



## Chair's Report

### ABAG Administrative Committee

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Thursday, November 19, 2020

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Under ABAG Executive Board agenda Item 7.a., this is the ABAG Administrative Committee report for November 19, 2020.

The ABAG Administrative Committee met jointly with the MTC Planning Committee on October 9, 2020. The Committee received the following reports:

- **Regional Active Transportation Plan Scope**
  - MTC is launching the Bay Area's first regional Active Transportation Plan (AT Plan) to serve as a blueprint to strategically guide investments in active transportation infrastructure and regional policy development and implementation.
  - The AT Plan will directly support the Plan Bay Area 2050 strategy to build a Complete Streets Network, and to help meet mode shift, safety, equity, health, resilience, and climate goals.
  - The AT Plan will review and recommend near-term regional actions to support active transportation in response to Covid-19 pandemic-related transportation needs.
- **Plan Bay Area 2050 Final Blueprint: Telecommuting Strategy Follow-Up**
  - In September, one of the Blueprint strategies which the ABAG Executive Board and the MTC Commission approved focused on requiring major office-based employers to significantly increase future levels of telecommuting with an intent to reduce auto trips.
  - Given extensive feedback and in response to a Commission request that alternatives to the telecommute strategy (EN7) be brought forward, staff gave a presentation to provide more context on this strategy and any alternatives.
  - By the end of 2020, staff will return with analysis of the Plan Bay Area 2050 Final Blueprint.

The ABAG Administrative Committee met jointly with the MTC Planning Committee on November 6, 2020. The Committee received the following reports:

- **Priority Development Areas (PDA) Planning Grants and Technical Assistance**
  - The PDA Planning Program is one of the primary tools for linking regional and local planning and for integrating land use and transportation planning.
  - Staff reported on highlights of program progress, identified challenges and opportunities, and outlined the proposed approach to the upcoming call, including integration with ABAG's new Regional Early Action Program (REAP).

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- Later this year, staff anticipates soliciting Letters of Interest from local jurisdictions for PDA planning and technical assistance grants, utilizing roughly \$6 million of the funding in the second round of the One Bay Area Grant (OBAG) program to support implementation of Plan Bay Area.
- Staff anticipates returning in early Spring 2021 with recommended awards.
- **Plan Bay Area 2050: Implementation Plan Development**
  - Staff proposed an Implementation Plan that will focus on short-term, tangible actions that ABAG, MTC, and their partners can take to advance adopted strategies across the four core elements of the Plan Bay Area 2050 Final Blueprint.
  - The Implementation Plan process will engage Bay Area residents, local governments, civic organizations, business interest, non-profits, and other stakeholders to identify and tackle shared challenges through 2025 and beyond.
  - The Implementation Plan will have the following interconnected goals: maximize the viability of the plan's strategies; reinforce the recommendations of existing internal, external, or hybrid initiatives; address emerging and cross-cutting strategic issues; and support the timely achievement of the Plan's technical assumptions.
  - For each strategy, a four-factor assessment will be conducted evaluating and identifying key requirements for success, including authority, financial resources, technical capacity, and public/political support. Based upon this assessment, an appropriate MTC/ABAG role will be proposed: whether to lead, partner, or support implementation efforts for a given strategy.
  - Ultimately, the Plan will recommend detailed implementation actions, including roles, responsibilities, resource requirements, partnerships, and timeframes.
  - Staff proposed a phased internal and external process focused on producing tangible, achievable actions that will support the Plan over a one-to-five-year period.
  - Staff will move forward with planned external engagement and outreach activities during the fall and early winter and anticipate returning in February 2021 to present key findings and gather feedback on the final phases of the Implementation Plan process.

[Additional talking points]

- In addition to discussing the scope and schedule for the Plan Bay Area 2050 Implementation Plan at the November 6th meeting, MTC Planning Chair Spering provided a verbal update about ongoing discussions on Plan Bay Area 2050 Final Blueprint Strategy EN7, which focused on telecommuting.
- At tomorrow's Commission meeting, staff will present an alternative Strategy EN7 that focuses on expanding commute trip reduction programs at major employers.

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- The alternative strategy provides greater flexibility to employers with a “cafeteria style” approach for employers to identify and fund incentives and disincentives to shift auto commuters to telecommuting, walking, biking, and transit.
- If the Commission approves this revision, staff anticipates bringing forward a concurrence item at the next ABAG Executive Board meeting to achieve consistency between both the ABAG Executive Board and the Commission on Final Blueprint Strategies.
- Staff anticipates that the Plan Bay Area 2050 Final Blueprint analysis will be released next month, along with the updated Draft RHNA Methodology, in advance of the ABAG Board taking up these items for approval in mid-January 2021.

This concludes the Committee report.

Jesse Arreguin  
Chair, ABAG Administrative Committee



## Chair's Report

### Joint MTC ABAG Legislation Committee

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Thursday, November 19, 2020

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Under ABAG Executive Board agenda Item 8.a., this is the Joint MTC ABAG Legislation Committee report for November 19, 2020.

The Joint MTC ABAG Legislation Committee met October 9, 2020. The Committee received the following reports:

- **Legislative History**

- Detailed list of bills the Commission is tracking in Sacramento, including those ABAG or MTC supports or opposes.

- **Executive Order N-79-20: Zero-Emission Vehicle Mandate**

- On September 23, 2020 Governor Newsom issued Executive Order N-79-20 which seeks dramatic reductions in emissions from the transportation sector by requiring the development of regulations to decarbonize the state's vehicle fleet and ending oil extraction in four years.
- Staff will monitor the development of regulations and strategies to implement the order and take advantage of opportunities to secure funding and state policy changes that will help us deliver on the GHG reduction strategies outlined in the Blueprint for Plan Bay Area 2050.

- **2020 Legislative Scorecard**

- Comparison of MTC/ABAG 2020 Advocacy Program with legislative outcomes in the 2020 state and federal legislative sessions.
- The California Legislature significantly pared back the number of bills that were heard in committees and approved on the floor of each house. In the final day of session, numerous bills that were expected to reach the Governor's desk did not meet the final deadline for passage.
- In Washington, D.C., Congress took significant action early in the pandemic to forestall the collapse of public transit agencies, providing the region \$1.3 billion in funds to backfill for lost transit fares and other tax revenue. An additional COVID relief package was under discussion, but a huge divide remained between the House and Senate on the scale of additional COVID relief as well as the priorities for funding.
- Staff recommended positions on only six bills this year, substantially fewer than normal. Of those, only two reached the Governor's desk and signed: SB 146 (Beall) authorizing virtual public outreach meetings and qualification of "pop up" meetings applicable to outreach requirements through 2022, and SB 288 (Wiener) CEQA streamlining for sustainable transportation projects.

- **Tom Bulger's Report**

- September 2020 Report from Washington, D.C. advocate.

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## **Joint MTC ABAG Legislation Committee Chair's Report**

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The Joint MTC ABAG Legislation Committee met on November 6, 2020. The Committee received the following reports:

- **November 2020 Election Update**

- Staff provided an election update on key statewide and local ballot measures relevant to MTC and ABAG, as well as the results of congressional and state legislative races for the San Francisco Bay Area delegation.

- **Draft 2021 Joint Advocacy Program**

- The Joint MTC ABAG Legislation Committee received the first draft of the Joint Advocacy Program for 2021, the first year of a two-year state legislative session, a new Congress, and a new Presidential administration.
- The Advocacy Program includes many of the priorities from the current and prior years, with the main addition being the need for additional transit operating funding to assist the region's operators.
- Staff has begun the early engagement phase, meeting with staff from local and regional agencies to inform our own priorities and identify opportunities for collaboration.
- Staff also shared this draft Advocacy Program with the ABAG Regional Planning Committee for input.
- Based on feedback, staff will prepare a final 2021 Joint Advocacy Program for consideration by the Joint MTC ABAG Legislation Committee in December, prior to forwarding the document for Commission and Executive Board approval.

- **Washington D.C. Legislative Update**

- October 2020 Report from Washington, D.C. advocate.
- Received the last monthly report from Tom Bulger.
- Received a status update from Summit Strategies on work undertaken since the beginning of April 2020, including advocacy for various COVID relief packages, and advancing priorities as the House moved their surface transportation authorization legislation.

This concludes the Committee report.

Julie Pierce

Chair, Joint MTC ABAG Legislation Committee



## Chair's Report

### ABAG Finance Committee

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Thursday, November 19, 2020

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Under ABAG Executive Board agenda Item 9.a., this is the ABAG Finance Committee report for November 19, 2020.

The ABAG Finance Committee met today, November 19, 2020 and received the following reports:

- **Report on ABAG Financial Statements for Fiscal Year ended August 31, 2020 (Unaudited)**
  - As of August 31, 2020, the combined ABAG financial report shows an operating surplus of \$1,840,457 which was generated from the membership revenue billed at the beginning of the fiscal year.
  - The Administration Program reports a \$1.9 million surplus. As of August 31, 2020, out of the \$2.4 million of membership billed, we have collected \$921,000. Year-to-date expense is at 10% of the approved budget and is expected to pick up later in the year. The budget will be adjusted for the carryover encumbrance balance from prior fiscal year after the audit is completed. All ABAG operating funds ended FY 2020 with positive cash balances eliminating the need for year-end support from MTC.
  - BayREN revenue and expense are breakeven with \$1.2 million each in this reporting period.
  - The SFEP is reporting an overall deficit of \$99,911 and is covered by the fund balance from prior years.
- **Report on ABAG Contracts and Purchase Requisitions between \$20,000 and \$50,000 from July to August 2020**
  - From July to August 2020, ABAG had no reportable contracts and purchase requisitions between \$20,000 and \$50,000.
- **Report on ABAG Investments for June 2020 (Unaudited)**
  - Total funds under ABAG management are just over \$85.6 million.
- **Report on the Association of Bay Area Governments (ABAG) Financial Statements and Accompanying Reports for Fiscal Year 2019-20**
  - The Committee recommendation will be given under agenda Item 9.b.
- **Presentation on the Metropolitan Transportation Commission (MTC) Small Business Enterprise (SBE) Program**
  - The Committee recommendation will be given under agenda Item 9.c.

This concludes the Committee report.

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## ABAG Finance Committee Chair's Report

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Next, under ABAG Executive Board agenda Item 9.b., the ABAG Finance Committee received the report on the **Report on the Association of Bay Area Governments (ABAG) Financial Statements and Accompanying Reports for Fiscal Year 2019-20**

- Highlights of the FY 2019-20 ABAG Financial Statements:
  - Negative Net Position – ABAG has a negative Net Position of \$5.9 million, up from \$5.3 million for FY 2018-19. The negative position is caused by a retirement liability (pension and OPEB) of \$16 million.
  - Operating Loss – ABAG had an operating loss of \$1.1 million, down from \$1.3 million for FY 2018-19.
  - Net Pension Liability – Pension liability for FY 2019-20 is \$16 million up from \$15.6 million for FY 2018-19.
  - The OPEB liability ended FY 2019-20 with an asset balance of \$68,125 compared to an unfunded liability of \$988,000.
  - ABAG Conduit Financing Pool – The balance is now \$8.8 million, down from \$68.6 million in FY 2019, the result of an Ukiah water bond being refinanced. The remainder of the pool is scheduled to be retired by 2036
  - The retirement of the unfunded OPEB liability was made possible by a contribution from ABAG FAN.
- The Finance Committee recommended that the ABAG Executive Board accept and approve the Report on ABAG financial statements and accompanying reports for Fiscal Year 2019-20 and reappoint Crowe LLP for the Fiscal Year 2021 annual external audit.

The report from Crowe LLP is included in the agenda packet.

Finance staff members and the Crowe LLP auditors are available to answer questions or to give their presentations.

*Make the motion.*

I move that the ABAG Executive Board accept and approve the report on ABAG financial statements and accompanying reports for Fiscal Year 2019-20 and reappoint Crowe LLP for the Fiscal Year 2021 annual external audit.

*President calls for a second on the motion and, after discussion, calls for the vote.*

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## **ABAG Finance Committee Chair's Report**

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Next, under ABAG Executive Board agenda Item 9.c., the ABAG Finance Committee received a **Presentation on the Metropolitan Transportation Commission (MTC) Small Business Enterprise (SBE) Program**

- The MTC SBE Program created one comprehensive SBE program that now casts a wider net to SBE firms in the nine-county Bay Area and looks to increase the number of contracts with the SBE Preference being applied.
- The Finance Committee recommended that the ABAG Executive Board direct staff to develop the necessary documents and resolution for an ABAG Small Business Enterprise Program.

The report on the MTC Small Business Enterprise Program is included in the agenda packet.

Contracts staff members are available to answer questions or to give the presentation.

*Make the motion.*

I move that the ABAG Executive Board direct staff to develop the necessary documents and resolution for an ABAG Small Business Enterprise Program.

*President calls for a second on the motion and, after discussion, calls for the vote.*

Karen Mitchoff  
Chair, ABAG Finance Committee





## Chair's Report

### ABAG Regional Planning Committee

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Thursday, November 19, 2020

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Under ABAG Executive Board agenda Item 10.a., this is the ABAG Regional Planning Committee report for November 19, 2020.

The ABAG Regional Planning Committee met on October 1, 2020. The Committee received the following reports:

- **Recommendation for Regional Housing Needs Allocation (RHNA) Proposed Methodology**
  - At its final meeting on September 18<sup>th</sup>, the Housing Methodology Committee voted 27 to 4 to recommend Option 8A: High Opportunity Areas Emphasis & Job Proximity as the proposed methodology to the Regional Planning Committee and Executive Board.
  - This option includes the HMC's previously identified preferences for using Year 2050 households from the Plan Bay Area 2050 Blueprint as the baseline allocation and the Bottom-Up income allocation approach.
  - The Regional Planning Committee recommended Executive Board approval of the proposed RHNA methodology, as reported.
- **Regional Housing Needs Allocation (RHNA) Draft Subregion Shares**
  - For the 2023–31 RHNA, subregions were formed in **Napa County** (includes City of American Canyon, City of Napa, Town of Yountville, and the County of Napa; does not include City of Calistoga or City of St. Helena); and **Solano County** (includes City of Benicia, City of Dixon, City of Fairfield, City of Rio Vista, City of Suisun City, City of Vacaville, City of Vallejo, and County of Solano).
  - On May 21, 2020, the Executive Board adopted the methodology for assigning a subregion its share of the Regional Housing Needs Determination.
  - The ABAG Executive Board and MTC Commission adopted changes to the strategies and Growth Geographies for the Plan Bay Area 2050 Final Blueprint in September 2020. Changes to the Blueprint could lead to changes in the allocations that result from the RHNA methodology, and thus the subregion shares.
  - The Regional Planning Committee recommended Executive Board approval of the draft shares of total housing need to each subregion, as reported.

The ABAG Regional Planning Committee met on November 12, 2020. The Committee received the following reports:

- **Plan Bay Area 2050: Implementation Plan Development**
  - Overview of the Plan Bay Area 2050 Implementation Plan phase, including key goals and timeline.

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## **ABAG Regional Planning Committee Chair's Report**

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- This was the same report given to the joint meeting of the ABAG Administrative Committee and the MTC Planning Committee on November 6.
- **Public Hearing on Regional Housing Needs Allocation (RHNA) Proposed Methodology**
  - Public hearing related to the Proposed RHNA Methodology, as approved in October 2020 for public comment by the ABAG Executive Board.
  - California Government Code 65584.04 (d) requires ABAG to hold a public comment period and conduct at least one public hearing to receive oral and written comments on the Proposed RHNA Methodology prior to adoption of the Draft RHNA Methodology, which will then be submitted to the California Department of Housing and Community Development (HCD) for review.
  - At the Regional Planning Committee meeting, a public hearing was held to satisfy this requirement.
  - Materials related to the Proposed RHNA Methodology were posted on ABAG's website since October 24.
  - The written public comment period began on October 25 and will end on November 27 per the Notice of Public Hearing published in newspapers and an ABAG press release.
  - Staff will consider comments and will recommend any necessary adjustments to the Proposed RHNA Methodology to the Executive Board for integration into the Draft RHNA Methodology.
  - The Executive Board is slated to take final action on the Draft RHNA Methodology at the January 21, 2021 meeting.
- **Public Hearing on Regional Housing Needs Allocation (RHNA) Draft Subregional Shares**
  - Public hearing related to the RHNA Draft Subregional Shares, as approved in October 2020 for public comment by the ABAG Executive Board.
  - California Government Code 65584.03 (c) requires ABAG to conduct at least one public hearing to consider requests for revision of the draft allocation to a subregion.
  - At the Regional Planning Committee meeting, a public hearing was held to satisfy this requirement.
  - Materials related to the Draft Subregional Shares were posted on ABAG's website since October 24.
  - A written public comment period began on October 25 and will end on November 27 per the Notice of Public Hearing published in newspapers and an ABAG press release.
  - Staff will consider comments and will recommend any necessary adjustments to the RHNA Draft Subregional Shares to the ABAG Executive Board for final action at the January 21, 2021 meeting.

This concludes the Committee report.

Karen Mitchoff  
Chair, ABAG Regional Planning Committee



## Chair's Report

### ABAG Housing Committee

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Thursday, November 19, 2020

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Under ABAG Executive Board agenda Item 11.a., this is the ABAG Housing Committee report for November 19, 2020.

The ABAG Housing Committee met jointly with the MTC Executive Committee on October 15, 2020. The Committee received the following reports:

- **Regional Housing Technical Assistance Program**
  - A report on Regional Housing Technical Assistance Program Design and Framework with an update on the design of a new program to assist local jurisdictions with Housing Element updates funded by the Regional Early Action Planning Grants (REAP).
  - The State is providing unprecedented support for housing planning to local and regional governments in the form of SB 2 grants, Local Early Action Planning (LEAP) grants, and Regional Early Action Planning (REAP) grants.
  - Together, SB 2 and LEAP are providing nearly \$50 million directly to city and county governments in the Bay Area.
  - ABAG was approved by HCD to receive an initial REAP grant disbursement of \$5.9 million (approximately 25% of the full award) on February 25, 2020. ABAG can apply for the \$18,066,861 balance of the grant award (approximately 75%) at any time before January 31, 2021 once “substantial progress” can be shown on the initial disbursement.
  - The Regional Housing Technical Assistance Program framework for ABAG’s REAP funds include: a collaborative and cohort-based approach; a regional consulting bench; regional coordination with HCD; and regional housing leadership development and community engagement
  - The Program will be delivered in two parts: regional assistance and supplemental local allocations. Staff proposed non-competitive local allocations of \$5.5 million in REAP funds and future competitive allocations in amounts to be determined in November.
- **Expanded Regional Housing Portfolio**
  - In June 2020, the ABAG Executive Board and MTC Commission approved an initial strategic framework for an Expanded Regional Housing Portfolio in lieu of pursuing a housing revenue measure through the Bay Area Housing Finance Authority (BAHFA).
  - Staff reported on completed Phase 1 planning activities, which included establishing components of the governance structure for the portfolio, identifying funding opportunities, and researching potential future pilot projects.

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- To transition to Phase 2, staff proposed several new activities to strengthen regional capacity across the “3 Ps”—Protection of tenants, Preservation of existing affordable housing, and Production of new homes—designed to lay the foundation for successful implementation of potential future capital resources.
- The proposed activities include elements to complement and fortify the efforts of local governments, as well as the launch of five potential pilot projects to build staff capacity and expertise within the regional agencies.
- The five proposed pilots are: support a regional affordable housing application platform; develop an affordable housing pipeline database; strengthen regional preservation programs; support the design of a regional homelessness prevention system; strengthen the rental assistance network and disseminate best practices.
- Launching the proposed pilot activities is contingent upon securing new resources.
- **Bay Area Residential Building Activity Report**
  - An update on Bay Area Residential Building Permit Activity, including a report on residential building permits issued from 2015 to 2019 and tracking regional progress towards Cycle 5 Regional Housing Needs Assessment (RHNA) goals.
  - The presentation of the region's RHNA Cycle 5 (2015- 2023) building permit activity was based on the Annual Progress Reports (APR) submitted by local jurisdictions to the California Department of Housing and Community Development (HCD).

The ABAG Housing Committee met on November 13, 2020. The Committee received the following reports:

- **Regional Housing Technical Assistance Program**
  - A report on Regional Housing Technical Assistance Program Design and Framework including an update on the design of a new program to assist local jurisdictions with Housing Element updates, funded by the Regional Early Action Planning Grants (REAP).
  - The Committee recommendation will be given under agenda Item 11.b.
- **Regional Early Action Planning Grants**
  - A report on Authorization to Request Balance of Regional Early Action Planning Grants
  - The Committee recommendation will be given under agenda Item 11.c.

This concludes the Committee report.

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## ABAG Housing Committee Chair's Report

November 19, 2020

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Next, under ABAG Executive Board agenda Item 11.b., the ABAG Housing Committee received the report on the **Regional Housing Technical Assistance Program**.

- The Housing Committee received a report on the Regional Housing Technical Assistance Program Design and Framework.
- The Housing Committee recommended that the ABAG Executive Board approve the proposed Regional Housing Technical Assistance Program.

The Housing Committee staff report is included in the agenda packet.

Planning staff members are available to answer questions or to give a brief presentation.

*Invite staff to give a brief presentation.*

*Make the motion.*

I move that the ABAG Executive Board approve the Regional Housing Technical Assistance Program Design and Framework.

*President calls for a second on the motion and, after discussion, calls for the vote.*

Next, under ABAG Executive Board agenda Item 11.c., the ABAG Housing Committee received the report on the **Regional Early Action Planning Grants**.

- The Housing Committee received a report on the Regional Early Action Planning Grants.
- The Housing Committee recommended that the ABAG Executive Board adopt Resolution No. 20-2020 authorization to apply for the remaining Regional Early Action Program funds.

The Housing Committee staff report is included in the agenda packet.

Planning staff members are available to answer questions or to give a brief presentation.

*Invite staff to give a brief presentation.*

*Make the motion.*

I move that the ABAG Executive Board adopt Resolution No. 20-2020.

*President calls for a second on the motion and, after discussion, calls for the vote.*

Lori Wilson  
Chair, ABAG Housing Committee