment period ends today (October 14, 2016)
- The Final Preferred Scenario will be recommended to MTC Commission and ABAG Executive Board at a special meeting on November 17th
- Once adopted, the Final Preferred Scenario will be subject to CEQA review and be the basis for the Draft Plan
- The Draft Plan and Draft EIR (CEQA) will be released in Spring 2017
- The Final Plan and Final EIR will be complete in Summer 2017

Frequently Asked Questions

Forecasting the Future: Answering Questions about the Draft Preferred Scenario
October 2016

In September 2016, MTC and ABAG released the Draft Preferred Scenario to the public, incorporating land use and transportation strategies from the three previously-analyzed scenarios. These strategies – ranging from inclusionary zoning to strict urban growth boundaries – influence our regional forecasts for housing and jobs. Stakeholders and jurisdictions have now had an opportunity to review detailed data tables showing forecasted growth for both housing and jobs by city and by Priority Development Area (PDA) as a result of the assumed policies in the Draft Preferred Scenario.

Staff is looking for feedback – both on the policies included or not included in the Draft Preferred Scenario and on data inputs such as General Plan zoning that form the foundation of our land use forecasting model. This document is designed to answer common questions about how those land use forecasts were developed, in addition to specific questions raised at recent meetings.

Overall Questions

How were housing and jobs forecasts developed?

All scenarios were consistently evaluated using two peer-reviewed models – UrbanSim (land use) and Travel Model One (transportation). This means that specific strategies were identified by staff based on feedback from the public, jurisdictions, and stakeholders over the course of the planning process in order to encourage housing and job growth in certain areas and discourage in other areas. A primary driver for the strategies selected is the state-mandated greenhouse gas reduction target, which rewards growth in locations close to job centers and public transit; other adopted performance targets set by MTC and ABAG were also carefully considered when identifying feasible policies for inclusion. For example, the strict urban growth boundaries in the Draft Preferred Scenario were designed to discourage low-density development at the periphery of the region and increase the attractiveness of development in Priority Development Areas for residential and commercial growth.

Building on base year parcel data and zoning information included in adopted General Plans, and then loading in strategies to shift trends going forward, UrbanSim can forecast future growth on the parcel level. This means that it repeatedly runs a simplified pro forma analysis on each Bay Area parcel to simulate the behavior of residential and commercial developers, doing so on an annual basis between 2010 and 2040. As in the real world, developers seek to maximize profit while working within the constraints of policies and strategies in place at the time. As new developments are constructed, Bay Area households and employers may choose to relocate to new locations based on the characteristics of housing and commercial space available in that year. Year 2040 forecasts reflect the cumulative impact of those shifts in the built environment and in the location of jobs and residents.

Overall regional growth projections for housing, population, and jobs (i.e., control totals) – which are distributed to parcels via UrbanSim – were developed and approved by ABAG in early 2016.

What type of baseline data is used as the foundation for UrbanSim?

As noted above, UrbanSim relies on 2010 base year data as the foundation for all scenarios evaluated. Base year data includes every building present in 2010 as pulled from each county assessors' files, the Costar commercial real estate database, and several other smaller sources. This data includes building type (single-family residential, multi-family residential, office, industrial, etc.), building age, building size, and building valuation.

In addition to buildings, household and employment baseline information is needed as a starting point for UrbanSim. Household information comes from the most recent decennial Census (year 2010), and is analyzed at the block group level. This data is used to craft a synthetic population to represent each household individually as required by the model. Since block groups do not align with jurisdictional boundaries perfectly, the 2010 baseline data will differ slightly from the census count. Employment data has been updated since Plan Bay Area 2013. Baseline data was developed by taking a count of employees by industry class in each block group from the detailed Dun & Bradstreet dataset. These counts were then scaled to match ABAG's county totals by industry (based upon Bureau of Labor Statistics data). Employees could then be assigned to individual buildings within each block group. Note that due to the improved methodologies used for this cycle, baseline employment numbers may differ somewhat from Plan Bay Area.

Finally, General Plans are a critical input to UrbanSim. Apart from the new strategies included a scenario to influence its distribution of housing and jobs, it is assumed that existing policies (such as current zoning) documented in General Plans remain in effect. Staff compiled data from General Plans across all Bay Area jurisdictions and incorporated them in UrbanSim. Given that the strategies listed below are limited and focused in nature, existing local policies are a primary driver of the location of growth across all scenarios evaluated, including the Draft Preferred Scenario.

Which land use strategies were ultimately included in the Draft Preferred Scenario?

The Draft Preferred Scenario includes fiscally-constrained strategies to improve the region's transportation system as well as specific strategies to influence the location of household growth. In addition to prioritizing funding for maintaining and operating the region's roadway and transit systems, and prioritizing dollars for select modernization and expansion projects, the Draft Preferred Scenario includes the following strategies specifically related to land use:

- **Preserve current urban growth boundaries.** Today's urban growth boundaries in all Bay Area counties would be assumed not to expand through year 2040 in order to encourage infill development and to prevent impacts to agricultural or environmentally-sensitive lands. This policy is critical to achieve the Open Space and Agricultural Preservation performance target, which has been included in both Plan Bay Area and Plan Bay Area 2040.

- **Apply inclusionary zoning policies in all cities within PDAs.** The Draft Preferred Scenario assumes that 10 percent of housing units in all new for-profit housing developments in cities with PDAs would be deed-restricted for lower-income residents. This policy slightly improves performance on the Affordable Housing target by more than mitigating the decline in naturally-affordable housing stock over the lifespan of the Plan.
- **Assign higher densities in select PDAs.** Over the course of the next two decades, it is reasonable to expect that additional localized planning in PDAs will result in upzoning of select parcels to accommodate additional growth. In locations where zoning acts as a constraint to infill development, the Draft Preferred Scenario increases the density and intensity allowed to improve the profitability of development in those locations.
- **Reduce the cost of building in PDAs and TPAs.** Senate Bill 375 includes specific provisions for limited CEQA streamlining in transit-rich locations (TPAs), which slightly reduce the cost of building and improve the ability for developments to pencil out. Similarly, cities can reduce parking minimums that currently increase the cost of development and result in higher rents or purchasing costs for homes. Both of these policies are assumed to be implemented across the region in the Draft Preferred Scenario to support the acceleration of housing growth.
- **Assume subsidies are used to stimulate development in PDAs.** Application of regional development fees would generate new revenue that could be assigned to incentivize housing and employment growth in PDAs where development would otherwise be economically infeasible. For example, subsidies might be required in PDAs in Oakland, where housing and employment growth has been quite limited in recent years compared to PDAs in San Francisco.

Why are the forecasts for my city/town/PDA different than the previous Plan?

For Plan Bay Area 2040, all scenario outcomes – that is to say, the future location of jobs and housing units – were simulated using an economically-based model (UrbanSim) to test out development feasibility for every parcel in the region. Some locations that might be envisioned for future growth by local jurisdictions did not pencil out by year 2040, even with the Draft Preferred Scenario's strategies that go beyond existing General Plans. The ultimate result is that data forecasts for a given city/town/PDA may differ from local plans and may be different from the prior Plan Bay Area. At the same time, the use of UrbanSim has helped to validate the regional growth pattern and increase the feasibility of realizing it over the Plan's lifespan (assuming implementation of specific policies).

I think the amount of jobs or housing is too high (or too low) in the Draft Preferred Scenario – how can this be changed?

The most effective way to provide comments on this topic to staff and policymakers is to identify specific regional policies that might discourage (or encourage) development in a specific location. For example, if you would like to see a higher rate of growth in several PDAs, it might be useful to suggest subsidies or upzoning to increase the viability of development on parcels within those PDAs or within certain types of PDAs.

There may also be issues with the data inputs – as noted earlier, General Plans from across the region were incorporated into UrbanSim. Data glitches are certainly possible when doing this type of analysis across a major metropolitan area. Please contact MTC staff if you identify a potential error that may be a result of baseline development, zoning, or policy inputs.

Is PDA-specific or parcel-level data available?

Yes. Public agency staff, stakeholders, or members of the public can request parcel-level data files to better understand the raw data that is then summarized by PDA and by jurisdiction. Note that due to the high resolution of this data, the data files are quite large and may require GIS software to review in detail.

When are comments due on the Draft Preferred Scenario? Will additional time be provided?

Comments on the Draft Preferred Scenario are due by Friday, October 14, 2016. This timeframe is necessary to craft a Revised Preferred Scenario for consideration for approval by MTC and ABAG in November 2016. As is customary, public comment can be accepted up until the approval of the Preferred Scenario, but comments received after October 14 may not be reviewed, summarized, and responded to in advance of the November recommendation.

Specific Questions from Recent Meetings

How will this land use forecast for the Draft Preferred Scenario affect future RHNA numbers? Does it have any impacts on OBAG funding or OBAG criteria?

Plan Bay Area 2040 does not incorporate an update to the Regional Housing Needs Allocation (RHNA) process, as that effort is only completed once every eight years. The next long-range plan, slated for adoption in 2021, will incorporate new land use forecasts and will be linked to future RHNA allocations. Similarly, given that the One Bay Area Grant (OBAG) funding formula depends on RHNA and actual production and not Plan Bay Area, there are no impacts on OBAG funding distributions as a result of this analysis.

How do future job income levels influence housing location choices?

Similar to Plan Bay Area, the share of Bay Area households in lower-income brackets are expected to rise in Plan Bay Area 2040. This means that more residents are expected to experience the significant pressures associated with lower incomes and higher housing prices. Ultimately, this will cause some households to relocate to different neighborhoods or cities in the region, while others are expected to continue to live in their current communities.

What assumptions were made about housing bonds currently on the ballot?

Currently, the Draft Preferred Scenario does not assume the passage of housing bonds on fall 2016 ballots in a number of Bay Area jurisdictions. However, staff is reviewing feedback to determine whether or not these strategies – which have not yet been approved by voters – should be reflected in the Revised Preferred Scenario in November. Similarly, staff is reviewing comments indicating a preference for housing bonds as a strategy for the Revised Preferred Scenario, perhaps in lieu of inclusionary zoning as a result of short-term constraints on affordable rental housing requirements imposed by *Palmer v. City of Los Angeles*.

How much worse would the housing costs be without the Draft Preferred Scenario?

As noted in the September meeting materials which provided an overview of the Draft Preferred Scenario, the share of lower-income household income spent on housing is forecasted to increase by 12 percentage points in the Draft Preferred Scenario. Other than the Connected Neighborhoods scenario, all other scenarios including No Project (i.e., status quo) increase that share by 13 percentage points. Despite the slightly better performance, the results are in the same ballpark due to the fact that the overall number of housing units constructed (i.e., the control total) is consistent across all scenarios.

Based on these results, the location of new housing units, whether in urban, suburban, or rural locations, does not result in major differences in regional affordability. Instead, the quantity of housing constructed is a more significant driver of the affordability trend. It is critical to note that the Plan's ambitious acceleration in housing production in 2020 would need to occur to achieve the above results. Otherwise, the region could become even more unaffordable than current forecasts.

Why are jobs in PDAs down from the last Plan?

As noted earlier, Plan Bay Area 2040 relies on an analytical approach to forecast the year 2040 land use distribution, exploring how strategies influence market conditions for commercial development. In general, there are fewer strategies available to encourage job growth in PDAs than there are for housing. In part, this is due to the fact that cities' general plans generally provide excess zoning capacity for jobs due to the "fiscalization" of land use. Those baseline policies form the foundation of the UrbanSim model, with the included strategies unable to make significant headway in shifting employment locations.

In addition, the region has seen robust job growth and commercial development since 2010, accounting for roughly half of all job growth expected through 2040. Much of this development has been located in lower-density office complexes in Silicon Valley, rather than in PDAs. These buildings are expected to be occupied for commercial purposes through year 2040. This is a major factor in the lower share of PDA job growth when measuring between 2010 and 2040, as compared to Plan Bay Area.

Why are Communities of Concern performing better on select performance targets?

As part of the Plan Bay Area 2040 equity analysis, staff explored the relative performance of select performance targets inside and outside of Communities of Concern. These equity measures showed that displacement risk and access to jobs trends were better in Communities of Concern over the Plan lifespan. With regards to displacement risk, the Draft Preferred Scenario did not concentrate growth as significantly in highly-populated Communities of Concern – such as those in East Oakland and East San Jose – as extensively as other scenarios like Big Cities. This reduced the risk of gentrification of those locations and resulted in much lower displacement risk as compared to areas outside Communities of Concern. With regards to access to jobs by car and by transit, Communities of Concern already have better access to jobs compared to the regional average as a result of the fact that many are in the region's core with a high degree of multimodal accessibility. Continued investments in those core transit assets in the Draft Preferred Scenario results in strong performance for low-income and minority communities as compared to higher-income communities.

How can implementation actions be added to the Plan?

Staff will be working on an implementation strategy for Plan Bay Area 2040 as part of the Plan Document process. While not every policy will necessarily be included in the ultimate Preferred Scenario, public feedback will be used to help identify policies that would support improved performance to expedite implementation – above and beyond what is reflected in the adopted Plan and its associated performance results.

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Handout Agenda Item 5a

Name	Sender Name	Sender County	Signer Name	Org Type
6 Wins for Social Equity Network 10-13-2016 Letter.pdf	6 Wins for Social Equity Network	Multiple	Mehrens, Derecka et al.	Stakeholder Organizations
City of Brentwood 9-30-2016 Letter.pdf	City of Brentwood	Contra Costa	McCann, Casey	Cities and Counties
City of Brisbane 10-7-2016 Letter.pdf	City of Brisbane	San Mateo	Lentz, Cliff	Cities and Counties
City of East Palo Alto 10-12-2016 Letter.pdf	City of East Palo Alto	San Mateo	Persicone, Guido F.	Cities and Counties
City of Mountain View 9-12-2016 Letter.pdf	City of Mountain View	Santa Clara	Tsuda, Randy	Cities and Counties
City of Pleasanton 10-5-2016 Letter.pdf	City of Pleasanton	Alameda	Beaudin, Gerry	Cities and Counties
City of San Pablo 10-4-2016 Letter.pdf	City of San Pablo	Contra Costa	Dunn, Elizabeth	Cities and Counties
City of San Rafael 10-11-2016 Letter.pdf	City of San Rafael	Marin	Phillips, Gary O.	Cities and Counties
City of San Ramon 10-12-2016 Letter.pdf	City of San Ramon	Contra Costa	Chamberlain, Debbie	Cities and Counties
City of South San Francisco 9-13-2016 Letter.pdf	City of South San Francisco	San Mateo	Futrell, Mike	Cities and Counties
Cupertino 9-15-2016 Letter.pdf	Cupertino	Santa Clara	Brandt, David	Cities and Counties
Non-Profit Housing Association of Northern California 10-14-2016 Letter.pdf	Non-Profit Housing Association of Northern California (NPH)	San Francisco	Fishman, Amie	Stakeholder Organizations
Non-Profit Housing Association of Northern California 9-9-2016 Letter.pdf	Non-Profit Housing Association of Northern California (NPH)	All Counties	Fishman, Amie	Stakeholder Organizations
San Mateo County Union Community Alliance 10-10-2016 Letter.pdf	San Mateo County Union Community Alliance (SMCUCA)	San Mateo	Spalding, Rev. Kirsten Snow	Stakeholder Organizations

Severinghaus Jean 9-18-2016 Email-REDACTED.pdf	Severinghaus, Jean	Marin		Individuals
Sonoma County Transportation Authority 10-10-2016 Letter.pdf	Sonoma County Transportation Authority	Sonoma	Rabbitt, David	Transportation and Other Govt. Agencies
Town of Portola Valley 10-10-2016 Letter.pdf	Town of Portola Valley	San Mateo	Dennis, Jeremy	Cities and Counties

October 13, 2016

Metropolitan Transportation Commission &
Association of Bay Area Governments
375 Beale Street
San Francisco, CA 94105

Re: **Plan Bay Area 2040 Preferred Scenario**

Dear members of the Joint MTC Planning Committee and ABAG Administrative Committee:

Thank you for the opportunity to comment on the draft Preferred Scenario for Plan Bay Area 2040. We write to propose solutions that will lead to a Plan Bay Area that works better for everyone, 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.

According to MTC and ABAG's own analysis, the draft Preferred Scenario will significantly worsen the housing and displacement crisis for low-income people. Housing and transportation costs for lower-income households would increase by at least 13%, and at least 9% more low-income families – tens of thousands of people – would be at risk of displacement. Meanwhile, the Scenario does nothing to increase access to good jobs and little to reduce the health harms these communities face.

In a recent interview¹, 100-year-old San Francisco resident Iris Canada discussed her impending eviction from a place she's called home for more than 50 years – an experience she described as “killing me.” Ms. Canada is just one of countless Bay Area residents facing, and trying to survive, this unprecedented crisis that disproportionately affects low-income communities of color and seniors. For example, dozens of residents powerfully and personally described these challenges at the regional housing forum² in February and during a Commission meeting³ on July 27th, and nearly 500 people from 54 cities sent emails to MTC ahead of that meeting pleading for the region to take meaningful action.

Yet MTC and ABAG have failed to include effective strategies in the Scenario that would promote affordable housing opportunities, prevent displacement of low-income residents from rapidly gentrifying neighborhoods, and increase access to affordable transit and middle-wage jobs.

In 2013, the 6 Wins Network's **Equity, Environment and Jobs (EEJ) Scenario** produced the strongest equity and environmental outcomes for the Bay Area. The choice to exclude

¹ *The Guardian*, “‘This is killing me’: 100-year-old woman fights eviction in San Francisco,” by Sam Levin, available at <https://www.theguardian.com/us-news/2016/oct/03/san-francisco-100-year-old-iris-canada-eviction>.

² Watch remarks from Melissa Jones, Reyna Gonzalez, and Theola Polk at <https://www.youtube.com/watch?v=Jm-7v17car0> (starting at 18:26).

³ Watch testimony from residents and students at http://baha.granicus.com/MediaPlayer.php?view_id=1&clip_id=1510 (starting at 39:35).

an EEJ Scenario this time has led to predictable results. That “environmentally superior” scenario should be the basis for improving the draft Preferred Scenario. This means (1) leveraging regional funding to promote local anti-displacement policies, (2) planning for a fair-share distribution of affordable housing growth in *all* transit-served and high-opportunity neighborhoods, (3) increasing funding for projects and programs that serve the needs of transit-dependent riders, and (4) supporting and prioritizing *inclusive* economic development that generates good jobs for members of underserved communities.

It also means developing a clear **roadmap for actions** necessary to achieving these goals, and implementing those actions promptly. These are the conditions necessary for Plan Bay Area to serve all communities, rather than simply creating unachievable aspirations that create greater disparities.

For Plan Bay Area to meet its GHG reduction and housing targets as well as the other social equity goals, **we recommend the following actions** (with more detail in the addendum):

- a) **Incorporate key EEJ components into the Preferred Scenario and final plan**, and include an EEJ Scenario in the environmental review for Plan Bay Area 2040.
- b) **Include a detailed and aggressive implementation plan** in Plan Bay Area 2040 that establishes the necessary concrete policy actions at the local, regional and state levels to meet the region’s affordable housing and anti-displacement goals, including fully leveraging transportation funds to incentivize local actions.
- c) **Increase funding** for bus operations, the Lifeline Transportation Program, and the Community-Based Transportation Planning Program.
- d) **Fully fund** a regional free youth transit pass, means-based fare discount program, and fare stabilization.
- e) **Distribute household growth equitably** – ensuring that *all* neighborhoods near transit and in high-opportunity areas take on a fair share of housing growth rather than over-concentrating growth in the big three cities (Oakland, San Jose and San Francisco) in ways that would make displacement worse.
- f) **Model anti-displacement policies**, such as rent stabilization and just cause eviction protections, in the Preferred Scenario in cities where low-income residents are undergoing or at risk of displacement, and provide incentives in the Scenario for those policies.
- g) **Quantify affordable housing funding gaps** in the Preferred Scenario that must be filled in order to achieve the region’s affordable housing goals.
- h) **Support middle-wage job creation** by acknowledging the limitations of the draft Preferred Scenario to measure or target middle-wage jobs, and include in the implementation plan action steps to develop both data and policies that support local initiatives to address income inequality and the middle-wage jobs gap.
- i) **Provide transparent information and data** on jobs-housing fit, affordable housing production, the effect of anti-displacement policies, and estimates on available

revenue and revenue necessary to implement Plan Bay Area 2040 investments, programs and projects.

We envision a Bay Area in which residents are part of a transparent decision-making process and where the costs and benefits of development lead to shared prosperity. We challenge MTC and ABAG to join us in creating a just and inclusive region and begin undoing the damage of inequitable planning and a legacy of historically discriminatory policies that continue to marginalize low-income communities of color.

We look forward to working with you to discuss, further develop, and operationalize these recommendations to ensure that Plan Bay Area 2040 provides a clear and effective roadmap for ensuring that all communities benefit from the region's growth.

Thank you,

Derecka Mehrens
Working Partnerships USA

Mashaël Majid
Urban Habitat

Rev. Earl W. Koteen
Sunflower Alliance

Rev. Kirsten Spalding
SMC Union Community Alliance

Marty Martinez
Safe Routes to Schools National Partnership

Poncho Guevarra
Sacred Heart Community Service

David Zisser
Public Advocates

Omar Medina
North Bay Organizing Project

Jill Ratner
New Voices Are Rising Project
Rose Foundation for Communities and the Environment

Genesis Leadership Council

Jennifer Martinez
Faith in Action Bay Area

Gloria Bruce
East Bay Housing Organizations

Peter Cohen and Fernando Martí
Council of Community Housing Organizations

Jasmin Vargas
Communities for a Better Environment

Dawn Phillips
Causa Justa :: Just Cause

Jason Tarricone
Community Legal Services in East Palo Alto

Tim Frank
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Addendum: Detailed Recommendations

As MTC and ABAG prepare to discuss and adopt the Preferred Scenario, we urge you to address the concerns, and incorporate the recommendations, below.

Concern #1 – Social Equity: The draft Preferred Scenario performs poorly on social equity measures, particularly related to housing and displacement. For example, MTC and ABAG set a target of decreasing the housing and transportation costs for lower-income households by 10%. Instead, the draft Preferred Scenario increases housing and transportation costs for lower-income households by 13%. The agencies project that 67% of household income will be spent on housing and transportation by 2040, up from 54% in 2005. In addition, the agencies aimed to not increase the share of households at risk of displacement, but the draft Preferred Scenario increases the risk of displacement by 9%. Finally, the agencies had a target to increase the share of affordable housing in PDAs, TPAs, and HOAs by 15%, but instead, the share of affordable housing will increase by just 1%, while the Scenario does nothing to increase access to jobs and little to reduce the adverse health impacts facing communities.

Recommendations:

1. **Incorporate key components of the Equity, Environment and Jobs (EEJ) Scenario into the Preferred Scenario, and study the EEJ in the Environmental Impact Report (EIR) for Plan Bay Area 2040.** In the EIR for Plan Bay Area 2013, the EEJ proved to be the superior alternative, both environmentally and for low-income communities of color. The failure to include an EEJ Scenario this time has led to predictable results.
2. **Include a detailed and aggressive implementation plan** as part of Plan Bay Area 2040 that identifies concrete policies and programs for how the region will meet its affordable housing and anti-displacement goals, boost local transit service and reduce fares, and support middle-wage job creation. The implementation plan should include the actions that MTC and ABAG will take, those that local jurisdictions need to take, and those that the regional agencies will take to get local jurisdictions to act.

Concern #2 – Land Use and Housing: The draft Preferred Scenario does not include adequate affordable housing and anti-displacement strategies, or equitably allocate growth. Despite the region's exceedingly poor performance on affordable housing since the adoption of the prior Plan Bay Area, and the role that regional transportation investments play in exacerbating the Bay Area's housing affordability and displacement crisis, the draft Preferred Scenario includes just one strategy to mitigate the crisis: apply inclusionary zoning in all cities with PDAs, making 10 percent of units deed-restricted. There are a number of problems with relying so heavily on this particular strategy. First, inclusionary zoning for rental housing is not currently permitted under the *Palmer* decision, making the strategy purely aspirational. Second, reducing displacement risk and increasing affordable housing production requires more than just inclusionary zoning – it

requires a broad array of policies that also include rent stabilization, just cause ordinances and other eviction protections, impact and commercial linkage fees, housing bonds, and public land policies. Moreover, any affordable housing strategy should specifically serve the lowest-income households and should be included in cities with TPAs and HOAs, not solely PDAs.

In addition, the Preferred Scenario includes no clear plan to encourage cities to adopt affordable housing and anti-displacement policies. MTC and ABAG have essentially given up on taking a robust role in addressing the crisis, claiming they have limited strategies available to them. They should instead work with the affordable housing and tenants' rights communities to develop concrete strategies.

Finally, the draft Preferred Scenario allocates a disproportionately low share of housing to many of the mid-size cities, which are job centers within the urban core, with the result that a number of cities are allocated 4 times or more as many new jobs as they are new housing units – and even fewer affordable housing units. Moreover, the projections for average annual housing growth in San Francisco and Oakland are far above anything they have achieved even at peak levels, despite actions these cities have already taken to accommodate growth and streamline the approval process. These unrealistic and inequitable allocations create the conditions for guaranteed “failure” and the potential for politically justifying even more aggressive deregulation and pro-gentrification agendas, threatening to move us backwards rather than forward in realizing an equitable development vision.

Recommendations:

3. **Establish concrete actions in the implementation plan to meet the region's affordable housing and anti-displacement goals and to mitigate Plan Bay Area's negative impacts.** Examples include:
 - a. **Develop and fund a Regional Housing Trust Fund** to support the development of affordable housing throughout the region.
 - b. **Modify the One Bay Area Grant (OBAG) and other transportation funding programs** to more effectively encourage local land use planning and development that will make things better, not worse. OBAG's new anti-displacement scoring criteria and affordable housing incentive funding are steps in the right direction, but MTC must create stronger incentives for local jurisdictions to produce affordable housing and adopt anti-displacement policies by using the full countywide OBAG funds and other transportation dollars.
4. **Include – and model – anti-displacement policies**, such as rent stabilization and just cause eviction ordinances, in the Preferred Scenario in cities where low-income residents are undergoing or at risk of displacement. These protections are the most effective at keeping low-income renters in their homes.

5. **Distribute household and employment growth equitably** – near transit and in high-opportunity areas⁴, not just in PDAs concentrated in the big three cities, and in a manner that achieves both jobs-housing balance⁵ and jobs-housing fit (availability of affordable housing in proportion to the number of low-to-moderate wage jobs in a city). It is critical that we end our historic patterns of sprawl development – which has both negative environmental and equity consequences. But we must do so in a manner that does not concentrate development in ways that actually exacerbate displacement, and we must ensure that all cities are doing their fair share to create affordable housing and job opportunities. Allocating growth into a more “poly-nodal” land use pattern is a far superior “smart growth” vision that will enable Bay Area residents to live and work in their home communities rather than endure extreme commutes and the associated greenhouse gas emissions, increased transportation costs and public health impacts.
6. **Quantify affordable housing funding gaps** in the Preferred Scenario that must be filled to achieve the housing affordability and share of affordable housing targets, particularly for production of housing for very low-, low-, and moderate-income families that is proportional to market-rate housing production.
7. **Analyze and share the following data:**
 - a. How jobs-housing fit is – or is not – achieved in the Preferred Scenario, and how the Preferred Scenario drives household distribution to places with poor jobs-housing fit, near transit, and in high-opportunity areas.
 - b. Total housing production for each jurisdiction and how it compares with the actual track record of past production.
 - c. Affordable housing production for each jurisdiction and (i) how it compares with actual track record of past production and (ii) how much it will cost compared to affordable housing subsidy dollars available annually.
 - d. The effect that additional affordable housing and anti-displacement policies would have on meeting the performance targets.

Concern #3 – Transportation Investments: The draft Preferred Scenario does not include adequate transportation funding to meet the needs of underserved communities. We have concerns about projected revenue and the presentation of new investments in expanding equitable transportation. We acknowledge the policy decision to fully fund transit operating shortfalls. However, the assumed increase in revenue from sales-tax-based discretionary sources (e.g., Transportation Development Act and local measures) may be overstated; if so, there is the risk of major service cuts should the economy falter in the future. Packaging mostly pre-existing programs as an “Equity

⁴ Allowing people to live closer to their jobs and other key community assets, even with limited public transit access, still reduces VMT and GHG emissions.

⁵ The jobs-housing ratios for the three big cities vary widely – from 0.8 in San Jose, where the projected job growth is well below what’s planned in its General Plan, to 2.4 in San Francisco. These numbers are not only unrealistic, but they result in completely inadequate jobs-housing balance and, even more importantly, the jobs-housing affordability “fit.”

Roadmap” is misleading and inadequate. Deceptive because conversations with staff indicate that bus versus other modes are not clearly broken out; inadequate because, e.g., Lifeline, is still stuck at the low level from PBA 2013. Consistent with the Gioia amendment, Communities of Concern should be receiving a fair share of all discretionary revenues in the first four years of the plan.

Recommendations:

8. **Allocate “bus operations” funding for bus service**, which low-income riders rely on disproportionately to get to their jobs, schools and critical services. The current categories appear to include capital costs and need to be broken out and described more clearly.
9. **Allocate \$2 billion to the Lifeline Transportation Program by 2021** to fund the transportation projects that low-income communities of color identify in the Community-Based Transportation Plans (CBTPs). This important program is the only one that specifically targets the needs identified by low-income residents who rely on transit, but current funding levels do not come close to closing the gap in transit service for this population, much less meeting the full range of critical transportation needs in underserved communities.
10. **Increase funding for updating CBTPs to \$3 million.** MTC recently allocated \$1.5 million in OBAG funds for updating CBTPs, enough to update approximately 15 plans. However, 28 CBTPs are at least 6 years old, and the new Community of Concern definition may create a need for additional community-based plans.
11. **Develop and fund a regional free youth transit pass** program. The overwhelming success of the Free MUNI for Youth program (over 33,000 youth currently receive passes) highlights the need for this investment. Moreover, MTC’s investment in the MUNI pilot youth program demonstrates that regional funding can play a key role in supporting local models that can be scaled up and replicated throughout the region.
12. **Fully fund MTC’s Regional Means Based Fare Discount program.** This pilot study is examining program alternatives that can both reduce transportation costs for transit-dependent riders on major operators with existing discount programs as well as reduce costs for those transit dependent riders forced to take multiple unlinked trips (e.g., local bus to BART to another local bus) because of the displacement crisis. The draft investment strategy includes \$150 million over the life of Plan Bay Area to support this effort. However, current staff estimates range from \$57 million to \$100 *annually*. This does not include cost estimates for new service needed to meet increased demand, which are still being developed.
13. **Allocate discretionary revenue to develop a fare stabilization fund** to help prevent fare increases or service cuts during periods of unanticipated economic downturn.
14. **Provide reliable estimates** on available revenue and revenue necessary to implement Plan Bay Area 2040 investments, programs, and projects.

15. **Conduct an equity analysis** of the proposed expenditure of the regional discretionary share of funds, including a focus on the equity of discretionary fund allocations in the first four years of the new Plan. This will help ensure that low-income populations and people of color are not being subjected to any delay in the receipt of a fair share of the Plan's benefits.

Concern #4 – Economic Opportunity: We commend the regional agencies for incorporating Middle-Wage Job Creation as an explicit Performance Target for Plan Bay Area. However, the draft Preferred Scenario falls short in two respects.

First, it inaccurately represents that the share of middle-wage jobs is growing in the Bay Area and will grow under any scenario – even “No Project.” This positive forecast is sharply contrasted by real world data, which show growth concentrated in high-wage and low-wage jobs, exacerbating the region's income inequality and attendant impacts on housing, transportation and public health. This reality is what our communities are facing as they struggle to maintain economic security. While we understand that these results stem from the current limitations of the forecasting model, this should be acknowledged in the Performance Targets Results as a limitation of the methodology, rather than presented as an indication that the actual share of middle-wage jobs will increase.

Second, and more importantly, the next Plan Bay Area needs a sharper focus on understanding and effectively leveraging the impacts that policies, investments, incentives and planning decisions have on the type and quality of jobs that are created or retained. At a minimum, MTC and ABAG should establish strong policies to ensure that the direct impacts of Plan Bay Area investments are moving us in the right direction.

Furthermore, if the region moves forward with the actions outlined in the Implementation Strategies – which include establishing a Regional Economic Development District and creating “Priority Production Areas” – it is critical to start from the basis of an inclusive economic development strategy that addresses the type and quality of jobs that are being created.

Recommendations:

16. **Include in the implementation plan an action item focused on developing the data and capacity to analyze wages at the job / workers level** and to project potential impacts of land use scenarios and policy decision on the jobs and wage distribution. In the meantime, indicate the modelling limitations of the Middle-Wage Jobs target in the Performance Targets Results (by including a footnote or similar indicator).
17. **Establish policies in the implementation plan to ensure that the direct investments made through Plan Bay Area are aligned with the goal of expanding the share of middle-wage jobs.** These could include:
 - a. **Ensure minimum standards:** Require prevailing wages, participation in state-registered apprenticeship, and priority for veterans on all construction work that is supported by Plan Bay Area investment, including where

funding is used for land acquisition, architectural or engineering fees, or project planning.

- b. **Expand middle-wage career pathways in construction and operations:** Support transportation operators and local jurisdictions that are seeking to implement models such as Community Workforce Agreements that combine efficient project delivery, strong enforcement of minimum job standards, and career pathways for workers in underserved communities. Support might include providing resources for pilots, convening and/or technical assistance, and supporting local jurisdictions in applying to the FTA for approval of innovative career pathway mechanisms.

18. The process underway to create a Bay Area Economic Development District should explicitly target middle-wage job creation and access. Refocus the stakeholder process of developing a Comprehensive Economic Development Strategy for the Bay Area to explicitly prioritize creating and sustaining middle-wage jobs and ensure access to those jobs for members of underserved communities.

19. Provide support and incentives for local jurisdictions to innovate, replicate and collaborate on approaches to support the growth and retention of middle-wage jobs. A number of cities and counties are already taking action on policies, programs and initiatives to expand economic opportunity. MTC and ABAG's role in economic development should be to support and prioritize those local efforts that, when aggregated, can demonstrate effectiveness in supporting middle-wage jobs. In particular, the concept of Priority Production Areas should prioritize investment in and support for projects that will explicitly lead to middle wage job creation, pathways into those jobs and/or the upgrading of low-wage jobs.



September 30, 2016

Ken Kirkey
Director, Planning
Metropolitan Transportation Commission
Bay Area Metro Center
375 Beale Street, Suite 800
San Francisco, CA 94105

Miriam Chion
Director of Planning and Research
Association of Bay Area Governments
375 Beale Street Suite 700
San Francisco CA 94105

Re: Plan Bay Area 2040: Response to Draft Preferred Scenario

Dear Mr. Kirkey and Ms. Chion:

Two years ago, in July of 2014, the City of Brentwood adopted a comprehensive update of its General Plan. The timeline of this plan coincides with the 2040 forecast horizon for Plan Bay Area 2040.

The Draft Preferred Scenario forecast compares to the General Plan as follows:

	Households	Employment
Brentwood General Plan	27,849	33,800
Draft Preferred Scenario	29,700	12,150

The Draft Preferred Scenario household forecast is a modest seven percent higher than the General Plan. It is entirely plausible that, over time, the City could approve general plan amendments which increase density and result in a household buildout total close to the Draft Preferred Scenario number.

According to the East Bay Economic Development Alliance, the total number of jobs currently in Brentwood is 12,463 (Q3 2016), 313 jobs higher than the Draft Preferred Scenario forecast for the year 2040. Plan Bay Area 2040 therefore projects Brentwood to

have negative jobs growth in the next quarter century. We seriously question the basis and reasoning for this forecast.

We are also perplexed as to how the Draft Preferred Scenario could be so extremely inconsistent with a locally prepared, locally adopted General Plan: 178 percent lower, precisely.

This is not the first time we raised this concern. Plan Bay Area 2012 also severely underestimated future employment growth for Brentwood. Our 2012 comment letter indicated that unrealistically small job growth projections for east Contra Costa County will worsen already severe traffic congestion on regional roadways and thereby increase GHG emissions. The 2012 letter stated:

... The City supports the reduction of gashouse gas emissions and the associated goal of decreasing freeway congestion, but to severely limit the ability of suburban communities like Brentwood to provide needed jobs – which furthers the intent of Plan Bay Area – is unrealistic and short-sighted. While Brentwood is not currently served by direct rail transit, increased job growth needs to be a priority so that residents are not forced to commute to inner Bay Area job locations. A more realistic approach would be to assume that many people prefer the single-family housing lifestyle over higher density development, and to find a reasoned and balanced means to acknowledge and accommodate that preference into the Strategy. The City suggests that both ABAG and MTC include higher job growth for the cities in east Contra Costa County as a means of reaching target emission goals and accommodating housing preference.

The City respectfully requests that the Draft Preferred Scenario be revised to significantly increase the projection for future jobs growth in east Contra Costa County, consistent with local general plans. Thank you for this opportunity to comment. If you have any questions, please let me know.

Sincerely,



Casey McCann
Community Development Director

cc: Mayor and Council Members – City of Brentwood
Planning Commissioners – City of Brentwood
Randell H. Iwasaki, CCTA Executive Director



CITY OF BRISBANE

50 Park Place
Brisbane, California 94005-1310
(415) 508-2100
Fax (415) 467-4989

October 7, 2016

Ken Kirkey, Planning Director
Metropolitan Transportation Commission
Bay Area Metro Center
375 Beale Street, Suite 800
San Francisco, CA 94105

Subject: Plan Bay Area 2040 Draft Preferred Scenario

Dear Mr. Kirkey:

The City of Brisbane has reviewed the *Plan Bay Area 2040 Draft Preferred Scenario*, including Household and Job Growth Projections by jurisdiction. The City objects to the Brisbane projections and requests that these figures be revised as noted below.

Specifically, the draft preferred scenario projects 4,400 new households in the Brisbane portion of the Bi-County PDA. Currently this portion of the City includes no residential units. The Housing Element of the City's General Plan proposes 230 additional residential units in the Parkside subarea, and the City is actively engaged in the development of a precise plan to plan for these units. The bulk of the PDA lies within the Brisbane Baylands where the City's General Plan currently prohibits housing. You are aware that the City of Brisbane is currently considering an application by the property owner to amend the City's General Plan to allow housing and approve a specific plan containing approximately 4,400 residential units. This application is currently under review by the Brisbane City Council, with a decision expected in summer/fall of 2017.

The City of Brisbane is extremely troubled by the draft household projection, which can only be achieved if the Brisbane Baylands project as proposed by the developer is approved. ABAG/MTC has taken great lengths to reassure local municipalities that whatever land use scenario is included, Plan Bay Area does not govern, control, or override local land use regulations. Given that the City is actively engaged in the review and decision making process for the Baylands, it is objectionable for the preferred scenario to include the household projections as proposed which are inconsistent with the City's General Plan. Utilizing these projections does not reflect acceptance or recognition of the City's land use regulations, rather these projections can only be construed either as an unjustified presumption on the part of MTC regarding the outcome of the City's land use process, or as an unseemly attempt on MTC's part to pressure and/or intimidate the City of Brisbane and unduly influence the outcome of the City's independent planning process. The City respectfully suggests this is not an appropriate role for MTC to play in local land use matters.

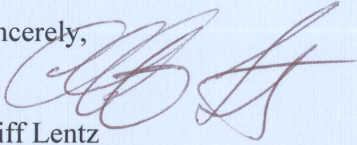
The City requests that the Household and Employment Projections for the Brisbane PDA be revised to reflect the current Brisbane General Plan. This was the approach utilized in PBA 2013, and the City sees



no justification for MTC to make different assumptions at this time. The projections should be revised to reflect the planned 230 housing units within the PDA. In regard to employment, the General Plan currently does not accommodate appreciable job growth within the PDA, so it is recommended that the PDA employment projections utilize the same growth rate projections applied to employment within non-PDA areas of Brisbane.

Thank you for your consideration in this matter. Should you have any questions regarding this letter, please contact John Swiecki, Community Development Director at jswiecki@ci.brisbane.ca.us or at 415.508.2120.

Sincerely,

A handwritten signature in dark ink, appearing to read 'CLL', is written over the word 'Sincerely,'.

Cliff Lentz
Mayor

cc: Brisbane City Council
Clay Holstine, City Manager



CITY OF EAST PALO ALTO
Community and Economic Development Department
Planning and Housing Division

1960 Tate Street • East Palo Alto, CA 94303

Tel: (650) 853-3189 • Fax: (650) 853-3179

October 12, 2016

ABAG/MTC Joint Planning & Administrative Committee
Bay Area Metro Center
375 Beale Street
San Francisco, CA 94105

Subject: Comments on Plan Bay Area 2040 Draft Preferred Land Use Scenario

Dear Members of the ABAG/MTC Joint Planning & Administrative Committee:

This letter is in response to the current Plan Bay Area 2040 Draft Preferred Land Use Scenario. Thank you for the opportunity to comment. This Plan is of critical importance to the region due to its ability to influence future growth in the land use, housing and transportation areas. The City of East Palo Alto has the following comments on the Draft Preferred Land Use Scenario.

While supporting the overall aim of Plan Bay Area 2040 and the attempt to better integrate job, housing and transportation in the region the City does not believe that the Draft Proposed Land Use Scenario is sufficient. A more aggressive strategy is needed to better balance jobs, housing and transportation in the Bay Area.

The Staff Report and the presentation made at your meeting on September 9 showed a 2040 Draft Preferred Land Use Scenario primarily involving the three largest cities in the Region (San Jose, Oakland and San Francisco) taking on the lion's share of the obligation for future housing with accommodation of future jobs generally at current rates in the region. This creates further imbalance in the jobs/housing area. A portion of the remaining growth is primarily proposed to be allocated to the Priority Development Areas in the region (PDAs). These PDA areas are located where there is ability to concentrate jobs or housing or both with transit, such as Downtowns or near transit hubs. Transportation funding was recommended primarily around maintenance and operations of the existing transit system and road network with more limited funds allocated to transportation growth generally assuming continuation of current growth patterns. This serves to support a widening imbalance between jobs, housing and transportation demands.

Members of the public as well as a number of ABAG/MTC Board and Committee members at the September 9 meeting expressed significant concerns with the 2040 Plan Bay Area Draft Proposed Land Use Scenario. ABAG/MTC representatives including the Mayor of San Jose, Sam Liccardo and Santa Clara County Board Member, Dave Cortese, strongly objected to the proposed Draft Land Use Scenario and its' emphasis on continued tolerance for and continuance of the current significant jobs/housing imbalance in the western and southern part of the region especially. They and others who spoke noted the need to leverage more of the discretionary transportation and other funds available to 2040 as an incentive to cities to create a better land use pattern in the location of jobs and housing, a better transportation pattern and a more equitable balance. There were also calls for improved mobility management, especially for disadvantaged groups and multiple requests for one or more public meetings on this Draft Scenario and the Plan in the Fall before a final Scenario is sent to the ABAG and MTC Boards for adoption.

East Palo Alto is an island of affordability, affordable housing, and poverty that is completely encircled by the City of Menlo Park and the City Palo Alto. East Palo Alto has the lowest jobs to employed resident ratio in the core Bay Area, and Menlo Park and Palo Alto have the highest. This Plan Bay Area 2040 Draft Preferred Land Use Scenario further exacerbates this imbalance. The systematic overdevelopment of jobs and the underdevelopment of housing mean that the vast majority of the new employees in Menlo Park, Palo Alto and other jobs-rich cities will have to live in other cities. The housing crisis exists because cities willfully develop significantly more jobs than housing units.

Controlled for size, East Palo Alto provides significantly more affordable housing than its neighbors. Including the Tax Credit Affordable Housing units, units in the rent stabilization program, and other Below Market Rate programs, 39% of the total housing units in East Palo Alto are affordable. Because it has the lowest jobs per employed resident ratio (0.2) and the most affordable housing in the region, every housing unit in East Palo Alto subsidizes a job in places such as Menlo Park and Palo Alto.

This significant imbalance of land uses produces significant benefits for the cities that have more jobs than homes, and significant fiscal distress for cities with fewer jobs. Despite having roughly the same population, East Palo Alto has less than 50% the per capita staff that Menlo Park does.

	East Palo Alto	Menlo Park
Population	29,662	33,449
Jobs Per Employed Resident	0.23	1.94
Total Staff	109	259
Total Staff Per 1,000 Residents	3.67	7.74

Displacement

The City of East Palo Alto is deeply concerned about the potential for additional displacement from the current jobs/housing imbalance and the Draft Preferred Land Use Scenario. East Palo Alto experienced the most severe wave of involuntary displacement since the City incorporated in 1983 in the period between the entitlement of the first Facebook project and the opening of that project. Based on the information in a Keyser Marston Displacement Study, between 2012 and 2015, the largest landlord in East Palo Alto created a 35% vacancy rate while the regional average was a normal 5%.

Traffic/Air Quality

Due to its low jobs per employed resident ratio, East Palo Alto experiences significant traffic that neither originates nor ends in East Palo Alto. Approximately eighty-four (84%) of the peak hour traffic on University Avenue for example is cut through traffic from employees driving from homes in the East Bay to jobs along the Peninsula.

Air Quality is a significant concern for the City of East Palo Alto. Some employment projects in the region, such as Facebook, exceed BAAQMD emissions standards in 2020. Proposed project mitigation with emissions offset programs will not reduce emissions at project sites sufficiently which affect East Palo Alto neighborhoods. This is a significant concern because the State of California CalEnviroScreen Version identifies all of East Palo Alto as an area disproportionately burdened by multiple source of pollution. As a result of this asthma hospitalization rates for children in East Palo Alto are twice that of San Mateo County.

We appreciate the opportunity to review and comment on these projects and plans and to continue working collaboratively with local agencies. We wish to be notified of upcoming meetings that you plan to hold and future hearings on the final proposed 2040 Land Use Scenario and Plan. If you have any questions you can call me at (650) 853-3195 or at gpersicone@cityofepa.org.

Yours truly,



Guido F. Persicone, AICP
Planning and Housing Manager
gpersicone@cityofepa.org



CITY OF MOUNTAIN VIEW

COMMUNITY DEVELOPMENT DEPARTMENT • PLANNING DIVISION
500 Castro Street • Post Office Box 7540 • Mountain View • California • 94039-7540
650-903-6306 • Fax 650-962-8501

September 12, 2016

Miriam Chion, ABAG Planning and Research Director (via email)
Association of Bay Area Governments

Dear Ms. Chion:

Thank you for the opportunity to comment on the Plan Bay Area 2040 DRAFT Preferred Scenario. The City of Mountain View previously sent a letter to ABAG staff in June with several comments (see Attachment). We have also met with ABAG staff regarding this process.

Below are several city comments on the Plan Bay Area 2040 DRAFT Preferred Scenario.

Household and Job Growth Comparisons

The following table compares the 2040 DRAFT Preferred Scenario for Mountain View with several of our larger surrounding jurisdictions, with some comments below:

City	2010 Households	2040 Households	% Change	2010 Jobs	2040 Jobs	% Change
Cupertino	20,900	24,450	17%	26,800	53,100	98%
Milpitas	19,000	30,800	62%	42,000	56,400	34%
Mountain View	31,800	58,500	84%	48,500	69,600	44%
Palo Alto	26,550	29,150	10%	102,000	123,200	21%
San Jose	297,700	440,600	48%	387,700	502,600	30%
Santa Clara	42,100	54,900	30%	102,900	189,100	84%
Sunnyvale	52,600	80,700	53%	65,800	116,000	76%

- We previously commented on what we believe are 'low' job estimates for both 2010 baseline and 2040 projections across the County. We still are unclear how and why ABAG's job numbers are so much different than job numbers expressed by several local cities, particularly the 2010 baseline numbers for Mountain View.
- In 2012 the three initial Plan Bay Area scenarios projected between approximately 6,000 to 8,800 new households to 2040. The proposed Preferred Scenario shows Mountain View increasing its number of households by 26,700 households to 2040. This is an increase of 84% over the number of existing households in the City. This increase is also the highest percentage of household growth of any city in the County. The City has added, or is planning to add, significant amounts of new housing in several areas,

City of Mountain View

June 9, 2016

Page 2

including our El Camino Real corridor, San Antonio Precise Plan area, and our North Bayshore and East Whisman Precise Plan areas, which are predominantly office uses. The City also recognizes that achieving a better jobs/housing balance and Plan Bay Area objectives requires that we provide more housing in the region. However, it appears that several cities in the County with large employment bases and significant future job growth can provide more housing to help Plan Bay Area reach its targeted amount of new housing in the County.

Thank you for the opportunity to comment on this important regional planning effort. Please let me know if you have any comments or questions.

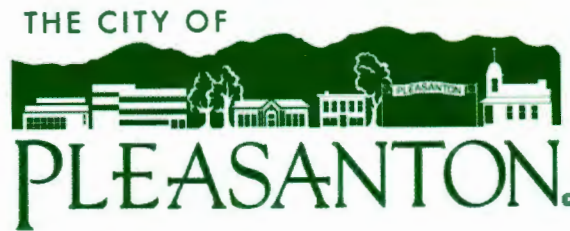
Regards

A handwritten signature in black ink, appearing to read 'Randy Tsuda', with a stylized, flowing script.

Randy Tsuda

Community Development Director

Attachment



October 5, 2016

Via electronic mail to: kkirkey@mtc.ca.gov

Ken Kirkey
 Director, Planning
 Metropolitan Transportation Commission
 Bay Area Metro Center
 375 Beale Street, Suite 800
 San Francisco, CA 94105

Re: Pleasanton Comment on Plan Bay Area 2040 – Draft Preferred Scenario

Dear Mr. Kirkey,

Thank you for the opportunity to comment on the Draft Preferred Scenario for Plan Bay Area 2040. Given that the projected growth for Pleasanton is not in alignment with the City's adopted General Plan (including the Housing Element) and for other reasons detailed in this letter, on behalf of the City of Pleasanton, I am respectfully asking MTC and ABAG staff to re-examine the Draft Preferred Scenario numbers to more accurately reflect Pleasanton's planned growth.

As stated in your correspondence, the Draft Preferred Scenario is intended to represent a projected regional pattern of household and employment growth in 2040, and was in large part developed with ABAG's economic and demographic forecasts employed by a regional land use model, UrbanSim.

The Draft Preferred Scenario for Pleasanton indicates household and employment growth summarized in Table 1 for City-wide, and Table 2 for PDA Hacienda.

Table 1: September 2016 Draft Preferred Scenario – City-wide

Plan Bay Area 2013 Growth Proposed Projection	Households		Employment	
	2010	2040	2010	2040
<i>City Wide</i>	24,700	34,600	60,100	69,900
2010-2040 Change (30 Years)	9,900		9,800	
Number Per Year (Over 30 Years)	330		327	
2010-2040 Percentage Change	40%		16%	
Average Percentage Change Per Year	1.3%		0.5%	

COMMUNITY DEVELOPMENT

P. O. BOX 520, Pleasanton, CA 94566-0802

Planning	Building & Safety	Engineering	Traffic	Inspection
200 Old Bernal Ave. (925) 931-5600 Fax: 931-5483	200 Old Bernal Ave. (925) 931-5300 Fax: 931-5478	200 Old Bernal Ave. (925) 931-5650 Fax: 931-5479	200 Old Bernal Ave. (925) 931-5650 Fax: 931-5479	157 Main Street (925) 931-5680 Fax: 931-5484

Table 2: September 2016 Draft Preferred Scenario – PDA Hacienda

Plan Bay Area 2013 Growth Proposed Projection	<u>Households</u>		<u>Employment</u>	
	<u>2010</u>	<u>2040</u>	<u>2010</u>	<u>2040</u>
<i>Priority Development Area (Hacienda)</i>	1,300	8,000	12,500	19,600
2010-2040 Change (30 Years)	6,700		7,100	
Number Per Year (Over 30 Years)	223		237	
2010-2040 Percentage Change	515%		57%	
Average Percentage Change Per Year	17%		2%	

The Draft Preferred Scenario represents a significant departure from the anticipated growth in the City's General Plan, including Pleasanton's adopted and State certified Housing Element, as well as from previous projections provided by ABAG. Additionally, the growth projected for the Hacienda Business Park (Hacienda) – an average annual growth rate of 17% a year – is unrealistic and oddly disproportionate to what is projected for the remainder of the City. Somewhat problematic for the level of growth is that while Hacienda is shown as a Potential PDA, there is no pending plan for a long-range plan to intensify development or include more residential opportunity sites for the area. Further, the Draft Preferred Scenario far exceeds the City's current growth management ordinance allotment of 235 residential units per year. These concerns have been communicated in previous letters and during conference calls with ABAG staff on March 31, 2016, April 13, 2016, and June 8, 2016.

As previously communicated, I am proposing growth rates that I believe are consistent with the City's adopted planning policies and existing data:

1. A City-wide increase of 235 units (households) per year, which is consistent with the City's current annual benchmark established by the adopted growth management ordinance. This results in a 28% increase over the 30 years between 2010 and 2040, and an average annual increase of approximately 1%.
2. Update the baseline values for Hacienda Business Park to reflect correct values for households and jobs (these are based off the U.S. Census data): 1,540 households and approximately 17,000 jobs in 2010.

I look forward to receiving revised projections for the Draft Preferred Scenario prior to adoption by the ABAG Executive Board.

Sincerely,



Gerry Beaudin
Director of Community Development

Mr. Ken Kirkey
Page 3
October 5, 2016

Cc:

Adam Weinstein, Planning Manager

Shweta Bonn, Senior Planner

Miriam Chion, ABAG, Director of Planning & Research, miriamc@abag.ca.gov

October 4, 2016

CITY OF SAN PABLO
City of New Directions

Metropolitan Transportation Commission
375 Beale Street, Suite 800
San Francisco, CA 94105

SENT VIA EMAIL: info@mtc.ca.gov

RE: Comments from the City of San Pablo for the Draft Plan Bay Area 2040 Land Use Scenarios

Dear MTC Public Information Staff:

The City of San Pablo has reviewed the Draft Preferred Plan Bay Area 2040 Land Use Scenario and is submitting the following comments:

1. The City of San Pablo is a disadvantaged community and considered a community of concern. We have embraced Plan Bay Area and adopted three PDAs as an approach to greenhouse gas (GHG) reduction. As additional support of greenhouse gas reduction, the City signed ABAG's Memorandum for the East Bay Corridors Initiative to collaborate at a corridor level on GHG reduction. We obtained a CCTA grant to complete a Targeted Industries Study on green jobs. For these reasons, we are pleased to see that Draft Results for Performance Targets, and Equity Measures, and a Draft Transportation Strategy have been created and are identified as critical components of the overall Draft Preferred Plan Bay Area 2040 Land Use Scenario.
2. The City is pleased to see that the total household projections for 2040 for the City of San Pablo have been reduced to a total of 9,600 units, which includes the anticipated potential growth of the three Priority Development Areas in the City for the total number of potential new households. Additionally, the City appreciates that a lower number - 8,950 for existing households for 2010 - has been incorporated into the Draft Preferred Plan Bay Area 2040 Land Use Scenario.
3. ABAG has reduced its 2040 projection for jobs, from a total of 10,680 to 10,000, for the City and the three PDAs. The City of San Pablo continues to strive to meet the job creation projections for the Draft Preferred Plan Bay Area 2040 Land Use Scenario by the 2030, the term of the City of San Pablo General Plan, and the 2040 Plan Bay Area document.
4. The City acknowledges the following statement in the Plan Bay Area 2040 Draft Land Use Scenario, where ABAG states, "many PDAs may not be able to accommodate forecasted growth and require additional policy interventions to increase their development potential. As a result, ABAG assumes a range of regional policy and investment strategies in the draft preferred land use scenario to increase development potential in PDA's, and influence the overall regional pattern. These strategies are described as follows:

- Current urban growth boundaries/limit lines are kept in place.
- Inclusionary zoning is applied to all cities with PDAs, meaning that these jurisdictions are assumed to allow below-market-rate or subsidized multi-family housing developments.
- All for-profit housing developments are assumed to make at least 10 percent of the units available to low-income residents, in perpetuity (via deed restrictions).
- In some cases, PDAs were assigned higher densities than what those cities currently allow.
- The cost of building in PDAs and/or Transit Priority Areas (TPAs) is assumed to be reduced by the easing of residential parking minimums and streamlining environmental clearance
- Subsidies are assumed to stimulate housing and commercial development within PDAs."

While the City may agree with the overall intent of these six strategies, the City needs to consider the implications of inclusionary zoning for future residential housing development, as well as the possibility of easing residential parking minimums. The City continues to use the infill exemptions as allowed by CEQA, when they are applicable and appropriate, and will apply for future funding and grants, as we have three PDAs which makes the City of San Pablo a strong candidate for future transportation related grants.

Thank you for the opportunity to comment on the Plan Bay Area Draft 2040 Land Use Scenario. Please feel free to contact Development Services Director, Michele Rodriguez at MicheleR@sanpabloca.gov, or 510-215-3030, if there are questions about these comments.

Sincerely,



Matt Rodriguez
City Manager

Copies:

Johnny Jaramillo, Senior Planner
Economic and Housing Development
Association of Bay Area Governments
375 Beale Street, Suite 700
San Francisco, CA 94105

Martin Engelmann, P.E
Deputy Executive Director, Planning
Contra Costa Transportation Authority
2999 Oak Grove Road, Suite 100
Walnut Creek, CA 94597



October 11, 2016

Bay Area Metro Center
Association of Bay Area Governments/Metropolitan Transportation Commission
ATTN: Miriam Chion and Ken Kirkey
375 Beale Street, Suite 800
San Francisco, CA 94105-2066

Subject: City of San Rafael Comments on Plan Bay Area Draft Preferred Scenario (City File No. P15-008)

Dear Ms. Chion and Mr. Kirkey:

Over the past year, the City of San Rafael has been actively following the update to Plan Bay Area 2040. During this process, our staff has reviewed revisions and studies that have been released, and have submitted written comments to ABAG/MTC on behalf of our City.

The latest Draft Preferred Scenario was published in late August 2016 and we have been diligently reviewing the scope of and the growth projections for this scenario to determine the Plan implications on our City. On October 3, 2016, the San Rafael City Council reviewed a report on the Draft Preferred Scenario, including the revised household and employment projections. Following a discussion of the Draft Preferred Scenario, the City Council directed the preparation of this letter with comments. We respectfully submit the following comments:

1. We question the use of 2010 as the base year for modeling input. It is unclear why 2010 was chosen as the base year for the UrbanSim model input. As acknowledged by the information we received from your staff, nearly one-third of the forecast jobs using this base year have occurred as a result of the post-recession employment boom. For this reason, the use of a more recent base year for model input would be more logical and appropriate.
2. Priority Development Area (PDA) Growth Distribution. The scope of the Draft Preferred Scenario presents an adjustment in the growth distribution to PDAs. By comparison to the 2013 Plan Bay Area, the percentage of growth proposed to be distributed to PDAs has been reduced from 80% to 75% for households and from 70% to 52% for jobs. The City of San Rafael supports this change. We are committed to maintain our Downtown PDA and the lower distribution of growth provides a better benchmark for the long-range planning of this PDA.
3. The household projection for San Rafael is reasonable and acceptable. The latest draft projection show a reduction in housing growth of 330 households from those in the adopted 2013 Plan Bay Area. This projection is within the household growth projection range of the current San Rafael General Plan 2020. From 2000 to 2010, our number of households grew by 393 units. By this



account, we can reasonably expect that San Rafael can accommodate the projected growth in households.

4. The 2040 jobs projection growth for San Rafael is ambitious given the built environment conditions and constrained transportation network. While the 2040 jobs projection (growth of 5,800 jobs citywide) presented with the Draft Preferred Scenario has been reduced from the Adopted 2013 Plan Bay Area (by approximately 21% or 1,540 jobs), there is still a significant concern regarding the feasibility to accommodate this projection. As noted in our past comments on Plan Bay Area: a) San Rafael is a built out community with very limited capacity for new commercial growth; and b) the development equivalent to accommodate some of this job growth would require major transportation and utility service infrastructure improvements that exceed our current and planned capacity.

In addition, we understand that a portion of this jobs projection has been realized as a result of the surging job growth in the past several years (result of the recovered economy). However, our staff has not been able to obtain specifics from your staff on this recent job growth in our community; this information would be helpful for the City to better understand and analyze the jobs projection. Lastly, as job growth varies by geographic area, prior to further adjustments in this projection, it is recommended that your staff consult with the Marin Economic Forum. The Marin Economic Forum is an excellent local source on business and employment trends.

We appreciate the opportunity to review and comment on the Draft Preferred Scenario projections. We look forward to a response to our comments. Should you have any questions regarding the information in this letter please feel free to contact Paul Jensen, our Community Development Director at (415) 485-5064 or email at paul.jensen@cityofsanrafael.org.

Sincerely,

Gary O. Phillips, Mayor
CITY OF SAN RAFAEL

cc: City Council
Planning Commission
City Manager
Economic Development Director
Community Development Director
Marin Economic Forum, 555 Northgate Drive, Suite 255, San Rafael, CA 94903



CITY OF SAN RAMON

2401 CROW CANYON ROAD
SAN RAMON, CALIFORNIA 94583
PHONE: (925) 973-2500
WEB SITE: www.sanramon.ca.gov

October 12, 2016

Ken Kirkey, Director
MTC
Bay Area Metro Center
375 Beale Street, Suite 800
San Francisco, CA 94105-2066

RE: Plan Bay Area 2040 DRAFT Preferred Scenario

Dear Mr. Kirkey

Thank you for the opportunity to provide input on the Draft Preferred Scenario. The August 30, 2016 letter outlines the proposed land use strategy for the nine Bay Area counties, providing household and employment forecasts for each city, unincorporated areas and Priority Development Areas through 2040 and builds upon the current Plan Bay Area (PBA) adopted in 2013. It is our understanding that ABAG forecasts the Bay Area to grow by the 820,000 households and 1,276,000 jobs in the next 25 years, to meet the housing and greenhouse gas targets under Senate Bill 375. The Draft Preferred Scenario assumes the highest household and job growth will be directed to the PDAs, primarily in Oakland, San Francisco and San Jose.

Job Growth Projections

For San Ramon, the Draft Preferred Scenario decreases our job growth between 2010 and 2040, resulting in 1,800 fewer jobs in the City. This is in contrast to Projections 2013 which showed an increase of 14,360 jobs, in line with our General Plan assumptions of 13,317 new jobs. General Plan 2035 projects at buildout San Ramon will have 57,667 jobs, with 33,288 located in our City Center and North Camino Ramon PDAs. It is difficult to understand the loss of jobs when our primary business center, Bishop Ranch located within our City Center PDA, has entitlements to construct over 700,000 s.f. of new office.

Household Projections

The Draft Preferred Scenario estimates 31,100 households in 2040, with 5,800 located in the above identified PDAs. Our General Plan 2035 estimates 34,670 households, with 2,666 households in our PDAs. It appears PBA has transferred households from our outlying areas into our PDAs and reduced our buildout projections by approximately 3,500 households. While in theory this appears to be realistic, practically, it is not. San Ramon is a city with fairly new and

well maintained housing stock. Additionally, there are approximately 1,700 new units under construction over the next 3 years located in our Dougherty Valley and Northwest Specific Plan areas, which makes it difficult to understand the de-population of San Ramon by 2040.

We appreciate the opportunity to share our comments regarding Plan Bay Area and request the projections be revised to align with those within our General Plan 2035. If you would like to discuss our projections further, please do not hesitate to contact me at (925) 973-2566.

Sincerely,

A handwritten signature in black ink, appearing to read "Debbie Chamberlain", with a long horizontal flourish extending to the right.

Debbie Chamberlain
Division Manager, Planning Services

Attachments

Plan Bay Area 2013 Growth Projections

cc Miriam Chion, ABAG
Martin Engelmann, P.E., CCTA
Joe Gorton, Interim City Manager
Eric Figueroa, Assistant City Manager

Plan Bay Area 2013 Growth Feedback



Jurisdiction Name: City of San Ramon
 Contact Person/Title: Debbie Chamberlain / Division Manager, Planning Services
 Email/Phone: dchamberlain@sanramon.ca.gov / (925) 973-2566

Instructions: Check 'one' box per row to indicate whether/how Plan Bay Area 2013 growth should be adjusted for the plan update in 2017. If growth estimates warrant a lower or higher adjustment, please provide a brief explanation in the adjacent text box. You may provide other general feedback below. Please return this form via email to your county's ABAG regional planner by July 20, 2015.

JURISDICTION TOTAL	Same Lower Higher			
	Population	Housing	Employment	
	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	See attached General Plan 2035 figures
	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	See attached General Plan 2035 figures
	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	See attached General Plan 2035 figures
PRIORITY DEVELOPMENT AREAS	Population	<input type="checkbox"/>	<input type="checkbox"/>	See attached
	Housing	<input type="checkbox"/>	<input type="checkbox"/>	See attached
	Employment	<input type="checkbox"/>	<input type="checkbox"/>	See Attached

Click here to enter text.

City Center PDA

2010	2040
Population 0	Population: 3,254
Households: 0	Households: 1,542
Jobs: 17,071	Jobs: 20,707

North Camino Ramon PDA

2010	2040
Population: 0	Population 2,372
Households: 0	Households 1,124
Jobs: 9,534	Jobs 12,576

levels of the General Plan, assume average densities and intensities for the various land use classifications identified in the General Plan Land Use Diagram.

Residential

As of January 1, 2014, an estimated 27,993 residential units exist within the San Ramon Planning Area, which includes an estimated 501 units outside the City limits, but still within the Planning Area. The General Plan will result in a projected 7,198 additional units, based on identified housing opportunity sites, for an estimated General Plan 2030 buildout total of 35,385 residential units for the Planning Area. The majority of these units are associated with the buildout of the Dougherty Valley Specific Plan, Northwest Specific Plan, North Camino Ramon Specific Plan, City Center Project, and Crow Canyon Specific Plan. Table 4-6 shows the estimated current and projected residential units for the San Ramon City Limits and Planning Area.

Table 4-6: San Ramon Planning Area Residential Units

<i>Estimated Current Residential Units 2014</i>		<i>Additional Residential Units Under General Plan Buildout</i>		<i>Estimated Buildout of Residential Units 2035</i>	
City limits	Planning Area	City limits	Planning Area	City limits	Planning Area
27,492	27,993	7,198	7,392	34,690	35,385

Note:

Estimate of Planning Area residential units extrapolated from California Department of Finance Jurisdictional projections 01-01-2014.[ER4]

Non-Residential

As of 2014, approximately 16.4 million square feet of non-residential floor area currently exist in the San Ramon Planning Area, which includes retail, commercial, office, light industrial, and public space. Approximately another 5 million square feet of space is approved, underway, or programmed with City Center project, buildout of the approved Specific Plans and the additional square footage contemplated as part of the North Camino Ramon Specific Plan. In total, General Plan buildout in 2035 is estimated to result in approximately 21.6 million square feet of non-residential floor area in the San Ramon Planning Area. Table 4-7 shows the estimated current and projected non-residential square footage for the San Ramon Planning Area.

Table 4-7: San Ramon Planning Area Non-Residential Square Footage

<i>Estimated Current Non-Residential Square feet 2014</i>	<i>Additional Non-Residential Square feet General Plan Buildout</i>	<i>Estimated Buildout of Non-Residential Square feet 2030</i>
16,465,691	5,165,039	21,630,730

Note:
Estimate of Planning Area Non-residential square footage based on GP 2020 background data and project specific projections from the City of San Ramon. [ER5]

BUILDOUT POPULATION AND EMPLOYMENT

Approximately 90 percent of the buildout population and employment either already exists or will occur with approved or programmed developments.

Population

At the General Plan 2035 buildout, the San Ramon Planning Area is estimated to accommodate a population of approximately 96,174 people, an increase of about 18 percent over the current population estimate of approximately 78,820 people for the Planning Area (77,270 City). The majority of these new residents will result from the development of housing units already anticipated by the General Plan. This additional population reflects an estimated annual growth rate of about 1.0 percent per year over the next 20 years, which is considerably less than the projected 2.77 percent annual growth rate experienced by the City from 2000-2014. Table 4-8 shows the estimated current and projected populations for the City and San Ramon Planning Area.

Table 4-8: San Ramon Planning Area Buildout Population

<i>Estimated Current Population 2014</i>		<i>Additional Population Under General Plan Buildout</i>		<i>Estimated Buildout Population 2035</i>	
City limits	Planning Area	City limits	Planning Area	City limits	Planning Area
77,270	78,820	16,754	17,354	94,024	96,174

Note:

Estimate of Planning Area population extrapolated California Department of Finance Jurisdictional Projections 01-01-2014.-Projections are based on an estimated average of 2.91 persons per household. Multifamily and single family of persons per household are estimated at 2.11 and 3.21 respectively based on 5 yr. ACS data (2012). [ER6]

Employment

San Ramon Plan Area will accommodate approximately 57,667 jobs at buildout, for an increase of about 25 percent over the current estimated employment of 45,994. The additional employment accommodated by this General Plan is about 11,673 jobs. This reflects an overall annual job growth rate of about 1.08 percent over the next 21 years. This projected job growth is anticipated to be steady, but more active than that experienced in the 2000's

culminating in the economic downturn in 2007-2008. A significant part of this new employment growth is anticipated by the completion of the City Center project and implementation of the North Camino Ramon Specific Plan. The General Plan 2035 Economic Element provides additional information of existing and future employment trends specific to the City. Table 4-9 shows the current estimated and projected employment for San Ramon.

Table 4-9: San Ramon Planning Area Buildout Employment

	<i>Estimated Employment 2014</i>	<i>Additional Jobs Under General Plan Buildout</i>	<i>Estimated total Buildout Employment (2035)</i>
Total	45,994	11,673	57,667

Note:

Estimate of Planning Area employment is extrapolated from ABAG 2010 Jurisdictional Projections (P2013) based on the average growth rate from 2000-10, plus project specific NCRSP PDA employment information.[ER7]

Jobs to Housing Ratio

A city's jobs/housing ratio (jobs to employed residents) would be 1:1 if the number of jobs in the city equaled the number of employed residents. In theory, such a balance would eliminate the need for commuting and signifies a balanced community. A ratio greater than 1.0 indicates a net in-commute (jobs rich); less than 1.0 indicates a net out-commute (housing rich). As shown in Table 4-10, the current jobs/housing ratio in San Ramon is 1.26, which means that the number of jobs in the City exceeds the number of employed residents by about 26 percent. The addition of significantly more residential units (employed residents) as compared to the relatively flat growth rate in jobs has resulted in a reduction in the jobs/housing ratio from 1.51 to 1.26 since 2000. As future residential development decreases with buildout of the General Plan, the growth of employed residents will likely also slow, absent a change in the existing household employment profile. As such, if the job growth remains constant or slows, the jobs housing balance will also remain flat as the City approaches buildout in 2035.

Table 4-10: San Ramon Planning Area Jobs – Housing Ratio (Employment–Employed Residents)

	<i>Estimated Jobs/Employment</i>	<i>Estimated Employed Residents</i>	<i>Estimated Jobs/Housing Ratio</i>
2000	40,030	26,561	1.51
2010	44,350	32,820	1.35
2014	45,994	36,630	1.26
2035	57,667	47,164	1.22

Note:

Estimate of Planning Area employment and employed residents extrapolated from ABAG Jurisdictional Projections (P2013) and 5 yr. ACS data (2012).[ER8]

Buildout under the General Plan is expected to add proportionately more population than jobs. As a result, the jobs/housing balance is expected to fall to 1.22 resulting in only a 22



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OFFICE OF THE CITY MANAGER

September 13, 2016

Miriam Chion, Director of Planning and Research
Association of Bay Area Governments
Bay Area Metro Center, 375 Beale Street, Suite 800
San Francisco, CA 94105-2066

Ken Kirkey, Director of Planning
Metropolitan Transportation Commission
Bay Area Metro Center, 375 Beale Street, Suite 800
San Francisco, CA 94105-2066

RE: Plan Bay Area 2040 Draft Preferred Scenario

Dear Ms. Chion and Mr. Kirkey,

Thank you for the opportunity to comment on the Plan Bay Area 2040 Draft Preferred Scenario. We appreciate the outreach that MTC and ABAG are conducting to the Bay Area agencies, and submit the following comments for your consideration regarding South San Francisco.

Residential Projections

The Draft Preferred Scenario projects an additional 3,000 housing units in South San Francisco by 2040. We have reviewed these projections and compared them with City estimates based on recently entitled projects, projects in the development pipeline and potential projects which staff expects will materialize in the foreseeable future. Our analysis anticipates an additional **4,500** dwelling units in South San Francisco, higher than the Plan Bay Area projection of 3,000.

<i>South San Francisco: Residential Projection</i>	
<i>Under Construction / Entitled / Pipeline Projects</i>	
Acres	Projected Units (Based on Zoning)
23	1,008
<i>City/RDA Successor Agency owned Land</i>	
Acres	Projected Units (Based on Zoning)
16	973
<i>Potential East of 101 Area</i>	
Acres	Projected Units
40	2,500
<i>Total Projected Units</i>	
Acres	Projected Units
79	4,481

The City is planning major transportation and infrastructure improvements, including the relocation, improved access, and modernization of the Caltrain station. This investment will improve transit access and create additional opportunities for transit-oriented residential and mixed-use development throughout East of 101 and Downtown.

Employment Projections

The employment projections for South San Francisco show a 2010 baseline of 38,880 jobs, with growth to 55,400 by the Plan Bay Area horizon of 2040. The 2010 baseline does not match our most recent jobs inventory; the 2012 Census included 52,444 jobs in South San Francisco at that time.

In addition to residential development under construction or in the pipeline, the City has experienced significant commercial growth recently, including entitlements for approximately one million square feet of commercial, and approximately 7.5 million square feet of office/ R&D space. We anticipate an additional two to three million square feet of employment development going through the entitlement process within the next three years. The entitled and projected employment development equates to approximately 18,000 additional employees in South San Francisco, or a total employment projection of nearly **70,500**, which is significantly higher than the Plan Bay Area projection.

It is also important to note that the vast majority of projected jobs and residential units in South San Francisco are in close proximity to regional transit stations (Caltrain, BART, and the ferry terminal), supporting efficient patterns of transit-oriented development, and encouraging transit use as viable commute alternative.

We are looking forward to meeting with ABAG and MTC staff in the very near future to discuss the Plan Bay Area methodology and assumptions in detail, and review the specific projections for South San Francisco. Should you have any questions in the meantime, however, please feel free to contact me at any time.

Sincerely,



Mike Futrell
City Manager, City of South San Francisco

cc: South San Francisco City Council



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September 15, 2016

Ken Kirkey
Planning Director
Metropolitan Transportation Commission
375 Beale Street, Suite 800
San Francisco, CA 94105

Re: Plan Bay Area 2040 Draft Preferred Scenario

Dear Mr. Kirkey:

Thank you for allowing local jurisdictions the opportunity to comment on the Plan Bay Area 2040 Draft Preferred Scenario. Upon review of the information provided, the City of Cupertino has the following comments.

1. **Household Growth:** *The Draft Preferred Scenario indicates that Cupertino's Household growth is expected to increase by about 1.9% over Plan Bay Area 2013 adopted figures.*

Cupertino remains committed to accommodating its share of the Regional Housing Needs Allocation (RHNA) provided it is consistent with past estimates. Additional housing growth beyond the City's RHNA is not anticipated to occur.

2. **Jobs Growth:** *The Draft Preferred Scenario indicates that Cupertino's Jobs growth is expected to increase by over 60% over Plan Bay Area 2013 adopted figures. On the other hand, the County's job growth has been projected to increase a mere 3% over Plan Bay Area 2013 numbers. Cupertino's job growth number appears to be grossly overstated and the City disagrees with this projected increase. An increase of up to 3% above Plan Bay Area 2013 numbers would be a more realistic projection for the following reasons.*

Cupertino uses a development allocation system instead of floor area ratios, which provides a hard cap for office development in the City's General Plan (2015-2040). Currently, there is approximately 500,000 square feet of office allocation available in

the entire City. There is an additional 2M square feet of office potential at the Vallco shopping center site. However, it is currently the subject of an election measure which proposes to remove the office allocation. If passed, the City would have only 500,000 square feet available.

We would like to note that Apple's new campus, approved in late 2013, was largely a teardown and rebuild of an existing HP campus with only a small increase (approximately 200,000 square feet) which was already anticipated in the 2005 General Plan. Therefore, no additional job growth should be allocated to Cupertino as a result of this redevelopment in the Draft Preferred Scenario.


The Draft Preferred Scenario shows that many of our neighboring cities appear to have extremely low or negative office growth, even though they are currently processing General Plan amendments with a great deal of office development. While the market may show that Cupertino has a strong potential for additional office development, many of the neighboring cities share the same characteristics. What differentiates Cupertino from the other cities is it's extremely limited ability, per the General Plan, to approve additional office development.

We believe that the Plan Bay Area 2013 projection for job growth for Cupertino is closer to what could realistically occur within the City. At the most, a 3% increase consistent with the growth rate for Santa Clara County as a whole could be justified. As a result, we recommend that the job numbers not exceed 34,100 or 3% above the Plan Bay Area 2013 numbers.

We have additionally requested parcel level data from MTC's model so that we can review it and provide feedback where MTC may have allocated additional growth. We hope that MTC and ABAG will consider this information prior to adopting the final Plan Bay Area 2040 Preferred Scenario later this year.

Again, we appreciate the opportunity to comment on the Draft Preferred Scenario and hope to work with you to adjust the numbers based on our feedback. If you have any questions, please feel free to contact Aarti Shrivastava, Assistant City Manager at aartis@cupertino.org or Piu Ghosh, Principal Planner at piug@cupertino.org.

Regards



David Brandt
City Manager

CC: Miriam Chion, Director of Planning and Research, Association of Bay Area
Governments, 375 Beale Street, Suite 300, San Francisco, CA 94105
Aarti Shrivastava, Assistant City Manager, City of Cupertino, 10300 Torre Avenue,
CA 95014

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Friday, September 9, 2016

ABAG Administrative Committee with the MTC Planning Committee
Bay Area Metro Center
375 Beale Street, San Francisco, CA

Re: Item 5 Plan Bay Area Preferred Scenario

On behalf of the Non-Profit Housing Association of Northern California (NPH), I write to commend staff for putting together a thorough and thoughtful Draft Preferred Scenario of Plan Bay Area. This Draft enables the Bay Area to meet its greenhouse gas emissions targets, preserves the region's open spaces, increases jobs in middle wage industries, and improves goods movement. However, some policy items essential to the well-being of the region's low-income families are still lacking especially in terms of housing affordability and displacement risk.

Founded in 1979, NPH is the collective voice of those who support, build and finance affordable housing. We promote the proven methods of the non-profit sector and focus government policy on housing solutions for lower-income people who suffer disproportionately from the housing affordability crisis. We are 750 affordable housing developers, advocates, community leaders and businesses, working to secure resources, promote good policy, educate the public and support affordable homes as the foundation for thriving individuals, families and neighborhoods.

NPH offers its input in the hopes that the Plan's outcomes could be improved for the region's neediest residents. We focus on three areas 1) process, 2) next steps 3) improving model assumptions to provide a more realistic vision for growth in the Bay Area.

1. Process:

NPH would like for the joint committee to add an additional meeting to the Plan's schedule to consider public feedback to the Plan and to get an initial response from staff. The Plan's current schedule, which calls for the adoption of the final preferred scenario by November 17th, leaves too little time to have an open and deliberate discussion on the feedback staff will receive from jurisdictions, stakeholders, and the public between now and October 14th (the last date for written comments). Having an additional meeting to review feedback and to discuss staff's reaction to that feedback creates a more transparent and accountable process for the Plan and allows the boards to have a richer and more informed discussion prior to adopting the final scenario. *The additional meeting could take place either during the last week of October keeping to the current schedule OR the adoption of the final preferred scenario could be pushed back two weeks to the first week of*

Executive Director
Amie Fishman

December so staff can use the presently scheduled meetings to discuss the input they received.

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2. Next Steps for the Plan:

NPH also firmly believes that once adopted the Plan should be actionable. For the plan to have a greater impact on the ground it should include a chapter that quantifies the plan's remaining funding gap in housing, transportation, and open space preservation and outlines the actions that the regional agencies, local governments, and the state can take to fill in those gaps. Plan Bay Area 2013 had a final chapter called "A Plan to Build On." Plan Bay Area 2040 should go a step further and quantify funding gaps and outline actions that could be taken at the state, regional, and local levels to get the Bay Area to where it needs to be. Making this change would result in a more meaningful planning document that could help structure the work of the merged agency.

3. Improving model assumptions to provide more realistic vision for growth in the Bay Area:

The UrbanSim model should make realistic land use assumptions based on current best practices and trends. To that end, NPH has extensive recommendations on the types of policies that should be considered by the modelers to ensure that UrbanSim reflects a realistic, if aspirational, vision for what growth could look like in the Bay Area.

Land use distribution: Jurisdictions should do their fair share of housing the region's growth especially if they have access to fixed rail transit. More housing should be distributed to Bayside jurisdictions with new jobs to new housing unit ratios of 2.5 or greater especially if such jurisdictions have access to rail transit. NPH's analysis found 15 such jurisdictions with new jobs to housing ratios ranging from 10.8 new jobs/housing unit to 2.5 new jobs/housing unit.

Inclusionary Zoning: While NPH is supportive of including inclusionary zoning among the model's assumptions we believe that they need to be calibrated:

- Inclusionary zoning should be assumed only for the development of ownership housing for consistency with the *Palmer* court ruling from the State Supreme Court.
- Rental housing developments should be assumed to pay housing development impact fees with a modest assumption for development agreements/community benefits agreements that could yield some affordable rentals (no more than 5-8% of all future development)

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- The income affordability of inclusionary units should be specified (low vs. mod) as a model output

Public Lands: As part of OBAG 2, the MTC Commission unanimously adopted guidelines that required all general law jurisdictions that receive OBAG funding to adopt resolutions detailing how their disposition of public land complies with the state's Surplus Land Act. Consistent with Resolution 4202 UrbanSim should assume compliance with the act:

- UrbanSim should assume that a certain percentage of all publicly-owned parcels in the Bay Area will be developed by affordable housing developers who will make at least 25% of the units deed-restricted affordable to low income households - consistent with the Surplus Land Act.
- 35% of the units developed on land owned by VTA should be assumed to be affordable to low-income households – consistent with VTA's own adopted policy
- 35% of the units developed on land owned by BART should also be assumed to be affordable to low-income households – consistent with BART's proposed TOD policy update for November of 2016

Anti-Displacement policies: Consistent with the MTC Commission's direction to CMAs to award jurisdictions with adopted anti-displacement policies additional points for transportation projects, it would be beneficial to the region to analyze the impact of anti-displacement policies in preventing the displacement of the Bay Area's low income communities. Policies that help keep low-income households in place include rent stabilization, just cause eviction and local minimum wages higher than the state minimum wage. In addition, UrbanSim should take into account current rent stabilization ballot measures in East Palo Alto, Mountain View, Burlingame, Richmond, Alameda, and San Mateo and gauge their impact.

Available Subsidies: To provide the Bay Area with a plausible, though optimistic, picture of what it could achieve, UrbanSim should take into account all existing and potential subsidy sources under consideration on the November ballot.

- **Bonds:** Subsidy sources should include all the affordable housing bonds/sales tax measures under consideration by Alameda County (\$580 million), Santa Clara County (\$950 million), and San Mateo County (up to \$40 million/year), it should also include San Francisco's Prop A adopted in 2014 (\$310 M bond) and Proposition C (repurposing \$260 million for affordable housing).
- **Value Capture:** Value capture as a source of affordable housing subsidy should be assumed in the 3 big cities and jurisdictions along El Camino Real, International Boulevard, and San Pablo Avenue as those are places most likely to experience growth and to use this tool.

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- ***Housing Impact and Commercial linkage fees*** should be assumed for jurisdictions with nexus studies in the Peninsula, South Bay, and Alameda County jurisdictions
- ***Funding for Affordable Housing Preservation:*** Sources of funding for housing preservation should be incorporated into the model, including MTC's own Naturally Occurring Affordable Housing Fund (NOAH) at \$50 million, Oakland's Infrastructure Bond at \$100 million, San Mateo County's Affordable Rental Housing Preservation Program at \$10 million, and SF's Prop A (2015) and C (2016).
- ***Boomerang funding:*** analyze the use of affordable housing "boomerang funds" returned to the jurisdiction following the dissolution of their redevelopment agencies and potential to bond against those funds to subsidize affordable development.
- ***Regional Housing Trust Fund:*** The model should take into account potential subsidy sources raised through a Regional Housing Trust Fund as proposed by ABAG through its Regional Housing Agenda.
- ***Make existing subsidy assumptions explicit:*** The model should make explicit existing assumptions about subsidy sources including a regional commercial linkage fee and a regional infrastructure financing fund.

Second units: UrbanSim should also gauge the regional impact of the easing of restrictions associated with developing second units that were lifted after this year's passage of SB 1069 (Wieckowski) and AB 2406 (Thurmond and Levine).

NPH truly appreciates the work of MTC and ABAG staff in making Plan Bay Area 2040 an ambitious but achievable document to create a region that allows us to meet our housing needs while improving our transportation system and protecting our natural resources. We stand ready to continue our successful partnership with the agencies and are grateful to staff and the boards for your thoughtful work to date.

Sincerely,



Amie Fishman
Executive Director
Non Profit Housing Association of Northern California (NPH)

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Friday, October 14, 2016

Jim Spering, Chair, MTC Planning Committee
Julie Pierce, President, Association of Bay Area Governments
Bay Area Metro Center
375 Beale Street
San Francisco, CA 94105

Re: Item 5 Plan Bay Area 2040 Draft Preferred Scenario and Investment Strategy

Dear Chairs Spering and Pierce,

The Non-Profit Housing Association of Northern California (NPH) is grateful to both the ABAG Executive Board and the MTC Commission for being partners in crafting a Plan that can respond to the needs of the Bay Area's lowest income residents. We appreciate your responsiveness to our proposal for additional meetings to discuss feedback on the Plan and for staff's consideration of our concerns.

No one wants to live in a region where half the population spends nearly seventy percent of their income on housing and transportation costs. Nor is it desirable to live in a Bay Area with longer commutes and deteriorated roadways as our workforce is forced to look farther and farther away for homes they can afford. If Plan Bay Area 2040 to be a guiding document then we must plan for a Bay Area that is able to house all of its population including its young people, seniors on fixed income, teachers, medical assistants, and countless service workers who make the economy thrive but who cannot afford the region's astronomical housing costs. We must also work towards ensuring that our region's longtime residents, who have made the Bay Area what it is, can stay in the place that they call home. Unfortunately, the Draft Preferred Scenario fails to create the Bay Area that we want but instead depicts the Bay Area that we are headed towards without meaningful action.

NPH has two requests of the Joint MTC Planning and ABAG Administrative Committees:

1.) We urge staff to develop a meaningful and aggressive implementation plan to address the region's housing affordability and displacement crises that will result in a joint work program and action items for MTC and ABAG staff AND 2.) The Joint Planning and Administrative Committees should also be open to making policy assumptions and pushing for growth allocations for the Bay Area that may not necessarily be able to be modeled.

1. Developing a meaningful and aggressive implementation plan to address the region's housing affordability and displacement crises:

Now is the time for bold action if we wish for the Bay Area to maintain any of its income diversity over the next 24 years. Alameda, Santa Clara and San Mateo Counties have

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already answered the call by placing over \$2 billion worth of affordable housing subsidies on the November ballot, while San Francisco voters approved a \$310 million bond in 2015 and with another on this year's ballot – it is time for the regional agencies to consider similar action to help address the yawning funding gap for affordable housing.

A final Plan Bay Area chapter should detail both the funding gaps and policy changes needed achieve the Plan's housing performance and anti-displacement targets at the desired levels. The chapter should also include a roadmap for filling in the subsidy gaps and for adopting the policy changes necessary for building and preserving affordable housing at scale as well as preventing further economic displacement of tenants. To make the Plan actionable, staff should simultaneously create a work program based on the roadmap to guide their joint work through the next iteration of Plan Bay Area in 2021. Both the implementation plan and the joint work program should be adopted at the same time as the final EIR.

A Final Plan Bay Area chapter should at a minimum:

a) Detail how the Plan moves in the wrong direction in terms of housing affordability and displacement risk and present findings from UrbanSim as to why. Staff should ensure that the model is making realistic assumptions including taking into account proposed affordable housing bonds in Alameda and Santa Clara Counties and a sales tax measure in San Mateo County as well as modeling the effect of anti-displacement policies on local jurisdictions that have such proposals on the ballot. The Plan should also examine approaches to improving local jobs-housing fit.

b) Quantify both the funding and policy gaps for Plan Bay Area to achieve its housing affordability performance target at scale while also identifying available resources at the local, regional, state, and federal levels.

c) Establish a roadmap of specific housing policy actions to be taken in the near, medium, and long term to address funding gaps and shortcomings of the Plan's performance targets including identifying areas for which additional work is needed.

- *The roadmap would specify housing actions to be undertaken by ABAG and MTC.* These actions should include fostering the creative use of billions of discretionary transportation dollars to create OBAG-like programs that incentivize and support local action targeted towards affordable housing; a proposal for a Regional Housing Trust Fund that can help finance affordable housing development at a scale commensurate with former redevelopment agencies; creation of an ongoing Infill Infrastructure Grant (IIG) Fund for sites designated for 100% affordable housing developments in PDAs and PDA-like places.

- *Actions to be undertaken in partnership with stakeholders (local jurisdictions, other agencies, stakeholder organizations)* These should include programs to promote

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Amie Fishman

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local adoption of residential development and commercial impact fees to fund the production of affordable units; adoption of community benefits agreements that lead to the creation of more affordable units; implementation of existing state law to yield more deed-restricted and naturally occurring affordable units (Surplus Land Act, Teacher Housing Act, Accessory Dwelling Units including Junior Accessory Dwelling Units.)

- *Actions to be advocated for at the state level.* These include advocating for an ongoing source of affordable housing subsidy at the state level, passing a new statewide affordable housing bond, Ellis Act reform, the “Palmer Fix” for inclusionary housing, etc.
- *Actions to be advocated for at the federal level.* Restoring funding that has been cut from crucial federal programs such as HOME and CDBG and fully funding both tenant-based and project-based Housing Choice Vouchers.

d) Commit MTC and ABAG to creating an “implementation plan” and a work program for the housing actions that are detailed in this final chapter to be adopted concurrently with the final EIR by both the ABAG Executive Board and the MTC Commission.

2. The Joint Planning and Administrative Committees should also be open to making policy assumptions and pushing for growth allocations for the Bay Area that may not necessarily be able to be modeled.

UrbanSim’s complex simulations allow policymakers, stakeholders, and members of the public to better understand how land use decisions and policy assumptions are likely to impact development patterns in the Bay Area through 2040. The model is still a work in progress and, as such, the Draft Preferred Scenario has a number of flaws that must be corrected irrespective of UrbanSim’s modeling capabilities. If UrbanSim is not able to appropriately model basic housing assumptions, we should not shy away from making off-model adjustments so that the region can benefit while the model is improved.

The Draft Preferred Scenario presently assigns unrealistically high growth projections to some jurisdictions while failing to meet even basic assumptions for others. The region’s three large cities are expected to shoulder the lion’s share of the region’s housing growth (43%) while some suburban jurisdictions with access to high quality rail transit are projected to receive as many as 10 new jobs per new housing unit. For certain jurisdictions, the Draft Preferred Scenario projects less housing growth than what is called for in either the jurisdiction’s own general plan (i.e. Palo Alto) or their 8-year RHNA allocation (i.e. Livermore, Los Gatos, San Carlos). The region must address such discrepancies even if they are “off-model” or we risk pursuing a disingenuous development pattern that exacerbates the region’s displacement pressures, jobs-housing imbalance, and housing affordability crisis. NPH believes that all neighborhoods near transit and jobs should do their part to house the region’s future population.

The Draft Preferred Scenario currently makes assumptions that, in some cases, may be inconsistent with the current state of the law. For example, one of the Draft Preferred

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Scenario's major assumptions is a 10 percent inclusionary requirement on all new residential development in the Bay Area. Such requirements, outside of the context of a developer agreement or community benefits program, could be legally challenged due to the erroneous ruling in *Palmer v. Sixth Street Properties* from 2009. Because UrbanSim is unable to model future housing growth by tenure this assumption becomes doubly problematic as new inclusionary zoning requirements can only be applied to for-sale housing units while, if development trends hold, much of the region's new housing stock will be rental units. At the very least staff should also specify the income levels for whom these inclusionary units are projected to be affordable to even if those numbers are likely to be halved.

Much as the model takes into account local zoning and proposed transportation funding measures, the Draft Preferred Scenario should be recalibrated to take into account proposed and adopted local housing policies. The model should include the proposed general obligation housing bonds in Alameda and Santa Clara Counties (Measures A1 and A respectively) and San Mateo County's proposed sales tax extension (Measure K). The Draft Preferred should also consider all local residential and commercial development impact fees that are targeted towards the provision of affordable homes. It should also analyze the impact of local anti-displacement policies (rent stabilization and just cause eviction ordinances) that have both been adopted and proposed.

We look forward to continuing to work with both the MTC Commission and the ABAG Executive Board as well as regional staff in the coming months to ensure that Plan Bay Area 2040 is truly the best Plan for the region. We appreciate your responsiveness to and engagement with NPH and are grateful for your work to date.

Sincerely,



Amie Fishman
Executive Director
Non-Profit Housing Association of Northern California (NPH)



SAN MATEO COUNTY UNION COMMUNITY ALLIANCE

1153 Chess Drive, Suite 200 Foster City, CA 94404

Serving Workers and their Families

October 10, 2016

Julie Pierce, ABAG President

Dave Cortese, Chair, Metropolitan Transportation Commission

Dear Ms. Pierce and Mr. Cortese:

I write to give comment on the Plan Bay Area Draft Preferred Scenario. My comments will address four issues related to the performance of the preferred scenario around Middle-Wage Job Creation. Two are criticisms of the draft preferred scenario:

- 1) the model for projecting middle-wage job creation is faulty; and
- 2) the resulting performance numbers are misleading; and performance against economic vitality targets, (even if projections were accurate) is coincidental, not the result of planning or policy choices.

And two points are offered as constructive proposals for strengthening the implementation agenda:

- 3) the Economic Development District process must be refocused on creating and sustaining middle wage jobs and ensuring access to those jobs for low wage residents; and
- 4) successful PBA implementation efforts will require incentives for local jurisdictions to promote economic vitality for everyone in the region.

Middle-Wage Job Model: We commend the regional agencies for incorporating Middle-Wage Job Creation as an explicit Performance Target for Plan Bay Area. However, the forecasting methodology has not, to date, been developed so as to be able to project wage shares of job growth. As a result, the draft Performance Target Results for Performance Target #9, which purport to show a 43% increase in middle-wage jobs under all five scenarios, are misleading and should not be considered or adopted as an accurate representation of the trends in job growth.

The methodology behind the 'middle-wage' job projections identified some industries as "middle wage" industries and then projected job growth in those industries. But that projected growth in "middle-wage industries" does not necessarily mean those jobs will pay good wages or reduce income inequality in the region. Most of the industries include a wide range of jobs and wages—for example, "financial services" is included as a middle wage industry, but "manufacturing" is excluded. Industries like construction (included as a middle wage industry) will produce many low wage jobs unless wage standards and incentives are part of Plan Bay Area's implementing policies. The forecast also assumes that we have workers in the Bay Area who can afford to live here and can perform with the skills required by these industries. As we suggested in the past, the model needs to look into actual wages not an entire industry in order to provide a better reflection of the economic landscape.

Preliminary Results: As a result of the faulty job projection methodology, performance targets misleadingly show that we are doing well on "Increasing jobs in middle-wage industries." Current census data shows the opposite—the Bay Area is on a path towards

greater income inequality with a precipitous decline in the number of middle wage jobs.¹ Even if the inputs to the model were real jobs numbers (not industry projections), they are static across all scenarios, and therefore performance results are a reflection of economic growth, not policies or planning decisions. This economic reality check is not helpful to ensuring the economic vitality that our communities seek.

PBA Implementation-A Bay Area Economic Development District: We support the stakeholder process of developing a Comprehensive Economic Development Strategy for the Bay Area as one aspect of implementing PBA. But to achieve the goal of creating middle wage jobs and ensuring that local workers get those jobs we must refocus that process on 1) providing incentives or policy recommendations to ensure continuous creation of middle wage jobs (if the economic boom cycle slows down); 2) creating programs that will ensure skill upgrades and pathways for low wage workers into middle wage jobs; and 3) improving the quality of the low wage jobs that will continue to exist. Without these implementation measures, the naturally occurring creation of middle wage jobs will lead to more people moving in from outside the Bay Area to take these jobs and greater income inequality and displacement for our existing low wage workforce.

PBA Implementation-Incentives for Local Jurisdictions: The OBAG program has created some incentives for local jurisdictions to focus on increasing housing production and transit-oriented development and mitigating the displacement of Bay Area communities, which are all priorities for PBA. This program can now also be used to create incentives for local jurisdictions to promote economic vitality. Policies to be included in a menu of economic vitality measures--living wage ordinances and minimum wage increases, community workforce agreements, public land for public good measures and target hiring measures. We propose that a new incentive program to support Priority Production Areas could also focus on middle wage job creation, pathways and skills into those jobs and the upgrading of low wage jobs so that our existing communities do not continue to suffer the disruption of economic displacement and increasing poverty.

We are encouraged that the draft preferred scenario for PBA 2040 includes middle wage job growth as a goal. Without this objective, our housing and transportation plans could fail to support the diverse and vibrant communities who have made the Bay Area the most desirable place to live and work in the US. We hope that final implementation measures that support PBA will meaningfully contribute to achieving this goal.

Yours truly,



The Rev. Kirsten Snow Spalding
Executive Director

cc. Metropolitan Transportation Commissioners
Association of Bay Area Governments Executive Council

¹ <http://www.mercurynews.com/2016/10/03/silicon-valley-east-bay-gain-wealthy-households-while-middle->

From: REDACTED

Sent: Sunday, September 18, 2016 4:22 PM

To: MTC Info <info@mtc.ca.gov>

Cc: Safe Routes to School National Partnership <info@saferoutespartnership.org>

Subject: Public comment on PBA draft 2040

Plan comments:

It is unacceptable that the draft 2040 plan falls far short of 10% improvement in health and activity MTC targets.

Re Safe Routes analysis:

"None of the scenarios assessed by MTC and ABAG staff achieve the physical activity and health goals set by MTC. The Healthy and Safe Communities target is a decrease in negative health impacts of 10 percent. All scenarios assessed fall far short of that goal, with the draft preferred scenario only decreasing negative health impacts by 1 percent. (The 1 percent figure is still the best of any of the scenarios assessed.)"

Please shift the Plan's transportation priorities to fund, over the first five years starting in 2017, a complete build out in all the PDA s and PCA s of a comprehensive "Low Stress" "Protected Bikeways" "Network." This will give true choice to the 60% of our overall population (in those areas) who would like to ride a bike for transport but need vertical-barrier protection from cars in order to take their bikes out of their houses and Apts where they are languishing.

Immediate five year buildout of Protected networks within the priority areas will go a long way to increasing activity and health goals in the Plan, and to reducing traffic congestion: this priority funding should be applied to Low stress Protected networks both near and in all the PDA s and PCA s.

As funding allows in the second five years these networks should be built regardless of economic status.

This will provide the most widespread possible health impacts, encouraging further local investments outside the PDA s by enabling in the widest population recognition of the value of Low stress complete networks to everyone in the region.

Most people have never yet seen such Protected low-stress networks and seeing and feeling them will help us all understand their critical value in improving health and activity.

Thank you for your consideration.

Jean Severinghaus

Caltrans District 4 Bicycle Advisory Committee, Marin Member At Large

Sent from my BlackBerry 10 smartphone.



Sonoma County Transportation Authority
Regional Climate Protection Authority

October 10, 2016

MTC Chair Cortese and Commissioners
Bay Area Metro Center
375 Beale Street
San Francisco, CA 94105

We understand that the Regional Governments are charged with planning for GHG emissions reductions, improving the regional transportation system, and for encouraging the provision of adequate housing in Plan Bay Area. Plan Bay Area also facilitates the development of the regional transportation project list, which was once the primary plan deliverable to many of the jurisdictions, along with the Regional Housing Needs Allocation (RHNA) numbers.

At the countywide level, we are concerned at the differences between the draft preferred scenario and the adopted Plan Bay Area Sustainable Communities Strategy housing and employment forecast. We observe that housing growth estimates have increased from the previous forecast, and that employment growth estimates have been reduced. We are concerned that higher housing growth which is not accompanied by similar levels of employment growth could increase vehicle trips, trip lengths, and increase countywide and regional VMT and GHG emissions.

We are concerned with the technical accuracy of modeled growth output generated using UrbanSim. We recognize that the processes and tools used for forecasting population, housing and employment and modeling transportation projects are extremely data intensive. While this is not, in itself a bad thing, it should be accompanied by rigorous validation of modeled results and in some cases parcel by parcel verification. Unfortunately, there appear to be many errors in the detailed growth forecasts for Sonoma County parcels that may have the potential, if not corrected, to lead to unreasonable forecasts for Sonoma County jurisdictions. Regional forecasts are often used by local jurisdictions in planning studies and to estimate project and development impacts. These forecasts are also used to develop forecasts which are used by SCTA in the Sonoma County Travel Model, and SCTA would like to continue to ensure that forecasts used in local modeling are consistent with regional forecasts and the regional travel demand model. SCTA also recognizes that forecasts developed for this regional transportation plan may be used to develop future regional, county, and local forecasts which may be used to develop future RHNA allocations, and recommends that this process use a reasonable forecast which has been vetted by local jurisdictions.

We urge MTC and ABAG to continue working with local jurisdictions and CMAs to verify and validate inputs and assumptions that are used by the region growth model UrbanSim. We recommend that MTC/ABAG work with local jurisdictions and SCTA staff to develop reasonable countywide, jurisdictional, and PDA housing and employment forecasts before the final adoption of the Plan Bay Area Preferred Scenario, and that regional planning and modeling staff continue to work with local and SCTA staff to correct detailed modeling inputs and output errors.

Chair David Rabbitt
Sonoma County Transportation Authority



TOWN of PORTOLA VALLEY

Town Hall: 765 Portola Road, Portola Valley, CA 94028 Tel: (650) 851-1700 Fax: (650) 851-4677

October 10, 2016

Ken Kirkey, Director, Planning
Metropolitan Transportation Commission
375 Beale Street, Suite 800
San Francisco, CA 94105

Re: Request to Revise Plan Bay Area 2040 Preferred DRAFT Scenario 2010 Employment
Figures for Portola Valley

Dear Mr. Kirkey:

Thank you for taking the time to meet with Planning Director Debbie Pedro and Associate Planner Arly Cassidy to discuss the Plan Bay Area 2040 Draft Preferred Scenario.

At the meeting on September 29, 2016, Town staff explained that based on a recent survey of Town employers (Attachment 1), the draft scenario's employment number for the 2010 base year of 2,700 is significantly higher than our assessment. Town staff concludes that there are approximately 1,500 jobs for 2010, a more accurate number. Additionally, the forecast of 300 additional jobs by the year 2040 seems unrealistically high as the Town has very few commercial and institutional zoned parcels and there are no plans to expand such zoning districts.

MTC/ABAG and Town staff discussed the methodology for estimating the employment numbers and there was general agreement with the Town's assessment of the employment figures. Therefore, the Town of Portola Valley requests that the DRAFT Preferred Scenario Employment number for the 2010 base year be revised from 2,700 to 1,500 and the 2040 forecast of 300 be lowered accordingly.

Please let us know if you would like any additional information or background; Town Staff is happy to assist. Thank you for your time and consideration of our request.

Sincerely,



Jeremy Dennis
Town Manager

Attachments

1. Town of Portola Valley Employers and Number of Employees
2. Town of Portola Valley Zoning Map

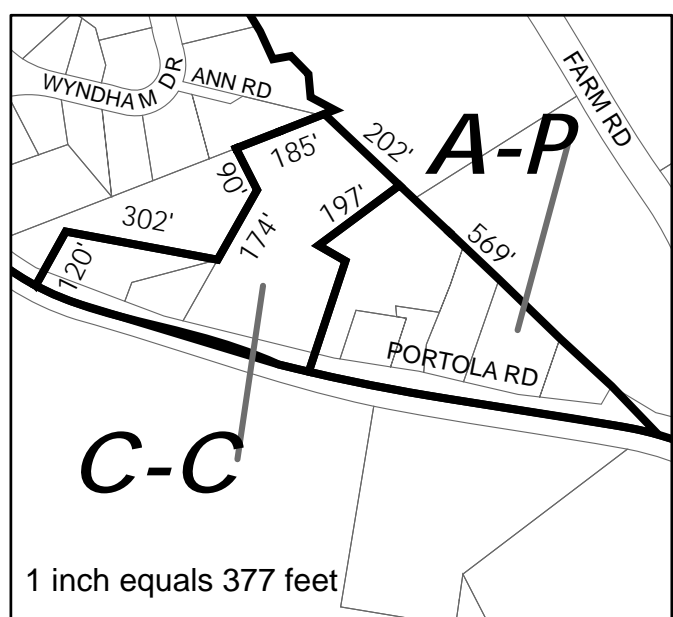
Portola Valley Employers and Number of Employees (September 2016 Survey)

Employer Category/Area	Name	# of Employees
Commercial - General		
	Spring Down Equestrian	8
	Jelich Ranch	3
	Golden Oak Equestrian	8
	The Sequoias	180
	Alpine Rock Ranch	1
Commercial - Nathorst Triangle		
	Roberts Market,	40
	Portola Valley Garage	7
	Additional small businesses, estimated	50
Commercial - Village Square		
	Park Side Grille	25
	Bay Area Lyme Foundation	2
	Woodside & Portola Private Patrol	26
	Portola Valley Feed	2
	Carousel Saddlery	5
	Village Square Veterinary Hospital	10
	Briarwood Veterinary Building	5
	Village Cleaners	2
	Hoffman & Moore Chiropractic	9
	Woodside Fire Temp Location	6
Educational Institutions	PVSD-Ormandale	36
	PVSD-Corte Madera	47
	PV SD	16
	Woodside Priory	90
	Creekside School	5
	Windmill School	5
Religious Institutions	Our Lady of Wayside Church	3
	Christ Church - The Episcopal Parish	4
	Valley Presb. Church	10
Recreation/Open Space	Farmer's Market	20
	Mid Peninsula Open Space	2
	Alpine Swim and Tennis Club	25
Town	Parks and Rec vendors/instructors	8
	Business Licences, expiring 6/30/17	741
	Town Hall	14
Fire	PV Fire Station	6
Library	PV Library	8
Total		1415

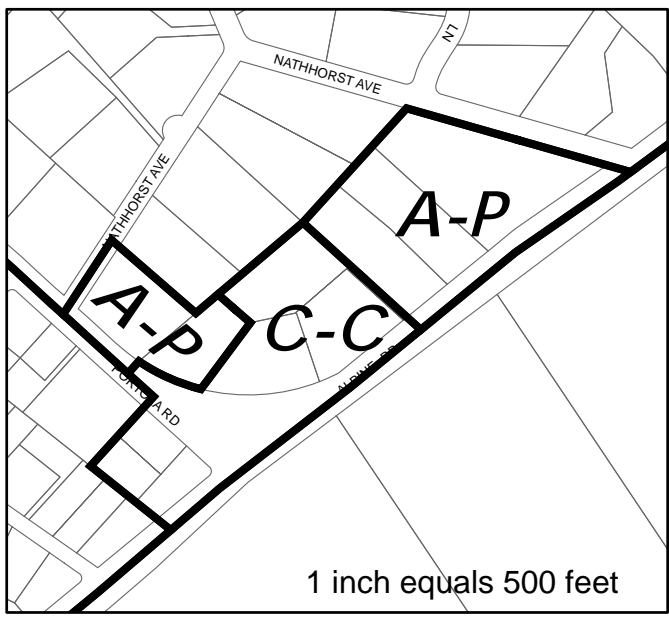
ZONING MAP

FOR THE

TOWN OF PORTOLA VALLEY



INSET A



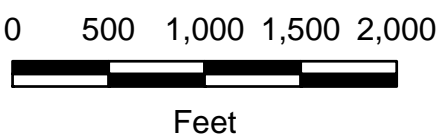
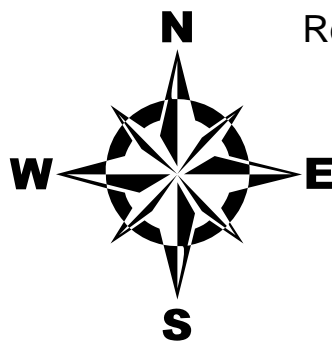
INSET B

	Ordinance No.	Date	Ordinance No.	Date
Adopted:	1967-80	7/12/67		
Amended:	1969-97	9/24/69	1989-246	9/22/89
	1973-119	2/14/73	1990-251	4/11/90
	1973-126	1/9/74	1990-253	7/11/90
	1976-147	10/13/76	1995-283	4/21/95
	1979-171	4/11/79	1996-287	4/10/96
	1981-181	3/11/81	1998-305	1/14/98
	1981-182	4/8/81	2003-347	2/26/03
	1983-247	7/20/83		



Legend

- RE/1A Zoning Boundary & Designation
- Special Building Setback Lines - S



PROJECTION: CALIFORNIA STATE PLANE COORDINATES,
ZONE III, NAD83 DATUM. UNITS IN FEET.
PUBLISHED: OCTOBER, 2004

Reprinted July 2007



October 14, 2016

David Cortese
Chair
Metropolitan Transportation Commission
375 Beale Street
San Francisco, CA 94105

Julie Pierce
President
Association of Bay Area Governments
375 Beale Street
San Francisco, CA 94105

Dear Chair Cortese and President Pierce,

Thank you for the opportunity to comment on Plan Bay Area as the Mayors of Oakland, San Francisco, and San José. Each of our cities are sending in separate comment letters with city-specific comments, but we wanted to take this opportunity to provide comment on a few mutual points:

1. **Balanced Communities**: As the three largest cities in the region, we are unified on a vision of balanced, walkable, and bikeable communities with jobs and housing linked by regional transit. The Bay Area is suffering from lack of adequate housing production overall, compounded by the growth of jobs in areas not well served by transit in communities that build little housing. These land use practices have led to poor outcomes; our transportation system is over-taxed and our housing costs are high. More balanced communities are the best way to achieve our mutual goals - and our legal requirement - of reducing greenhouse gas emissions, providing mobility and access to opportunity, and lowering costs for overburdened families.
2. **Business as Usual is Unacceptable**: The Plan Bay Area Draft Preferred Scenario relies too heavily on existing trends, especially when it comes to jobs. Plan Bay Area 2040 must aim for a vision with better outcomes that more closely aligns with locally adopted plans, especially for urban areas with excellent regional transit and robust housing production. Our three cities support identifying policies, investment opportunities, and legislation at all levels of government to achieve our shared goals. More tools and resources, including meaningful incentives and disincentives are needed, especially when it comes to affordable housing production and unlocking the potential of major opportunity sites with high up-front infrastructure burdens.
3. **Affordability and Equity**: Even with its modest policy advancements, the Draft Preferred Scenario paints a grim picture of the region's ability to meet our housing needs, threatening our diversity and ability to remain an attractive beacon of opportunity and innovation. Housing and transportation costs for lower-income

households would increase by at least 13 percent, resulting in 9 percent more low-income families becoming at risk of displacement. This cannot be the “preferred” scenario for our region. It is incumbent on this Plan update process over the coming months to identify what it would take to meet our needs and ensure shared prosperity for all. Moreover, this exploration should evaluate policies or reforms to ensure that all jurisdictions must participate as appropriate in the provision of needed housing for our interconnected region.

4. **Regional Job Allocations:** The Plan needs more explicit and proactive measures to grow and protect middle-wage jobs throughout the region. The concept of establishing Priority Production/Industrial Areas (which may overlap with PDAs) is an important implementation strategy that must be further developed. Further, the reduced job allocations for both Oakland and San José compared to Plan Bay Area 2013 are not reflective of trends, nor where we want to be as a region in terms of sustainable growth near transit and housing – particularly given that both Oakland and San José function as major regional transit hubs.
5. **Connecting the Region with Transit:** Focused and expanded commitment to substantial transit investment and capacity expansion in the urban core of the region, particularly linking together the three largest cities and integrating them into a statewide rail network, is crucial for the health of the region. Critical investments include Core Capacity (especially the Transbay Corridor), Caltrain Electrification/DTX/CAHSR, and BART to Silicon Valley.

Thank you for considering our remarks. We look forward to continuing to work with you as the region develops Plan Bay Area 2040.

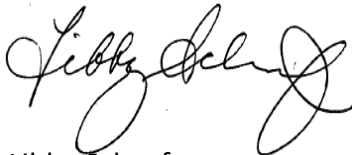
Sincerely,



Edwin M. Lee
Mayor, City and County of San Francisco



Sam Liccardo
Mayor, City of San José



Libby Schaaf
Mayor, City of Oakland

October 13, 2016

Metropolitan Transportation Commission &
Association of Bay Area Governments
375 Beale Street
San Francisco, CA 94105

Re: **Plan Bay Area 2040 Preferred Scenario**

Dear members of the Joint MTC Planning Committee and ABAG Administrative Committee:

Thank you for the opportunity to comment on the draft Preferred Scenario for Plan Bay Area 2040. We write to propose solutions that will lead to a Plan Bay Area that works better for everyone, 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.

According to MTC and ABAG's own analysis, the draft Preferred Scenario will significantly worsen the housing and displacement crisis for low-income people. Housing and transportation costs for lower-income households would increase by at least 13%, and at least 9% more low-income families – tens of thousands of people – would be at risk of displacement. Meanwhile, the Scenario does nothing to increase access to good jobs and little to reduce the health harms these communities face.

In a recent interview¹, 100-year-old San Francisco resident Iris Canada discussed her impending eviction from a place she's called home for more than 50 years – an experience she described as “killing me.” Ms. Canada is just one of countless Bay Area residents facing, and trying to survive, this unprecedented crisis that disproportionately affects low-income communities of color and seniors. For example, dozens of residents powerfully and personally described these challenges at the regional housing forum² in February and during a Commission meeting³ on July 27th, and nearly 500 people from 54 cities sent emails to MTC ahead of that meeting pleading for the region to take meaningful action.

Yet MTC and ABAG have failed to include effective strategies in the Scenario that would promote affordable housing opportunities, prevent displacement of low-income residents from rapidly gentrifying neighborhoods, and increase access to affordable transit and middle-wage jobs.

In 2013, the 6 Wins Network's **Equity, Environment and Jobs (EEJ) Scenario** produced the strongest equity and environmental outcomes for the Bay Area. The choice to exclude

¹ *The Guardian*, “‘This is killing me’: 100-year-old woman fights eviction in San Francisco,” by Sam Levin, available at <https://www.theguardian.com/us-news/2016/oct/03/san-francisco-100-year-old-iris-canada-eviction>.

² Watch remarks from Melissa Jones, Reyna Gonzalez, and Theola Polk at <https://www.youtube.com/watch?v=Jm-7v17car0> (starting at 18:26).

³ Watch testimony from residents and students at http://baha.granicus.com/MediaPlayer.php?view_id=1&clip_id=1510 (starting at 39:35).

an EEJ Scenario this time has led to predictable results. That “environmentally superior” scenario should be the basis for improving the draft Preferred Scenario. This means (1) leveraging regional funding to promote local anti-displacement policies, (2) planning for a fair-share distribution of affordable housing growth in *all* transit-served and high-opportunity neighborhoods, (3) increasing funding for projects and programs that serve the needs of transit-dependent riders, and (4) supporting and prioritizing *inclusive* economic development that generates good jobs for members of underserved communities.

It also means developing a clear **roadmap for actions** necessary to achieving these goals, and implementing those actions promptly. These are the conditions necessary for Plan Bay Area to serve all communities, rather than simply creating unachievable aspirations that create greater disparities.

For Plan Bay Area to meet its GHG reduction and housing targets as well as the other social equity goals, **we recommend the following actions** (with more detail in the addendum):

- a) **Incorporate key EEJ components into the Preferred Scenario and final plan**, and include an EEJ Scenario in the environmental review for Plan Bay Area 2040.
- b) **Include a detailed and aggressive implementation plan** in Plan Bay Area 2040 that establishes the necessary concrete policy actions at the local, regional and state levels to meet the region’s affordable housing and anti-displacement goals, including fully leveraging transportation funds to incentivize local actions.
- c) **Increase funding** for bus operations, the Lifeline Transportation Program, and the Community-Based Transportation Planning Program.
- d) **Fully fund** a regional free youth transit pass, means-based fare discount program, and fare stabilization.
- e) **Distribute household growth equitably** – ensuring that *all* neighborhoods near transit and in high-opportunity areas take on a fair share of housing growth rather than over-concentrating growth in the big three cities (Oakland, San Jose and San Francisco) in ways that would make displacement worse.
- f) **Model anti-displacement policies**, such as rent stabilization and just cause eviction protections, in the Preferred Scenario in cities where low-income residents are undergoing or at risk of displacement, and provide incentives in the Scenario for those policies.
- g) **Quantify affordable housing funding gaps** in the Preferred Scenario that must be filled in order to achieve the region’s affordable housing goals.
- h) **Support middle-wage job creation** by acknowledging the limitations of the draft Preferred Scenario to measure or target middle-wage jobs, and include in the implementation plan action steps to develop both data and policies that support local initiatives to address income inequality and the middle-wage jobs gap.
- i) **Provide transparent information and data** on jobs-housing fit, affordable housing production, the effect of anti-displacement policies, and estimates on available

revenue and revenue necessary to implement Plan Bay Area 2040 investments, programs and projects.

We envision a Bay Area in which residents are part of a transparent decision-making process and where the costs and benefits of development lead to shared prosperity. We challenge MTC and ABAG to join us in creating a just and inclusive region and begin undoing the damage of inequitable planning and a legacy of historically discriminatory policies that continue to marginalize low-income communities of color.

We look forward to working with you to discuss, further develop, and operationalize these recommendations to ensure that Plan Bay Area 2040 provides a clear and effective roadmap for ensuring that all communities benefit from the region's growth.

Thank you,

Derecka Mehrens
Working Partnerships USA

Mashael Majid
Urban Habitat

Stuart Cohen
TransForm

Rev. Earl W. Koteen
Sunflower Alliance

Rev. Kirsten Spalding
SMC Union Community Alliance

Marty Martinez
Safe Routes to Schools National Partnership

Poncho Guevarra
Sacred Heart Community Service

Joel Ervice
Regional Asthma Management and Prevention

David Zisser
Public Advocates

Angela Glover Blackwell
PolicyLink

Omar Medina
North Bay Organizing Project

Jill Ratner
New Voices Are Rising Project
Rose Foundation for Communities and the Environment

Genesis Leadership Council

Jennifer Martinez
Faith in Action Bay Area

Gloria Bruce
East Bay Housing Organizations

Peter Cohen and Fernando Martí
Council of Community Housing Organizations

Jasmin Vargas
Communities for a Better Environment

Dawn Phillips
Causa Justa :: Just Cause

Jason Tarricone
Community Legal Services in East Palo Alto

Tim Frank
Center for Sustainable Neighborhoods

Addendum: Detailed Recommendations

As MTC and ABAG prepare to discuss and adopt the Preferred Scenario, we urge you to address the concerns, and incorporate the recommendations, below.

Concern #1 – Social Equity: The draft Preferred Scenario performs poorly on social equity measures, particularly related to housing and displacement. For example, MTC and ABAG set a target of decreasing the housing and transportation costs for lower-income households by 10%. Instead, the draft Preferred Scenario increases housing and transportation costs for lower-income households by 13%. The agencies project that 67% of household income will be spent on housing and transportation by 2040, up from 54% in 2005. In addition, the agencies aimed to not increase the share of households at risk of displacement, but the draft Preferred Scenario increases the risk of displacement by 9%. Finally, the agencies had a target to increase the share of affordable housing in PDAs, TPAs, and HOAs by 15%, but instead, the share of affordable housing will increase by just 1%, while the Scenario does nothing to increase access to jobs and little to reduce the adverse health impacts facing communities.

Recommendations:

1. **Incorporate key components of the Equity, Environment and Jobs (EEJ) Scenario into the Preferred Scenario, and study the EEJ in the Environmental Impact Report (EIR) for Plan Bay Area 2040.** In the EIR for Plan Bay Area 2013, the EEJ proved to be the superior alternative, both environmentally and for low-income communities of color. The failure to include an EEJ Scenario this time has led to predictable results.
2. **Include a detailed and aggressive implementation plan** as part of Plan Bay Area 2040 that identifies concrete policies and programs for how the region will meet its affordable housing and anti-displacement goals, boost local transit service and reduce fares, and support middle-wage job creation. The implementation plan should include the actions that MTC and ABAG will take, those that local jurisdictions need to take, and those that the regional agencies will take to get local jurisdictions to act.

Concern #2 – Land Use and Housing: The draft Preferred Scenario does not include adequate affordable housing and anti-displacement strategies, or equitably allocate growth. Despite the region's exceedingly poor performance on affordable housing since the adoption of the prior Plan Bay Area, and the role that regional transportation investments play in exacerbating the Bay Area's housing affordability and displacement crisis, the draft Preferred Scenario includes just one strategy to mitigate the crisis: apply inclusionary zoning in all cities with PDAs, making 10 percent of units deed-restricted. There are a number of problems with relying so heavily on this particular strategy. First, inclusionary zoning for rental housing is not currently permitted under the *Palmer* decision, making the strategy purely aspirational. Second, reducing displacement risk and increasing affordable housing production requires more than just inclusionary zoning – it

requires a broad array of policies that also include rent stabilization, just cause ordinances and other eviction protections, impact and commercial linkage fees, housing bonds, and public land policies. Moreover, any affordable housing strategy should specifically serve the lowest-income households and should be included in cities with TPAs and HOAs, not solely PDAs.

In addition, the Preferred Scenario includes no clear plan to encourage cities to adopt affordable housing and anti-displacement policies. MTC and ABAG have essentially given up on taking a robust role in addressing the crisis, claiming they have limited strategies available to them. They should instead work with the affordable housing and tenants' rights communities to develop concrete strategies.

Finally, the draft Preferred Scenario allocates a disproportionately low share of housing to many of the mid-size cities, which are job centers within the urban core, with the result that a number of cities are allocated 4 times or more as many new jobs as they are new housing units – and even fewer affordable housing units. Moreover, the projections for average annual housing growth in San Francisco and Oakland are far above anything they have achieved even at peak levels, despite actions these cities have already taken to accommodate growth and streamline the approval process. These unrealistic and inequitable allocations create the conditions for guaranteed “failure” and the potential for politically justifying even more aggressive deregulation and pro-gentrification agendas, threatening to move us backwards rather than forward in realizing an equitable development vision.

Recommendations:

3. **Establish concrete actions in the implementation plan to meet the region's affordable housing and anti-displacement goals and to mitigate Plan Bay Area's negative impacts.** Examples include:
 - a. **Develop and fund a Regional Housing Trust Fund** to support the development of affordable housing throughout the region.
 - b. **Modify the One Bay Area Grant (OBAG) and other transportation funding programs** to more effectively encourage local land use planning and development that will make things better, not worse. OBAG's new anti-displacement scoring criteria and affordable housing incentive funding are steps in the right direction, but MTC must create stronger incentives for local jurisdictions to produce affordable housing and adopt anti-displacement policies by using the full countywide OBAG funds and other transportation dollars.
4. **Include – and model – anti-displacement policies**, such as rent stabilization and just cause eviction ordinances, in the Preferred Scenario in cities where low-income residents are undergoing or at risk of displacement. These protections are the most effective at keeping low-income renters in their homes.

5. **Distribute household and employment growth equitably** – near transit and in high-opportunity areas⁴, not just in PDAs concentrated in the big three cities, and in a manner that achieves both jobs-housing balance⁵ and jobs-housing fit (availability of affordable housing in proportion to the number of low-to-moderate wage jobs in a city). It is critical that we end our historic patterns of sprawl development – which has both negative environmental and equity consequences. But we must do so in a manner that does not concentrate development in ways that actually exacerbate displacement, and we must ensure that all cities are doing their fair share to create affordable housing and job opportunities. Allocating growth into a more “poly-nodal” land use pattern is a far superior “smart growth” vision that will enable Bay Area residents to live and work in their home communities rather than endure extreme commutes and the associated greenhouse gas emissions, increased transportation costs and public health impacts.
6. **Quantify affordable housing funding gaps** in the Preferred Scenario that must be filled to achieve the housing affordability and share of affordable housing targets, particularly for production of housing for very low-, low-, and moderate-income families that is proportional to market-rate housing production.
7. **Analyze and share the following data:**
 - a. How jobs-housing fit is – or is not – achieved in the Preferred Scenario, and how the Preferred Scenario drives household distribution to places with poor jobs-housing fit, near transit, and in high-opportunity areas.
 - b. Total housing production for each jurisdiction and how it compares with the actual track record of past production.
 - c. Affordable housing production for each jurisdiction and (i) how it compares with actual track record of past production and (ii) how much it will cost compared to affordable housing subsidy dollars available annually.
 - d. The effect that additional affordable housing and anti-displacement policies would have on meeting the performance targets.

Concern #3 – Transportation Investments: The draft Preferred Scenario does not include adequate transportation funding to meet the needs of underserved communities. We have concerns about projected revenue and the presentation of new investments in expanding equitable transportation. We acknowledge the policy decision to fully fund transit operating shortfalls. However, the assumed increase in revenue from sales-tax-based discretionary sources (e.g., Transportation Development Act and local measures) may be overstated; if so, there is the risk of major service cuts should the economy falter in the future. Packaging mostly pre-existing programs as an “Equity

⁴ Allowing people to live closer to their jobs and other key community assets, even with limited public transit access, still reduces VMT and GHG emissions.

⁵ The jobs-housing ratios for the three big cities vary widely – from 0.8 in San Jose, where the projected job growth is well below what’s planned in its General Plan, to 2.4 in San Francisco. These numbers are not only unrealistic, but they result in completely inadequate jobs-housing balance and, even more importantly, the jobs-housing affordability “fit.”

Roadmap” is misleading and inadequate. Deceptive because conversations with staff indicate that bus versus other modes are not clearly broken out; inadequate because, e.g., Lifeline, is still stuck at the low level from PBA 2013. Consistent with the Gioia amendment, Communities of Concern should be receiving a fair share of all discretionary revenues in the first four years of the plan.

Recommendations:

8. **Allocate “bus operations” funding for bus service**, which low-income riders rely on disproportionately to get to their jobs, schools and critical services. The current categories appear to include capital costs and need to be broken out and described more clearly.
9. **Allocate \$2 billion to the Lifeline Transportation Program by 2021** to fund the transportation projects that low-income communities of color identify in the Community-Based Transportation Plans (CBTPs). This important program is the only one that specifically targets the needs identified by low-income residents who rely on transit, but current funding levels do not come close to closing the gap in transit service for this population, much less meeting the full range of critical transportation needs in underserved communities.
10. **Increase funding for updating CBTPs to \$3 million.** MTC recently allocated \$1.5 million in OBAG funds for updating CBTPs, enough to update approximately 15 plans. However, 28 CBTPs are at least 6 years old, and the new Community of Concern definition may create a need for additional community-based plans.
11. **Develop and fund a regional free youth transit pass** program. The overwhelming success of the Free MUNI for Youth program (over 33,000 youth currently receive passes) highlights the need for this investment. Moreover, MTC’s investment in the MUNI pilot youth program demonstrates that regional funding can play a key role in supporting local models that can be scaled up and replicated throughout the region.
12. **Fully fund MTC’s Regional Means Based Fare Discount program.** This pilot study is examining program alternatives that can both reduce transportation costs for transit-dependent riders on major operators with existing discount programs as well as reduce costs for those transit dependent riders forced to take multiple unlinked trips (e.g., local bus to BART to another local bus) because of the displacement crisis. The draft investment strategy includes \$150 million over the life of Plan Bay Area to support this effort. However, current staff estimates range from \$57 million to \$100 *annually*. This does not include cost estimates for new service needed to meet increased demand, which are still being developed.
13. **Allocate discretionary revenue to develop a fare stabilization fund** to help prevent fare increases or service cuts during periods of unanticipated economic downturn.
14. **Provide reliable estimates** on available revenue and revenue necessary to implement Plan Bay Area 2040 investments, programs, and projects.

15. **Conduct an equity analysis** of the proposed expenditure of the regional discretionary share of funds, including a focus on the equity of discretionary fund allocations in the first four years of the new Plan. This will help ensure that low-income populations and people of color are not being subjected to any delay in the receipt of a fair share of the Plan's benefits.

Concern #4 – Economic Opportunity: We commend the regional agencies for incorporating Middle-Wage Job Creation as an explicit Performance Target for Plan Bay Area. However, the draft Preferred Scenario falls short in two respects.

First, it inaccurately represents that the share of middle-wage jobs is growing in the Bay Area and will grow under any scenario – even “No Project.” This positive forecast is sharply contrasted by real world data, which show growth concentrated in high-wage and low-wage jobs, exacerbating the region's income inequality and attendant impacts on housing, transportation and public health. This reality is what our communities are facing as they struggle to maintain economic security. While we understand that these results stem from the current limitations of the forecasting model, this should be acknowledged in the Performance Targets Results as a limitation of the methodology, rather than presented as an indication that the actual share of middle-wage jobs will increase.

Second, and more importantly, the next Plan Bay Area needs a sharper focus on understanding and effectively leveraging the impacts that policies, investments, incentives and planning decisions have on the type and quality of jobs that are created or retained. At a minimum, MTC and ABAG should establish strong policies to ensure that the direct impacts of Plan Bay Area investments are moving us in the right direction.

Furthermore, if the region moves forward with the actions outlined in the Implementation Strategies – which include establishing a Regional Economic Development District and creating “Priority Production Areas” – it is critical to start from the basis of an inclusive economic development strategy that addresses the type and quality of jobs that are being created.

Recommendations:

16. **Include in the implementation plan an action item focused on developing the data and capacity to analyze wages at the job / workers level** and to project potential impacts of land use scenarios and policy decision on the jobs and wage distribution. In the meantime, indicate the modelling limitations of the Middle-Wage Jobs target in the Performance Targets Results (by including a footnote or similar indicator).
17. **Establish policies in the implementation plan to ensure that the direct investments made through Plan Bay Area are aligned with the goal of expanding the share of middle-wage jobs.** These could include:
 - a. **Ensure minimum standards:** Require prevailing wages, participation in state-registered apprenticeship, and priority for veterans on all construction work that is supported by Plan Bay Area investment, including where

funding is used for land acquisition, architectural or engineering fees, or project planning.

- b. **Expand middle-wage career pathways in construction and operations:** Support transportation operators and local jurisdictions that are seeking to implement models such as Community Workforce Agreements that combine efficient project delivery, strong enforcement of minimum job standards, and career pathways for workers in underserved communities. Support might include providing resources for pilots, convening and/or technical assistance, and supporting local jurisdictions in applying to the FTA for approval of innovative career pathway mechanisms.

18. The process underway to create a Bay Area Economic Development District should explicitly target middle-wage job creation and access. Refocus the stakeholder process of developing a Comprehensive Economic Development Strategy for the Bay Area to explicitly prioritize creating and sustaining middle-wage jobs and ensure access to those jobs for members of underserved communities.

19. Provide support and incentives for local jurisdictions to innovate, replicate and collaborate on approaches to support the growth and retention of middle-wage jobs. A number of cities and counties are already taking action on policies, programs and initiatives to expand economic opportunity. MTC and ABAG's role in economic development should be to support and prioritize those local efforts that, when aggregated, can demonstrate effectiveness in supporting middle-wage jobs. In particular, the concept of Priority Production Areas should prioritize investment in and support for projects that will explicitly lead to middle wage job creation, pathways into those jobs and/or the upgrading of low-wage jobs.

To: MTC Planning Committee: Chair Spering (JPSeiring@solanocounty.com); Vice Chair Halsted (ahalsted@aol.com); and Members Aguirre (aaguirre@redwoodcity.org), Azumbrado (Thomas.W.Azumbrado@hud.gov), Giacomini (dgiacomini@mtc.ca.gov), Haggerty (district1@acgov.org), Kinsey (skinsey@co.marin.ca.us), Liccardo (mayoremail@sanjoseca.gov), and Pierce (jpierce@ci.clayton.ca.us)

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Cc: MTC Chair Cortese (dave.cortese@bos.sccgov.org) and Vice Chair Mackenzie (blumacjazz@aol.com); Steve Heminger (sheminger@mtc.ca.gov), Alix Bockelman (abockelman@mtc.ca.gov), Ken Kirkey (kkirkey@mtc.ca.gov), Ezra Rapport (ezrar@abag.ca.gov), Miriam Chion (MiriamC@abag.ca.gov), info@mtc.ca.gov



CITY OF PETALUMA

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David Glass
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Dave King
Kathy Miller
Councilmembers

October 13, 2016

Miriam Chion, Director of Planning and Research
Association of Bay Area Governments
Bay Area Metro Center
375 Beale Street, Suite 800
San Francisco, CA 94105-2066

Ken Kirkey, Director of Planning
Metropolitan Transportation Commission
Bay Area Metro Center
375 Beale Street, Suite 800
San Francisco, CA 94105-2066

RE: Plan Bay Area 2040 Draft Preferred Scenario Housing and Job
Projections

Dear Ms. Chion and Mr. Kirkey:

The City of Petaluma has reviewed, and wishes to provide comments on, the household and jobs projections prepared for Plan Bay Area 2040.

The September 9, 2016 presentation "Draft Preferred Scenario: Overview of Growth Pattern and Investment Strategy" includes a diagram depicting the evolution of the Draft Preferred Scenario building upon the foundation of *Plan Bay Area 2013*, local general plans, three alternative land use scenarios, public feedback, and finally refinements based on ABAG's Land Use Vision and Priority Development Area (PDA) Assessments.

Petaluma has reviewed the projections prepared for the three alternatives, the Draft Preferred Scenario, GIS data provided by MTC from the UrbanSIM model and the online UrbanSIM web-based map. In reviewing the data it is clear that the 'refinements' or ABAG's Land Use Vision and PDA Assessments are driving the Draft Preferred Scenario with little attention to Plan Bay Area 2013, local general plans, and the prepared alternative land use scenarios.

While the projected buildout of 27,100 households in Petaluma is consistent with the Petaluma General Plan 2025, it is hard to understand how the three alternative land use scenarios which vary between 23,000 and 24,000 households informed a preferred scenario of 27,100 households, an increase of

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3,000 households over the highest alternative scenario. In addition, the policy assumption that 75% of future growth will occur within designated PDAs results in a projected 4,450 households within Petaluma's PDA – an increase of 2,000 households over *Plan Bay Area 2013* and significantly higher than anticipated in Petaluma's planning documents.

Staff reviewed the UrbanSIM data in order to understand where ABAG/MTC expects this growth to occur within Petaluma's PDA, several issues quickly emerged:

- A 39-acre parcel, currently designated for industrial use, is assumed to have the capacity for 3,139 residential units and no jobs. Even with a change in land use, this parcel could not accommodate anything close to that number of units.
- An immediately adjacent parcel assumes 894 residential units and no jobs. This site has already been entitled for 274 dwelling units, 45,000 square feet of office, 30,000 square feet of commercial, and a 122 room hotel.
- A designated future park is assumed to have 98 residential units.
- Two significant and vacant sites immediately adjacent to the commuter rail station, both key transit-oriented development sites identified in the Petaluma Station Area Master Plan, are assumed to have no development.
- The majority of Petaluma's PDA is designated mixed use, yet there is no future job growth assumed within its boundary based on the UrbanSIM data. A review of the data shows a decrease in jobs within the PDA from 2010 to 2040 while the Draft Preferred Scenario shows an increase of 550 jobs.

Outside the PDA boundary there appears to be no job growth beyond recently constructed projects and no accounting for future job growth on significantly sized vacant parcels and projects currently under construction based on review of the UrbanSIM model. The above issues raise questions about the technical accuracy of the UrbanSIM model and the policy assumptions informing the Draft Preferred Scenario.

Petaluma has worked closely with the Sonoma County Transportation Authority (SCTA) to ensure that SCTA's travel demand model includes accurate existing land use data, current development projects, and projected development. It has been our understanding that SCTA's model data has in turn been shared with MTC to inform its model. The use of UrbanSIM appears

to not benefit from that work, resulting in data that is both inaccurate and unrealistic.

Petaluma is supportive of the overall goal of reducing GHG emissions, improving the regional transportation system, and securing a balance between jobs and housing. However, we urge MTC and ABAG to continue working with the CMAs and local jurisdictions to improve upon the UrbanSIM model to ensure a reasonable and realistic housing and employment forecast before adopting a final Plan Bay Area Preferred Scenario.

If you have any questions, please feel free to contact Scott Duiven, Senior Planner, at sduiven@ci.petaluma.ca.us.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read 'John C. Brown', with a long horizontal line extending to the right.

John C. Brown, City Manager



City of Alameda • California

October 13, 2016

Ken Kirkey,
Planning Director,
Metropolitan Transportation Commission

Miriam Chion,
Director of Planning & Research,
Association of Bay Area Governments

Subject: City of Alameda Comments on Draft Preferred Scenario/Plan Bay Area 2040

Dear Mr. Kirkey and Ms. Chion:

Thank you for the opportunity to comment on the Draft Preferred Scenario/Plan Bay Area 2040. (DPS) The City of Alameda and its citizens have been consistent supporters of the region's efforts to plan for a sustainable Bay Area and address global warming and climate change. Alameda has established two Priority Development Areas (PDAs) and identified significant acreage in the PDAs to accommodate Plan Bay Area growth. Alameda strongly supports the two fundamental principles that have been the foundation of the regions past planning efforts:

- A successful plan for a sustainable Bay Area must be based upon strong connections between land use and transportation, and
- A successful regional plan must be an equitable plan. The development and transportation challenges faced by the region must be equally shared by all the cities and counties in the region.

Unfortunately, the DPS falls short on both principles.

The DPS Ignores the Land Use and Transportation Relationships in Alameda. Alameda's transportation system is in desperate need of State and regional transportation funding for much needed improvements to accommodate regional growth. Our local and transbay buses are filled to capacity, and our ferries are near capacity and occasionally have to turn back riders at the dock. Despite our fragile transportation infrastructure and services, the DPS plans a **38%** increase in households in Alameda over 30 years with no plans for increasing Alameda's connectivity to the regional roadway or transit systems. Given Alameda's limited connectivity to the region, such growth is unsustainable. In contrast, the DPS plans for a 28% increase in Fremont, a 25% increase in San Leandro, a 20% increase in Berkeley, and only an 18% increase in Hayward. All of these cities benefit from multiple access points to the regional network and at least one BART station, which reduces peak hour transportation impacts.

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Alameda, California 94501-4477
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The DPS Ignores Alameda's PDA Designations: The DPS plans for 64% of Alameda's household growth to occur outside of the designated PDAs in existing historic neighborhoods, on a wildlife refuge, and in the city's business areas. In contrast, the DPS assumes 29% of Berkeley's growth to occur in non-PDAs, 10% of San Leandro's growth in non-PDAs, and only 0.4% of Fremont's growth in non-PDA areas.

The DPS is Not Equitable. The DPS places the burden for the region's household growth on the cities that have historically carried the burden, such as Alameda, Oakland, San Francisco, Emeryville, Berkeley, and Fremont. For cities that have historically avoided the burden of assisting the region accommodate new households, the DPS simply perpetuates this historic inequity. This inequity is reflected in an apparent correlation between average household incomes in a city and the amount of growth that city is expected to accommodate in the DPS. There also seems to be a correlation between how much growth a city is expected to accommodate and the amount of existing rental housing stock and the amount of existing multifamily housing that exists in that city. Cities like Alameda with a high percentage of renters and a high percentage of multifamily housing, seem to be the cities that are asked to accommodate more growth, while more wealthy cities with predominately single family detached, owner occupied housing are planned for much less growth.

The Plan Bay Area and the State must address this inequity through changes in transportation funding. State law needs to change to ensure that the cities that accommodate the region's growth get all of the region's transportation related tax revenues, including gas taxes. As a region, we cannot continue to spend much needed transportation dollars in communities that are refusing to take responsibility for the region's housing needs. The cities that are taking on all of the region's burden deserve all of the region's transportation funds. The health of the environment and the region depend upon it.

Alameda's Request. We have a few simple requests:

Please amend the DPS to remove the 1,425 households planned on the Federal Nature Preserve (home to the endangered Least Tern), which is also subject to State of California Tidelands restrictions on residential uses, remove the 5,000+ households planned for the South Shore Shopping Center and the Marina Village Shopping Centers, and remove the 190 households planned for the Wind River Office Campus.

Please reallocate these 6,600+ households to cities in the region that are carrying a smaller percentage burden than Alameda. Our neighbors in Oakland, Emeryville and San Francisco are already doing more than their share.

Please ensure that Plan Bay Area 2040 takes a strong stand on the need for the State to make structural changes to the statewide distribution of transportation tax revenues. Cities like Alameda, Oakland, Berkeley, and San Francisco that are working to create a sustainable Bay Area are in desperate need of additional transportation funding. Without it, our cities will not be able to accommodate the housing burdens for the entire region. If

we fail, the Regional Plan fails, and we will have all failed to fulfill our responsibilities to future generations of Bay Area residents.

Sincerely,



Andrew Thomas, MCP and AICP
Assistant Community Development Director

Cc: Mr. Steve Heminger, MTC Executive Director
Alameda City Council
Alameda Planning Board
Ms. Jill Keimach, City Manager, Alameda

TOWN OF HILLSBOROUGH

SAN MATEO COUNTY

Building & Planning Department

(650) 375-7422



1600 Floribunda Avenue

Hillsborough

October 13, 2016

Ken Kirkey
Director, Planning
Metropolitan Transportation Commission
Bay Area Metro Center
375 Beale Street, Suite 800
San Francisco, CA 94105

Re: Plan Bay Area 2040 DRAFT Preferred Scenario

Dear Mr. Kirkey:

Thank you for the opportunity to comment on the Plan Bay Area 2040 DRAFT Preferred Scenario. Additionally, we appreciated the informational presentation to the San Mateo County Planning Directors recently in San Carlos.

While the 2010 and 2040 household information and respective growth appear generally reflective of Hillsborough's demographics, we have detected discrepancies between both the 2010 and 2040 employment figures. Hillsborough is a single family residential community with no commercial zoning. Non-residential uses in Hillsborough are limited to schools, country clubs and government facilities which employ a total of approximately 600 regular employees. The Plan Bay Area 2040 DRAFT Preferred Scenario notes that Hillsborough had 2,100 employees in 2010 and would have 2,300 employees by 2040.

We understand that census block groups were used to develop the employment figures. We would ask that you consider the possibility that the figures may have been derived from census areas which Hillsborough and Burlingame share along with a common zip code. Additionally, if the information is coming from business licenses, we ask that you consider the appropriateness of utilizing this information in a jobs/housing study. For example, while there are currently 1,272 active business licenses within the Town at this

October 13, 2016
Ken Kirkey
Page -2-

time, research has shown that approximately 50% involve regular full and part-time time jobs and 50% involve home occupations or temporary jobs. Since employers/employees with home occupations already have housing, and temporary jobs may or may not be located within Hillsborough in the future, it would not make sense to calculate or project those jobs within a jobs/housing study. Whether one references the 607 jobs within the Town's 2009 Housing Element or the 1,272 active business licenses currently in Town, the 2,100 figure in the Plan Bay Area 2040 DRAFT Preferred Scenario is not accurate.

While Hillsborough embraces a strategic and visionary approach for advanced planning purposes, we believe that visioning with consideration for actual conditions and in a manner that preserves the essential character of individual communities is the appropriate method to stimulate community and regional goals. We understand that our community is particularly unique as there are only a handful of communities in the entire State of California that have no commercial businesses whatsoever. We welcome an opportunity to discuss our comments further.

Sincerely,

A handwritten signature in dark ink, appearing to read "Elizabeth S.R. Cullinan". The signature is fluid and cursive, with the first name being more prominent.

Elizabeth S.R. Cullinan
Director, Building and Planning
Town of Hillsborough



October 14, 2016

Dave Cortese, Chair
Metropolitan Transportation Commission
Julie Pierce, President
Association of Bay Area Governments
Bay Area Metro Center
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atinfo@mtc.ca.gov

RE: Healthy and Safe Communities target in Plan Bay Area Scenarios; Active Transportation Staffing for MTC/ABAG

Dear Honorable Chair and Honorable President:

The Metropolitan Transportation Commission (MTC) and the Association of Bay Area Governments (ABAG) released a [draft preferred land use scenario](#) toward the development of Plan Bay Area 2040. The Draft Preferred Scenario represents a regional pattern of household and employment growth by the year 2040, and includes a corresponding transportation investment strategy.

We are writing to express concern that the draft Preferred Scenario is deficient in several ways:

1 – It does not achieve the physical activity and health goals set by MTC and ABAG. The Healthy and Safe Communities target that Plan Bay Area strives for was revised last year. The target affirms the need of the Regional Transportation Plan (RTP) and Sustainable Communities Strategy (SCS) to reduce adverse health impacts associated with air quality, road safety, and physical inactivity by 10%.

However, all the draft scenarios assessed in the Plan Bay Area process fall far short of that goal. Of the five scenarios considered, two provide no progress at all on this goal, and the other three provide only a decrease of 1 percent. The preferred scenario achieves this 1 percent, and is therefore literally better than the scenarios that provide no progress at all, but this is still woefully short of the goal affirmed by MTC and ABAG.

2 – The target for bicycle and pedestrian mode share, and the investment needed to achieve it, needs to be much stronger. Even with very modest investment, California saw a doubling of bicycling and walking between 2000-2012, according to the California Household Travel Survey. The Caltrans Strategic Management Plan released in 2015 set a goal of tripling of bicycle mode share and doubling walking and transit mode shares by 2020. With more significant investment in creating safe, connected active transportation systems, those numbers would substantially increase. The Bay Area must commit to a much bolder vision for active transportation as part of a multi-modal system in the Bay Area, and more significant investment in active transportation, both infrastructure and non-infrastructure.

Implementation of the Plan

To support the recommendations above, MTC will need to develop a detailed implementation plan as part of Plan Bay Area 2040 to achieve active transportation, physical activity and public health outcomes. The plan should include:

A. Stronger support for the Regional Safe Routes to School Program in OBAG, the Spare the Air Youth program, and MTC's Complete Streets policy. There have been proposals over the past couple of years to transfer funds from these valued programs. The proposals were ultimately reversed, but with the region's lackluster performance on goals related to traffic safety and physical activity, there is a clear need for proactive efforts to increase investments in programs that directly support these goals.

B. Support for our regional trail system and green infrastructure:

- i. Support and fund the completion of the Bay Area regional trail network and expand our system of urban trails, parks, and bikeways to serve the Bay Area's diverse population.
- ii. Expand "Transit to Trails" programs to enhance access to open space and reduce vehicle miles traveled and greenhouse gas emissions.
- iii. Establish a Regional Bicycle and Pedestrian Metrics Program to gather bike/ped usage data region wide (on-street and trails) and aggregate that data with local biking/walking data on a public web portal.

C. Increase Staffing Dedicated to Active Transportation: In addition to increased investments in the programs themselves, MTC requires additional staffing to ensure active transportation programs and policies are effectively carried out, evaluated, and supported, as well as to help devise strategies to expand and build upon the success of these programs. Currently, MTC has only one staff position dedicated to active transportation, and that one position has multiple responsibilities. We strongly recommend MTC increase its staffing capacity for active transportation, including the hiring of at least one additional staffer.

We hope that with additional investments in active transportation and increased capacity within MTC, Plan Bay Area can come closer to achieving its Healthy and Safe Communities target. We look forward to meeting with staff to discuss these recommendations further.

Marty Martinez
Northern California Policy Manager
Safe Routes to School National Partnership

Laura Cohen
Western Region Director
Rails-to-Trails Conservancy

Nicole Ferrara
Executive Director
Walk SF

Amy Jolly
Youth Leadership Development Manager
Center for Climate Protection

Alisha O'Loughlin
Executive Director
Sonoma County Bicycle Coalition

Shiloh Ballard
President and Executive Director
Silicon Valley Bicycle Coalition




BUILDING INDUSTRY ASSOCIATION

1350 Treat Blvd, Suite 140

pcampos@biabayarea.org

To: MTC Planning Committee
ABAG Administrative Committee

From: Paul Campos, BIA Bay Area 

Date: October 13, 2016

Re: **Joint MTC/ABAG Meeting October 14, 2016: Agenda Item 5.a**

Dear Committee Members:

BIA Bay Area appreciates the opportunity to comment on the Draft Preferred Scenario. We hope to draw your attention to an important issue that has not received adequate discussion as the scenario development process has proceeded: the extent to which the region will offer the prospect of economic security and opportunity through home ownership.

While the amount and general location of the region's new housing have been widely discussed during the scenario development process, the relative share of the new housing that is for-sale vs. rental has not. The Draft Preferred Scenario targets 82% of the 820,000 new units needed through 2040 as rental units, with only 18% targeted as for-sale (both attached and detached). The No Project Scenario, by contrast, is projected to have just over 50% of the new units as for-sale, with rental slightly below 50%. Importantly, the No Project Scenario is based on local general plans and projects the future housing mix that would likely occur if Plan Bay Area and its policy interventions are not adopted. In other words, the dramatic decrease in future homeownership opportunities in the Bay Area appears to reflect a policy choice in the Draft Preferred Scenario.

This policy choice has profound implications for the region's ability to reduce the kind of regional/middle-class displacement that has seen so many households and families move to other regions and other states to find affordable home ownership opportunities. A Bay Area that adds precious little to the stock of ownership housing in the region is likely to see that trend accelerate rather than reverse.

The Bay Area needs as many new rental units as feasible through 2040. But the region should not, through discretionary policy choices, significantly reduce the prospect of economic security and opportunity offered by home ownership. It should be possible for the region to approve significantly more ownership housing through 2040 inside existing urban growth boundaries than the Draft Preferred Scenario targets. Failure to do so not only will accelerate the hollowing out of the region's middle-class, but also the resulting increase in per-capita GHG emissions as these households move to outer regions and other states in search of more affordable ownership opportunities.



October 13, 2016

Dave Cortese, Chair
Metropolitan Transportation Commission
Julie Pierce, President
Association of Bay Area Governments
Bay Area Metro Center
375 Beale Street
San Francisco, CA 94105

Re: Draft Preferred Scenario for Plan Bay Area 2040

Dear MTC Chair Cortese, ABAG President Pierce, and Commissioners:

Thank you for this opportunity to comment on the draft Preferred Scenario for Plan Bay Area 2040.

The Bay Area is unique in its natural beauty, globally important landscapes and waters, vibrant farm and ranchlands, parks and open spaces. Bay Area residents and employers recognize the value of these natural and working lands and consider them essential contributors to the high quality of life, health, and economic prosperity of the region.

We applaud the steps that ABAG and MTC have taken to better integrate land-use and transportation planning to protect our region's treasured open spaces and address interconnected regional challenges of climate change, transportation, housing affordability, displacement, and shared economic prosperity to create a more environmentally sustainable, socially equitable, and economically prosperous region.

ABAG and MTC have made notable strides in advancing the protection and stewardship of our natural resources in recent years. Plan Bay Area 2013 affirmed a regional commitment to grow smartly and avoid development on our open spaces. The update to the Priority Conservation Area program and the recent \$16 million contribution to the Priority Conservation Area grant program are exciting actions to support this vision. The ongoing development of a Regional Advanced Mitigation Program also has the potential to significantly improve conservation planning and execution across the Bay Area.

The development of the Preferred Scenario for Plan Bay Area 2040 provides the opportunity to build on these past accomplishments for a more healthy, prosperous, and sustainable future for all Bay Area residents.

We are pleased that the draft Preferred Scenario appears to meet Target 4, which calls for “directing all non-agricultural development within the urban footprint (existing urban development and UGBs¹).” This is a significant and laudable commitment to focus growth and avoid sprawl development.

However, we are concerned that the current draft falls short in several important ways. As you prepare the Final Preferred Scenario for Plan Bay Area 2040, we urge you to incorporate the following recommendations:

1) Redirect growth away from “edge jurisdictions” with natural and agricultural lands

Compared to the original Plan Bay Area, the draft Preferred Scenario allocates far more housing growth to jurisdictions at the outer edges of our region.

Some of the most notable examples of this trend include the following:

- Brentwood's household allocation is nearly six times the amount envisioned in Plan Bay Area with 12,900 new households.
- Rio Vista's household allocation is more than 13 times higher than it was in Plan Bay Area, with 6,700 new households.
- Unincorporated Solano County's household allocation is more than 4.5 times higher than it was in Plan Bay Area with 7,800 new households.
- Gilroy's household allocation is nearly twice what it was in Plan Bay Area with 5,600 new households.

These communities are surrounded by important farms, ranches, and natural lands that provide a wealth of benefits, from storing carbon to protecting our local drinking water supplies to producing fresh fruits and vegetables. Directing such substantial amounts of growth to these areas puts unnecessary pressure on

¹ MTC and ABAG staff have explained that the “urban footprint” for Plan Bay Area 2040 is defined as land within Urban Growth Boundaries and Urban Limit Lines or within city limits where such a boundary does not exist.

our region's natural resources and undermines the plan's environmental, climate, equity, and economic goals. At the same time, there are communities in the core of the region that are well served by transit and jobs that would benefit from the integration of additional homes in infill locations in a compact, walkable pattern to better address the region's significant housing crisis, improve our regional jobs/housing imbalance, and reduce lengthy commutes on our congested roads.

We recommend that the final Preferred Scenario address this significant shortcoming by reallocating growth from outer edge communities to infill areas near transit and jobs and include additional policies and programs to encourage and support this more focused growth pattern. This will help protect important natural and agricultural lands and preserve the many benefits that they provide. It would also offer a host of other co-benefits, including shorter commutes and avoided Vehicle Miles Traveled (VMT); reduced infrastructure costs; increased rates of walking, biking, and transit; and greater access to opportunity for people across the income spectrum.

2) Improve the draft plan's social equity outcomes

We are concerned that the draft Preferred Scenario falls short of many of MTC and ABAG's adopted targets for social equity, particularly in regard to housing affordability and displacement.

The region's housing affordability challenges are creating a tremendous financial and emotional toll on Bay Area families, especially low-income residents. Housing unaffordability is also a problem for the future of our natural and agricultural lands. When people are no longer able to afford to live in communities near jobs and transit, they often move to less-expensive neighborhoods at the edges of the region and beyond. This can create new sprawl pressure in these edge communities, threatening the greenbelt lands that benefit us all and increasing VMT.

The final Preferred Scenario should include stronger measures to achieve our region's interrelated goals regarding open space conservation, environmental health, housing affordability and displacement, equitable transportation, and middle-wage job growth to improve the lives of all Bay Area residents. In particular, it should include new tools and strategies to ensure that people across the income spectrum can afford a place to live within our existing cities and towns.

3) Prepare a regional roadmap to implement the plan's conservation vision

It will take bold regional leadership to protect, steward, and restore the Bay Area's natural and agricultural lands. Fortunately, the Bay Area's residents and businesses have long expressed a commitment to invest in and safeguard these lands and a network of public agencies, non-profit organizations, and community-based groups are well positioned to support this endeavor.

We look forward to working with MTC and ABAG to shape a detailed implementation roadmap for how the regional agencies and their partners can advance the Plan Bay Area 2040 goal of open space and agricultural preservation. This implementation roadmap should be included as part of the final Plan Bay Area 2040 and result in a detailed work plan for regional agency staff to carry out. The roadmap should include commitments to develop specific policies and programs, including the following:

Funding strategies to support the region's open space needs

- Identify the regional funding gap for open space preservation and stewardship. Develop an integrated regional funding strategy, uniting the nine Bay Area counties, to close this gap. In developing this strategy, a variety of tools should be explored, including regional and sub-regional funding measures, Regional Conservation Investment Strategies, Transfer of Development Rights programs, and others.
- Condition regional transportation funds on local protection of open space, building on the One Bay Area Grant (OBAG) framework. For example, condition eligibility for OBAG funds on local adherence to the open space protection target in Plan Bay Area.
- Continue to expand funding for the successful Priority Conservation Area (PCA) grant program and move toward one regional PCA grant program with consistent rules and administration.
- Adopt a Regional Advanced Mitigation Program (RAMP) to coordinate funding for open space protection related to expected impacts from transportation projects. If the model is successfully established for the transportation sector, consider expanding the model for other infrastructure sectors in the future.

Policy support for local conservation action

- Increase policy support to local jurisdictions to advance open space protection and stewardship.
- Examples of needed regional actions include distribution of best practices in local open space protection policies, facilitating a strong conservation role for LAFCOs, enhancing urban greening within Priority Development Areas, and aiding in the development of local environmental justice policies to foster equitable access to parks and open space in keeping with SB 1000 of 2016.

Prioritization of our agricultural economy

- Ensure agricultural lands remain in active production by developing a regional farmland protection plan that identifies opportunities and potential funding, such as agricultural easement programs, for enhancing the economic viability of agriculture and permanently protecting agricultural lands to help secure our region's food supply.
- Include strong mitigation actions for farmland loss anticipated in the Plan Bay Area 2040 growth footprint. Enhance the mitigation ratios that were included in the EIR for Plan Bay Area 2013 to better reflect the value of agriculture lands.
- Integrate funding for regional agriculture programs in the Bay Area's forthcoming Comprehensive Economic Development Strategy (CEDS) and new Regional Economic Development District (REDD).

Support for our region's trails, recreational lands, and green infrastructure

- Support the completion of the Bay Area regional trail network and expand our system of urban trails, parks, and bikeways to serve the Bay Area's diverse population.
- Expand "Transit to Trails" programs to enhance access to open space and reduce vehicle miles traveled and greenhouse gas (GHG) emissions.
- Establish a Regional Bicycle and Pedestrian Metrics Program to aggregate data on walking and biking throughout the region, including segments of the regional trail system.

- Encourage policies and funding for nature-based solutions and green infrastructure in urban areas to incorporate natural systems into the built environment, address challenges such as flood control and water supply protection, and provide environmental, health, and safety benefits to Bay Area residents.

Integration of conservation data into decisionmaking

- Compile and integrate conservation-related datasets across the region. Provide a mechanism to allow public agencies and stakeholders to easily access and incorporate this data at all stages of decisionmaking.
- Establish new regional policies to factor in natural resources, working lands, and parks in infrastructure plans, programs, and project decisions. Include a full assessment of conservation impacts, such as water and energy use, farmland and habitat preservation, and carbon sequestration in future regional planning scenario assessments.
- Measure and report the GHG emissions that will be released from disturbance of the land base in the Plan Bay Area 2040 growth footprint and incorporate that information into the plan's mitigation measures.
- Develop a robust regional plan for sea level rise and climate adaptation, with an emphasis on strategies that protect and enhance our natural resources as a strategy for resilience.

Conclusion

Since the adoption of Plan Bay Area in 2013, the need to grow smartly and protect our natural and agricultural lands has become increasingly urgent, with an ever-growing body of data on the economic, environmental, health, and social equity benefits of choosing sustainable, equitable development patterns rather than sprawl.

We look forward to working with MTC and ABAG to refine the Draft Preferred Scenario for Plan Bay Area 2040 and ensure that the final plan positions our region for success.

Sincerely,

Matt Vander Sluis and Brian Schmidt
Program Directors
Greenbelt Alliance

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Senior Policy Associate
American Farmland Trust

Deb Callahan
Executive Director
Bay Area Open Space Council

Janet McBride
Executive Director
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October 13, 2016

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SUBJECT: Comments on Preferred Scenario for Plan Bay Area 2040

Dear Miriam and Ken:

As an ABAG Executive Board member and a member of the ABAG Regional Planning Committee, I have closely followed Plan Bay Area since its inception. Following are my questions and comments on the draft preferred scenario released in September 2016.

Base Year for Households and Jobs Projections

The household and jobs base year (2010) numbers are different. Please explain how the base year calculations were arrived at when Plan Bay Area (PBA) was originally approved by ABAG/MTC in 2013; and, how the current base year calculations were determined for the preferred scenario.

It was my understanding when ABAG/MTC approved PBA in 2013, that the base year numbers would be used as a comparison over time. Some MTC staff has stated that local governments should not be concerned about the base year numbers, but only look at the delta on the projections. That response begs the issue – why not keep the base year approved in 2013 and reduce the projections to maintain the delta?

I understand that MTC may be using a different data source than what ABAG used in 2013. Please identify the data source used to determine the base year in 2013 and what was used in the draft preferred scenario issued in September 2016? Also, please explain the pros and cons of the different data sources; and, why MTC decided to use a different data source.

Priority Development Areas (PDAs) Growth

The draft preferred scenario reduces the growth in PDAs from 80% to 75% for households and from 70% to 50% for jobs. The reduction of job growth in PDAs does not coincide with the intent of SB 375 and PBA which is to reduce Greenhouse Gas Emissions (GHG) by focusing housing and jobs near transportation corridors and/or transit. What was the reasoning behind changing the growth patterns in the PDAs as proposed in the preferred scenario? In order to work towards achieving the objectives outlined in SB 375, the PDA percentages should remain at 80% for households and 70% for jobs.

The PBA is by definition a planning document that envisions what could be done to reduce the GHG emissions and meet the PBA performance targets. Planning documents – whether it is the PBA or a

General Plan – are visionary to identify the ‘road map’ to achieving our goals. I understand that MTC staff has indicated that the PBA should be more ‘realistic’ and not ‘visionary’ in which case the performance targets and strategies (assumptions for the preferred scenario) should be revisited since many of them are visionary and not realistically achievable before the next update in 2021.

Use of UrbanSim Model for Land Use Scenario and Household/Jobs/Housing Projections

For the first time, PBA is using the UrbanSim model for establishing the 2040 employment and household forecasts for each city/town and county which may not reflect the projected growth in our General Plans. It is our understanding that the UrbanSim model incorporates zoning tools, the most recent PDA assessment, and household, business, and developer choice models.

Please provide an explanation on:

- 1) How the employment and household forecasts for each city/town and county were established for PBA approved in 2013 and why that approach was not used for the PBA update in 2017. What were the reasons for using only the UrbanSim model vs using both approaches especially for comparisons?
- 2) What specific assumptions are used in the UrbanSim model and what specific comments have been received from the Bay Area cities/towns and counties on those assumptions?
- 3) Does UrbanSim include specific projections identified in the cities/towns and counties General Plans? Since many cities do not update their zoning maps once the General Plan is updated, there may be substantial differences between those projections.

Proposed PBA 2040 Assumptions (Strategies)

Some of the Proposed PBA 2040 assumptions are not realistic and may not be legal. Specifically,

- a) Current urban growth boundaries (UGBs) are kept in place. Comment: If an UGB is adopted by the voters changing the boundary assumed in the growth forecast, will ABAG/MTC respect the voter adopted change?
- b) Inclusionary zoning to all cities with PDAs, meaning that these jurisdictions are assumed to allow below market-rate or subsidized multi-family housing developments. Comment: Since at least 11 cities with PDAs have not adopted an inclusionary zoning ordinance, will ABAG/MTC be modifying the assumption accordingly? If ABAG/MTC does not change this assumption, will MTC be requiring jurisdictions to adopt an inclusionary zoning ordinance?
- c) All for-profit housing developments are assumed to make at least 10 percent of the units available to low-income residents, in perpetuity (via deed restrictions). Comment: Not all jurisdictions require for-profit developments to include units for low-income residents (see above) and some require less than or more than 10% affordable as part of their inclusionary zoning ordinance. ABAG and MTC should survey the local jurisdictions and modify the assumption accordingly.
- d) In some cases, PDAs were assigned higher densities in the future than are currently allowed. Comment: Not all jurisdictions agreed with the higher densities in PDAs requested by ABAG/MTC. This assumption should be changed to include only those local jurisdictions that agreed with higher densities in their PDAs since they were self-nominated.

- e) The cost of building in PDAs and/or Transit Priority Areas (TPAs) is assumed to be reduced by the easing of residential parking minimums and streamlining environmental clearance.
Comment: This assumption should be changed to reflect only those jurisdictions that have passed ordinances to 'reduce the residential parking minimums and streamlined the environmental clearances' in PDAs. Since local jurisdictions did not propose TPAs nor may not even know where the TPA's are located in their jurisdiction, TPA's should be removed from this assumption. Before TPAs are included, ABAG/MTC should identify and share the locations with the governing jurisdiction to ensure that the Council/Board of Supervisors (elected body) support the specific TPA locations.
- f) Subsidies are assumed to stimulate housing and commercial developments within PDAs.
Comment: This assumption is unrealistic especially given that local governments do not have the financial strength and no longer have the legislative tools (Redevelopment Areas) to provide subsidies to for-profit housing and commercial developments. ABAG/MTC should not include this assumption unless the specific financial subsidies will be provided by ABAG/MTC with the local governments' support. Most local governments do not have access to 'subsidies' for private housing and commercial developers; and struggle to help not for profit housing developers. In addition, most local governments do not have the financial strength to provide the services (e.g. police, fire, parks, recreations, street maintenance, etc..) needed for the anticipated household and job growth articulated in PBA.
- g) Lastly, ABAG/MTC should consider an assumption which would include providing financial support to cities/towns and counties for general services including, but not limited to: police, recreation, stormwater, fire, water, wastewater, parks and general street maintenance for the housing and job growth in their jurisdiction.

I would appreciate a detailed response so I am able to explain some of these discrepancies and help others to understand why ABAG and MTC are taking this approach. If you have any questions, please contact me at home.

Sincerely,



Pat Eklund
pateklund@comcast.net



Leadership Board

Ron Gonzales, Chair
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Staff

Leslye Corsiglia
Executive Director

TRANSMITTED VIA EMAIL

October 13, 2016

Jim Sperling, Chair, MTC Planning Committee
Julie Pierce, President, Association of Bay Area Governments
Bay Area Metro Center
375 Beale Street,
San Francisco, CA 94105

Dear Chairs Sperling and Pierce,

Re: **SV@Home Comments on Plan Bay Area's 2040 Preferred Scenario**

Every day as we travel around Santa Clara County and to other parts of the Bay Area, we are constantly reminded of the jobs housing imbalance. Area freeways and roads are more and more crowded and the time to get from point A to point B is taking longer and longer.

This jobs housing imbalance has three causes-- the mismatch between the location of jobs and the location of homes (jobs housing balance), the mismatch between the cost of housing and worker wages (jobs-housing fit), and the addition of new jobs without consideration of where the new employees will live. If these causes are not addressed, our traffic congestion and our quality of life will continue to be negatively impacted.

While improvements to our transportation systems are one solution, there are several additional big picture solutions:

1. Further promote transit oriented residential development to make it easier to travel between housing and employment.
2. Ensure that areas that are housing poor and job rich have higher requirements for housing production, and that new job creation is matched by new housing development.
3. Provide funding and other incentives to ensure that the housing built is affordable to the people who work in the community.

Plan Bay Area, a collaborative undertaking by the Metropolitan Transportation Commission (MTC) and the Association of Bay Area Governments (ABAG), is the only region-wide effort that links local land use and transportation across the nine counties and 101 cities of the Bay Area. We appreciate that the process to develop a housing and transportation framework to implement Plan Bay Area is challenging and we commend you for your efforts and for your outreach. In particular, we thank MTC Planning Director, Ken Kirkey, for allowing us multiple opportunities to provide feedback on the draft Preferred Scenario.

We do, however, have serious concerns with the 2040 Preferred Draft Scenario. Many of SV@Home's concerns parallel those included in the letter from the Non Profit Housing Association of Northern California (see Attachment 3). We can't underscore enough the need to have a strong implementation plan that provides some teeth to Plan Bay Area. Our comments here respond to issues that are specific to Santa Clara County.

The Urban Sims model housing projections are inconsistent with current Regional Housing Needs Allocation (RHNA) requirements. For example, Los Gatos' projected housing growth amounts to 17 new homes per year, far less than the 77 homes required under the current RHNA period. In fact, Los Gatos' housing requirement under the plan for a 24-year period is lower than their current eight-year RHNA goal. All communities except for Gilroy, Mountain View, San Jose, and Sunnyvale would have a lower housing requirement than RHNA now requires. See Table 1, provided as an attachment, for more detail.

In some cases, housing projections are lower than housing plans currently approved or being considered by local jurisdictions. The Preferred Scenario's household projections fall below household projections established by local general plans for many communities in Santa Clara County. For example, the Preferred Scenario projects 30,800 households in Milpitas by 2040, when the City's General Plan plans for 31,680 households during the same period. The City of Palo Alto is now considering a plan that would create more new housing units than the number required under the Preferred Scenario.

The Preferred Scenario will exacerbate the existing imbalance between jobs and housing in Santa Clara County. The Preferred Scenario reinforces the current practice of providing far too few homes for the number of jobs being created in the County. Palo Alto, a community which currently has more than three jobs per employable resident it houses, is expected to have 8.15 new jobs for each new home it creates by 2040. Santa Clara, which currently has close to three jobs per employed resident, will have a ratio of 7:1 by 2040. See Table 1, provided as an attachment, for more detail.

The draft Preferred Scenario exacerbates the existing jobs-housing fit in the County. The County and its 15 jurisdictions have a very poor job and housing fit (measured as ratio of low-wage jobs versus affordable homes). Table B (Attachment 2) shows how, while communities failed to shoulder their share of affordable housing need, many exceeded their market-rate housing requirements. As a result, communities like Cupertino and Los Altos have at least 14 and 11 low-wage workers competing for EACH affordable home, respectively.

We urge the Joint Commission and staff to consider these concerns to ensure that Plan Bay Area does not inadvertently endanger efforts to strike a more equitable balance between jobs and housing across Santa Clara County communities.

Sincerely,



Pilar Lorenzana-Campo
Policy Director

CC:

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Table 1: Plan Bay Area 2040 Draft Preferred Scenario (August 30, 2016)

Jurisdiction	Households				Jobs				jobs per household		new households per year	
	2010 assumptions	2010 actual	%	2040 PBA projections	2010 assumptions	2010 actual	%	2040 PBA projections	2010 actual	2040 PBA projections	2040 PBA projections	2015-2022 RHNA
Campbell *	16,550	16,950	102%	18,950	25,200	27,320	108%	31,800	1.61	2.75	80	117
Cupertino	20,900	20,181	97%	24,450	26,800	26,090	97%	53,100	1.29	7.41	118	133
Gilroy	14,000	14,175	101%	19,600	17,850	17,650	99%	20,800	1.25	0.53	187	136
Los Altos	10,500	10,745	102%	12,000	14,050	14,760	105%	16,750	1.37	1.80	50	60
Los Altos Hills *	2,850	2,829	99%	3,050	1,550	2,060	133%	1,750	0.73	1.00	7	15
Los Gatos *	11,900	12,355	104%	12,400	19,000	23,630	124%	21,250	1.91	4.50	17	77
Milpitas *	19,000	19,184	101%	30,800	42,000	45,190	108%	56,400	2.36	1.22	393	411
Monte Sereno *	1,250	1,211	97%	1,350	550	450	82%	550	1.21	0.00	3	8
Morgan Hill *	12,550	12,326	98%	15,500	19,250	17,570	91%	20,700	1.43	0.49	98	116
Mountain View	31,800	31,957	100%	58,500	48,500	47,950	99%	69,600	1.50	0.79	890	366
Palo Alto *	26,550	26,493	100%	29,150	102,000	89,690	88%	123,200	3.39	8.15	87	249
San Jose *	297,700	310,366	104%	440,600	387,700	377,140	97%	502,600	1.25	0.80	4,763	4,385
Santa Clara *	42,100	43,021	102%	54,900	102,900	112,890	110%	189,100	2.62	6.73	427	512
Saratoga *	10,650	10,734	101%	11,000	8,750	9,910	113%	9,500	0.92	2.14	12	55
Sunnyvale	52,600	53,384	101%	80,700	65,800	74,810	114%	116,000	1.40	1.79	937	682
Unincorporated Area	26,100	27,293	105%	33,600	29,500	39,150	133%	36,500		0.93	250	35
TOTAL	597,000			846,550	911,400			1,269,600		1.44	8,318	

Legend

- 2010 household growth that did not meet expectations
- 2010 job growth that exceeded projections
- Projected ratio that will likely exacerbate current jobs and housing imbalance
- PBA per year housing projections that are less than yearly RHNA requirement
- * Communities with local plans that exceed housing projections



2007-2014 Regional Housing Needs Allocation (RHNA) Progress

Jurisdiction	Very Low Income up to 50% ami			Low Income 51% to 80% ami			Moderate Income 81% to 120% ami			Above Moderate Income more than 120% ami			Total		
	RHNA	Permits Issued	% Met	RHNA	Permits Issued	% Met	RHNA	Permits Issued	% Met	RHNA	Permits Issued	% Met	RHNA	Permits Issued	% Met
Campbell	199	32	16%	122	300	246%	158	67	42%	413	217	53%	892	616	69%
Cupertino	341	38	11%	229	31	14%	243	58	24%	357	657	184%	1,170	784	67%
Gilroy	319	29	9%	217	70	32%	271	65	24%	808	1,262	156%	1,615	1,426	88%
Los Altos	98	23	23%	66	22	33%	79	12	15%	74	784	1059%	317	841	265%
Los Altos Hills	27	25	93%	19	10	53%	22	5	23%	13	76	585%	81	116	143%
Los Gatos	154	2	1%	100	41	41%	122	5	4%	186	180	97%	562	228	41%
Milpitas	689	336	49%	421	109	26%	441	264	60%	936	6,442	688%	2,487	7,151	288%
Monte Sereno	13	6	46%	9	12	133%	11	3	27%	8	14	175%	41	35	85%
Morgan Hill	317	98	31%	249	100	40%	246	43	17%	500	1,286	257%	1,312	1,527	116%
Mountain View	571	237	42%	388	28	7%	488	4	1%	1,152	2,387	207%	2,599	2,656	102%
Palo Alto (C)	690	156	23%	543	9	2%	641	128	20%	986	787	80%	2,860	1,080	38%
San Jose (C)	7,751	1,774	23%	5,322	1,038	20%	6,198	144	2%	15,450	13,073	85%	34,721	16,029	46%
Santa Clara (C)	1,293	412	32%	914	111	12%	1,002	198	20%	2,664	5,952	223%	5,873	6,673	114%
Saratoga	90	-	0%	68	13	19%	77	5	6%	57	20	35%	292	38	13%
Sunnyvale (C)	1,073	572	53%	708	402	57%	776	1,204	155%	1,869	2,403	129%	4,426	4,581	104%
SCC Unincorp.	253	58	23%	192	396	206%	232	166	72%	413	422	102%	1,090	1,042	96%
County Totals	13,878	3,798	27%	9,567	2,692	28%	11,007	2,371	22%	25,886	35,962	139%	60,338	44,823	74%

Source: Association of Bay Area Governments, September 2015

Jobs and Housing Fit (JHFit)

LW JHFit Ratio (2011)	LW JHFit Ratio (2013)	LW JHFit Ratio (2014)	J/H Balance	% low wage jobs	% affordab le homes
6.67	8.31	8.06	1.60	22.7%	6.2%
11.89	14.20	14.05	1.71	15.5%	3.5%
3.41	4.32	4.45	1.09	31.9%	10.6%
12.21	14.60	19.13	0.95	20.1%	2.8%
4.97	7.39	6.33	0.67	14.2%	4.6%
10.62	11.05	11.22	1.34	23.2%	4.3%
9.85	9.82	8.98	2.18	19.3%	7.9%
6.93	7.62	5.95	0.32	30.5%	3.4%
13.08	11.32	7.45	1.04	23.4%	8.0%
4.03	5.26	6.04	2.66	9.6%	7.7%
6.32	6.82	6.71	3.83	10.4%	7.3%
3.98	4.37	4.45	1.25	20.0%	9.6%
6.72	8.39	9.33	2.38	12.8%	4.5%
3.50	3.59	5.14	0.72	26.1%	4.8%
3.65	4.69	5.44	1.58	10.9%	8.7%

Source: UC Davis Center for Regional Change, October 2016. See notes below

Notes on Jobs and Housing Fit Data:

Data Sources:

Jobs data comes from the Longitudinal Employer Household Dynamics (LEHD) Origin-Destination Employment Statistics Dataset (LODES), Workplace Area Characteristics file, published by the U.S. Census and available for download here: <http://lehd.ces.census.gov/data/>. It includes all employment covered by the Unemployment Insurance system, along with Federal Government employment. It excludes self-employed workers. Since its reference point is essentially jobs held on April 1st each year, it undercounts seasonal employment in other times of the year. Housing data is calculated from the American Community Survey, 5-year files, also published by the U.S. Census. The data was downloaded from DataFerrett: <http://dataferrett.census.gov/>

Definitions:

For the purposes of this analysis: *Low-wage jobs* are defined as those jobs with earnings of \$1250/month or less; *Affordable rental units* are defined as rental units with less than \$750/month rent; *Affordable Owned Units* are defined as those owner-occupied or vacant for sale housing units valued at less than \$150,000.

Methodology:

The definition for low-wage jobs of \$1250/month or less of earnings is pre-determined by the LODES dataset, which only reports on job earnings in three categories: earnings \$1250/month or less; earnings \$1251/month to \$3333/month; and earnings greater than \$3333/month. In determining housing affordability, it was important for us to develop a threshold that was based on a multiple of this \$1250 income threshold, rather than a measure of area median income (which is often used in affordable housing programs). This was because we want to be able to easily update the analysis on an annual basis and compare trends over time, and thus need a consistent measure of housing affordability that corresponds with the (unchanging) measure of low-wage jobs. \$750/month corresponds to the equivalent of 30% of household income if 2 income earners in a household were both earning \$1250/month. ($\$750 \times 2 \times 30\% = \750). This is probably a generous estimate of affordability, since the average household in California has approximately 1.4 income earners. The threshold of \$150,000 for an affordable owned home is based on a calculation of monthly principal and interest payments on a 30-year 4% fixed-rate mortgage of \$120,000 (80% of home-value) plus an estimated 1.2% general property tax and municipal assessments rate, which comes to \$723/month. This assumption doesn't take into account additional insurance costs or potential tax savings, and doesn't address where a 20% down-payment for the home might come from. Given these limitations in an assumption of owned-home affordability, our focus is on affordable rental units. *It is important to note that 'affordable housing' in this context does not refer to subsidized or deed-restricted units, which is frequently the definition used in the affordable housing field. Rather it is a measure of actual rent based on all units, regardless of deed restrictions or eligibility for subsidy.*

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Friday, October 14, 2016

Jim Spering, Chair, MTC Planning Committee
Julie Pierce, President, Association of Bay Area Governments
Bay Area Metro Center
375 Beale Street
San Francisco, CA 94105

Re: Item 5 Plan Bay Area 2040 Draft Preferred Scenario and Investment Strategy

Dear Chairs Spering and Pierce,

The Non-Profit Housing Association of Northern California (NPH) is grateful to both the ABAG Executive Board and the MTC Commission for being partners in crafting a Plan that can respond to the needs of the Bay Area's lowest income residents. We appreciate your responsiveness to our proposal for additional meetings to discuss feedback on the Plan and for staff's consideration of our concerns.

No one wants to live in a region where half the population spends nearly seventy percent of their income on housing and transportation costs. Nor is it desirable to live in a Bay Area with longer commutes and deteriorated roadways as our workforce is forced to look farther and farther away for homes they can afford. If Plan Bay Area 2040 to be a guiding document then we must plan for a Bay Area that is able to house all of its population including its young people, seniors on fixed income, teachers, medical assistants, and countless service workers who make the economy thrive but who cannot afford the region's astronomical housing costs. We must also work towards ensuring that our region's longtime residents, who have made the Bay Area what it is, can stay in the place that they call home. Unfortunately, the Draft Preferred Scenario fails to create the Bay Area that we want but instead depicts the Bay Area that we are headed towards without meaningful action.

NPH has two requests of the Joint MTC Planning and ABAG Administrative Committees:

1.) We urge staff to develop a meaningful and aggressive implementation plan to address the region's housing affordability and displacement crises that will result in a joint work program and action items for MTC and ABAG staff AND 2.) The Joint Planning and Administrative Committees should also be open to making policy assumptions and pushing for growth allocations for the Bay Area that may not necessarily be able to be modeled.

1. Developing a meaningful and aggressive implementation plan to address the region's housing affordability and displacement crises:

Now is the time for bold action if we wish for the Bay Area to maintain any of its income diversity over the next 24 years. Alameda, Santa Clara and San Mateo Counties have

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already answered the call by placing over \$2 billion worth of affordable housing subsidies on the November ballot, while San Francisco voters approved a \$310 million bond in 2015 and with another on this year's ballot – it is time for the regional agencies to consider similar action to help address the yawning funding gap for affordable housing.

A final Plan Bay Area chapter should detail both the funding gaps and policy changes needed achieve the Plan's housing performance and anti-displacement targets at the desired levels. The chapter should also include a roadmap for filling in the subsidy gaps and for adopting the policy changes necessary for building and preserving affordable housing at scale as well as preventing further economic displacement of tenants. To make the Plan actionable, staff should simultaneously create a work program based on the roadmap to guide their joint work through the next iteration of Plan Bay Area in 2021. Both the implementation plan and the joint work program should be adopted at the same time as the final EIR.

A Final Plan Bay Area chapter should at a minimum:

a) Detail how the Plan moves in the wrong direction in terms of housing affordability and displacement risk and present findings from UrbanSim as to why. Staff should ensure that the model is making realistic assumptions including taking into account proposed affordable housing bonds in Alameda and Santa Clara Counties and a sales tax measure in San Mateo County as well as modeling the effect of anti-displacement policies on local jurisdictions that have such proposals on the ballot. The Plan should also examine approaches to improving local jobs-housing fit.

b) Quantify both the funding and policy gaps for Plan Bay Area to achieve its housing affordability performance target at scale while also identifying available resources at the local, regional, state, and federal levels.

c) Establish a roadmap of specific housing policy actions to be taken in the near, medium, and long term to address funding gaps and shortcomings of the Plan's performance targets including identifying areas for which additional work is needed.

- *The roadmap would specify housing actions to be undertaken by ABAG and MTC.* These actions should include fostering the creative use of billions of discretionary transportation dollars to create OBAG-like programs that incentivize and support local action targeted towards affordable housing; a proposal for a Regional Housing Trust Fund that can help finance affordable housing development at a scale commensurate with former redevelopment agencies; creation of an ongoing Infill Infrastructure Grant (IIG) Fund for sites designated for 100% affordable housing developments in PDAs and PDA-like places.
- *Actions to be undertaken in partnership with stakeholders (local jurisdictions, other agencies, stakeholder organizations)* These should include programs to promote

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local adoption of residential development and commercial impact fees to fund the production of affordable units; adoption of community benefits agreements that lead to the creation of more affordable units; implementation of existing state law to yield more deed-restricted and naturally occurring affordable units (Surplus Land Act, Teacher Housing Act, Accessory Dwelling Units including Junior Accessory Dwelling Units.)

- *Actions to be advocated for at the state level.* These include advocating for an ongoing source of affordable housing subsidy at the state level, passing a new statewide affordable housing bond, Ellis Act reform, the “Palmer Fix” for inclusionary housing, etc.
- *Actions to be advocated for at the federal level.* Restoring funding that has been cut from crucial federal programs such as HOME and CDBG and fully funding both tenant-based and project-based Housing Choice Vouchers.

d) Commit MTC and ABAG to creating an “implementation plan” and a work program for the housing actions that are detailed in this final chapter to be adopted concurrently with the final EIR by both the ABAG Executive Board and the MTC Commission.

2. The Joint Planning and Administrative Committees should also be open to making policy assumptions and pushing for growth allocations for the Bay Area that may not necessarily be able to be modeled.

UrbanSim’s complex simulations allow policymakers, stakeholders, and members of the public to better understand how land use decisions and policy assumptions are likely to impact development patterns in the Bay Area through 2040. The model is still a work in progress and, as such, the Draft Preferred Scenario has a number of flaws that must be corrected irrespective of UrbanSim’s modeling capabilities. If UrbanSim is not able to appropriately model basic housing assumptions, we should not shy away from making off-model adjustments so that the region can benefit while the model is improved.

The Draft Preferred Scenario presently assigns unrealistically high growth projections to some jurisdictions while failing to meet even basic assumptions for others. The region’s three large cities are expected to shoulder the lion’s share of the region’s housing growth (43%) while some suburban jurisdictions with access to high quality rail transit are projected to receive as many as 10 new jobs per new housing unit. For certain jurisdictions, the Draft Preferred Scenario projects less housing growth than what is called for in either the jurisdiction’s own general plan (i.e. Palo Alto) or their 8-year RHNA allocation (i.e. Livermore, Los Gatos, San Carlos). The region must address such discrepancies even if they are “off-model” or we risk pursuing a disingenuous development pattern that exacerbates the region’s displacement pressures, jobs-housing imbalance, and housing affordability crisis. NPH believes that all neighborhoods near transit and jobs should do their part to house the region’s future population.

The Draft Preferred Scenario currently makes assumptions that, in some cases, may be inconsistent with the current state of the law. For example, one of the Draft Preferred

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Scenario's major assumptions is a 10 percent inclusionary requirement on all new residential development in the Bay Area. Such requirements, outside of the context of a developer agreement or community benefits program, could be legally challenged due to the erroneous ruling in *Palmer v. Sixth Street Properties* from 2009. Because UrbanSim is unable to model future housing growth by tenure this assumption becomes doubly problematic as new inclusionary zoning requirements can only be applied to for-sale housing units while, if development trends hold, much of the region's new housing stock will be rental units. At the very least staff should also specify the income levels for whom these inclusionary units are projected to be affordable even if those numbers are likely to be halved.

Much as the model takes into account local zoning and proposed transportation funding measures, the Draft Preferred Scenario should be recalibrated to take into account proposed and adopted local housing policies. The model should include the proposed general obligation housing bonds in Alameda and Santa Clara Counties (Measures A1 and A respectively) and San Mateo County's proposed sales tax extension (Measure K). The Draft Preferred should also consider all local residential and commercial development impact fees that are targeted towards the provision of affordable homes. It should also analyze the impact of local anti-displacement policies (rent stabilization and just cause eviction ordinances) that have both been adopted and proposed.

We look forward to continuing to work with both the MTC Commission and the ABAG Executive Board as well as regional staff in the coming months to ensure that Plan Bay Area 2040 is truly the best Plan for the region. We appreciate your responsiveness to and engagement with NPH and are grateful for your work to date.

Sincerely,



Amie Fishman
Executive Director
Non-Profit Housing Association of Northern California (NPH)