

Metropolitan Transportation Commission Programming and Allocations Committee

November 4, 2015

MTC Resolution No. 4202

Subject: Adoption of the project selection criteria and programming policy for the second round of the One Bay Area Grant Program (OBAG 2) covering Fiscal Years (FYs) 2017-18 through FY 2021-22

Background: In May 2012, the Commission adopted the inaugural One Bay Area Grant (OBAG) program. OBAG funding supports *Plan Bay Area*, the Regional Transportation Plan (RTP)/Sustainable Communities Strategy (SCS), by directing funding to regional priority programs: prioritizing funding for Priority Development Areas (PDAs), rewarding housing production, and providing a flexible funding program to deliver a broad range of transportation projects.

Owing to the successful outcomes of the first round of the OBAG program, outlined in the “One Bay Area Grant Report Card” presented to the MTC Planning committee in February 2014, staff proposes a continuation of the major features of the program for OBAG 2. Notable recommended changes to the OBAG 2 proposal include the following:

- Compared to OBAG 1, OBAG 2 overall revenues drop 4% from \$827 million to \$790 million due to federal budgetary constraints.
- Regional programs are reduced by 4% overall, with most programs held at, or slightly below, OBAG 1 levels. Two exceptions are the Priority Conservation Area (PCA) program, which increases by \$6 million due to funds redirected from the OBAG 1 regional bicycle sharing project, and the regional planning activities program, which increases at a 2% annual escalation rate (the same rate as CMA planning).
- County programs are similarly reduced by 4% overall, with several notable changes, including redirecting the Safe Routes to School (SRTS) Program from the regional program to the county program, the elimination of the local PDA planning program (although it remains an eligible project type under the county program), the inclusion of the Federal-Aid Secondary (FAS) funding for counties, and the CMA planning base increases at a 2% annual escalation rate.
- Three alternative county distribution formulas have been developed for consideration. One formula is the same as was presented in July; in response to Committee direction, two alternative formulas were developed to incorporate moderate-income housing and to look at a production-only scenario.
- In OBAG 2, the county distribution formula is updated to use the latest housing data from the Association of Bay Area Government (ABAG). The formula is also based on housing over a longer time frame, considering housing production from two Regional Housing Needs Assessment (RHNA) cycles (1999-2006 and 2007-2014) to smooth out the significant effects of the Great Recession on housing construction. The formula also increases the weighting of affordable housing by

10%. The formula is further adjusted to incorporate SRTS and FAS funding, and to ensure the CMA planning base is no more than 50% of the county's total program.

- Requirements for local jurisdictions are proposed to be modified. Jurisdictions must submit annual housing element reports to the California Housing and Community Development (HCD) throughout the entire OBAG 2 period to be eligible for funding. The proposed complete streets requirements stipulate that by the date the CMA submits its recommended projects for OBAG 2 funding, local jurisdictions must adopt a complete streets resolution that complies with MTC's required nine elements or adopt a significant revision to the circulation element of the general plan after January 1, 2010 that complies with the Complete Streets Act of 2008.

Additional information on these, and other changes, proposed for OBAG 2 are included in the attached memorandum and presentation.

OBAG 2 Development Timeline: The OBAG 2 program proposal has been developed by MTC staff in cooperation with the Bay Area Partnership, advisory committees, and various transportation stakeholders. Committee memoranda can be viewed on the OBAG 2 website: <http://www.mtc.ca.gov/funding/obag2/>.

- Staff presented the initial OBAG 2 proposal to the Policy Advisory Committee on May 13, 2015 and to various Partnership working groups in June.
- The initial proposal was refined to include increased revenue estimates and presented to the Programming and Allocations Committee (PAC) on July 8, 2015.
- The current OBAG 2 proposal, including the alternatives being considered for the county distribution formula, was presented to the Regional Advisory Working Group on October 6, 2015, the Bay Area Partnership Board on October 9, 2015, and Partnership working groups during the month of October.

Public Comments and Stakeholder Feedback: Stakeholder feedback as well as comment letters received since the July Programming and Allocations Committee are provided in Attachment 2; all comments can also be viewed at: <http://www.mtc.ca.gov/funding/obag2/>.

Issues:

1. County Distribution Formula. In response to Commissioner requests at the July Committee meeting, three alternative county fund distribution formulas have been developed for consideration.

2. Displacement. Reflective of recent Commission discussions and stakeholder feedback, staff proposes that MTC consider focusing PDA planning grants on cities with the highest risk of displacement as part of the OBAG 2 Regional PDA Planning Program. Program guidelines are proposed to be developed in collaboration with the CMAs and other interested stakeholders.

Programming and Allocations Committee

November 4, 2015

Page 3

3. Policy Compliance. Four jurisdictions in the Bay Area did not meet the 2015 deadline for a state-certified housing element: Fairfax, Dixon, Monte Sereno, and Half Moon Bay. Under current policy, these jurisdictions are not be eligible to receive OBAG 2 funding. Letters from Dixon and Half Moon Bay requesting that they be made eligible for funding are included as attachments to the memorandum for this item.

Recommendation: Refer MTC Resolution No. 4202 to the Commission for approval.

Attachments: Memorandum including attachments
MTC Resolution No. 4202 including attachments
Presentation



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TRANSPORTATION
COMMISSION

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Memorandum

TO: Programming and Allocations Committee

DATE: November 4, 2015

FR: Executive Director

RE: Proposal for Second Round of the One Bay Area Grant Program (OBAG 2)

Background

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

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

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

Over the last several months, MTC staff has developed the proposed project selection and programming policies for OBAG 2, in cooperation with the Bay Area Partnership, advisory committees, and various transportation stakeholders. A preliminary framework was presented to this Committee in July 2015 for discussion. Committee memoranda can be viewed on the [OBAG 2](#) website: <http://www.mtc.ca.gov/funding/obag2/>. Stakeholder feedback and letters received (since July) are also included as Attachment 5.

OBAG 2 Principles

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

1. Maintain Realistic Revenue Assumptions:

OBAG 2 funding is based on anticipated future federal transportation program apportionments. In recent years, the Surface Transportation Program/Congestion Mitigation and Air Quality Improvement programs (STP/CMAQ) have not grown, and changes in the federal and state programs (such as elimination of the Transportation

Enhancement (TE) program) have resulted in decreases that were not anticipated when OBAG 1 was developed. For OBAG 2, a 2% annual escalation rate above current federal revenues is assumed, consistent with the passage of the Developing a Reliable and Innovative Vision for the Economy (DRIVE) Act by the United States Senate earlier this year. Even with the 2% escalation, revenues for OBAG 2 are 4% less than revenues for OBAG 1, due to the projections of OBAG 1 being higher than actual revenues, and the fact that OBAG 1 included Transportation Enhancement (TE) funds which are no longer available to be included in OBAG 2.

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

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

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

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

Table 1. OBAG 2 Funding Proposal

OBAG 2 Programs	OBAG 2 Proposed Funding (million \$, rounded)
Regional Planning Activities	\$10
Pavement Management Program	\$9
Regional Priority Development Area (PDA) Planning	\$20
Climate Change Initiatives	\$22
Priority Conservation Area (PCA) Program	\$16
Regional Active Operational Management	\$170
Regional Transit Priorities	\$189
County CMA Program	\$354
OBAG 2 Total	\$790

3. Support the Plan Bay Area’s Sustainable Communities Strategy (SCS) by Linking OBAG Funding to Housing and Smart Growth Goals: OBAG 2 continues to support the SCS for the Bay Area by promoting transportation investments in Priority Development Areas (PDAs). A few changes are proposed for OBAG 2, to further improve upon the policies that have worked well in OBAG 1 (see also Attachments 2 and 3).

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

Table 2. OBAG Distribution Factor Alternatives

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

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

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

Table 3. Housing Production Trends

County	Total Housing Production ¹			
	1999-2006		2007-2014	
Alameda	33,945	15.9%	19,615	15.9%
Contra Costa	47,956	22.5%	16,800	13.6%
Marin	5,772	2.7%	1,543	1.3%
Napa	5,245	2.5%	1,434	1.2%
San Francisco	17,439	8.2%	20,103	16.3%
San Mateo	10,289	4.8%	8,169	6.6%
Santa Clara	52,835	24.8%	44,823	36.4%
Solano	18,572	8.7%	4,972	4.0%
Sonoma	20,971	9.8%	5,639	4.6%
Totals	213,024	100.0%	123,098	100.0%

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

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

4. Continue Flexibility and Local Transportation Investment Decision Making:

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

5. Cultivate Linkages with Local Land-Use Planning:

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

Complete Streets Requirements

Jurisdictions have two options for demonstrating complete streets compliance, which must be met by the date the CMAs submit their OBAG 2 project recommendations to MTC:

- a. Adopt a Complete Streets Resolution incorporating MTC's nine required complete streets elements; or
- b. Adopt a significant revision to the circulation element of a General Plan after January 1, 2010 that complies with the California Complete Streets Act of 2008.

Housing Element Requirements

Jurisdictions must have a general plan housing element adopted and certified by the California Department of Housing and Community Development (HCD) for 2014-2022 RHNA by May 31, 2015. There were four jurisdictions whose housing element was not certified by HCD by that time: Dixon, Fairfax, Monte Sereno, and Half Moon Bay. Therefore, these jurisdictions are not eligible for OBAG 2 funding under current policy. At the time of this memo, Dixon, Fairfax, and Monte Sereno have since received conditional certification from HCD; Half Moon Bay's housing element has now been certified.

Furthermore, under state statute, jurisdictions are required to submit Housing Element Annual Reports by April 1 every year. Jurisdictions receiving OBAG 2 funding must comply with this statute during the entire OBAG 2 funding period or risk de-programming of OBAG 2 funding.

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

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

Outreach and OBAG 2 Development Schedule

To date, MTC staff has made presentations on the OBAG 2 framework to the Policy Advisory Council, Programming and Allocations Committee, Partnership Board, Partnership Technical Advisory Committee and associated working groups. Comments received to date have been reviewed and revisions have been made to the proposal as a result of stakeholder feedback. Comment letters and summarized stakeholder feedback have been posted at

<http://www.mtc.ca.gov/funding/obag2/>.

The final OBAG 2 program is scheduled to be presented to the Commission on November 18, 2015 for adoption, which will subsequently kick off the CMAs' project solicitation process. Programming of CMA project submittals is anticipated in December 2016 (see Attachment 4 for full schedule).

Other Noted Program Revisions


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

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

Consideration of Cities with High Risk of Displacement: Reflective of recent Commission discussions and stakeholder feedback, the PDA planning program could focus on cities with high risk of displacement. This approach allows MTC to focus planning efforts in communities facing high risk of displacement, without applying a one-size-fits all approach to various jurisdictions throughout the Bay Area. Staff proposes to develop the PDA Planning Program guidelines in collaboration with the CMAs and other interested stakeholders.

Recommendation

Staff recommends referral of the project selection criteria and programming policy for the second round of the One Bay Area Grant Program (MTC Resolution No. 4202) to the Commission for approval.



Steve Heminger

Attachments:

- Attachment 1 – OBAG 2 Program Considerations
- Attachment 2 – OBAG 2 STP/CMAQ County Final Distribution
- Attachment 3 – OBAG 2 Program County Considerations
- Attachment 4 – OBAG 2 Tentative Development Schedule
- Attachment 5 - OBAG 2 Stakeholder Comments

OBAG 2 Program Considerations		OBAG 1	OBAG 2
Regional Programs		(millions)	
1. Regional Planning Activities			
<ul style="list-style-type: none"> Continue regional planning activities for ABAG, BCDC and MTC with 2.0% annual escalation from final year of OBAG 1 	\$8	\$10	
2. Pavement Management Program			
<ul style="list-style-type: none"> Maintain at OBAG 1 funding level 	\$9	\$9	
3. PDA Planning and Implementation			
<ul style="list-style-type: none"> Maintain Regional PDA/TOD Planning and Implementation at OBAG 1 levels Focus on cities with high risk of displacement 	\$20	\$20	
4. Climate Initiatives Program			
Continue climate initiatives program to implement the SCS	\$22	\$22	
5. Priority Conservation Area (PCA)			
<ul style="list-style-type: none"> Increase OBAG 1 Programs: \$8M North Bay & \$8M Regional Program for the five southern counties and managed with the State Coastal Conservancy \$6.4M redirected from OBAG 1 regional bike sharing savings. Reduce match requirement from 3:1 to 2:1. MTC funding to be federal funds. Support State Coastal Conservancy to use Cap and Trade and other funds as potential fund source for federally ineligible projects. Regional Advance Mitigation Program (RAMP) net environmental benefits eligible for funding 	\$10	\$16	
6. Regional Operations			
<ul style="list-style-type: none"> Active Operational Management, Columbus Day Initiative, Incident Management, Transportation Management System, 511, Rideshare Focus on partnerships for implementation, key corridor investments, and challenge grant to leverage funding 	\$184	\$170	
7. Transit Priorities Program			
<ul style="list-style-type: none"> BART Car Phase 1 Clipper Next Generation System Transit Capital Priorities (TCP), Transit Performance Initiatives (TPI) 	\$201	\$189	
	\$454	\$436	
Local Programs			
❖ Local PDA Planning			
Eliminate Local PDA Planning as a separate program. <ul style="list-style-type: none"> PDA planning eligible under County program. 	\$20	-	
❖ Safe Routes to School (SRTS)			
Managed by CMAs. Provide Safe Routes To School grants to local jurisdictions. <ul style="list-style-type: none"> Maintain Safe Routes to School – Add to county shares. Use FY 2013-14 K-12 school enrollment formula \$25M minimum not subject to PDA investment requirements. Counties may opt out if they have their own county SRTS program 	\$25	-	
❖ County Federal-Aid Secondary (FAS)			
Managed by CMAs. Provide FAS funding to Counties. <ul style="list-style-type: none"> Fully fund county FAS requirement (\$2.5 M per year). Funding not included in OBAG 1 because FAS requirement had been previously satisfied. \$13M guaranteed minimum not subject to PDA investment requirements 	-	-	
	\$45	-	
County CMA Programs			
❖ County CMA Program			
<ul style="list-style-type: none"> Local PDA Planning optional through CMA County OBAG Program SRTS included in County OBAG program (use K-12 school enrollment formula) FAS included in County OBAG program (use FAS formula) Adjustment to ensure county planning is no more than 50% of total amount CMA Planning Base with 2.0% annual escalation from final year of OBAG 1 County CMA 40% of base OBAG program (not including CMA Planning Base) 	-	-	
	-	\$25	
	-	\$13	
	-	\$1	
	\$34	\$39	
	\$293	\$276	
	\$327	\$354	
Program Total	\$827	\$790	

**OBAG 2
STP/CMAQ
County Final Distribution
November 4, 2015**

Attachment 2

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

Final county distribution includes SRTS & FAS and adjusted so a county CMA's base planning is no more than 50% of total

	Population 2014	1 OBAG 1	2 Affordable	3 Affordable+Moderate	4 Production Only
OBAG Cycle		OBAG 1	OBAG 2	OBAG 2	OBAG 2
Adjustments		Final Distribution	Final Distribution	Final Distribution	Final Distribution
Scenario		Final Distribution	Affordable	Affordable+Moderate	Production Only
RHNA Years (2007-2014)		Draft RHNA	Final RHNA	Final RHNA	No RHNA
Housing Production - 1999-2006		1999-2006 (Capped)	1999-2006 (Uncapped) 30%	1999-2006 (Uncapped) 30%	1999-2006 (Uncapped) 30%
Housing Production - 2007-2014		-	2007-2014 (Uncapped) 70%	2007-2014 (Uncapped) 70%	2007-2014 (Uncapped) 70%
Housing Affordability		Affordable	Affordable	Affordable+Moderate	Affordable
Alameda	21.2%	19.7%	20.1%	19.8%	19.2%
Contra Costa	14.6%	14.2%	13.7%	14.7%	14.1%
Marin	3.4%	3.3%	2.8%	2.8%	3.0%
Napa	1.9%	2.3%	2.2%	2.2%	2.2%
San Francisco	11.3%	11.7%	12.9%	12.3%	13.4%
San Mateo	10.0%	8.4%	8.5%	8.5%	7.9%
Santa Clara	25.2%	27.2%	27.7%	27.1%	27.3%
Solano	5.7%	5.9%	5.2%	5.5%	5.4%
Sonoma	6.6%	7.2%	7.1%	7.2%	7.7%

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- 1: OBAG1 final distribution after applying adjustments and SRTS & FAS categories
2. Affordable Housing Production Weighted - Proposed Distribution
3. Affordable AND Moderate Production Housing Weighted - Proposed Distribution
4. Affordable Housing Production Only - Proposed Distribution

NOTE: Figures have changed since initial July proposal due to updated housing data and changing 1999-2006 from capped to uncapped

OBAG 2 County Program Considerations

❖ **County Generation Formula**

- Continue existing PDA investment targets of 50% for North Bay counties and 70% for all others.
- Consider housing production over a longer time frame, between 1999 and 2006 (weighted 30%) and between 2007 and 2014 (weighted 70%).
- Adjust the county generation formula. Three alternatives are under consideration for the distribution formula:

OBAG Distribution Factor Alternatives

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

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

❖ **Housing Element**

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

Missed Deadline for Certified Housing Element

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

❖ **General Plan Complete Streets Act Update Requirements**

- For OBAG 1, jurisdictions are required to have either a complete streets policy resolution **or** a general plan that complies with the Complete Streets Act of 2008 by January 31, 2013.
- For OBAG 2, jurisdictions are required to have either a complete street policy resolution that includes MTC’s nine required elements **or** a circulation element of the general plan updated after January 1, 2010 that complies with the Complete Streets Act of 2008. The deadline for compliance with this requirement is the date the CMAs submit their project recommendations to MTC. This modified approach focuses on the local complete streets resolution while acknowledging the jurisdictions that have moved forward with an updated circulation element in good faith of the requirements anticipated for OBAG 2.

❖ **PDA Investment and Growth Strategy**

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

❖ **Public Participation**

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

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

OBAG 2 Stakeholder Feedback Comment Log
May-October 2015

Policy Advisory Council		
5/13/2015		
Naomi Armenta	Representing the Disabled Community of Alameda County	Felt that it was unclear in the previous OBAG cycle that funds were eligible for mobility management projects. If such projects will be eligible under OBAG 2, recommended making that clear in the guidance.
Shireen Malekafzali	Representing the Low-Income Community of San Mateo County	Felt that the program was a successful incentive-based approach in terms of complete streets. Would like to see that incentive-based approach applied towards other goals, such as housing stability and affordability and ensuring that affordable housing can be incorporated into PDAs. Not sure how it might look, but would like to see an effort to address this challenging topic.
Alan Talansky	Economy Representative	Would like to see MTC making more of an effort to share the OBAG program and its link to Plan Bay Area to the public. People following Plan Bay Area and the PDAs would be interested to see what we are doing (like OBAG) to implement the plan.
Cathleen Baker	Environment Representative	Supported the continued incentive-based approach of the OBAG program. Would like to see this used to address the barriers and challenges to PDA implementation (referenced the presentation on PDA feasibility at May 8 MTC Planning-ABAG Administrative meeting). Appreciated upping the affordable housing element to 60%.
Bob Glover	Economy Representative	Reiterating Cathleen's comment, would like to see OBAG used to incentivize reducing the impediments and barriers to development of all types of housing and would also like to incentivize efforts that go above and beyond the levels of affordability required.
Richard Hedges	Representing the Senior Community of San Mateo	Noted that some of the impediments to developing affordable housing would need to be addressed in Sacramento. Cites example of 25% density bonus for providing below market housing, which overrides local land use for additional height and density.
Partnership Technical Advisory Committee		
5/18/2015		
Seana Gause	SCTA	Asked if the funding levels come in higher than projected, would MTC make the north bay counties whole (fund at OBAG 1 levels)? Asked about the new documentation requirements for outreach since some CMAs did extensive outreach for OBAG 1.

Brad Beck	CCTA	Suggested reaching out to CMA staff during the July-October outreach efforts to get insight and input on their experiences from the past cycle.
Bob Macaulay	STA	Regarding Attachment 1 - Noted that rolling the Local PDA program into the County program masked the big cuts to the County program, and that the increase in the Regional Planning Program didn't seem appropriate relative to the substantial cuts to the County program.

Active Transportation Working Group

5/21/2015		
Marty Martinez	Safe Routes to School National Partnership	Concerned about how the SRTS program opt-out provisions and requested that safeguards be incorporated to ensure the continuation of SRTS programs.
Dan Dawson	Marin County	Agreed that the resolution approach for Complete Streets is a much more effective and workable strategy than General Plan policies.

CMA Executive Directors Meeting

5/29/2015		
Bob Macaulay	STA	Concerned about the SRTS distribution formula being changed from student enrollment to the OBAG county distribution formula.
John Ristow	VTA	Discussion about PDAs and re-definitions of PDAs. Several areas are commercial/jobs-oriented and not residential, and should agencies should be able to consider these areas for focused investment. Commented that it makes sense to connect PDA Planning to the local level and delegate the program back to CMAs.
Art Dao	ACTC	Discussion about the name of the OBAG program. The word "One" was removed from the Plan Bay Area planning process but not the funding program. Concerned about dividing the inner vs. outer Bay Area.

Regional Advisory Working Group

6/2/2015		
Bob Macaulay	STA	Cannot support the OBAG 2 program as proposed. The proposal amounts to additional responsibilities with less funding. Concerned about maintaining staffing levels.

Bob Macaulay	STA	Supported rewarding jurisdictions that are providing affordable housing, but not as currently presented. Would like to see all CMAs receive at least the same funding level as under OBAG 1. Additional funding could be used to reward those providing affordable housing.
Janet Spilman	SCTA	Reiterated the concern on the impacts of the proposed program on the North Bay counties. Concerned about the SRTS formula being changed from the original student enrollment formula.
Matt Vander Sluis	Greenbelt Alliance	Supported the revised county distribution formula. Would like to see that adjustment also occurring at the local level, since there is a great deal of variability within each county in terms of which jurisdictions are doing the most in terms of housing development.
Jeff Levin	East Bay Housing Authority	Supported the continued PCA grant program. Would like to see the program increased, and continue to focus on the areas with the most significant impact around the region.
Jeff Levin	East Bay Housing Authority	Supported the revised county distribution formula. Concerned about local level performance, and would like to see more emphasis on housing development efforts made at the local level rather than county level.
Jeff Levin	East Bay Housing Authority	Would like to see a requirement that jurisdictions submit their annual progress reports to the State and holding public hearings to ensure these housing plans are being assessed on a regular basis.
Jeff Levin	East Bay Housing Authority	Would like to see better oversight of the local planning grants to ensure they have adequate affordable housing and anti-displacement strategies.
Jeff Levin	East Bay Housing Authority	Requested better guidance be given to CMAs on how to assess housing components of PDA investments.
David Zisser	Public Advocates Inc., Attorney	Supported the additional weight for affordable housing production. Would like to encourage creating incentives for anti-displacement policies and programs.
Ellen Smith	BART	Concerned about cuts to the Transit Capital Program. Asked if additional funds become available, would the program be made whole or would it be directed to other programs?
Martin Engelmann	CCTA	Wanted clarification as to why the local PDA planning program was eliminated as a stand-alone program for the CMAs. Asked where the money was directed to in case we wanted to restore the program.
Clarrissa Cabansagan	TransForm	Appreciated the added emphasis on affordable housing production in the county distribution formula. Requested more regional leadership on the issue of displacement, and addressing displacement in the PDA process.

Brianne Riley	Bay Area Council	Felt that the program needed more teeth and more focus on performance outcomes. Ex.: Agencies that miss their RHNA production targets by a wide margin should repay funds received through the OBAG program.
Michelle Rodriguez	City of San Pablo	Wanted to ensure that the program focuses on improvements in key corridors - Regional PDA Program and SRTS Program.

Transit Finance Working Group

6/3/2015		
		Did not support the TPI/TCP reduction in funds, especially relative to other programs that are either kept whole or increased.
Dierdre Heitman	BART	Felt that reductions should come from other programs rather than system preservation needs. Options include: (1) suspending the Climate Initiatives Program; and (2) cutting the regional PDA planning program, as there are fewer opportunities to use this funding and CMA's hands are already full with currently funded PDA Planning. Also, in Contra Costa it is hard to see PDA Planning impacts on funding decisions as the OBAG funding is at the outset split four ways among the sub-regions.
		Requested that if funding levels increase (i.e. through the reauthorization), the funds to be used to augment transit system preservation as the top program priority.

Email Correspondence

6/4/2015		
Todd Morgan	BART	Recommended that the reduction to the Transit Priorities Program of \$19M (\$201M to \$182M) be taken entirely from the \$27M of TPI-Investment Round 3. The remaining \$8M can then be added to TPI-Incentive to be distributed by the formula in place.

Planning Directors Meeting

6/5/2015		
Bob Macauley	STA	Did not support reducing regional rideshare funding. Would like to keep PDA Planning at County level rather than Regional level.
Tess Lengyel	ACTC	Concerned more is being funded through OBAG as the revenues for OBAG are decreasing Commented regarding the 70% and employer outreach. Ross explained that projects like planning and outreach are split 30%-70% in OBAG

Tess Lengyel	ACTC	Asked about the timeline for the call for projects, and asked if it could be aligned with their own call. It was noted that the funds are federal and must comply with federal requirements and timelines. Asked if calls they had made for other programs could count for the call for OBAG as long as they have met all the requirements. Ross informed her that we would need appropriate documentation.
Martin Engelmann	CCTA	Commented regarding a dashboard and PDA evaluation. We do not have a PDA evaluation with regard to housing and investments yet, where is the resurgence in housing going? Is it going into PDAs?
Bob Macaulay	STA	Appreciated that the OBAG2 discussions started at the Executive Directors meeting.

Email Correspondence

6/25/2015

Marty Martinez	Safe Routes to School National Partnership	Regarding the distribution of funds for SRTS, sees the benefits of using either enrollment or the County distribution formula. Pleased with the recommendation to continue the full SRTS funding amount at \$5 million.
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Email Correspondence

10/5/15

Chema Hernandez Gil	San Francisco Bicycle Coalition	Requests that all or a significant fraction of the savings from the OBAG 1 Bikeshare project remain dedicated to bikeshare promotion or activation in OBAG 2.
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Regional Advisory Working Group

10/6/15

Duane Dewitt	Sonoma County Resident	Concerned with the CMA outreach efforts (mentioned difficulty of attending workday daytime meetings)
Cynthia Armour	Bike East Bay	Would like to see OBAG 2 continue efforts related to complete streets, namely, requiring annual complete streets compliance reviews of local jurisdictions and updating and expanding the complete streets checklist
Carl Anthony	Breakthrough Communities	Would like to see increasing outreach, particularly in communities and cities most affected by displacement.

Ken MacNab	City of Napa	Thanked MTC and ABAG for the OBAG program
Jeff Levin	East Bay Housing Organizations	Appreciates the additional weight being given to housing production and affordability, but would like to see these factors being applied at the local level. Concerned that the language “applicable jurisdictions” in the housing reporting requirements excludes charter cities; would like all cities to be required to do annual reporting.
Derek McGill	Transportation Authority of Marin	Appreciates the increase in the PCA program, but overall feels the requirements on the local jurisdictions are too burdensome for the amount of funding they receive.
Alberto Esqueda	NCTPA	Seconded the previous commenter and raised concerns about the 50% minimum guarantee to CMAs; MTC staff pointed out that the minimum guarantee will be included in future OBAG 2 documents.
David Zisser	Public Advocates	Concerned that the linkage between the formula and the distribution is too vague; references letter from Six Wins that includes recommendations for how OBAG 2 can reward jurisdictions with the strongest anti-displacement policies.
Janet Spillman	Sonoma County Transportation Authority	Emphasized that OBAG projects are important to the local jurisdictions and neighborhoods where they are constructed, and that an important purpose of the program is to improve mobility.
Louise Auerhahn	Working Partnerships USA	Recommended adding more structure to the PDA Investment and Growth Strategies and using them as a place to address issues that are hard to include in the OBAG program directly (such as living wage jobs, requirements for improved outreach efforts)
Peter Cohen	Six Wins	Emphasized that the RTP/SCS acknowledges that housing, land use, transportation, etc. are all connected; OBAG should also address all of these elements

Bay Area Partnership Board

10/9/15

Daryl Halls	Solano Transportation Authority	Concerned that SRTS is no longer a regional program.
Sandy Wong	City/County Associate of Governments of San Mateo County	Asked why the county distribution formula is proposed to change with OBAG 2. Concerned with the affordability factor.
Craig Tackabery	Marin County & PTAC Chair	Shared concern from the PTAC meeting that the county programs had taken a bigger hit in the OBAG 2 proposal; staff

responded that both the regional and county programs were both reduced by roughly 4%.

Suzanne Smith	Sonoma County Transportation Authority	Asked to see a pie chart showing how all of the funds from OBAG 1 were distributed, not just the county programs.
Daryl Halls	Solano Transportation Authority	Concern about including housing in the county distribution formula, since housing in their county is already affordable. Frustrated that the formula doesn't reflect what their county is doing for housing, since there have been so many foreclosures. Asked how MLIP and freight are included in OBAG. Thinks the PDA process is working well at the county level. Concerned that the PDA program in OBAG 2 is only a regional program.
Art Dao	Alameda County Transportation Commission	Discussed the tension between PDA investments and anti-displacement. MTC wants to encourage investment in PDAs, but an unintended consequence of that could be the increased the risk of displacement in PDAs. Urges MTC to be consistent in our message to local jurisdictions to continue focusing investment in PDAs; cautions adding additional parameters such as those related to anti-displacement. Pointed out the inconsistency in messaging from the state, which is more focused on the backlog of maintenance.
Derek McGill	Transportation Authority of Marin	Concerned about adding additional restrictions on how OBAG funds can be spent, since the amount of annual funding in Marin County is relatively nominal.
Tilly Chang	San Francisco County Transportation Authority	Issues in San Francisco are regional and will require a regional approach. Pointed out that regional operations program is becoming more multi-modal and state of good repair focused.
Suzanne Smith	Sonoma County Transportation Authority	Commented on how federal transportation funding has become increasingly the source of funds for all of the region's woes. Would like to see the State distribute Cap and Trade funds to the regions to manage, rather than making us rely solely on STP/CMAQ to address all of our regional issues.
Daryl Halls	Solano Transportation Authority	Reiterated Suzanne's comments.

Partnership Technical Advisory Committee

10/19/2015

Amber Crabbe	San Francisco County Transportation Authority	Would like to have more information on how the regional programs (transit and operations) will be put together and administered. Also asked how the needs assessments from Plan Bay Area will inform project selection in OBAG.
Bob Macaulay	STA	Would like to see the housing production in the county distribution formula give equal weight to previous production (1999-2006) and recent production (2007-2014), rather than additional weight to recent production. Does not agree with the revised complete streets requirements.
Amber Crabbe	San Francisco County Transportation Authority	Requested that MTC give additional time for compliance with the new complete streets requirements.
Marcella Rensi	VTA	Appreciated that the proposal does not include additional requirements to tie funding to the local level.

Letters Received

July – October 2015

Letters received following the July PAC Meeting, attached

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To: Ken Kirkey; Anne Richman
Cc: David Zisser; Miriam Chion (MiriamC@abag.ca.gov)
Subject: OBAG Recommendations

Hi Ken and Anne,

Following up on the letter submitted by the 6 Wins and allies in July and the discussion we had with you in August, we have attached some more detailed recommendations about how some of our suggested improvements to the One Bay Area Grant program could be implemented. They relate specifically to local affordable housing production, local anti-displacement and housing policies, and jobs data. For your reference, our original letter is also attached.

We understand that the OBAG program will be coming before the RAWG next week. We would also welcome another opportunity to sit down with you this month to discuss our suggestions in more detail.

Thanks for your attention,
Sam

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**Recommended Modifications to the One Bay Area Grant Program to Advance
Investment without Displacement, Affordable Housing, and Economic Opportunity:**

September 30, 2015

This memo offers specific suggestions for operationalizing several of the improvements to the One Bay Area Grant (OBAG) Program recommended in our letter of July 2, 2015. As explained in that letter, the OBAG Program is one of the most important and innovative elements of Plan Bay Area, creating vital links between the regional plan and local implementation. When the OBAG program was first conceived, it was described as a mechanism to use transportation funding as an incentive to encourage local jurisdictions to do more to preserve and expand affordable housing, particularly since Plan Bay Area allocates substantial amounts of transportation funds but not affordable housing funds. The need for these incentives is all the more urgent given the loss of redevelopment funding and deep cuts in federal housing funds. Moreover, in adopting Plan Bay Area in 2013, MTC and ABAG committed to strengthening the ties between OBAG funding and “jurisdiction-level affordable housing planning, production, acquisition and rehabilitation” and “neighborhood stabilization and anti-displacement policies.”¹ Now is the time to implement those changes and to ensure that critical data about jobs and wages is collected for this major expenditure of public dollars.

(1) Strengthen the ties between local affordable housing production and OBAG funds. We recommend adopting both of the following approaches to realizing OBAG’s promise as an incentive and support to local jurisdictions that are embracing their role in meeting the regional need for affordable housing:

- Provide data about what percentage of each county’s OBAG funding pool is attributable to every jurisdiction within that county, and direct CMAs to take this into account in evaluating project proposals. Currently, MTC and ABAG evaluate a variety of factors, including past and planned affordable and overall housing production, to determine each county’s share of OBAG funding, but CMAs aren’t required to take into account local policies and performance in determining local allocations of OBAG funds. The county-level allocation formula should be run for each local jurisdiction so that it is clear which cities accounted for the greatest weight in securing the county’s share of OBAG funding. CMAs should then be given clear direction to prioritize projects in jurisdictions that have performed more strongly against these criteria.
- Direct CMAs to prioritize projects in jurisdictions that have produced a relatively greater percentage of lower-income (very low and low income) housing compared their target percentage over the last two RHNA cycles. That is, if lower-income housing constituted 50% of a jurisdiction’s RHNA over this period, that jurisdiction would be performing well if substantially more than 50% of the housing actually produced was lower-income, and poorly if substantially less than 50% of the housing produced was lower-income. Jurisdictions should be evaluated based on how close they come to meeting, or how far they exceed, against this metric relative to other jurisdictions in that county. We specifically recommend measuring the low- and very-low income share of total production rather than absolute numbers for this metric in order to account for the difference in size of different jurisdictions. This metric would allow smaller jurisdictions with strong affordable-housing track records to compete against larger jurisdictions and also avoid “penalizing” jurisdictions with weaker markets where total production may have lagged.

¹ Plan Bay Area 2013, page 122.

- (2) Ensure that all local jurisdictions that receive funding have a locally appropriate set of anti-displacement and affordable housing policies in place, and prioritize funding to those jurisdictions that have particularly strong policies. In order to accomplish this goal, we recommend that a jurisdiction must have adopted and implemented a minimum number of key anti-displacement and affordable housing policies, and that a bonus be given to jurisdictions that exceed this minimum. This recommendation is similar to what we have proposed for the project performance evaluation process, as we believe that both processes should be mutually reinforcing.

ABAG maintains an inventory that lists every Bay Area jurisdiction and which of 30 policies or programs they have, as well as definitions of each policy or program.² Based on our experience, 8 of these policies or programs are generally the most effective at preventing displacement and creating affordable housing opportunities and should be used to assess project support: (1) condominium conversion ordinance, (2) just cause eviction, (3) rent stabilization, (4) mobile home preservation, (5) SRO preservation, (6) housing development impact fee or in-lieu fee, (7) commercial linkage fee, and (8) inclusionary/below market rate housing policy. We suggest adding a 9th policy to this list: local minimum wage above the state's minimum wage, because it addresses the other side of affordability – income. A summary of the number and percentage of jurisdictions that have these 9 policies and programs is attached as Appendix A, and a detailed list of the jurisdictions that have each policy or program is attached as Appendix B.³

- **Require that jurisdictions have at least 2 policies in order to qualify for project funding. Using these criteria, 87 local jurisdictions would qualify for funding.** The remaining jurisdictions should be given sufficient time to adopt policies from this list to qualify for funding. As with the Housing Element requirement for the first round of OBAG funding, the goal would be to encourage all jurisdictions to qualify for funding rather than preventing any jurisdiction from accessing funds.
- In addition, **jurisdictions with more policies from this list should be given funding priority.** Jurisdictions should be rewarded for strong performance. While having minimum standards for OBAG eligibility is important, it is also critical to reward jurisdictions that are going above that minimum to promote the regional imperative to stem the tide of displacement and create affordable housing.
- Lastly, bonus points should be given for jurisdictions that have rent stabilization and just cause policies, as these are particularly effective anti-displacement policies.

- (3) Track and report on the number and wage levels of jobs directly created by OBAG expenditures, including construction, operations, and other jobs funded by either planning or project grants.

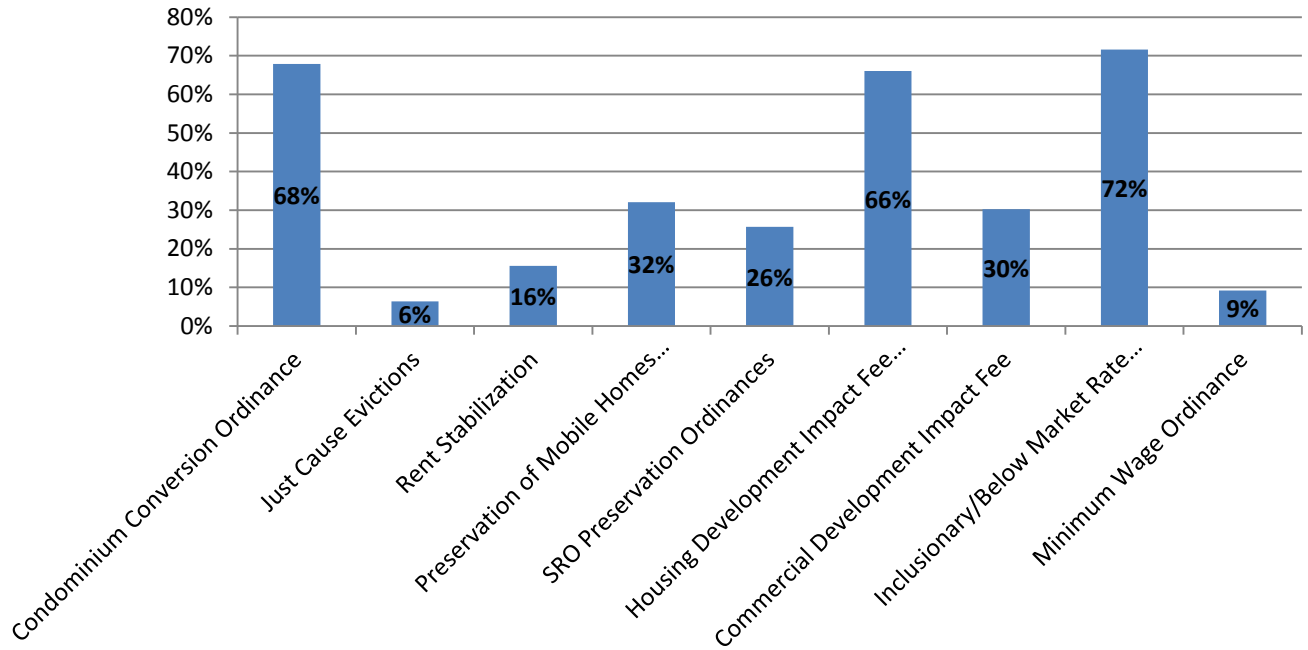
- Implement a pilot program to track and report on the jobs directly created by OBAG expenditures, including construction, operations, and other jobs funded by either planning or project grants. Reporting should include number, duration and wage range of direct jobs, as well as available data on employment of local and/or disadvantaged residents in those jobs. The pilot might focus on gathering data for a few representative projects of different types in order to help inform future rounds of OBAG and other investment activities.

² See ABAG, Housing Research: Bay Area Housing Policy Database v.1.0 (January 2015), available at <http://www.abag.ca.gov/planning/housing/research.html>.

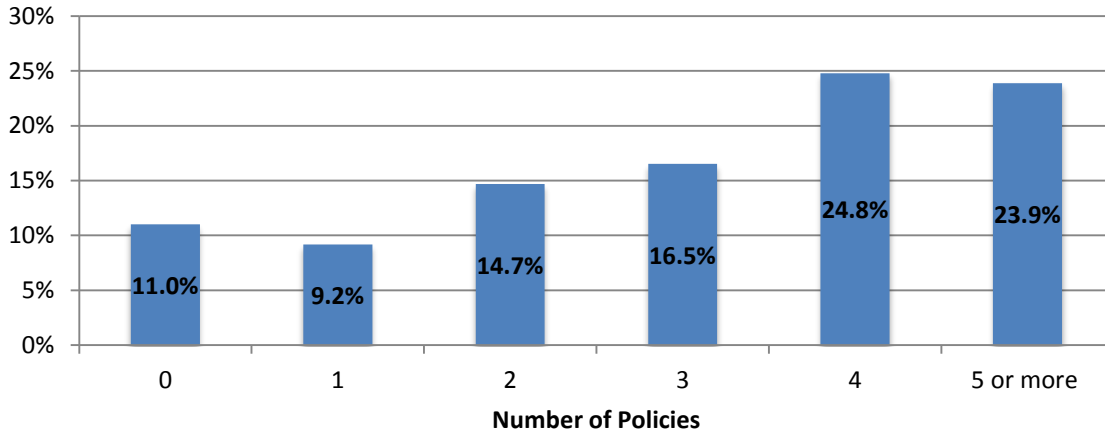
³ Data on the minimum wage ordinances come from Working Partnerships USA. Data on the other 8 policies come from ABAG.

**Appendix A:
Summary of Anti-Displacement and Affordable Housing Policies in the Bay Area**

T1. Percentage of Jurisdictions in the Bay Area with Specific Key Policies



T2. Percentage of Jurisdictions with Key Policies Already in Place by Number of Policies



Number of policies	0	1	2	3	4	5 or more
Number of jurisdictions	12	10	16	18	27	26
Percentage of jurisdictions	11.0%	9.2%	14.7%	16.5%	24.8%	23.9%

**Appendix B:
Anti-Displacement and Affordable Housing Policies by Jurisdiction**

Alameda County																	TOTAL YES (15)
Affordable Housing Policies and Programs	Alameda	Albany	Berkeley	Dublin	Emeryville	Fremont	Hayward	Livermore	Newark	Oakland	Piedmont	Pleasanton	San Leandro	Union City	Unincorporated Alameda County		
Condominium Conversion Ordinance	Y	Y	Y	Y	Y	Y	Y	Y	N	Y	Y	Y	Y	Y	N	13	
Just Cause Evictions	N	N	Y	N	N	N	Y	N	N	Y	N	N	Y	N	N	4	
Rent Stabilization	N	N	Y	N	N	N	Y	N	N	Y	N	N	N	N	N	3	
Preservation of Mobile Homes (Rent Stabilization ordinances)	N	N	N	N	N	N	Y	N	N	Y	N	N	Y	Y	Y	6	
SRO Preservation Ordinances	N	Y	N	N	N	N	N	N	N	Y	N	N	N	N	N	2	
Housing Development Impact Fee and/or In Lieu Fees	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	N	Y	Y	Y	Y	14	
Commercial Development Impact Fee	Y	Y	Y	Y	Y	N	N	Y	Y	Y	N	N	N	N	N	8	
Inclusionary/Below Market Rate Housing Policy	Y	Y	Y	Y	Y	Y	Y	Y	N	N	N	Y	Y	Y	N	11	
	N	N	Y	N	Y	N	N	N	N	Y	N	N	N	N	N	3	
Total Yes	4	5	7	4	5	4	6	4	2	8	1	3	5	4	1		

Contra Costa County																				TOTAL YES (20)	
Affordable Housing Policies and Programs	Antioch	Brentwood	Clayton	Concord	Danville*	El Cerrito*	Hercules*	Lafayette	Martinez	Moraga	Oakley	Orinda*	Pinole*	Pittsburg	Pleasant Hill*	Richmond	San Pablo	San Ramon	Walnut Creek	Unincorporated Contra Costa County	
Condominium Conversion Ordinance	Y	Y	Y	Y	Y	Y	N	N	Y	Y	N	N	N	Y	Y	Y	N	Y	Y	Y	14
Just Cause Evictions	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	Y	N	N	N	N	1
Rent Stabilization	N	N	N	Y	Y	N	Y	N	N	N	N	N	N	N	N	Y	N	N	N	N	4
Preservation of Mobile Homes (Rent Stabilization)	N	N	N	Y	N	N	N	N	N	N	Y	N	N	N	N	N	N	N	N	N	2
SRO Preservation Ordinances	Y	N	Y	Y	Y	N	Y	N	N	Y	Y	N	N	N	Y	Y	Y	Y	N	Y	12
Housing Development Impact Fee and/or In Lieu Fees	Y	Y	Y	Y	N	Y	Y	N	Y	N	Y	N	Y	Y	Y	Y	Y	Y	Y	Y	15
Commercial Development Impact Fee	Y	Y	N	N	N	N	N	N	Y	N	N	N	Y	N	N	Y	N	Y	Y	Y	7
Inclusionary/Below Market Rate Housing Policy	N	Y	N	Y	Y	Y	Y	N	Y	N	Y	N	Y	Y	Y	Y	Y	Y	Y	Y	15
Minimum Wage Ordinance	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	Y	N	N	N	N	1
Total Yes	4	4	3	6	4	3	4	0	4	2	4	0	3	3	4	8	3	5	4	3	

Marin County													TOTAL YES (12)
Affordable Housing Policies and Programs	Belvedere	Corte Madera*	Fairfax	Larkspur*	Marin County	Mill Valley*	Novato*	Ross	San Anselmo*	San Rafael	Sausalito*	Tiburon	
Condominium Conversion Ordinance	Y	Y	N	N	Y	Y	Y	N	Y	Y	Y	Y	9
Just Cause Evictions	N	N	N	N	N	N	N	N	N	N	N	N	0
Rent Stabilization	N	N	N	N	N	N	N	N	N	N	N	N	0
Preservation of Mobile Homes (Rent Stabilization ordinances)	N	N	N	N	N	N	Y	N	N	Y	N	N	2
SRO Preservation Ordinances	N	N	N	N	N	N	N	N	N	Y	N	N	1
Housing Development Impact Fee and/or In Lieu Fees	N	N	Y	N	Y	Y	Y	N	Y	Y	N	UC	6
Commercial Development Impact Fee	N	Y	N	UC	Y	N	N	N	N	N	N	UC	2
Inclusionary/Below Market Rate Housing Policy	N	N	N	Y	Y	Y	Y	N	Y	Y	Y	Y	8
Minimum Wage Ordinance	N	N	N	N	N	N	N	N	N	N	N	N	0
Total Yes	1	2	1	1	4	3	4	0	3	5	2	2	

Napa County							TOTAL YES (6)
Affordable Housing Policies and Programs	American Canyon	Calistoga	Napa	St. Helena*	Yountville	Unincorporated Napa County*	
Condominium Conversion Ordinance	Y	N	Y	Y	Y	N	4
Just Cause Evictions	N	N	N	N	N	N	0
Rent Stabilization	Y	N	N	N	N	N	1
Preservation of Mobile Homes (Rent Stabilization ordinances)	Y	Y	N	N	Y	Y	4
SRO Preservation Ordinances	N	N	Y	N	N	Y	2
Housing Development Impact Fee and/or In Lieu Fees	N	Y	Y	Y	Y	Y	5
Commercial Development Impact Fee	N	Y	Y	N	Y	Y	4
Inclusionary/Below Market Rate Housing Policy	Y	Y	Y	Y	Y	N	5
Minimum Wage Ordinance	N	N	N	N	N	N	0
Total Yes	4	4	5	3	5	4	

San Francisco County		TOTAL YES (1)
Affordable Housing Policies and Programs	San Francisco	
Condominium Conversion Ordinance	Y	1
Just Cause Evictions	Y	1
Rent Stabilization	Y	1
Preservation of Mobile Homes (Rent Stabilization)	N	0
SRO Preservation Ordinances	Y	1
Housing Development Impact Fee and/or In Lieu Fees	Y	1
Commercial Development Impact Fee	Y	1
Inclusionary/Below Market Rate Housing Policy	Y	1
Minimum Wage Ordinance	Y	1
Total Yes	8	

San Mateo County																						TOTAL YES (21)
Affordable Housing Policies and Programs	Atherton*	Belmont*	Brisbane	Burlingame	Colma	Daly City	East Palo Alto	Foster City	Half Moon Bay	Hillsborough	Menlo Park	Millbrae*	Pacifica	Portola Valley*	Redwood City	San Bruno*	San Carlos	San Mateo	South San Francisco*	Woodside	Unincorporated San Mateo County	
Condominium Conversion Ordinance	N	Y	Y	Y	N	Y	Y	Y	Y	N	Y	Y	Y	N	N	N	N	N	Y	N	Y	12
Just Cause Evictions	N	N	N	N	N	N	Y	N	N	N	N	N	N	N	N	N	N	N	N	N	N	1
Rent Stabilization	N	N	N	N	N	N	Y	N	N	N	N	N	N	N	N	N	N	N	N	N	N	1
Preservation of Mobile Homes (Rent Stabilization)	N	N	Y	N	N	N	Y	N	N	N	N	N	Y	N	N	N	N	N	N	N	Y	4
SRO Preservation Ordinances	N	N	Y	N	N	N	N	N	N	N	N	N	N	N	N	N	Y	N	Y	N	N	3
Housing Development Impact Fee and/or In Lieu Fees	N	N	Y	UC	N	Y	Y	N	N	N	Y	Y	Y	Y	Y	Y	Y	N	N	N	Y	11
Commercial Development Impact Fee	N	N	N	UC	N	N	N/A*	N	N	N	Y	N	N	N	Y	N	N	N	UC	N	N	2
Inclusionary/Below Market Rate Housing Policy	N	N	Y	Y	Y	Y	Y	Y	Y	N	Y	Y	Y	Y	Y	Y	N	N	Y	N	Y	15
Minimum Wage Ordinance	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	0
Total Yes	0	1	5	2	1	3	6	2	2	0	4	3	4	2	3	2	2	0	3	0	4	

Santa Clara County																	TOTAL YES (16)
Affordable Housing Policies and Programs	Campbell*	Cupertino	Gilroy	Los Altos	Los Altos Hills	Los Gatos	Milpitas	Monte Sereno	Morgan Hill	Mountain View	Palo Alto	San Jose	Santa Clara	Saratoga*	Sunnyvale	Unincorporated Santa Clara County*	
Condominium Conversion Ordinance	N	Y	Y	Y	N	N	Y	N	Y	Y	Y	N	Y	N	Y	N	9
Just Cause Evictions	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	0
Rent Stabilization	Y	N	Y	N	N	Y	N	N	N	N	N	Y	N	N	N	N	4
Preservation of Mobile Homes (Rent Stabilization ordinances)	N	N	Y	N	N	Y	Y	N	Y	Y	Y	Y	N	N	Y	N	8
SRO Preservation Ordinances	Y	Y	N	N	N	N	N	N	N	N	N	N	N	Y	N	N	3
Housing Development Impact Fee and/or In Lieu Fees	N	Y	Y	N	N	Y	N	N	Y	Y	Y	Y	Y	Y	Y	N	10
Commercial Development Impact Fee	N	Y	Y	N	N	N	N	N	N	Y	Y	N	N	N	Y	N	5
Inclusionary/Below Market Rate Housing Policy	Y	Y	Y	Y	N	Y	N	N	Y	Y	Y	Y	Y	N	Y	N	11
Minimum Wage Ordinance	N	N	N	N	N	N	N	N	N	Y	Y	Y	Y	N	Y	N	5
Total Yes	3	5	6	2	0	4	2	0	4	6	6	5	4	2	6	0	

Solano County									TOTAL YES (8)
Affordable Housing Policies and Programs	Benicia	Dixon	Fairfield	Rio Vista*	Suisun City*	Vacaville*	Vallejo*	Unincorporated Solano County*	
Condominium Conversion Ordinance	Y	N	Y	N	N	Y	Y	N	4
Just Cause Evictions	N	N	N	N	N	N	N	N	0
Rent Stabilization	N	N	N	N	N	N	N	N	0
Preservation of Mobile Homes (Rent Stabilization)	Y	N	N	N	N	N	N	N	1
SRO Preservation Ordinances	N	N	Y	N	N	N	UC	Y	2
Housing Development Impact Fee and/or In Lieu Fees	Y	N	N	N	N	N	N	N	1
Commercial Development Impact Fee	N	N	N	N	N	N	N	N	0
Inclusionary/Below Market Rate Housing Policy	Y	Y	Y	N	N	N	UC	N	3
Minimum Wage Ordinance	N	N	N	N	N	N	N	N	0
Total Yes	4	1	3	0	0	1	1	1	

Sonoma County											TOTALYES (10)
Affordable Housing Policies and Programs	Cloverdale	Cotati	Healdsburg*	Petaluma	Rohnert Park	Santa Rosa	Sebastopol	Sonoma	Windsor	Unincorporated Sonoma County*	
Condominium Conversion Ordinance	Y	Y	Y	Y	Y	Y	Y	Y	N	N	8
Just Cause Evictions	N	N	N	N	N	N	N	N	N	N	0
Rent Stabilization	N	Y	Y	Y	N	N	N	N	N	N	3
Preservation of Mobile Homes (Rent Stabilization)	N	Y	Y	Y	Y	Y	Y	Y	N	Y	8
SRO Preservation Ordinances	Y	N	N	N	N	N	N	N	N	Y	2
Housing Development Impact Fee and/or In Lieu Fees	Y	Y	Y	Y	Y	Y	Y	N	Y	Y	9
Commercial Development Impact Fee	Y	Y	N	Y	N	N	Y	N	N	N	4
Inclusionary/Below Market Rate Housing Policy	Y	Y	Y	Y	Y	Y	Y	Y	Y	N	9
Minimum Wage Ordinance	N	N	N	N	N	N	N	N	N	N	0
Total Yes	5	6	5	6	4	4	5	3	2	3	

October 7, 2015

Mr. Steve Heminger
Executive Director
Metropolitan Transportation Commission
101 Eighth Street
Oakland, CA 94607

Re: Metropolitan Transportation Commission's (MTC) Support for a Bay Area Preservation Fund for Affordable Housing and Community Stabilization

Dear Mr. Heminger:

While housing costs soar across the region, long-time residents are increasingly at-risk of being displaced from their neighborhood or the region. Plan Bay Area 2040 will begin to address these issues with targets that include housing and transportation affordability and displacement. Building upon MTC's historic investments in the Transit-Oriented Affordable Housing Fund (TOAH), we are requesting that MTC set aside \$10 million of One Bay Area Grant (OBAG) funding for two years to explore the creation of a Bay Area Preservation Fund that would target the preservation of affordable homes throughout the region's Priority Development Areas (PDAs).

Communities throughout the region are undergoing significant and rapid change. We recognize that change is inevitable especially in a region that is expected to grow by 2 million people by 2040. However, in many of these communities, the drivers of change include speculation, cash-only buyers, and surge of evictions coupled with strong market and demographic trends of living in urban neighborhoods well-served by transit. According to the Urban Displacement Project, 53% of Bay Area neighborhoods are at risk or already have experienced displacement. The Bay Area region has lost 50% of its homes affordable to low-income households while the number of low-income households has increased by 10% between 2000-2013.¹ Nobody feels this pinch more than Bay Area working families who pay astronomical rents, work several jobs to pay their bills—of which rent and transportation accounts for 59% of their income — and worry about their stability with rampant evictions.²

Cities and regions across the country are realizing that building affordable homes is not sufficient to address displacement: they also need to preserve existing affordable homes to achieve community stabilization. *Preservation generally costs half as much and takes half the time to build compared to new construction* and serves a wider range of incomes, from very low- to low-income households. Furthermore, preservation retains affordability in communities with limited sites available for new affordable construction.

MTC was forward-thinking in 2008 when creating TOAH which has been instrumental in securing the scarce and well-sought after sites near transit for affordable homes in our communities. Affordable housing has proven to be one of the best uses of this precious land because it both creates a permanent affordability and ensures ridership—lower-income households drive 25-30% fewer miles when living within a half-mile of transit than those living in non-transit-oriented development (TOD) areas.³ With new state resources through the Greenhouse Gas Reduction Fund, specifically the Affordable Housing and Sustainable Communities program, TOAH will see an uptick in utilization helping to ensure the long-term affordability of a community.

¹ Urban Displacement Project, <http://www.urbandisplacement.org/>

² Urban Land Institute, Bay Area Burden, 2009.

³ California Housing Partnership and TransForm, Why Creating and Preserving Affordable Homes Near Transit Is A Highly Effective Climate Protection Strategy, 2014.

With TOAH focusing on new construction, the next wave of MTC's investment should focus on preservation of existing affordable homes. There are generally two types of homes that fall into this category, which include homes that are currently affordable because of deed restrictions and naturally-occurring affordable homes in the market. Through the Bay Area Prosperity Plan, the California Housing Partnership Corporation identified 5,495 units that are at risk of converting to market-rate because their deed restrictions are set to expire as determined by financing terms.

There is no estimate of the number of naturally-occurring affordable homes in the region, but Enterprise Community Partners and the Low-Income Investment Fund, who have been instrumental in the conceptualization of TOAH, have embarked on an in-depth preservation study of market-rate affordable housing. The case studies of three Bay Area neighborhoods of West San Carlos in San Jose, Monument Corridor in Concord, and Hegenberger Road in Oakland have yielded some interesting preliminary findings. The majority of naturally-occurring affordable units are in multi-family properties with 5 or less units. However, there are key properties next to transit that are 20 to 100 units that are appropriate for preservation since they are financially feasible to acquire and manage by non-profit housing developers. *There is a finite supply of these ideal properties for preservation, and now is the time to act before speculators and cash-only buyers prevail.*

Across the country we are seeing nascent preservation funds emerge in Los Angeles as the metro system expands, in Washington DC as the *Stake Your Claim* campaign is gaining cross-sector interest, and even in smaller cities like Austin, TX. Closer to home, the East Bay Asian Local Development Corporation (EBALDC) is piloting a preservation fund through a partnership with NeighborWorks where a line of credit has allowed EBALDC to compete with the same advantages as for-profit buyers.

We have learned from these cities and regions that in order for a preservation fund to be effective, there are two attributes that are paramount:

1. **Nimble and quick**—access to credit that allows non-profit housing developers to make all-cash offers with short escrow periods. In other words, level the playing field with for-profit buyers who have deep pockets.
2. **Low-cost and patient**—more favorable financing compared to conventional lenders such as low interest with a 10-year term. This allows for calculated risks, innovation, and flexibility as non-profit housing developers undertake preservation.

Leverage is the true power of a fund. We have seen this firsthand with an initial \$10 million in seed investment by MTC in TOAH which is now capitalized at \$87 million. As such, we propose that at the end of two years, cities and funders have a business plan and additional funding to operationalize the Bay Area Preservation Fund. Should no such proposal prove forthcoming, these funds can be returned to the OBAG program for distribution to deserving projects.

We recognize a Bay Area Preservation Fund alone will not stop displacement and gentrification, but we strongly believe that it is a critical next step MTC needs to embark on as inequality grows in the region. We look forward to MTC's leadership on this issue.

Sincerely,



Mayor Libby Schaaf
City of Oakland

Mayor Tom Butt
City of Richmond

Mayor John McAlister
City of Mountain View

Council Member David J. Canepa
City of Daly City



Kate Hartley
Deputy Director—Housing, Mayor’s Office of Housing and Community Development
City and County of San Francisco



Jacky Morales-Ferrand
Interim Director—Department of Housing
City of San José

Kara Douglas
Affordable Housing Program Manager
Contra Costa County

Margot Ernst
Housing Program Manager
City of Walnut Creek

Kelly Wallace
Acting Director—Health, Housing & Community Services Department
City of Berkeley



Fred Diaz
City Manger
City of Fremont

Ross McKeown

From: Robert Macaulay <rmacaulay@sta.ca.gov>
Sent: Friday, October 23, 2015 3:30 PM
To: Ross McKeown
Subject: City of Dixon OBAG 2 Eligibility
Attachments: City of Dixon Housing Element Letter Oct 23 2015.pdf

On behalf of the City of Dixon, the STA is requesting that the City be deemed eligible to apply for and receive OBAG Cycle 2 funds with regards to the requirement to have a certified Housing Element. Please forward this letter to the appropriate staff and Committees at MTC.

Attached is a letter from the City of Dixon regarding the status of their Housing Element. The City received a letter from HCD on August 6, 2015, conditionally approving their Housing Element.

The OBAG guidelines set deadlines for cities to have approved Housing Elements in order to be eligible for OBAG 2 funds, and Dixon has had difficulties meeting these deadlines. I believe that the City's letter clearly spells out the challenges they have faced, including staffing issues, and the actions they have been taking to construct affordable housing in their community.

The City's letter also spells out a timeline for making the final change specified in the August 6 letter, and that timeline exceeds the January 31, 2016 deadline set by MTC. The City's timeline anticipates completion of the specific plan and zoning changes in the second quarter of 2016. Given the statutory and practical needs for notices, public input, and both Planning Commission and City Council action, I believe this is a realistic timeframe. The presence of numerous holidays between now and the end of January 2016, with the resultant reduction in the number of Planning Commission and City Council meetings, makes achievement of the specific plan and zoning changes in the next 90 days all but impossible.

Please feel free to call me or Dixon's Public Work Director Joe Leach at 707-678-7031 x 305 if we can provide you with any additional information.

Robert Macaulay
Director of Planning
rmacaulay@sta.ca.gov
(o) 707 399-3204
(c) 707 580-0458



MAYOR JACK BATCHELOR, JR.
VICE MAYOR JERRY CASTAÑON, SR.
COUNCILMEMBER STEVEN BIRD

COUNCILMEMBER SCOTT PEDERSON
COUNCILMEMBER TED HICKMAN
CITY TREASURER DANE BESNEATTE

October 23, 2015

Robert Macauley
Director of Planning
Solano Transportation Authority
One Harbor Center, Suite 130
Suisun City, CA 94585
rmacaulay@sta.ca.gov

RE: Dixon's 5th Cycle (2015-2023) Adopted Housing Element Implementation Schedule

Mr. Macauley,

Per our discussion over the last week, we understand that the Metropolitan Transportation Commission (MTC) staff has expressed to STA staff their concern that the City's Housing Element has been "conditionally" approved by the Department of Housing and Community Development (HCD) per the attached August 6, 2015 letter (Attachment 1) from Mr. Glen A. Campora, Assistant Deputy Director. MTC desires to gain information regarding how the City intends to completely fulfill the Housing Element requirements by the noted deadline of January 31, 2016.

In order to answer the questions of schedule, I believe it imperative that MTC understand the efforts the City has undertaken to achieve 234 planned/constructed units of the 250-unit Regional Housing Need Allocation (RHNA) requirement (Attachment 2, Table IV-2 on page IV-3).

1. Heritage Commons
 - a. Phase 1 (**60 units**) – Construction completed in 2013
 - b. Phase 2 (**54 units**) – under construction; scheduled to be completed in 2016
 - c. Phase 3 (**6 units**) – planned
2. Valley Glen Apartments
 - a. **59 units** – Construction completed in 2013
3. Various existing sites
 - a. Zoned PMU-2-PD with allowable densities between 14.53 and 21.78 units/acre.
 - b. Map ID No's. 1 through 7 – **55 units** (Attachment 2)

As detailed in the House Element Update (Attachment 2, Table IV-5, pps. V-19, V-20 & V-45), the balance of the 16 units would need to come from the Southwest Dixon Specific Plan Area (SWDSPA). Currently the SWDSPA reflects a Zoning Designation for the two parcels totaling 10.7 acres as RM-2 as a result of a rezone action in 2005 (see Attachment 3). These two

City of Dixon

600 East A Street • Dixon, California • 95620-3697
(707) 678-7030 • FAX (707) 678-7039 • TTY (707) 678-1489

parcels would need to be rezoned to RM-4 to yield total 231 units, 16 of which would be applied to the RHNA Cycle 4 shortfall.

It should be noted that as the site plans and infrastructure plans for SWDSPA were being developed in the mid-2000s, it was anticipated that the area in question would be rezoned to a higher density, as evidenced by the Conceptual Site Plan dated October 2006 (Attachment 4 denotes the clouded area yielding 231 units).

Additionally, and of extreme significance, the City has accomplished the above with temporary and/or part-time staff working aggressively with consultants. Amidst ongoing recruitment efforts, the City has been without a full time Community Development Director (CDD) since Fall 2012. The Department has been challenged by staff turnover: the departure of a part-time Associate Planner and a contract, part-time CDD (8+ years of local institutional knowledge); the addition of a CDD consultant (since August 2015) and full time Associate Planner (since September 2015). As it is not difficult to image, the result of these transitions has been the delay in processing projects. The recruitment effort for the position of CDD has been increased with the retaining of a professional placement consultant with the expectation of filling the position during the first quarter of 2016.

In an effort to continue to demonstrate the City's commitment to adhere the HCD requirements, we are proposing the Process/Schedule below:

Proposed Process/Tentative Schedule

- 1Q 2016 Complete Environmental Analysis for rezone of two parcels totaling 10.7 acres within the SWDSPA and impacts to Specific Plan Amendment and General Plan Amendment

- 1Q 2016 Noticing of Planning Commission Public Hearing

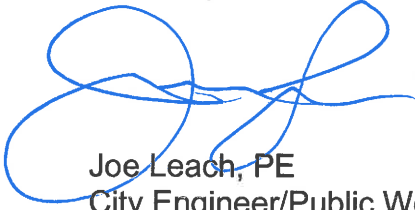
- 2Q 2016 Planning Commission Public Hearing of Rezone, SP/GP Amendments; City Council Adoption of Rezone/Amendments

It is acknowledged that the above schedule does not conform to the schedule noted in the HCD approval letter. It is the City's hope and expectation that MTC staff would consider both the level of effort demonstrated to date and the extenuating circumstances this municipality has weathered during the last several years.

Please contact me at 707-678-7031 x 305 or jleach@ci.dixon.ca.us if you have any questions or require any additional information.

Mr. Robert Macauley
MTC Response Letter
October 23, 2015
Page 3 of 3

Sincerely,

A handwritten signature in blue ink, appearing to read "Joe Leach, PE". The signature is stylized with several loops and a long horizontal stroke extending to the left.

Joe Leach, PE
City Engineer/Public Works Director

Attachments

- 1 – HCD's approval letter of Dixon's Adopted Housing Element August 6, 2015
- 2 – City of Dixon Housing Element Update 2015-2023 (select pages)
- 3 – Ordinance No. 05-011 rezone of Southwest Dixon Specific Plan Area
- 4 – Conceptual Site Plan dated October 2006

CC: Jim Lindley, City Manager
Joan Michaels Aguilar, Deputy City Manager/Administrative Services
Douglas L. White, Churchwell White LLP, Legal Counsel
George Osner, Interim Community Development Director
Scott Greeley, Associate Planner
Jennifer Gastelum, PMC

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF HOUSING POLICY DEVELOPMENT**

2020 W. El Camino Avenue, Suite 500
Sacramento, CA 95833
(916) 263-2911 / FAX (916) 263-7453
www.hcd.ca.gov



August 6, 2015

Mr. Jim Lindley, City Manger
City of Dixon
600 East A Street
Dixon, CA 95620

Dear Mr. Lindley:

RE: City of Dixon's 5th Cycle (2015-2023) Adopted Housing Element

Thank you for submitting the City of Dixon's housing element adopted May 26, 2015 which was received for review on May 29, 2015. Pursuant to Government Code (GC) Section 65585(h), the Department is reporting the results of its review.

The adopted element conditionally meets the statutory requirements of State housing element law (GC, Article 10.6). The Department's review found the adopted element to be substantially the same as the revised draft element the Department's April 8, 2015 review determined met statutory requirements. The finding of compliance is conditioned on the City zoning adequate sites to address the unaccommodated housing need from the prior planning period.

Please be aware, for the housing element to continue to demonstrate adequate sites after January 31, 2016, the City must complete Program 5.3.1 actions. This program commits to rezone sites to accommodate the 16 unit carryover of housing need not met in the 4th cycle by January 31, 2016. Pursuant to GC Section 65584.09, a jurisdiction that failed to identify or make available adequate sites to accommodate all of the previous cycle's housing need must zone or rezone adequate sites to accommodate all of the previous cycle's unmet housing need within the first year of the next housing element cycle. The City must monitor and report on the results of this and other programs through the annual progress report, required pursuant to GC Section 65400.

Please note the City of Dixon now meets specific requirements for State funding programs designed to reward local governments for compliance with State housing element law. For example, the Department's Housing Related Parks Program includes housing element compliance as a threshold requirement. Please see the Department's website for specific information about this and other State funding programs at http://www.hcd.ca.gov/hpd/hrc/plan/he/loan_grant_hcompl011708.pdf.

The Department appreciates the work provided by Mss. Jennifer Gastelum and Amy Sinshimer, the City's consultants, throughout the course of the housing element review. The Department wishes the City of Dixon success in implementing its housing element. If the Department can provide assistance in implementing the housing element, please contact Melinda Coy, of our staff, at (916) 263-7425.

Sincerely,



Glen A. Campora
Assistant Deputy Director



City of Dixon Housing Element Update 2015–2023

Draft
February 2015



Prepared by:



2729 Prospect Park Drive, Suite 220
Rancho Cordova, CA 95670



2. Options for Complying with the Adequate Site Requirement

State law requires jurisdictions to demonstrate that “adequate sites” will be made available over the planning period (2015–2023 for the ABAG region) to facilitate and encourage a sufficient level of new housing production. Jurisdictions must also demonstrate that appropriate zoning and development standards, as well as services and facilities, will be in place to facilitate and encourage housing. The Housing Element must inventory land suitable for residential development, including vacant and underutilized sites, and analyzes the relationship of zoning and public facilities and services to these sites.

In complying with the adequate site requirement, jurisdictions can take credit for the number of new units built during the RHNA cycle of 2014–2022 toward the RHNA. This includes new housing units either built or approved since January 1, 2014.

State law also allows jurisdictions to fulfill a portion of the RHNA with existing housing units. Under Assembly Bill (AB) 438, jurisdictions can fulfill up to 25 percent of the RHNA for lower-income households through the acquisition/rehabilitation of qualified substandard units that would otherwise be demolished. Given the stringent criteria of AB 438, few communities in the state have been able to take advantage of this provision.

AB 438 also authorizes jurisdictions to fulfill a portion of the RHNA through the preservation of affordable units that would otherwise revert to market rents (at-risk units) but are preserved through committed assistance from the jurisdiction. However, the high cost of preserving the at-risk units is beyond the current financial resources of the City.

The following discussion identifies how the City may provide for a sufficient number of sites to facilitate housing production commensurate with the 2014–2022 RHNA. In evaluating the adequacy of sites to fulfill the RHNA by income level, HCD assesses a jurisdiction’s development potential by zoning district and corresponding density level.

3. Progress Toward Meeting Housing Needs

An important component of the Housing Element is the identification of sites for future housing development and evaluation of the adequacy of these sites in fulfilling Dixon’s share of the Regional Housing Needs Allocation, as determined by ABAG.

In the 4th cycle Housing Element update, the City included Program 5.3.1, stating that the City would accommodate its remaining lower-income RHNA by rezoning enough sites to RM-4 to address a shortfall of 250 units. The City has since rezoned property and approved projects to accommodate all but 16 units of the 250. **Table IV-2** details the projects/sites that have addressed the requirements of Program 5.3.1.



**TABLE IV-2
PROGRESS TOWARD ADDRESSING THE 4TH CYCLE RHNA SHORTFALL**

APN	Project Description	Acreage	Units	Income-Category
116-030-150	Heritage Commons Affordable Senior Apartments	5.07	120	Extremely Low and Very Low
114-030-033	Valley Glen Rental Apartment Complex (farmworker housing)	5.00	59	Extremely Low and Very Low
Multiple	Upzoning of seven parcels to PMU-2	7.12	55	Extremely Low, Very Low and Low based on default density
Remaining RHNA			16	

In addition to the two approved projects in the table above, the City provided Redevelopment funds to two homes (on the same lot) that that care for up to 12 homeless veterans. The facility opened in 2009. This facility is considered transitional housing which is temporary by definition therefore the 12 beds don't count towards the 4th cycle RHNA.

In order to accommodate the 16 remaining units, rezoning of the Southwest Affordable Housing site is proposed. The two parcels that make up the site total 10.7 acres and are currently zoned RM-2. An affordable housing project for 131 units has been approved on a portion of the site. Per the Development Agreement, the units will be affordable to low-income households or lower depending on the final plans for development. In order to accommodate the densities allowed under the project, the site will need to be rezoned to RM-4, which allows densities between 22 and 29 units per acre, densities feasible to facilitate development of housing affordable to lower-income households in Dixon. Although a project has been approved on the site, building permits have not been approved and the project is not currently moving forward. Program 5.3.1 proposes to rezone the entire 10.7 acres; the City estimates that the site has a realistic capacity of 231 units (131 of these units have already been approved as part of the approved project as described above). The RM-4 zoning will have a minimum allowed density of 22 units per acre with a maximum of 29 units per acre. This program will be implemented within one year of the beginning of the 5th cycle planning period or January 31, 2016, and the remaining 215 units that can realistically be accommodated on the site will be available as part of the 5th cycle land inventory.

As part of the 2015–2023 Housing Element update, an analysis of the residential development potential in Dixon was conducted. City staff performed a parcel-specific vacant and underutilized sites analysis. The results of this analysis are summarized in **Table IV-3** and compared to the City's share of the RHNA.



HOUSING ELEMENT

**TABLE IV-5
CITY OF DIXON LAND INVENTORY**

Map ID	APN	Zone	Proposed Zone	Area	Allowable Density	General Plan Designation	Acres	Realistic Unit Capacity 75 percent	Existing Use	Infrastructure Capacity	Constraints	Exempt from Measure B
HIGH DENSITY SITES												
1	115-060-120	PMU-2-PD	n/a	North First & East F Street	14.53- 21.78	Planned Mixed Use	0.15	11	Vacant	Yes	None	Yes
2	115-060-140			North First & East F Street		Planned Mixed Use	1.30		Vacant	Yes	None	Yes
3	115-070-160	PMU-2-PD	n/a	North First/Second Street	14.53-21.78	Planned Mixed Use	1.67	17	Single family house	Yes	None	Yes
4	115-070-170						0.25					
5	115-070-180	PMU-2-PD	n/a				0.25		Vacant	Yes	None	Yes
6	113-066-130	PMU-2-PD	n/a	Jefferson & West D Street	14.53- 21.78	Planned Mixed Use	2.56	20	Vacant	Yes	Drainage	Yes
7	113-066-020	PMU-2-PD	n/a	Jefferson & West D Street	14.53- 21.78	Planned Mixed Use	0.94	7	Grain silos	Yes	Drainage	Yes
							7.12	55				
APPROVED BUT NOT APPROPRIATELY ZONED HIGH DENSITY SITES												
8	114-011-010	RM-2	RM-4	Southwest Dixon Specific Plan	21.78-29.04	MDH		115	Vacant	Yes	None	Yes, through 2020
9	114-011-040	RM-2	RM-4	Southwest Dixon Specific Plan	21.78-29.04	LD	10.70	100	Vacant	Yes	None	Yes, through 2020
				Total High Density			17.80	215¹				
SPECIFIC PLANS/PLANNED DEVELOPMENTS												
10	116-030-140	PMR	n/a	Brookfield Subdivision	5.46	MDL	3.48	19	Vacant	Yes	None	No
11	116-030-160	PMR	n/a	Brookfield Subdivision	8.33	MDL	12.12	101	Vacant	Yes	None	No
12	116-030-170	PMR	n/a	Brookfield Subdivision	8.46	MDL	9.81	83	Vacant	Yes	None	No
13	116-030-180	PMR	n/a	Brookfield Subdivision	5.06	MDL	15.20	77	Vacant	Yes	None	No
				Total Medium Density			40.61	280				
14	116-030-190	PMR	n/a	Brookfield Subdivision	3.46	LD	2.89	10	Vacant	Yes	None	No
15	116-030-200	PMR	n/a	Brookfield Subdivision	4.18	LD	11.70	49	Vacant	Yes	None	No
16	116-030-210	PMR	n/a	Brookfield Subdivision	3.80	LD	16.31	62	Vacant	Yes	None	No
17	114-030-230, 240 and 250	PMR-PD, R1-PD	n/a	Valley Glen Planned Development	3.53	VLD,LD,MDL,G	89.28	316	Vacant	Yes	None	No
				Total Low Density			120.18	437				

Source: City of Dixon, 2014

Note 1: The Development agreement for this project is for 231 units. 16 of those units are not shown in this table as they have been allotted towards the 4th cycle RHNA.

February 2015



HOUSING ELEMENT

Housing Program	Five-Year Objective	Progress	Continue/ Modify/Delete
<p>development of affordable housing.</p> <p>Responsible Agency: Community Development Department</p> <p>Time Frame: Annually</p> <p>Funding: General Fund</p>	<p>unused allotment to be used in the following five-year period would apply in addition to the 15 percent already allowed.</p>	<p>development. Therefore, communication with developers interested in affordable housing regarding the availability of unused Measure B allotments has not been appropriate. The Council has not passed a resolution stating that unused allotments used in the following five-year period would apply in addition to the 15 percent already allowed.</p> <p>Appropriate: Modify to clarify language in objective and continue.</p>	
<p>5-3.1 Program to Rezone Sites: The City's residential sites inventory currently provides vacant land for 2,338 units within the planning period of this Housing Element. To meet the adequate sites requirement for the Regional Housing Need Allocation (RHNA), the sites inventory falls short of the lower-income housing production requirement by 250 units, as shown in Table IV-3 of the Resources section of the Housing Element. The City has identified approximately 30.13 acres of land to rezone to RM-4 (High Density Multi-family Residential, allowing 22-29 units per acre) that can potentially facilitate the development of approximately 489 units affordable to lower-income households.</p>	<p>The City will amend the Zoning Ordinance by June 2010 to include both a RM-3 and RM-4 district. The City plans to rezone 30.13 acres of land to the RM-4 district to facilitate the development of affordable housing. The City also plans to rezone the High Density Senior site (Simpson Senior Housing) to the new RM-4 district.</p>	<p>Effectiveness: This program was substantially effective.</p> <p>Progress: In 2009, the Core Area Mixed Use land use allowable density was changed from a maximum of 8.7 units per acre to a range of 6.23 to 21.78 units per acre. The City has rezoned property and approved projects to accommodate all but 16 units of the 250. The projects/sites that have addressed the program requirements include:</p> <ul style="list-style-type: none"> • Rezone of seven parcels, totaling 7.12 acres from PMU-1 to the newly created PMU-2 (allowing up to 21.78 units per acre) 	<p>Modify</p>



HOUSING ELEMENT

Housing Program	Five-Year Objective	Progress	Continue/ Modify/Delete
<p>The City has in the past rezoned property to address the need for housing, particularly for housing that would serve lower-income and special needs groups. Both the sites for the La Esperanza project and the Dixon Second Street Senior Apartments were rezoned from nonresidential uses to permit housing development.</p> <p>The City will monitor compliance with the City's share of the regional housing need. Within one year of adoption of the Housing Element, the City will undertake steps to ensure that adequate sites are available to meet the City's share of the regional housing need through rezoning of land for multi-family development and/or increasing the density of sites. All rezoned sites permit owner-occupied and rental multi-family developments by right and do not require a conditional use permit, planned development permit or any other discretionary review. All sites to be rezoned to meet the City's shortfall will have a capacity of at least 16 units per site.</p> <p>Responsible Agency: Community Development Department Time Frame: June 2010</p>		<ul style="list-style-type: none"> • Rezone of 5.07 acres to RM-4 and approving the 120-unit very low-income Heritage Commons senior apartment project. Phase I (60 units) has been constructed. • Approval of a farmworker affordable housing project on 5 acres for 59 units. <p>Appropriateness: This program will be modified and continued to address the 16 remaining RHNA units from the 4th cycle.</p>	



Policy 5.3: Ensure that adequate sites are available for affordable housing development throughout the city.

Program 5.3.1 Program to Rezone Sites: Program to Rezone Sites: The City made substantial progress toward rezoning sites and approving projects to address the 250-unit Regional Housing Need Allocation (RHNA) shortfall from the 4th cycle Housing Element as shown in Table IV 2 of the Resources section of the Housing Element. After taking these efforts into account, a shortfall of 16 units affordable to lower-income households remains for the 4th cycle. In order to accommodate the 16 remaining units, redesignation and rezoning of the Southwest Affordable Housing site is proposed. The two parcels that make up the site total 10.7 acres and are currently designated MDH and zoned RM-2. An affordable housing project for 131 units has been approved on a portion of the site. In order to accommodate the densities allowed under the project, the site will need to be rezoned to RM-4, which allows densities between 22 and 29 units per acre, densities feasible to facilitate development of housing affordable to lower-income households in Dixon. A General Plan Amendment will also be required for the site to redesignate it to HD allowing 21.78 to 29.04 units per acre. Although a project has been approved on the site, building permits have not been approved and the project is not currently moving forward. This program proposes to redesignate/rezone the entire 10.7 acres; the City estimates that the site has a realistic capacity of 231 units (131 of these units have already been approved as part of the approved project as described above). The HD designation/RM-4 zoning will have a minimum allowed density of 21.78 units per acre with a maximum of 29.04 units per acre and allows residential uses only. This program will be implemented within one year of the beginning of the 5th cycle planning period or January 31, 2016.

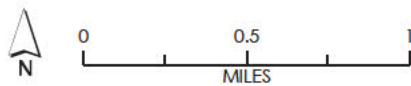
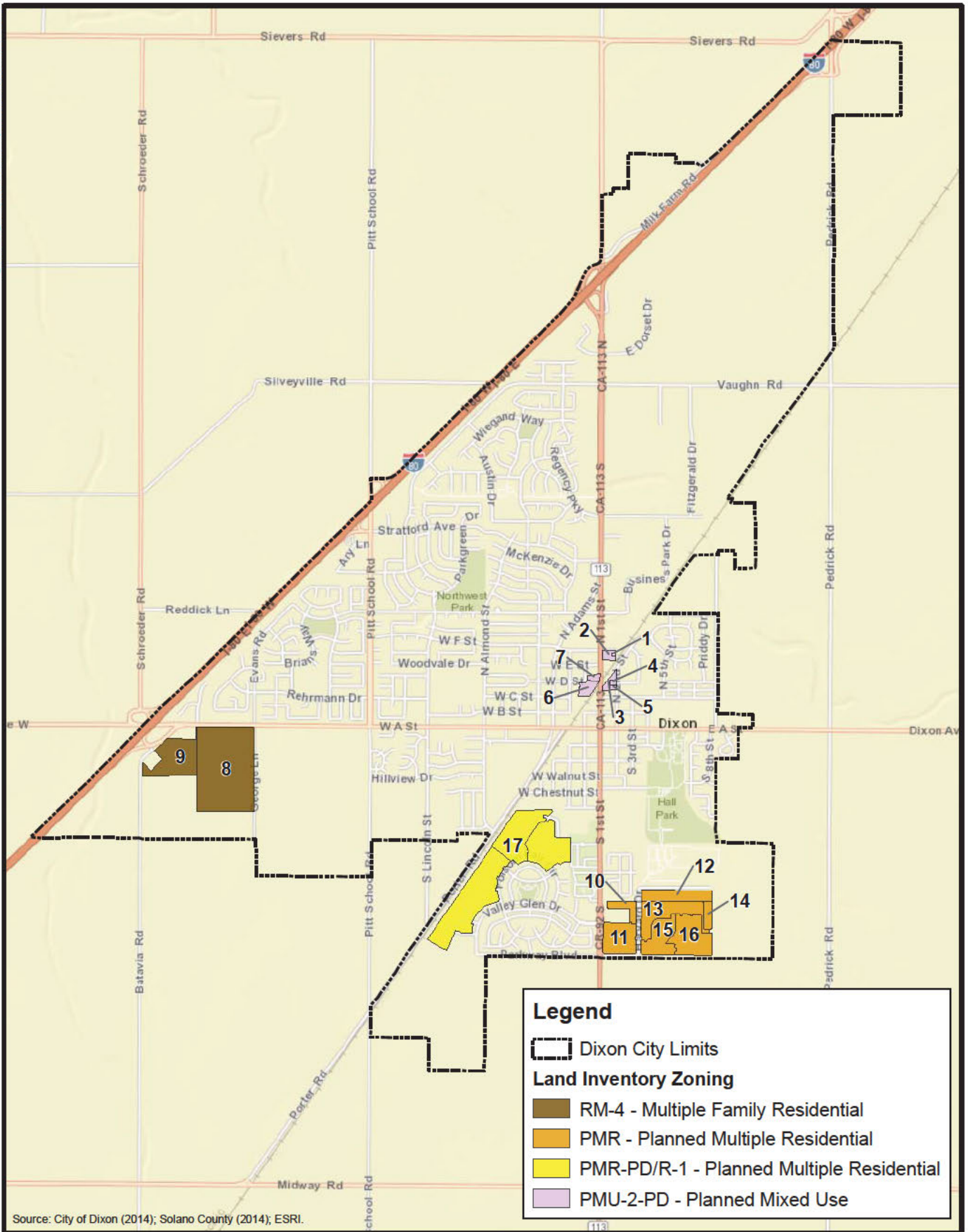
The City will monitor compliance with Dixon’s share of the regional housing need. Within one year of adoption of the Housing Element, the City will undertake steps to ensure that adequate sites are available to meet the City’s share of the regional housing need by rezoning of land for multi-family development and/or increasing the density of sites. The site proposed for rezoning permits owner-occupied and rental multi-family developments by right and does not require a conditional use permit, planned development permit, or any other discretionary review.

Eight-Year Objective: The City will rezone the 10.7-acre Southwest Affordable Housing site within one year of the beginning of the 5th cycle Housing Element planning period, by January 31, 2016. The City will also prepare a General Plan Amendment to redesignate the land use category to High Density (HD) for consistency with the RM-4 zoning.

Responsible Agency: Community Development Department

Time Frame: January 31, 2016

Funding: General Fund



ORDINANCE NO. 05 - 011

**AN ORDINANCE REZONING APPROXIMATELY 477 ACRES IN THE
SOUTHWEST DIXON SPECIFIC PLAN AREA
(ASSESSOR'S PARCEL NO.'s: 114-011-010, 030, & 040; 114-012-020;
114-011-020; 114-011-080; 114-141-240; 114-040-020 & 030; 114-011-050;
114-141-230; 114-011-130; 114-011-040 & 060; 109-030-090 & 100;
114-141-250; 114-012-030; 114-020-010; 114-011-120; AND 114-012-040)
AND DIRECTING THAT THE OFFICIAL ZONING MAP OF THE CITY
BE AMENDED ACCORDINGLY**

THE CITY COUNCIL OF THE CITY OF DIXON ORDAINS AS FOLLOWS:

Section 1. The City Council finds and determines as follows:

(a) An application was made to the City for the rezoning of several properties located in the Southwest Dixon Specific Plan Area (the "Southwest Properties" consisting of Assessor's Parcel No.'s 114-011-010, 030, & 040; 114-012-020; 114-011-020; 114-011-080; 114-141-240; 114-040-020 & 030; 114-011-050; 114-141-230; 114-011-130; 114-011-040 & 060; 109-030-090 & 100; 114-141-250; 114-012-030; 114-020-010; 114-011-120; and 114-012-040). The proposed rezoning of the Southwest Properties is depicted in Exhibit "A" attached hereto and made a part hereof.

(b) The acting Community Development Director made an investigation of the proposed rezoning pursuant to Section 12.30.06 of the City of Dixon Zoning Ordinance ("Zoning Ordinance") and submitted a report thereon to the Planning Commission.

(c) The Planning Commission held a properly noticed public hearing on the proposed rezoning on September 12, 2005, and after considering all of the evidence, made specific findings that the proposed rezoning is necessary to achieve the objectives of the Zoning Ordinance as prescribed in Section 12.01.01 and the proposed rezoning is consistent with the City of Dixon's General Plan, as amended, and the revised Southwest Dixon Specific Plan and recommended approval of the proposed rezoning.

(d) The City Council held a properly noticed public hearing on the proposed rezoning on October 11, 2005, and considered the Planning Commission recommendations, the report of the acting Community Development Director, any public comments and all documents or testimony received.

Section 2. The City Council specifically finds and determines as follows:

(a) The proposed rezoning is necessary to achieve the objectives of the Zoning Ordinance as prescribed in Section 12.01.01.

(b) The proposed rezoning is consistent with the City of Dixon's General Plan, as amended, and the revised Southwest Dixon Specific Plan.

(c) The City Council certified the Southwest Dixon Specific Plan Environmental Impact Report which covers the proposed rezoning on September 28, 2004 and no additional environmental review of this rezoning is required by law, ordinance, or regulation.

Section 3. Pursuant to the provisions of Section 12.30 of the Zoning Ordinance and Government Code Section 65853, the Southwest Properties are hereby rezoned as depicted on the attached Exhibit "A".

Section 4. Pursuant to Section 12.30.09, the City Clerk is hereby directed to cause the Official Zoning Map of the City of Dixon to be revised to reflect the rezoning approved by this ordinance.

Section 5. This Ordinance shall become effective thirty (30) days after its adoption.

Section 6. The City Clerk shall cause this Ordinance to be published in the Dixon Tribune, a newspaper of general circulation in the City of Dixon, within fifteen (15) days of its enactment; shall certify to the enactment and publication of this Ordinance, and shall cause this Ordinance and its certifications to be entered in the Book of Ordinances of the City.

The foregoing Ordinance was introduced at a regular meeting of the City Council of the City of Dixon duly held on the 11th day of October, 2005 and was approved and enacted at a duly held regular meeting or adjourned regular meeting of the City Council held on the 8th day of November, 2005 by the following roll call vote:

AYES: Alexander, Ferrero, Smith, Vega, Courville

NOES: None

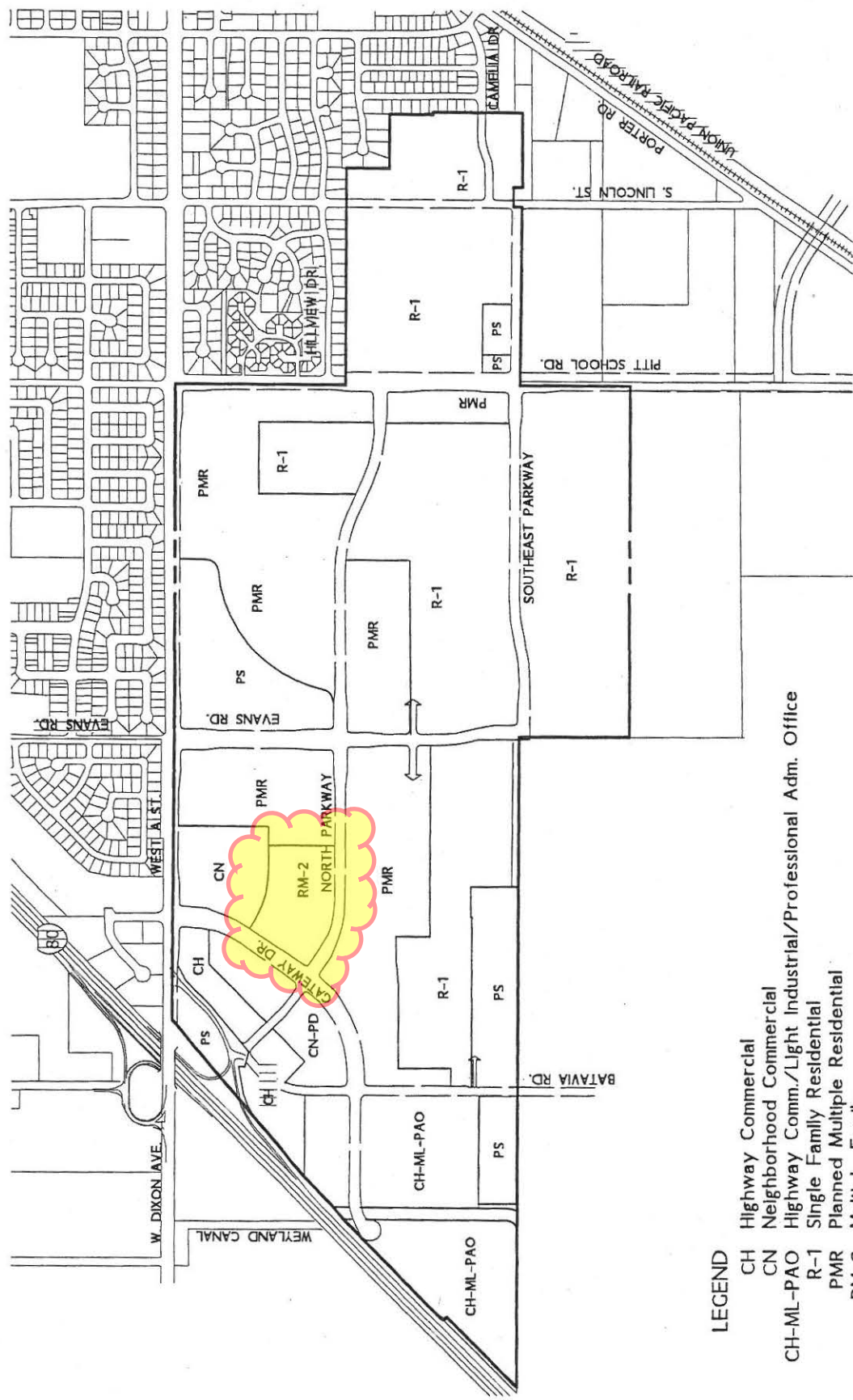
ABSTAIN: None

ABSENT: None

ATTEST:


Janice M. Beaman
City Clerk


Mary Ann Courville
Mayor



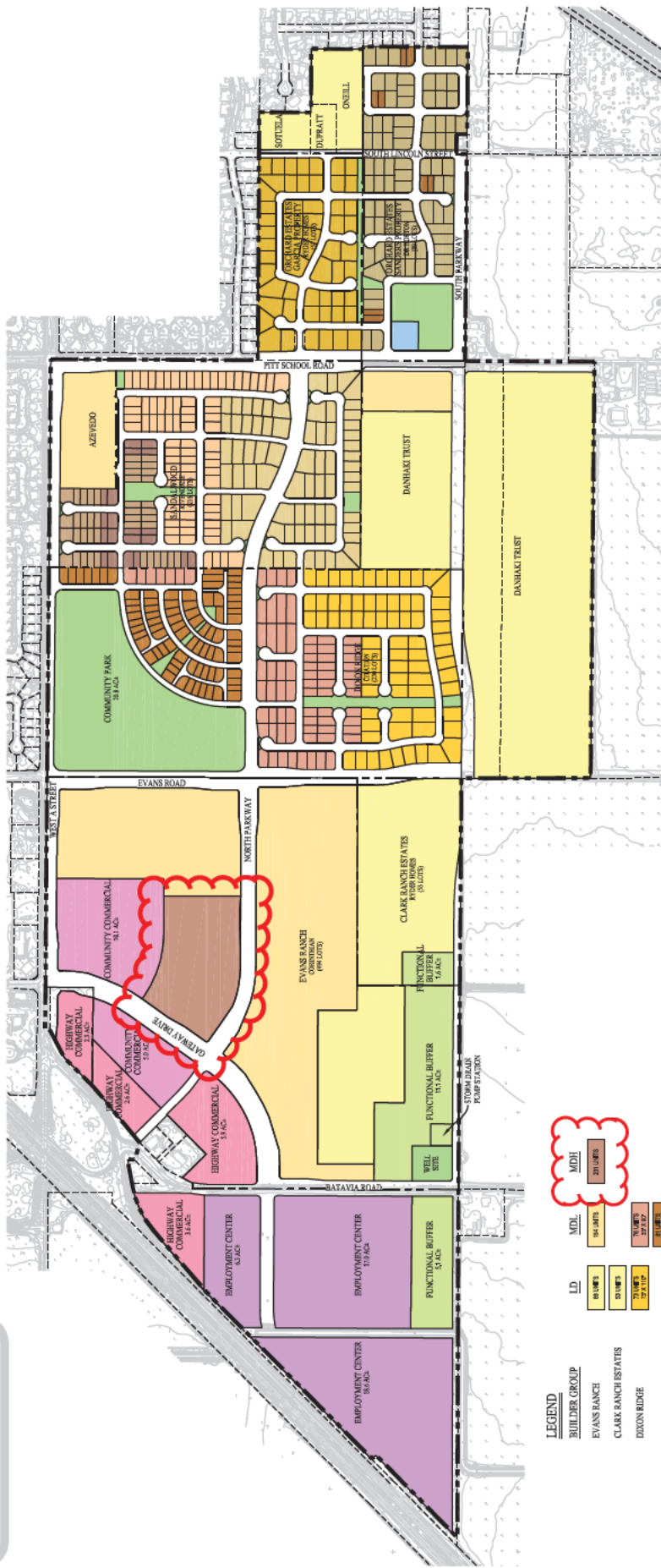
- LEGEND**
- CH Highway Commercial
 - CN Neighborhood Commercial
 - CH-ML-PAO Highway Comm./Light Industrial/Professional Adm. Office
 - R-1 Single Family Residential
 - PMR Planned Multiple Residential
 - RM-2 Multiple Family
 - PS Public Service
 - Southwest Dixon Plan Area

EXHIBIT A - ZONING



SOURCE: NOTIE ASSOC., INC.

DRAFT



LEGEND

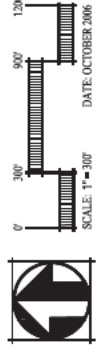
Builder Group	LD	MDL	MDH
EVANS RANCH	14 UNITS	14 UNITS	201 UNITS
CLARE RANCH ESTATES	21 UNITS	21 UNITS	
DIXON RIDGE	21 UNITS	21 UNITS	
SANDAL WOOD	21 UNITS	21 UNITS	
ORCHARD ESTATES (GARCIA)	21 UNITS	21 UNITS	
ORCHARD ESTATES (SANDERS)	21 UNITS	21 UNITS	
TOTAL	120	120	201

FUTURE DEVELOPMENT

Builder Group	LD	MDL

CONCEPTUAL SITE PLAN SOUTHWEST DIXON SPECIFIC PLAN

CITY OF DIXON SOLANO COUNTY CALIFORNIA



Carlson, Barbara & Gibson, Inc.
 1010 BROADWAY SUITE 1475
 SAN FRANCISCO, CA 94133
 TEL: 415.774.1100
 FAX: 415.774.1101



CITY OF HALF MOON BAY

City Hall • 501 Main Street • Half Moon Bay • 94019

October 20, 2015

Ms. Anne Richman
Programming and Allocations Committee
Metropolitan Transportation Commission
101 8th Street, Oakland, CA 94607

Subject: One Bay Area Grant Program (OBAG 2) Funding

Dear Ms. Richman,

On behalf of the City of Half Moon Bay I am respectfully requesting that the Metropolitan Transportation Commission (MTC) consider either an exception, waiver or an extension to the May 31, 2015 Housing Element certification deadline. Half Moon Bay has made steady and diligent progress in completing the Department of Housing and Community Development (HCD) Housing Element certification process as noted below:

- March 3, 2015 City Adoption of the Housing Element
- April 14, 2015 HCD Conditional Approval of the Housing Element
- September 15, 2015 City Adoption of Housing Ordinance Amendments
- October 5, 2015 HCD Certification of Housing Element

As you can see from the above timeline, the City was well on our way towards completing the HCD certification process in advance of the May 31, 2015 MTC deadline as demonstrated by the City's adoption in March, 2015, and the conditional HCD approval in April, 2015.

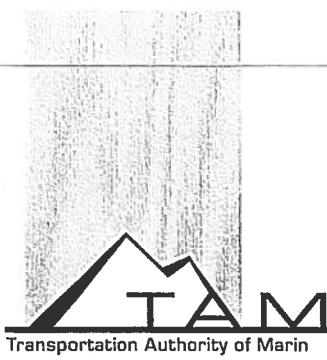
As you may know, the City of Half Moon Bay has experienced significant financial constraints and hardships, and we have just recently been able to rebuild our revenues and catch up on badly needed infrastructure maintenance and capital improvement projects. These OBAG 2 grant funded projects represent opportunities for serious improvements in the lives of residents, businesses and visitors to this community and the coastside in general. I urge you to favorably consider allowing us to continue to be eligible for this cycle of OBAG 2 funding.

Sincerely,

Magda Gonzalez,
City Manager

For

cc: Mayor and City Council
John Doughty, Interim Community Development Director
Mo Sharma, City Engineer
Bruce Ambo, Planning Manager
Ross McKeown, MTC
Eliza Yu, MTC



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Belvedere
Sandra Donnell

Corte Madera
Diane Furst

Fairfax
John Reed

Larkspur
Dan Hillmer

Mill Valley
Stephanie Moulton-Peters

Novato
Madeline Kellner

Ross
P. Beach Kuhl

San Anselmo
Ford Greene

San Rafael
Gary Phillips

Sausalito
Tom Theodoros

Tiburon
Alice Fredericks

County of Marin
Damon Connolly
Katie Rice
Kathrin Sears
Steve Kinsey
Judy Arnold

October 22, 2015

Mr. Steve Heminger
Executive Director
Metropolitan Transportation Commission
101 Eighth Street
Oakland, California 94607

Dear Mr. Heminger:

TAM has actively participated in numerous discussions regarding the upcoming One Bay Area Grant program, OBAG 2. The most recent discussions include policy consideration by MTC of more closely tying the distribution of funds within each county to the estimated production of housing. TAM extends our concerns over further restrictions on this vital resource. We rely on this resource to further our substantial progress towards greenhouse gas emissions reduction in the transportation sector.

In the first round of OBAG, TAM received \$7.7 million for projects and programs. Engaging in a robust outreach process, TAM recommended programming the \$7.7 million to a variety of multi-modal projects. TAM was able to capture nearly \$19 million in other local and regional funds resulting in a portfolio of projects under OBAG1 exceeding \$25 million. This would not be possible under a formulaic share scenario.

The submission and selection of specific projects follows local jurisdiction planning processes that bring the top priority projects forward for consideration. This prioritization enables local governments to better match funds that they seek from the OBAG program. The resultant program that TAM developed under OBAG1 exceeded by over 200% the funds made available by MTC alone. TAM believes that retaining that process of planning, prioritizing, and local government support has worked exceptionally well and should not be hampered under OBAG 2.

We have been able to effectively reduce greenhouse gas emissions with transportation investments such as our very successful Safe Routes to Schools and Electric Vehicle support programs. We would be remiss in believing that the best projects for our community and the best reduction of greenhouse gas emissions could be met under a more stringent and limited formulaic process. We do not support going down this path.

We will continue to participate in the process of seeking input and appreciate your consideration of this recommendation.

Sincerely,

Dianne Steinhauser

DS/dmm

**Metropolitan Transportation Commission
Programming and Allocations Committee**

November 12, 2015

Agenda Item 3

Revisions to MTC Resolution No. 4202 are attached to the Executive Director's November 12, 2015 memorandum. The version of MTC Resolution No. 4202 that was presented to the Programming and Allocations Committee on November 4, 2015 can be found online at:

<https://mtc.legistar.com/LegislationDetail.aspx?ID=2507818&GUID=E91C1A66-3FE0-4E74-85F1-FBD5F65D9A3A&Options=&Search=>.

OneBayArea Grant

OBAG 2 Proposal

Programming and Allocations Committee

November 4, 2015

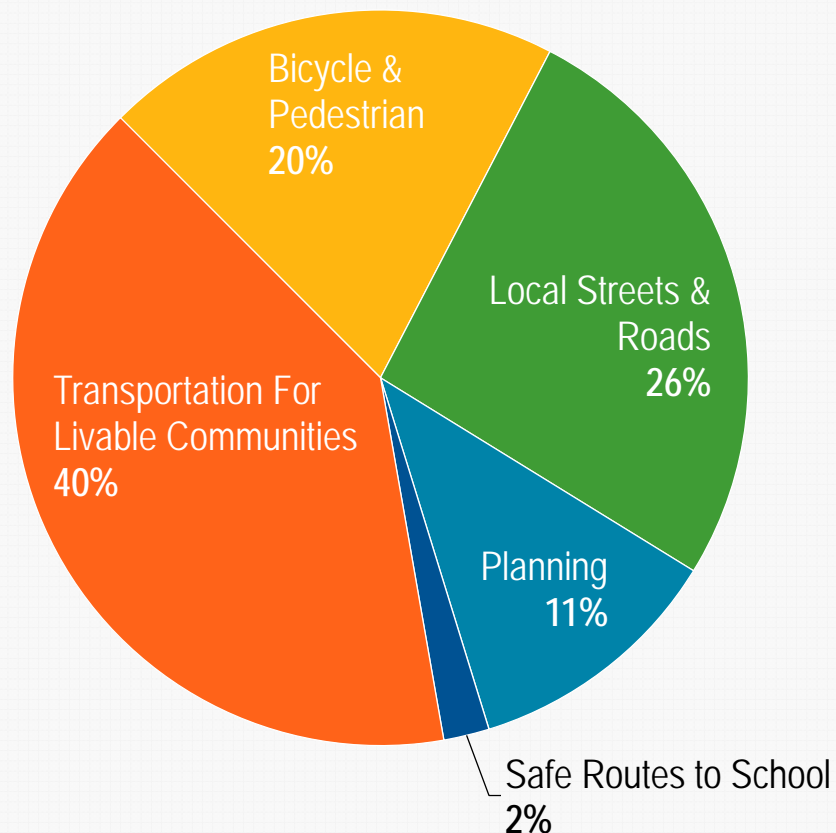


OneBayArea Grant: A Comprehensive Funding Approach

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

OBAG 1 County Program: Project Summary

County Program Categories



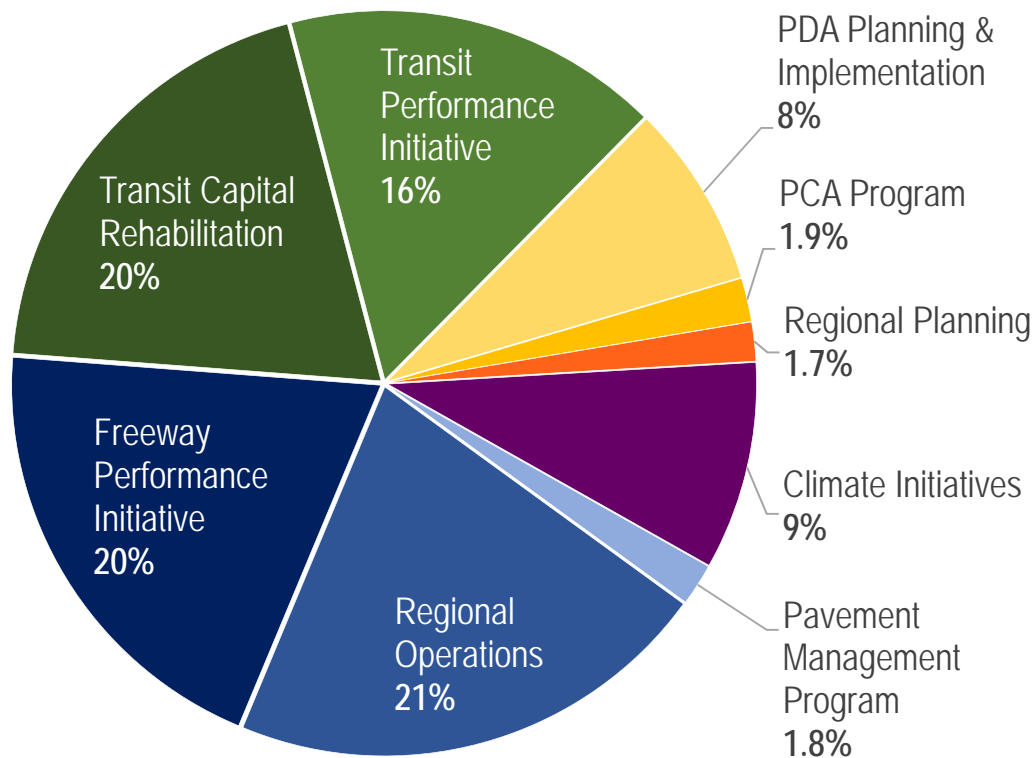
Percentages may not add to 100% due to rounding.

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

Source: OBAG Report Card, February 7, 2014

OBAG 1 Regional Program: Program Summary

Regional Program Categories



- **Transit & Regional Operations** (FPI, Clipper, 511):

Largest Shares

- **Planning** (PDA & Regional):

~10%

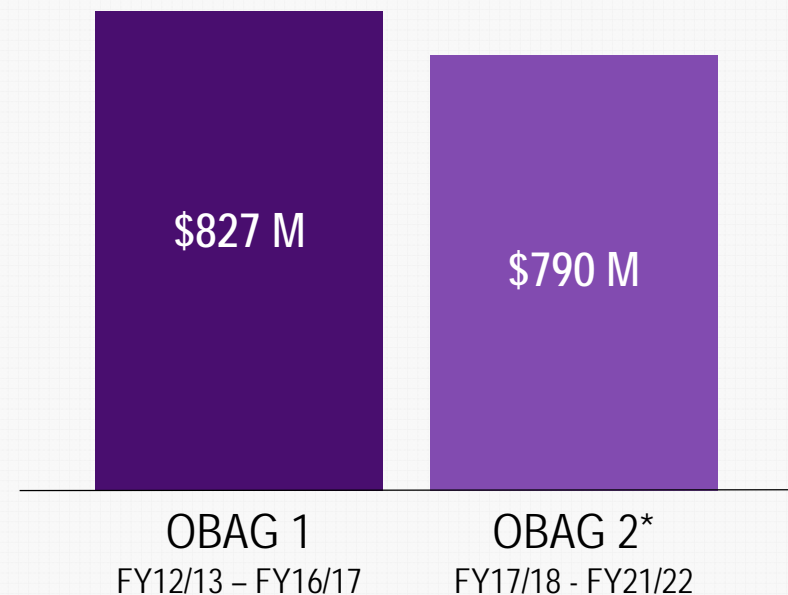
- **PCA, Climate, PMP:**

~14%

Percentages may not add to 100% due to rounding.

OBAG 2: Funding Assumptions

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



OBAG 2: Regional Program Recommendations

Millions \$, rounded

Program	OBAG 1	OBAG 2
Regional Planning Activities	\$8	\$10
Pavement Management Program	\$9	\$9
Priority Development Area (PDA) Planning and Implementation	\$20	\$20
Climate Initiatives Program	\$22	\$22
Priority Conservation Area (PCA)	\$10	\$16
Regional Operations Programs	\$184	\$170
Transit Priorities Program	\$201	\$189
Totals	\$454	\$436

OBAG 2: Regional PDA Planning Program

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

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

PDA Planning



Zoning / EIR



Jobs &
Housing

- Focus on cities with high risk of displacement
- Collaborate with CMAs and other stakeholders on program development

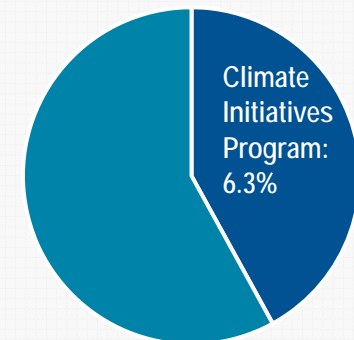


OBAG 2: Climate Initiatives and PCA Programs

Climate Initiatives

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

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



PCA Program

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

OBAG 2: County Share Formula Options

County Distribution Formula: three options for discussion

County Distribution Formula Alternatives

Program	Population	Housing Production	Housing RHNA	Housing Affordability
OBAG 1	50%	25%	25%	50%
OBAG 2 <i>1. Affordable Housing</i>	50%	30%	20%	60%
OBAG 2 <i>2. Affordable + Moderate</i>	50%	30%	20%	60%*
OBAG 2 <i>3. Housing Production</i>	50%	50%	0%	60%

Note: OBAG 2 based on housing over a longer time frame, considering housing production between 1999 and 2006 (weighted 30%) and between 2007 and 2014 (weighted 70%).

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

OBAG 2: County Share Formula Options, continued

Alternative County Distributions

County	OBAG 1	OBAG 2 <i>1. Affordable Housing</i>	OBAG 2 <i>2. Affordable + Moderate</i>	OBAG 2 <i>3. Production Only</i>
Alameda	19.7%	20.1%	19.8%	19.2%
Contra Costa	14.2%	13.7%	14.7%	14.1%
Marin	3.3%	2.8%	2.8%	3.0%
Napa	2.3%	2.2%	2.2%	2.2%
San Francisco	11.7%	12.9%	12.3%	13.4%
San Mateo	8.4%	8.5%	8.5%	7.9%
Santa Clara	27.2%	27.7%	27.1%	27.3%
Solano	5.9%	5.2%	5.5%	5.4%
Sonoma	7.2%	7.1%	7.2%	7.7%

Notes: OBAG 1 final distribution after applying adjustments and SRTS
 OBAG 2 distributions include SRTS and FAS categories and an adjustment to ensure a county's CMA base planning is no more than 50% of the county's total

OBAG 2: Cultivate Linkages with Local Land Use Planning

- PDA investment targets remain at 50% for the four North Bay counties and 70% for the other counties
- For OBAG 2, jurisdictions need to either have updated their circulation elements after January 1, 2010 to meet the State's Complete Streets Act of 2008, or adopt a complete streets resolution per the MTC model used for OBAG 1
- HCD-certified housing elements required; 4 jurisdictions did not meet deadline



OBAG 2: Next Steps

November 2015	PAC/Commission review/decision on county distribution options, approval of OBAG 2 procedures and guidance
December 2015 – October 2016	CMA project solicitation and selection followed by MTC staff review of projects
December 2016	Commission approves county and regional OBAG 2 projects

