



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

## Meeting Agenda

### Regional Advisory Working Group

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Tuesday, May 2, 2017

9:30 AM

Yerba Buena - 1st Floor

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This meeting is scheduled to be webcast live on the Metropolitan Transportation Commission's Website: <http://mtc.ca.gov/whats-happening/meetings>

#### 9:30 a.m.

1. [17-2460](#) Welcome, Introductions  
*Presenter:* Miriam Chion, ABAG and Ken Kirkey, MTC

#### 9:35 a.m.

2. [17-2461](#) Plan Bay Area 2040 - Document, Action Plan and Public Outreach  
  
Discussion of the Plan document and Action Plan.  
*Action:* Information  
*Presenter:* Ken Kirkey and Matt Maloney, MTC, and Miriam Chion, ABAG  
*Attachments:* [2\\_PBA 2040 – Document, Action Plan and Public Outreach.pdf](#)  
[2\\_Handout-MTC and ABAG Housing Principles-from 4-12-2017\\_Poli.Adv.Coun.](#)

#### 10:05 a.m.

#### 3. Next Steps / Other Business / Public Comments

#### 10:10 a.m.

#### 4. Adjournment / Next Meeting

The next meeting of the Regional Advisory Working Group will be Tuesday, June 6, 2017 at 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](http://mtc.ca.gov)) for public review for at least one year.

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**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。

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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)

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**File #:** 17-2460      **Version:** 1      **Name:**

**Type:** Report      **Status:** Informational

**File created:** 4/3/2017      **In control:** Regional Advisory Working Group

**On agenda:** 5/2/2017      **Final action:**

**Title:** Welcome, Introductions

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:**

Date	Ver.	Action By	Action	Result
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**Subject:**  
Welcome, Introductions

**Presenter:**  
Miriam Chion, ABAG and Ken Kirkey, MTC



# Metropolitan Transportation Commission

375 Beale Street, Suite 800  
San Francisco, CA 94105

## Legislation Details (With Text)

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**File #:** 17-2461      **Version:** 1      **Name:**  
**Type:** Report      **Status:** Informational  
**File created:** 4/3/2017      **In control:** Regional Advisory Working Group  
**On agenda:** 5/2/2017      **Final action:**  
**Title:** Plan Bay Area 2040 - Document, Action Plan and Public Outreach  
Discussion of the Plan document and Action Plan.

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** [2\\_PBA 2040 – Document, Action Plan and Public Outreach.pdf](#)  
[2\\_Handout-MTC and ABAG Housing Principles-from 4-12-2017\\_Poli.Adv.Coun.pdf](#)

Date	Ver.	Action By	Action	Result
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**Subject:**

Plan Bay Area 2040 - Document, Action Plan and Public Outreach

Discussion of the Plan document and Action Plan.

**Presenter:**

Ken Kirkey and Matt Maloney, MTC, and Miriam Chion, ABAG

**Recommended Action:**

Information

**Attachments**



TO: Regional Advisory Working Group

DATE: April 25, 2017

FR: Ken Kirkey and Matt Maloney, MTC and Miriam Chion, ABAG

RE: Plan Bay Area 2040 – Document, Action Plan and Public Outreach

Last month, staff presented the Draft Plan Bay Area 2040 and accompanying Action Plan to the RAWG. This month's RAWG is a continuation of the discussion of the Draft Plan, with a focus on the strategies included in the Draft Action Plan.

### **Background**

MTC and ABAG released Draft Plan Bay Area 2040 (Draft Plan) on March 31st. The Draft Plan document and associated supplemental reports incorporate the last two years of planning and outreach, including the forecasted development pattern, the transportation investment strategy, and the regional context of economic and demographic change. The Draft Plan also includes a Draft Action Plan, which delves more deeply into short- and medium-term actions to address issue areas where the Plan itself falls short. Last month, MTC and ABAG also released the associated Draft Environmental Impact Report (EIR) for the Plan, identifying impacts and mitigation measures as required by the California Environmental Quality Act.

Throughout the month of May, staff will continue seeking feedback on the Draft Plan, Draft Action Plan, Draft EIR, and other associated reports from policymakers and the public across the nine-county region. Comments on the various documents will be reviewed during the revision process this summer, and staff will provide a summary to Joint MTC Planning Committee with the ABAG Administrative Committee in June.

### **Plan Document Release**

The Draft Plan can be accessed at <http://2040.planbayarea.org>. Although it is best accessed using the website – which works on desktop computers, tablets, and smartphones – users can also download a PDF copy if they would like to print the Plan at home. Limited paper copies will be made available to elected officials and other members of the public on an as-needed basis. Numerous supplemental reports are also available on the website, as is the Draft EIR, which can be accessed at <http://2040.planbayarea.org/reports>.

The Draft Plan incorporates the Final Preferred Scenario<sup>1</sup> adopted by MTC and ABAG in November 2016, with two important improvements. First, the Draft Plan provides a narrative to orient the regional planning process in the context of the current housing crisis and data from our Vital Signs performance monitoring work. Second, the Draft Plan incorporates a Draft Action Plan as its final chapter in accordance with policy direction approved by MTC and ABAG in November 2016. Staff looks forward to receiving feedback on these elements.

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<sup>1</sup> The MTC Commission and ABAG Executive Board approved the Final Preferred Scenario of Plan Bay Area 2040 on November 17, 2016. The Preferred Scenario included a growth pattern for housing, population and jobs as well as a list of transportation investments through 2040. After adoption, the Preferred Scenario became the *Proposed Plan*, which is fully described in the Draft Plan Document and forthcoming Draft EIR.

### **Draft Action Plan**

At the same time MTC and ABAG adopted the Final Preferred Scenario, they also approved the creation of an Action Plan to “identify concrete near- and medium-term action items for MTC, ABAG, and other stakeholders to make meaningful progress on the Plan’s performance targets.” Since then, staff has solicited policy and implementation ideas from the Regional Advisory Working Group, the Policy Advisory Council, and County Congestion Management Agencies. The Draft Action Plan is the culmination of that input and provides strategic direction on three issue areas: housing, economic development and resilience. **Attachment A** includes the Draft Action Plan, which can also be found online as part of the Draft Plan document.

### **Road to Adoption**

In January 2017, MTC staff presented the proposed public engagement strategy for the release of the Draft Plan to MTC’s Planning Committee. Starting last month, staff is moving forward with a range of outreach methods, including open houses, public hearings, presentations to local elected officials and the Native American Tribal Summit, community outreach, online survey and media briefing webinar. A general timeline is included below and a more detailed outreach schedule is in **Attachment B**.

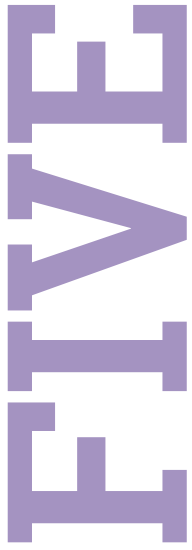
- **March 31:** Draft Plan and associated supplemental reports released to the public
- **April – May:** Local elected official presentations at CMA meetings in each county
- **April 17:** Draft EIR released to the public
- **May:** Open houses in each county, public hearings across the region, and outreach events with community-based organizations
- **June 1:** End of Draft Plan and Draft EIR comment periods
- **June 9:** Presentation to Joint MTC Planning Committee with the ABAG Administrative Committee on outreach meetings and other public feedback
- **July:** Final adoption of Plan Bay Area 2040 (Plan, Action Plan, and EIR) by MTC and ABAG

### **Attachments:**

- Attachment A: Plan Bay Area 2040 Draft Action Plan
- Attachment B: Detailed Outreach Schedule
- Presentation

MM:kv&dv

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## Action Plan\*

The Bay Area's housing and transportation crisis reflects the cumulative impacts of the region's robust job market and acute failure to keep pace with housing need, especially near growing job centers. Plan Bay Area 2040 projects these problems will intensify if the region does not take significant corrective steps. As a path forward, MTC and ABAG developed an "Action Plan" to focus on performance targets where the plan is moving in the wrong direction, as well as emerging issues that require proactive regional policy solutions.

MTC and ABAG propose a multi-pronged strategy to address housing affordability, the region's widening income disparities and economic hardships faced by low and middle-income workers, and finally the Bay Area's vulnerabilities to natural disasters such as earthquakes and floods. These three issue areas — Housing, Economic Development, and Resilience — form the core of the Action Plan.

\* Note: This section is preliminary and may be refined based upon further development.





Similar to past regional achievements in the environment, transportation, and economy, successfully addressing these needs during the implementation of Plan Bay Area 2040 will require a shared commitment among regional policymakers, local governments and civic organizations.

## Housing Production, Preservation and Protection

Regional agencies currently lack the tools, resources, and authority to directly address the issues of production, affordability and displacement identified earlier in “The Bay Area Today.” In response, the Action Plan recommends strengthening and expanding existing regional housing initiatives and pursuing more ambitious policy solutions at the state, regional, and local levels. Regional agencies are committed to partnering with local governments, business leaders, and non-governmental organizations to identify and implement game-changing housing solutions.

## Connection to Targets

The recommendations in this Action Plan address multiple performance target areas.

- **Housing:** Share of income spent on housing and transportation costs, displacement risk, and affordable housing
- **Economic development:** Access to jobs, middle wage job creation, and pavement maintenance
- **Resilience:** Climate protection, open space protection, and healthy and safe communities



# What Actions Have the Regional Agencies Already Implemented for Housing?

To date, regional agencies have largely focused housing actions on funding planning grants, conducting the Regional Housing Needs Allocation (RHNA), conditioning transportation funds on local planning and the production of housing, using existing fund sources for incentives and direct investments in affordable housing, providing best practices and technical assistance, advocating the state legislature for statewide legislative proposals to reduce barriers to housing production, and hosting forums to further information sharing and policy solutions.

More specifically, MTC and ABAG have:

- Produced Regional Housing Needs Allocations (RHNA) and monitored RHNA performance by income-level
- Invested in the Transit Oriented Affordable Housing (TOAH) revolving loan fund
- Conditioned approximately \$600 million in One Bay Area Grant (OBAG) funds on the adoption of an approved housing element and conditioned nearly \$20 billion in transit expansion priorities on minimum zoning via TOD policy
- Awarded 51 PDA Planning grants to-date, which have led to increased zoning capacity for 70,000 housing units, 110,000 jobs and 26 million sq. ft. of commercial development. PDA Plans remove barriers to infill development by creating a predictable permitting process aligned with community objectives.
- Adopted a new OBAG framework in 2016 to increase incentives and direct investments for affordable housing
- Convened regional committees for housing including the Housing Forum, Housing Subcommittee of the Regional Planning Committee, and the upcoming Committee for Affordable and Sustainable Accommodations (CASA)
- Supported CEQA modernization and created an online guide to CEQA streamlining provisions

Two upcoming endeavors will improve the region's ability to address its chronic housing affordability challenges. The integration of MTC and ABAG staff will lead to more effective long-range planning and increase the region's housing policy capacities. The newly created CASA initiative will bring together

diverse interests to develop a Regional Housing Implementation Strategy. This work will likely evaluate and recommend a range of legislative, regulatory, financial, and market-related measures needed to provide for the region's housing needs at all income levels.









Housing in Santa Clara County.  
Credit: Karl Nielsen

## CASA

MTC and ABAG are coordinating the CASA initiative, a multi-sector blue-ribbon committee that will bring together diverse interests to identify game-changing solutions to the region's chronic housing affordability challenges. Core to this strategy will include an effort to replicate the region's success in generating local revenues for transportation by pursuing a regional "self-help" strategy for funding housing investments. A multi-county fee or bond measure, for example, could be among the suite of recommendations put forward by CASA.

This Action Plan makes the following recommendations for Housing:

Housing Actions	Partners and Timeframe
<b>Advance funding and legislative solutions for housing:</b> Implement the recommendations of CASA, in coordination with ABAG's Regional Planning Committee.	MTC/ABAG, CASA committee, local jurisdictions 
<b>Continue recent housing successes:</b> Implement the housing initiatives adopted in the One Bay Area Grant (OBAG) program, including the Naturally Occurring Affordable Housing (NOAH) preservation fund, JumpStart program, and funding for transportation conditioned on RHNA performance (80k by 2020 initiative).	MTC/ABAG, CMAs 
<b>Spur housing production at all income levels and invest directly in affordable housing:</b> Seek to include housing provisions or conditions in upcoming new funding sources (including planning grants), analyze applicability for additional regional funding sources to incentivize housing production and affordability. Continue to monitor and evaluate PDA performance.	MTC/ABAG, the Partnership, regional leaders 
<b>Use housing performance to prioritize funding for long-range transportation projects:</b> Continue to evolve RTP/SCS Project Performance methods to seek stronger alignment between prioritizing transportation projects and housing performance.	MTC/ABAG, CMAs 
<b>Strengthen policy leadership on housing:</b> Expand and transform regional agency technical assistance for local jurisdictions tailored to both Bay Area-wide challenges and challenges unique to specific parts of the region. Focus areas for technical assistance could include guidance on implementing state legislation for housing production, guidance on housing preservation and community stabilization policies and coordination of neighboring jurisdictions along transit corridors and in sub-regions to identify shared solutions to housing challenges.	MTC/ABAG, local jurisdictions 
<b>Close data gaps for housing:</b> Continue to collect, analyze, and disseminate information about housing opportunity sites, zoning, development trends and policy implementation by local governments to inform local, regional, and state policy development and evaluation; create accessible database of major development and publicly owned sites.	MTC/ABAG 

**TABLE 5.1 Housing action plan.**

Source: Metropolitan Transportation Commission, 2016



# Economic Development

Creating a more affordable region also requires a Bay Area economy with greater economic opportunity and mobility. The Action Plan recommends expanding regional economic development capacity through establishing an Economic Development District while also focusing on increasing pathways to middle-wage jobs, preserving infrastructure, and increasing affordable transportation access to job centers.

Regional agencies — in partnership with business, workforce agencies and local jurisdictions — are working to establish a regional Economic Development District and accompanying Economic Development Strategy. This work will advance regional solutions related to business expansion and retention, workforce training, housing and workspace, and infrastructure improvements. This work will also enable the region to compete for public and private funding that can help leverage local assets in places poised for growth, particularly in communities of concern and other economically distressed areas.

Long-term economic growth also requires infrastructure investment. While the region has made substantial transportation investments, it still has unmet capital maintenance needs exceeding \$30 billion and some of the worst transit crowding and traffic congestion in the nation. Relieving transit crowding and increasing transit access will require broad regional coordination and planning. The region should also continue advocating for increases in funding for critical expansion projects, as well as maintenance of existing infrastructure.



Construction in San Francisco.  
Credit: Karl Nielsen

This Action Plan makes the following recommendations for Economic Development:

Economic Development Actions	Partners and Timeframe
<p><b>Coordinate regional economic solutions and increase funding for economic development:</b> Continue work on developing the region's Economic Development District and implement the action plan of the Comprehensive Economic Development Strategy.</p>	<p>MTC/ABAG, economic organizations, EDA, megaregional partners</p> <p>1-2 YEARS</p>
<p><b>Strengthen middle-wage job career paths for goods movement:</b> Implement the recommendations of the Megaregional Goods Movement Cluster Study, which will focus on emerging industries and middle-wage jobs.</p>	<p>MTC/ABAG, freight businesses, megaregional partners</p> <p>1 - 4 YEARS</p>
<p><b>Increase transportation access to growing job centers:</b> Broaden core capacity transit study partnership to cover a larger geography to plan for major transportation capital investments; move forward on planning efforts for a second Transbay Tube; continue to evaluate a means-based fare or other methods for reducing transportation costs for lower-wage workers.</p>	<p>MTC/ABAG, transit agencies, the Partnership, megaregional partners</p> <p>2 - 4 YEARS</p>
<p><b>Preserve existing infrastructure:</b> Advocate for new revenues for transportation and continue focusing on "Fix It First" investments in keeping with long-standing MTC policy.</p>	<p>MTC/ABAG, state legislature</p> <p>1 YEAR</p>
<p><b>Preserve and enhance existing industrial lands:</b> Establish criteria for Priority Production Areas to encourage local jurisdictions to plan for space needed for manufacturing, distribution and repair while assessing ways of meeting other critical needs such as housing.</p>	<p>MTC/ABAG, local jurisdictions</p> <p>2 - 4 YEARS</p>

**TABLE 5.2 Economic Development Actions.**

Source: Metropolitan Transportation Commission, 2016



# Resilience

In response to emerging and increasingly pressing threats to the Bay Area's communities, ecosystem and economy, the Action Plan recommends continuing and expanding existing resilience efforts and developing creative funding solutions to implementing resilience projects.

Regional agencies have initiated several programs advancing resilience against sea level rise, flooding, and extreme events including earthquakes. In 2010, the Bay Conservation and Development District (BCDC) kicked off the Adapting to Rising Tides program, which evaluated vulnerability and risk along the shoreline of several communities and continues to be a platform for sharing best practices. More recently, the Bay Area Regional Collaborative (BARC), along with BCDC, have been awarded planning and design grants for assessing transportation vulnerability and developing design solutions for climate-related challenges.







Regional agencies have also collaborated with the Environmental Protection Agency, FEMA, and the California Earthquake Authority on recommendations for resilient housing, both for earthquakes and flooding. This collaboration established the Resilient Housing Policy Initiative that helps jurisdictions access analysis and policy tools for the seismic retrofit of existing housing. The region should expand these efforts through outreach and technical assistance, as well as develop financial solutions to resilient housing and green infrastructure, especially for communities with high social vulnerability and exposure to natural hazards.

## Recent Funding Successes for Resilience

**Two recent grant awards will significantly advance the regional dialogue on climate vulnerability and develop workable solutions:**

- **Caltrans and the Bay Area Toll Authority allocated \$1.2 million to continue to conduct a regional vulnerability assessment for transportation infrastructure, Priority Development Areas (PDA), Priority Conservation Areas (PCA) and disadvantaged and vulnerable communities. In addition to a regional vulnerability assessment, the project goals include developing a regional framework for identifying solutions and strategies to address vulnerability on an ongoing basis.**
- **The Rockefeller Foundation awarded a \$4.6 million grant to create the Bay Area: Resilient by Design Challenge. Bay Area leaders will work with international design teams to develop innovative and implementable design solutions for climate-related challenges in 10 sites across the Bay Area region. This project will last through 2018.**

This Action Plan makes the following recommendations for Resilience:

Resilience Actions	Partners and Timeframe
<b>Develop a regional governance strategy for climate adaptation projects:</b> Develop an institutional strategy for managing, coordinating, and implementing regional and local projects related to sea level rise.	BARC, MTC/ABAG, BCDC, Caltrans, local jurisdictions 
<b>Provide stronger policy leadership on resilient housing and infrastructure:</b> Expand guidance on resilient housing policies for earthquake, flooding, and fire, working in coordination with state and federal agencies and focusing on communities with high social vulnerability and exposure to natural hazards. Strengthen infrastructure lifelines to ensure that utilities can provide services under a variety of conditions and future scenarios.	MTC/ABAG, local jurisdictions 
<b>Create new funding sources for adaptation and resilience:</b> Pursue new funding opportunities, including innovative financing, for retrofits of buildings, retrofits of existing infrastructure, and infrastructure solutions to protect against flooding, earthquakes, and exposure to environmental health risks.	MTC/ABAG, BARC, BCDC 
<b>Establish and provide a resilience technical services team:</b> Broadly share best practices and grant opportunities for climate adaptation and natural hazard mitigation. Continue to assess vulnerabilities and identify workable solutions through public and private avenues. Integrate resilience into Priority Development Area (PDA) planning.	BARC, MTC/ABAG, BCDC 
<b>Expand the region's network of natural infrastructure:</b> Coordinate regional programs to preserve and expand natural features that reduce flood risk, strengthen biodiversity, enhance air quality, and improve access to urban and rural public space. Leverage existing initiatives—including Priority Conservation Areas (PCAs), the Resilient by Design Challenge, San Francisco Estuary Partnership, and Bay Restoration Authority—and partner with special districts and cities.	MTC/ABAG, BCDC, jurisdictions, utilities 
<b>Establish the Regional Advance Mitigation Program (RAMP):</b> Advance mitigation for infrastructure projects to strengthen regional biological conservation priorities. Work to secure off-site compensatory mitigation lands for multiple infrastructure projects in-advance of environmental reviews to improve both project delivery and conservation outcomes.	MTC/ABAG, Caltrans, RAMP coalition 

**TABLE 5.3 Plan Bay Area 2040 “Action Plan” recommendations for resilience.**

Source: Metropolitan Transportation Commission, 2016

### **Plan Bay Area 2040 Outreach Schedule**

After a multi-year planning effort, the Draft Plan Bay Area 2040 was released for public review and comment on March 31, 2017. With this major milestone comes a round of public engagement, including nine open houses and three public hearings.

<b>Open Houses and Public Hearings</b>	<b>Venue / Address</b>	<b>Date/ Time</b>
Alameda County Open House	Fremont City Hall (City Council Chambers) 3300 Capitol Avenue Fremont	Thursday, May 4 6:30 p.m. to 8:30 p.m.
Contra Costa County Open House	Embassy Suites (Contra Costa Ballroom) 1345 Treat Blvd. Walnut Creek	Wednesday, May 10 6:30 p.m. to 8:30 p.m.
Marin County Public Workshop and Open House	Mill Valley Community Center 180 Camino Alto Mill Valley	Saturday, May 20 8:30 a.m. Registration/Open House 9 a.m. Presentation
Napa County Open House	Elks Lodge 2840 Soscol Avenue Napa	Monday, May 15 6 p.m. to 8 p.m.
San Francisco Open House	Bay Area Metro Center 375 Beale Street San Francisco	Wednesday, May 17 6:30 p.m. to 8:30 p.m.
San Mateo County Open House	Sequoia High School (Multi-Purpose Room) 1201 Brewster Avenue Redwood City	Thursday, May 4 6:30 p.m. to 8:30 p.m.
Santa Clara County Open House	Marriott Hotel (San Jose Ballroom IV-VI) 301 S. Market Street San Jose	Monday, May 22 6:30 p.m. to 8:30 p.m.
Solano County Open House	Solano County Events Center 601 Texas Street Fairfield	Monday, May 15 6 p.m. to 8 p.m.
Sonoma County Open House	Finley Community Center 2060 W. College Ave. Santa Rosa	Monday, May 22 6 p.m. to 8 p.m.
Public Hearing in San Francisco	Joint MTC Planning/ ABAG Administrative Committees Bay Area Metro Center, 375 Beale Street San Francisco	Friday, May 12 9:40 a.m. or immediately following Legislation Committee, whichever occurs later
Public Hearing in San Jose	MLK Library (Room 225) 150 E. San Fernando Street San Jose	Tuesday, May 16 6 p.m. to 8 p.m.
Public Hearing in Vallejo	Vallejo Naval and Historical Museum 734 Marin Street Vallejo	Thursday May 18 6 p.m. to 8 p.m.

In addition to the open houses and public hearings, we will hold four meetings with community-based organizations and nine briefings with elected officials (one in each county) during the months of April and May.

The deadline for public comment is 4 p.m., June 1, 2017. Submit comments to [info@PlanBayArea.org](mailto:info@PlanBayArea.org).



**METROPOLITAN  
TRANSPORTATION  
COMMISSION**

**Agenda Item 6**

Bay Area Metro Center  
375 Beale Street, Suite 800  
San Francisco, CA 94105  
415.778.6700  
[www.mtc.ca.gov](http://www.mtc.ca.gov)

TO: Policy Advisory Council

DATE: April 5, 2017

FR: Georgia Gann Dohrmann, MTC

W.I. 1113

RE: MTC and ABAG Housing Principles

As MTC and the Association of Bay Area Governments (ABAG) move toward staff integration, the two agencies' legislative staff are coordinating on a set of housing principles that will serve as joint guidelines to inform our evaluation and advocacy around state and federal housing proposals. Below is a summary, and a more complete discussion of the principles is attached, for your consideration and feedback.

- Increase funding
- Incentivize production
- Enhance sustainability
- Prioritize infill development
- Lower the cost of housing production
- Limit hurdles
- Preserve affordability and combat displacement

A draft was presented at the March 15 ABAG Legislation and Governmental Organization committee, and staff are bringing this to the April 5 Housing Subcommittee meeting of the ABAG Regional Planning Committee for additional discussion. This has not yet gone to the MTC Commission or ABAG Executive Board for consideration.

**Attachment:**

- Attachment A: Housing Principles for MTC and ABAG 2017 State and Federal Legislative Advocacy

**Housing Principles for MTC and ABAG 2017 State and Federal Legislative Advocacy**

*Draft: March 28, 2017*

The Bay Area's housing and transportation challenges are inextricably linked to the lack of affordable housing near jobs and high-quality transit service. Steep cuts to state and federal affordable housing programs have contributed to an estimated \$1.4 billion annual revenue gap in funding needed for Bay Area public agencies to meet the growing needs of the region's low- and moderate-income households, as determined in the 2015-2023 Regional Housing Needs Allocation (RNHA). Housing prices – driven by demand that has far outpaced supply – are pushing residents further away from job centers, degrading the Bay Area's quality of life and contributing to record congestion levels, increased greenhouse gas emissions (GHG) and displacement of existing residents.

Later this year, the Metropolitan Transportation Commission (MTC) and Association of Bay Area Governments (ABAG) expect to adopt *Plan Bay Area 2040 (Plan)*, a regional roadmap for accommodating projected household and employment growth as well as a transportation investment strategy. The *Plan* includes ambitious targets – driven by input from Bay Area residents – to support a growing economy, provide more housing and transportation choices, and reduce transportation-related pollution in the region. The Bay Area must build more housing to create strong, equitable, and sustainable communities and maintain the region's position as a leading state and national economic engine.

Therefore, MTC and ABAG recommend the following principles to guide engagement on state and federal housing proposals:

- **Increase funding** – Augment state funding sources for affordable housing to assist local jurisdictions and the region in meeting the daunting need to create and preserve affordable housing units. Leverage state funds by incentivizing local agencies to raise their own funds and issue permits for affordable housing.
- **Incentivize production** – Reward progress toward reaching housing production goals by tying production to other infrastructure-related investments, including leveraging state funds to incentivize increased housing supply near high-quality transit service.
- **Enhance sustainability** – Support approaches that will help the Bay Area meet air quality and climate change goals, improve resilience to natural hazards, and protect open space, consistent with *Plan Bay Area 2040*.
- **Prioritize infill development** – Support efforts to significantly increase housing production, especially compact, mixed-use development in locally-designated priority development areas (PDAs), housing element sites, and job centers.
- **Lower the cost of housing production** – Support reforms to expedite project delivery and reduce production costs without diminishing environmental standards and safeguards. In addition to California Environmental Quality Act (CEQA) streamlining, support options to reduce the cost of permitting and construction, including modular construction.
- **Limit hurdles** – Projects that conform to community, regional, and state policy should receive permits and get built. Enforce existing state laws and mandates, including the Housing Accountability Act and RNHA goals. In addition, reduce monetary and regulatory hurdles to building accessory and secondary dwelling units, tiny houses, and micro units.
- **Preserve affordability and combat displacement** – Preserve existing stock of deed-restricted and naturally-occurring affordable housing.