



METROPOLITAN
TRANSPORTATION
COMMISSION

Agenda Item 8

Bay Area Metro Center
375 Beale Street
San Francisco, CA 94105
TEL 415.778.6700
WEB www.mtc.ca.gov

Memorandum

TO: Policy Advisory Council
FR: Marti Paschal, Staff Liaison
RE: Staff Liaison Report – April 2019

DATE: April 5, 2019

W.I. 1114

MTC Chief Urges Much Bigger Federal Role in Transportation Investment

In testimony before the U.S. House Transportation and Infrastructure Committee on March 13, 2019, MTC Executive Director Therese W. McMillan urged Congress to reauthorize the 2015 Fixing America's Surface Transportation (FAST) Act and to increase federal investment in transportation, particularly in the nation's metropolitan areas.

"A strong federal role in our nation's multimodal transportation system has been essential for the entirety of our nation's history," testified McMillan, speaking on behalf of MTC and other federally-designated metropolitan planning organizations. "It is a core federal responsibility. But transportation is not just about moving people and goods around. It is about access to opportunity and quality of life, and we believe it is time for the federal government to do more, much more."

McMillan noted the local/state/federal partnership model enshrined in the FAST Act is a model that works, highlighting the California Legislature's 2017 approval of the state Senate Bill 1 transportation-financing package and the Bay Area's commitment each year of more than \$1.5 billion of voter-approved sales tax and bridge toll revenue. "Providing for continued growth of the U.S. economy demands a much larger federal commitment to the local-state-federal partnership."

"It was nice to be back on Capitol Hill," observed McMillan, who served executive roles for the Federal Transit Administration in Washington, D.C. from 2009 to 2016. "It was important to have regions invited early to be part of the transportation reauthorization debate. Congress needs to fulfill its responsibility to extend this country's access opportunities to all its people."

McMillan cited the federal Surface Transportation Program (STP) and Congestion Mitigation and Air Quality Improvement (CMAQ) programs as especially important vehicles for increased investment. "STP and CMAQ provide the flexibility and the accountability to tailor creative solutions across very different communities. For the Bay Area, this flexibility is crucial as we prepare ourselves not just for technological change but also to be more resilient in the face of rising sea levels. The recently flooded Highway 37 in the North Bay is a great example. We need that road to be rebuilt higher but also more environmentally friendly. And we need to do it fast. A bigger federal commitment would go a long way toward meeting all these needs."

Local Government Working Group to Advise MTC, ABAG on Housing Legislation

MTC has approved the appointment of the first slate of local government officials to the newly-formed Housing Legislative Working Group, which will advise both MTC's Legislation Committee and the Association of Bay Area Governments' Legislation Committee on housing-related bills pending in the state Legislature. The working group, which will include representatives from two cities in each of the nine Bay Area counties as well as a Supervisor from each county, will meet weekly during the legislative session to receive progress reports on housing-related bills in the state Assembly and state Senate, and to provide feedback on those bills to MTC and ABAG staff.

"Now that the CASA initiative is over, the action on housing policy has shifted to Sacramento, where all local officials need to be engaged in the discussion," explained Clayton Vice Mayor Julie Pierce, who also serves as Chair of both the Housing Legislative Working Group and the ABAG Legislation Committee. CASA is the nickname of the broad-based Committee to House the Bay Area convened by ABAG and MTC to develop policy recommendations for producing more housing at all income levels in the Bay Area, preserving existing affordable housing, and protecting current residents from displacement in rapidly-changing neighborhoods. The CASA Steering Committee produced the [CASA Compact](#), a document that includes 10 recommendations for policy changes, and completed its work in December 2018.

Rohnert Park City Councilmember Jake Mackenzie, who was named as the new Chair of MTC's Legislation Committee, will serve as Vice Chair of the Housing Legislative Working Group. Other Working Group appointments approved this week include:

- Anthony Adams, Suisun City Councilmember;
- Judy Arnold, Marin County Board of Supervisors;
- Marilyn Ezzy Ashcraft, Mayor, City of Alameda;
- Keith Carson, Alameda County Board of Supervisors;
- Anna Chouteau, St. Helena City Councilmember;
- Donna Colson, Mayor, City of Burlingame;
- John Gioia, Contra Costa County Board of Supervisors;
- Ryan Gregory, Napa County Board of Supervisors;
- Don Horsley, San Mateo County Board of Supervisors;
- Cliff Lentz, Brisbane City Councilmember;
- Mary Luros, Napa City Councilmember
- Lily Mei, Mayor, City of Fremont;
- David Rabbitt, Sonoma County Supervisor and ABAG Executive Board President;
- John Rahaim, San Francisco Planning Director;
- Ken Rich, Development Director, S.F. Office of Economic and Workforce Development;
- Ron Rowlett, Mayor, City of Vacaville; and
- John Vazquez, Solano County Board of Supervisors;

Local governments are expected to nominate appointees for the eight remaining positions on the 27-member Housing Legislative Working Group in the coming weeks.

Executive Director's Report

The following items are excerpts from the March 2019 Executive Director's Report to the Commission. To read the report in its entirety go to:

<http://www.mtc.ca.gov/whats-happening/news/executive-directors-report>.

UC ITS Innovative Mobility Roundtable, March 8, 2019

MTC staff welcomed a delegation of transportation stakeholders hosted by the University of Californian Institute of Transportation Studies – Berkeley; in partnership with the California Air Resources Board and California Transportation Commission. The round table addressed the rise in new transportation technologies, service and innovations, with a particular focus on automated vehicles. Participants included members of academia, environmental justice interests, state and local government and the private sector. With the staff's work on Horizon and other efforts looking to the future, participation in such forums is a helpful opportunity to share ideas and learn what the industry is considering in this rapidly shifting arena.

MTC/ABAG Legislative visit to Washington D.C., March 11-13, 2019

Commissioners Amy Worth, Nick Josefowitz and ABAG Executive Board member Julie Pierce led our annual visit to the Capitol. The group met with several of the Bay Area delegation in the House and Senate, as well as with transportation industry group representatives. The key theme was preparation for FAST Act Reauthorization, along with continued deliberations on a possible infrastructure funding package. On Tuesday, MTC and SCAG hosted a reception for California representatives, their staffs, and our transportation agency partners, with a much appreciated keynote from House T&I Chairman Peter DeFazio. The last day included my participation as part of panel before the Subcommittee on Highways and Transit, of House T&I, where I testified on the importance of metropolitan planning organizations in the planning and investment of our critical multimodal transport systems.

Cities Association of Santa Clara County, March 14, 2019

As reported at the Joint MTC and ABAG legislative committee on March 8th, there has been concentrated and continuing outreach with local government following the release of the CASA compact proposals, and subsequent major activity on housing legislation in the State Capitol. On March 8th, Brad Paul and I were invited to meet with the Cities Association of Santa Clara County, hosted by the City of Sunnyvale. We followed a presentation and discussion led by State Senator Jerry Hill, who covered a number of topics including the flurry of housing related proposals. I had a good, productive conversation among the mayors and other representatives present — one that I hope continues with partners across the region as we collectively tackle the issues (and opportunities) of transportation and housing.

Governor Releases Details on Housing Funding & Conditioning of Transportation Funds

Governor Newsom recently released a draft budget trailer bill to implement the \$750 million housing incentive funding proposed in his budget. Of this total, \$250 million would be distributed by a formula based on population for local and regional housing planning, with very broad eligibility criteria for expenditures. Of that amount, the region would receive \$46 million, with \$23 million allocated directly to individual cities and counties and \$23 million to ABAG, which could be used to fund any combination of regional housing planning and additional local planning efforts. Another \$500 million would be available for a new Production and Process Improvement Reward Program that would be distributed to regions based on their share of annual housing targets that HCD would develop. The Bay Area's share of Reward Program funds would come directly to ABAG for disbursement to reward progress local jurisdictions make on meeting housing goals, based on a methodology ABAG would develop. The trailer bill also would require ABAG to develop a new regional action plan related to short term housing targets and long term housing goals. Finally the bill would authorize, but not require, withholding of local street and road funds from any jurisdiction that does not have a compliant housing element and has not zoned or entitled for its annual housing goals, pursuant to its most recent Regional Housing Need Allocation.

Legislative Calendar

April will be very busy in Sacramento as policy committees take up hundreds of bills introduced in each house before the April 26th deadline for fiscal bills to be heard in a policy committee. Non-fiscal bills have until May 3rd to be heard in policy committee. To stay active in 2019, fiscal bills must then be approved by the appropriations committee and sent to the Assembly or Senate floor by May 17. On the federal side, the Senate Environment and Public Works Committee is already beginning to solicit ideas for the reauthorization of the nation's current surface transportation authorization bill, the FAST Act, which expires on October 1, 2020.