

M E M O R A N D U M

Agenda Item 6b

TO: MTC Planning Committee with the
ABAG Administrative Committee

DATE: April 5, 2019

FR: Executive Director

RE: Plan Bay Area 2050: Potential Revisions to the Regional Growth Framework

Summary

As we begin the transition to *Plan Bay Area 2050* - slated for kickoff in fall 2019 - staff is requesting feedback on a suite of potential revisions to the Regional Growth Framework. *Horizon Perspective Paper 3* highlighted successes and shortcomings with the current Framework, which promotes focused growth in Priority Development Areas (PDAs). As we prepare for the next long-range plan, there is an opportunity to refine the Regional Growth Framework to make today's PDAs more successful going forward, while considering new geographies beyond PDAs to achieve critical climate, equity, and economic development goals. Based upon feedback from committees, local jurisdictions, and other key stakeholders, staff anticipates returning to committees in the coming months with an updated set of proposed Regional Growth Framework revisions.

Background

The Bay Area's current Regional Growth Framework aims to concentrate new housing and jobs in locally-nominated PDAs, places in existing communities within a half-mile of frequent transit.¹ To complement PDAs, the Framework promotes protection of Priority Conservation Areas (PCAs)—locally-nominated open spaces, habitat, farmland, and trails. This framework is reflected in the development patterns of the first and second versions of Plan Bay Area, both of which projected that nearly 80 percent of the region's long-range housing need could be met in PDAs.

While both Plans met statutory greenhouse gas emission reduction targets and protected open space, there remains room for improvement. With a singular focus on growth in PDAs, each Plan fell short of aspirational goals related to housing affordability, displacement risk mitigation, and more. Looking ahead, Plan Bay Area 2050 must meet or exceed a higher per-capita greenhouse gas reduction target set by the California Air Resources Board, meaning that new land use strategies will need to be considered.

The recently released *Horizon Regional Growth Strategies Perspective Paper* assesses the region's progress toward implementing the current Framework. While there have been notable successes, such as local adoption of nearly 200 PDAs and a dramatic increase in the share of new housing permitted in PDAs, many PDAs do not meet the program transit criteria and half of all state-designated Transit Priority Areas (TPAs, or transit-rich locations) have not been nominated by a local jurisdiction to become a PDA. In addition, residents of PDAs face disproportionately higher levels of displacement risk and limited access to opportunity. To address these shortcomings and capitalize on emerging opportunities, the paper introduced a set of potential framework options and strategies. Among these, "PDAs Plus" - a framework that continues to promote growth in PDAs while integrating a broader set of geographies - had the greatest resonance among Committee members and stakeholders.

¹ Defined as a ferry terminal, rail station, or one, or a combination of, bus route(s) arriving every 20 minutes during the weekday morning and evening peak periods.

Potential Revisions to the Regional Growth Framework

Potential revisions to the Regional Growth Framework will take place in several phases:

- Refine the set of priority areas, **Geographies**, included in the Framework. Updating Geographies involves adopting eligibility criteria and, for geographies that require local nomination such as PDAs and PCAs, soliciting, reviewing and approving local applications.
- Identify regional **Strategies** - policies and investments for achieving regional goals - such as promoting job growth around transit centers in housing-rich communities. In *Plan Bay Area 2050*, strategies will be tailored to different Geographies based upon regional and local context.
- Implement the Framework by incorporating supportive **Infrastructure** investments into the final Plan, then providing funding and technical assistance to local jurisdictions and other partners. Current implementation programs include PDA Planning Grants and OBAG.

The suite of revisions proposed to the Framework's Geographies described in **Table 1** and **Attachment A** are designed to position the region to address challenges with the current Framework, meet more aggressive climate targets, and achieve a broader set of objectives than previous Plans. This includes:

- 1) Ensuring that existing PDAs meet program guidelines by 2020 and opening a call for new or modified PDAs in 2019
- 2) Opening a call for new and modified PCAs in 2019
- 3) Integrating new Geographies intended to preserve key industrial land (Priority Production Areas), fully leverage the region's transit investments (Transit Priority Areas), and increase access to opportunity (High Resource Areas)
- 4) Pursuing Strategies that address challenges such as hazard vulnerability that cut across geographies.

Coupled with an application window for new PDAs, the introduction of new Geographies is intended to facilitate regional-local collaboration that identifies places that local jurisdictions anticipate future housing and job growth beyond current PDAs.

Next Steps

Based upon feedback received, MTC/ABAG staff will return next month to this committee and to the ABAG Board with a refined set of Regional Growth Framework updates. In addition, staff is preparing and will share some more detailed information on how each PDA is performing in response to policymaker requests. Staff will seek approval to solicit letters of interest from local jurisdictions to create new PDAs, PCAs, or Priority Production Areas - or to modify existing PDAs or PCAs - with formal adoption expected in late 2019. In addition, MTC/ABAG staff will work with local jurisdictions and County Transportation Agencies to bring PDAs into conformance with program criteria.



Therese W. McMillan

Attachments:

- Attachment A: Presentation
- Attachment B: Priority Development Areas (PDA) Program Fact Sheet
- Attachment C: Priority Conservation Area (PCA) Program Fact Sheet
- Attachment D: Potential Priority Production Area (PPA) Program Fact Sheet

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Table 1: Current Challenges & Potential Revisions to the Regional Growth Framework

| Proposed Revision | | Key Challenge with Framework | Potential Update for Plan Bay Area 2050 |
|-------------------|----|--|---|
| PDAs | 1a | Many PDAs do not meet program criteria for transit and local planning. | Require all PDAs to be consistent with program guidelines by 2020. |
| | 1b | Not enough housing is being produced, particularly low- and middle-income. | Invite local jurisdictions to submit new or modified PDAs in 2019; increase regional support. |
| PCAs | 2a | Strong local interest in nominating new Priority conservation areas (PCAs). | Invite local jurisdictions and partner organizations to submit new or modified PCAs in 2019. |
| New Geographies | 3a | Industrial land and middle-wage jobs are not well-integrated into the current framework. | Establish the Priority Production Area (PPA) ² program and allow local jurisdictions to submit PPAs in 2019. |
| | 3b | The more ambitious GHG target for Plan Bay Area 2050 may be difficult to reach. | Integrate state-defined Transit Priority Areas (TPAs) ³ into the regional growth framework. |
| | 3c | Many PDAs face displacement risk and lack quality schools and community resources. | Integrate state-defined High-Resource Areas (HRAs) ⁴ with adequate transit service into the regional growth framework. |
| Cross-Cutting | 4 | Priority areas are at risk from sea level rise, wildfires, earthquakes, and more. | Focus on strategies and guidelines to protect the final set of priority areas in the Preferred Plan. |

Note: refer to attachments for additional information on potential geographies. All TPAs, and HRAs meeting PDA transit criteria, are eligible for local designation as a PDA.

² See Attachments A and E

³ Map and definition: http://opendata.mtc.ca.gov/datasets/d97b4f72543a40b2b85d59ac085e01a0_0

⁴ Includes areas within Bay Area census tracts identified by the California Department of Housing and Community Development (HCD) as “High” or “Highest Resource” that area also within a Transit Priority Area, or ½ mile of bus service with peak headways of 30 minutes or less. Map and Methodology: <https://www.treasurer.ca.gov/ctcac/opportunity.asp>




PLAN BAY AREA 2050

Regional Growth Framework: Potential Revisions

Joint MTC Planning Committee with the
ABAG Administrative Committee
April 12, 2019
Mark Shorett, MTC/ABAG

An aerial photograph of a modern, multi-story residential development. The buildings are arranged in a row, featuring a mix of white, light beige, and grey exteriors with numerous windows and balconies. In the foreground, there is a large, well-maintained green lawn with a paved walkway. Several cars are parked in a lot adjacent to the buildings. In the background, rolling hills and mountains are visible under a sky with scattered clouds. A blue text box is overlaid on the right side of the image.

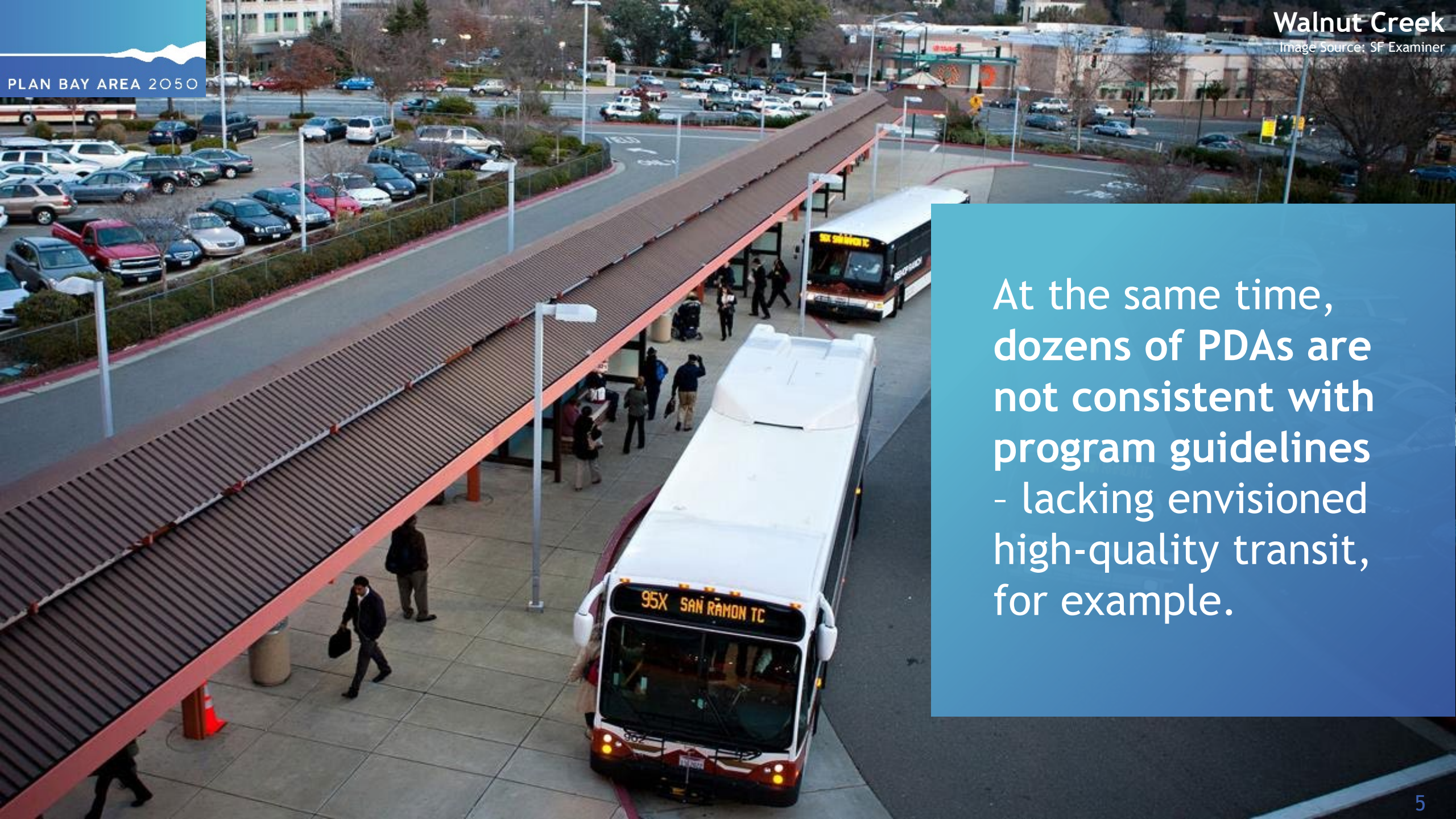
Planning on the regional and local levels over the past decade has been successful in limiting sprawl and promoting compact development.



The current Regional Growth Framework - based on locally-nominated PDAs and PCAs - has played a key role in this success.




MTC/ABAG have invested in the success of the current Framework. OBAG has funded \$634 million in planning & infrastructure improvements in PDAs since 2012.



At the same time, dozens of PDAs are not consistent with program guidelines - lacking envisioned high-quality transit, for example.



Moreover, it will be very difficult to meet the more ambitious 19% GHG target if we do not prioritize growth in additional low-GHG locations outside of today's PDAs.



Furthermore,
today's Regional
Growth Framework
fails to address
historical inequities.
**Most high-resource
areas have not self-
nominated to
become PDAs.**

An aerial photograph of a city, likely Campbell, showing a mix of residential and commercial buildings, trees, and parking lots. In the background, rolling hills and mountains are visible under a blue sky with scattered clouds. A large, semi-transparent blue text box is positioned on the right side of the image, containing white text.

The good news:
many local
jurisdictions have
expressed interest in
nominating new
growth areas, as
well as new places
to conserve.

The Current Growth Framework



PDA

Focus Housing and Jobs in Priority Development Areas

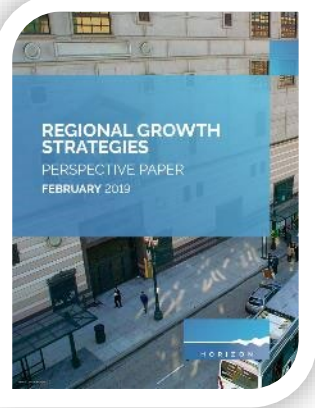
- Voluntarily adopted by cities; planned, or being planned, for housing
- Within walking distance of frequent transit & inside an existing community

PCA

Protect Open Space in Priority Conservation Areas

- Voluntarily nominated by cities and special districts (e.g. park districts)
- Regionally significant open spaces





Perspective Paper 3: Regional Growth Strategies

- Investigated **implementation** of the current growth framework (PDAs & PCAs)
- Explored **strategies** to improve implementation of current framework and broader range of regional goals
- **Available at:** <https://mtc.ca.gov/our-work/plans-projects/horizon/perspective-papers>

Key Takeaway

While the current growth framework has made progress towards focusing growth and protecting open space, a more comprehensive approach is needed to address shortcomings and tackle new regional issues.



Double Down
on PDAs



PDAs Plus



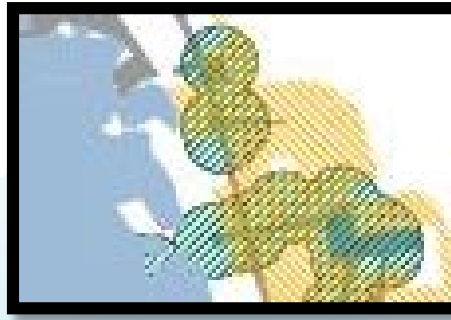
Expanded
Footprint

How Can We Develop a Better Growth Framework?



Geographies

Where should we grow?
Spring through Fall 2019



Infrastructure

*How can we implement the Plan, both
with funding & technical assistance?*
Fall 2019 and beyond



Strategies

*How can we grow equitably, integrating local,
regional, and state policies?*
Fall 2019 & Winter 2020

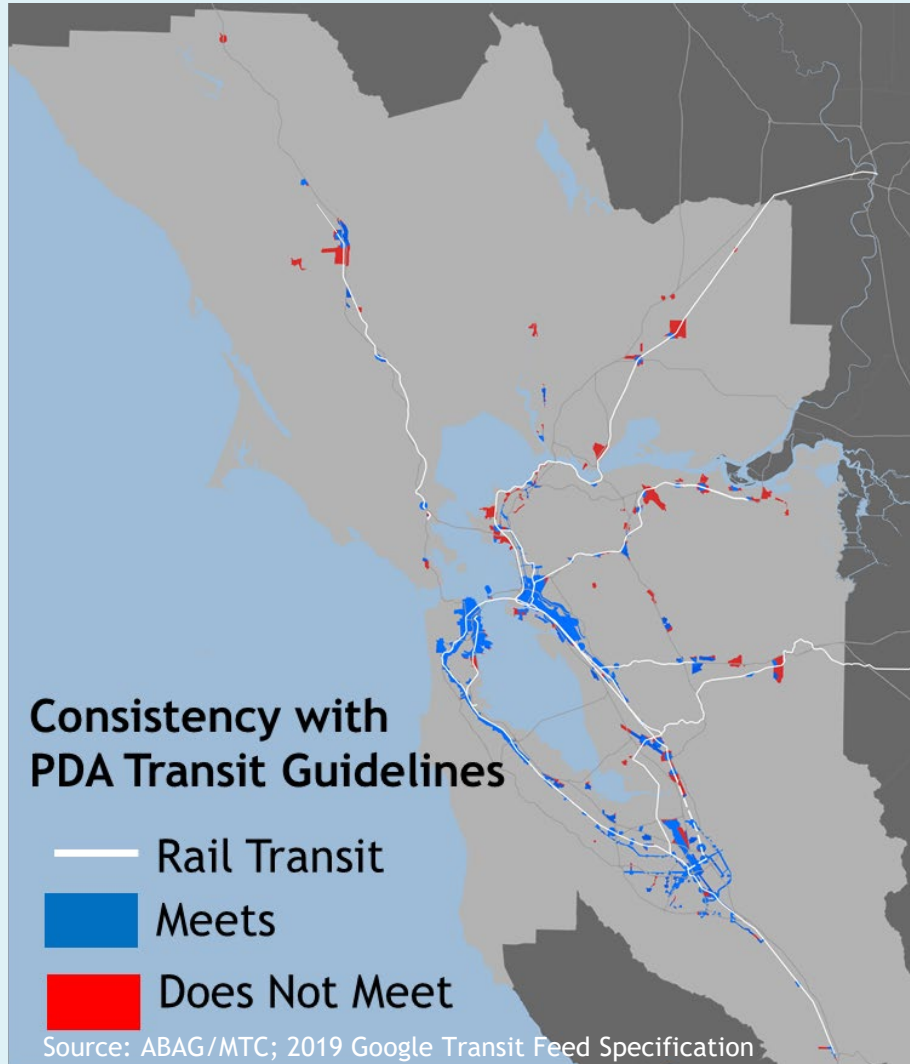
Key Challenge with Framework

Potential Update for Plan Bay Area 2050

| | | | |
|--------------------|----|--|---|
| PDAs | 1a | Many PDAs do not meet program criteria for transit and local planning. | Require all PDAs to be consistent with program guidelines by 2020. |
| | 1b | Not enough housing is being produced, particularly low- and middle-income. | Invite local jurisdictions to submit new or modified PDAs in 2019; increase regional support. |
| PCAs | 2 | | |
| New Priority Areas | 3a | | |
| | 3b | | |
| | 3c | | |
| Cross-Cutting | 4 | | |

Challenge

Many PDAs do not meet the program criteria for transit and local planning.

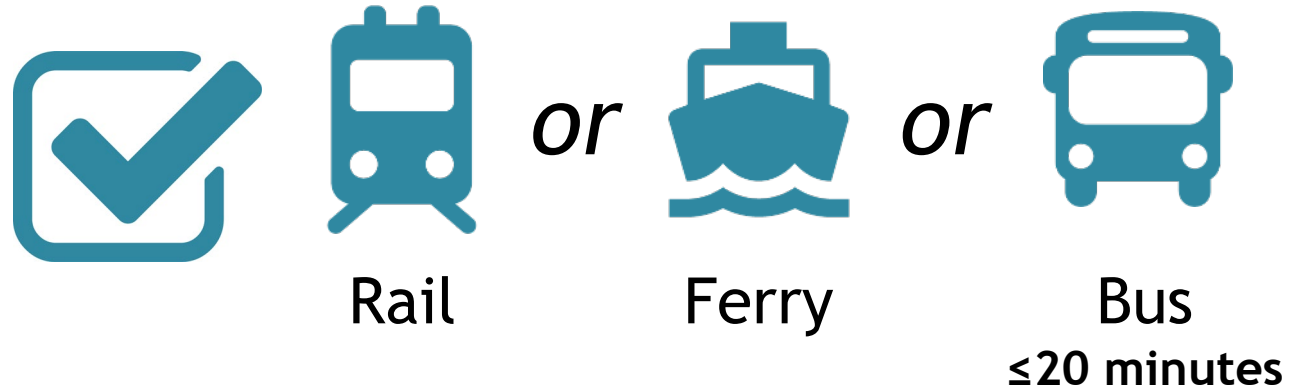


Potential Revision

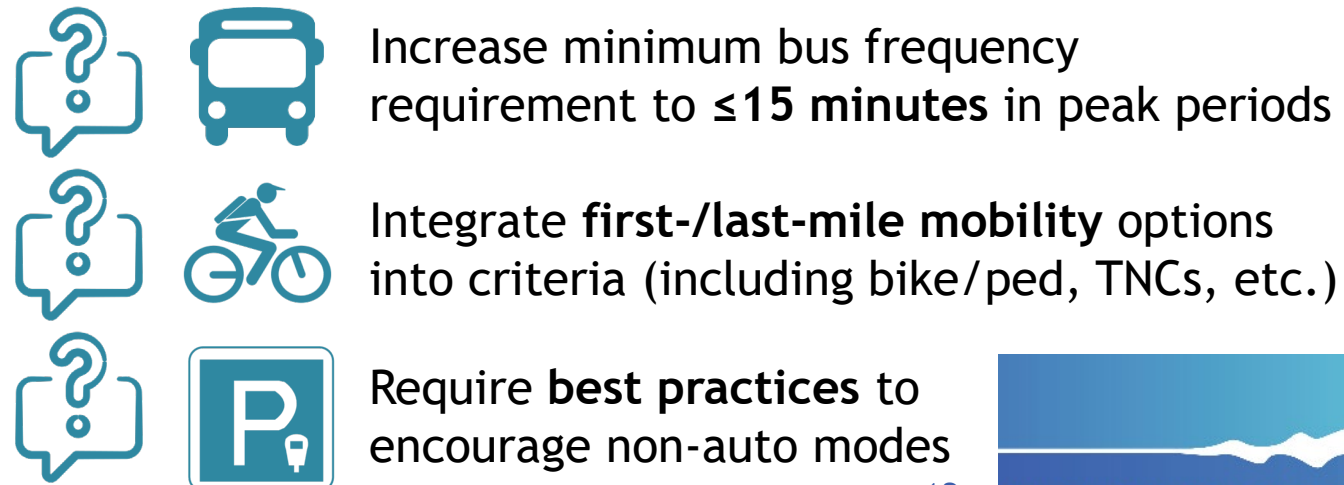
Require all PDAs to be consistent with program guidelines by 2020.

1a

EXISTING TRANSIT CRITERIA FOR PDAs



POTENTIAL MODIFICATIONS TO TRANSIT CRITERIA



Challenge

Many PDAs do not meet the program criteria for transit and local planning.

41

Priority Development Areas have not adopted or started a specific or precise plan

2007

PDAs were first approved by ABAG as part of the FOCUS program

Potential Revision

Require all PDAs to be consistent with program guidelines by 2020.

1a

Later this year, MTC/ABAG will ask all jurisdictions with PDAs that **have not started a specific or precise plan** to specify when they will start and **complete** this planning process.



PDA
PLAN

*Local jurisdictions are encouraged to **apply for the next round of PDA Planning Grants**, if they cannot complete this planning requirement with local dollars.*

Challenge

Not enough housing is being produced, particularly low- and middle-income.

13%

of permits issued were for **very-low** and **low-income** housing units

40%

of regional need is for **very-low** and **low-income** housing units

Potential Revision

Invite local jurisdictions to submit new or modified PDAs in 2019; increase regional support.

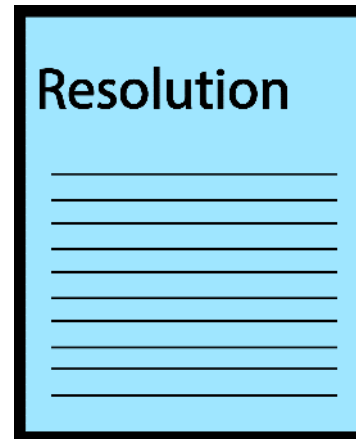
1b



August
2019



December
2019



Key Challenge with Framework

Potential Update for Plan Bay Area 2050

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| PCAs | 2 | Strong local interest exists to nominate new Priority Conservation Areas (PCAs). | Invite local jurisdictions and partner organizations to submit new or modified PCAs in 2019. |
| New Priority Areas | 3a | | |
| | 3b | | |
| | 3c | | |
| Cross-Cutting | 4 | | |

Challenge

Strong local interest exists to nominate new Priority Conservation Areas (PCAs).



Natural Landscapes



Agricultural Lands



Urban Greening



Regional Recreation

Potential Revision

Invite local jurisdictions and partner organizations to submit new or modified PCAs in 2019.



**August
2019**

**Letter of
Interest**



**December
2019**

Resolution

2

Key Challenge with Framework

Potential Update for Plan Bay Area 2050

| | | | |
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| | 3c | Many PDAs face displacement risk and lack quality schools and community resources. | Integrate High-Resource Areas (HRAs) with adequate transit service into the regional growth framework. |
| Cross-Cutting | 4 | | |

Challenge

Industrial land and middle-wage jobs are not well-integrated into the current framework.



Potential Revision

Establish a **Priority Production Area (PPA)** pilot program and invite local jurisdictions to submit PPAs in 2019.

3a



August
2019

Letter of
Interest



December
2019

Resolution

Challenge

The more ambitious GHG target for Plan Bay Area 2050 may be difficult to reach.



Per-Capita
GHG Reduction
Target

-15%

-19%

GHG
Performance

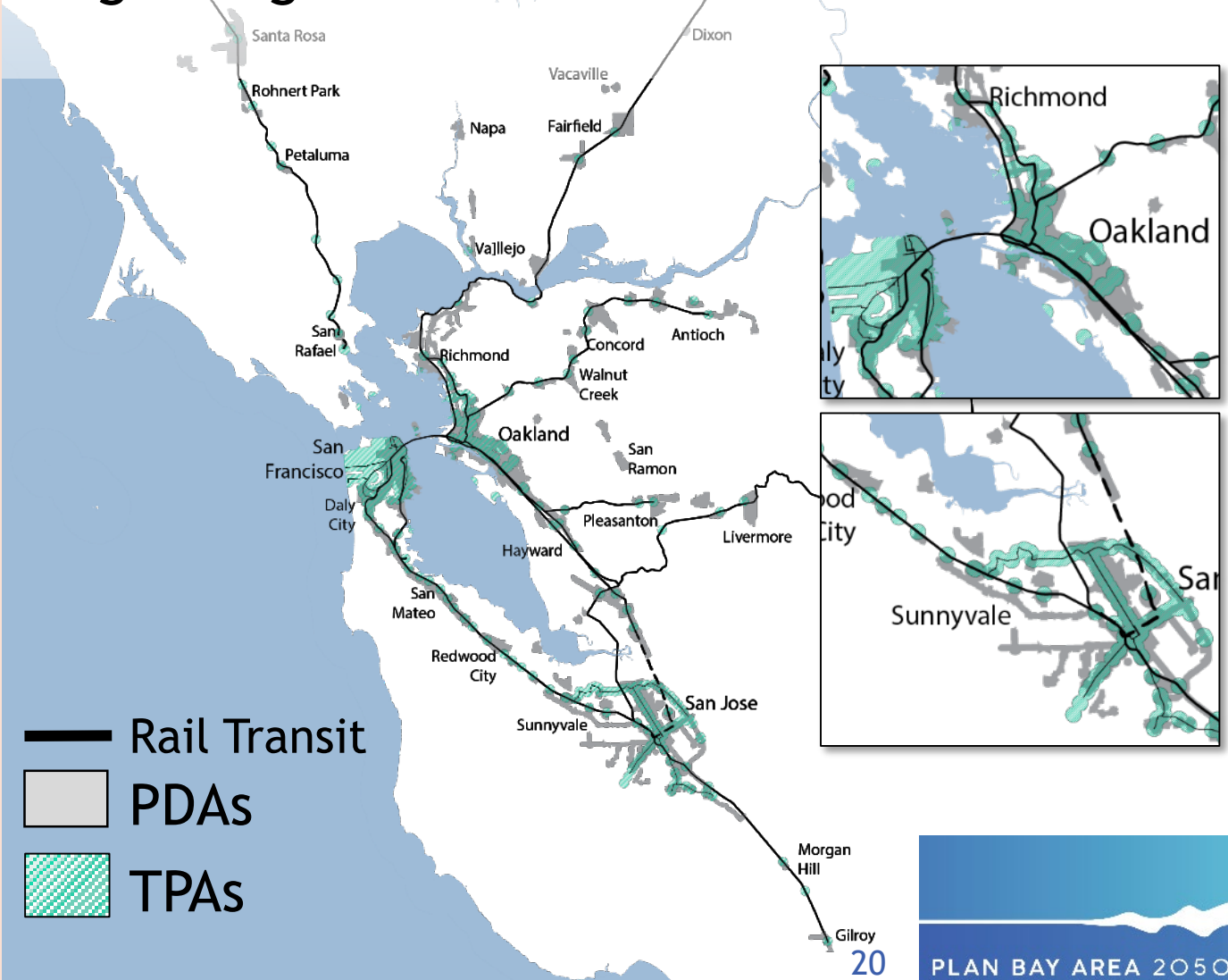
-15%

TBD



Potential Revision

Integrate state-identified Transit Priority Areas (TPAs) into the regional growth framework.



Challenge

Many PDAs face **displacement risk** and lack **quality schools** and **community resources**.

6%

of High-Resource*
census blocks are in PDAs

14%

of census blocks with high
community stability** are in PDAs

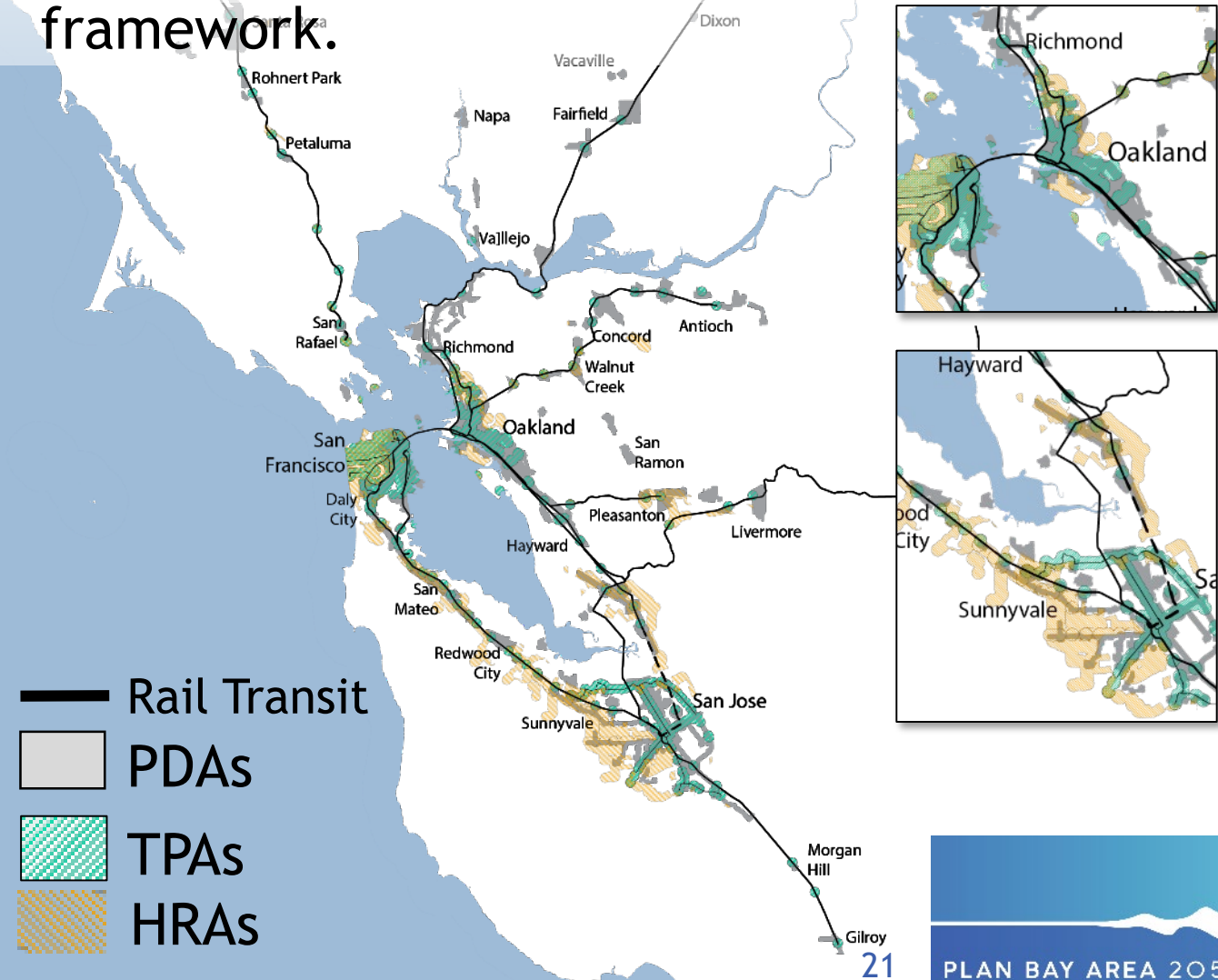
*Based on California HCD and DOF-adopted [Opportunity Mapping](#) designations

**Based upon analysis in [Regional Growth Strategies Perspective Paper](#); high community stability is indicative of low displacement risk

Potential Revision

Integrate state-identified **High Resource Areas (HRAs)** with adequate transit service into the regional growth framework.

3c



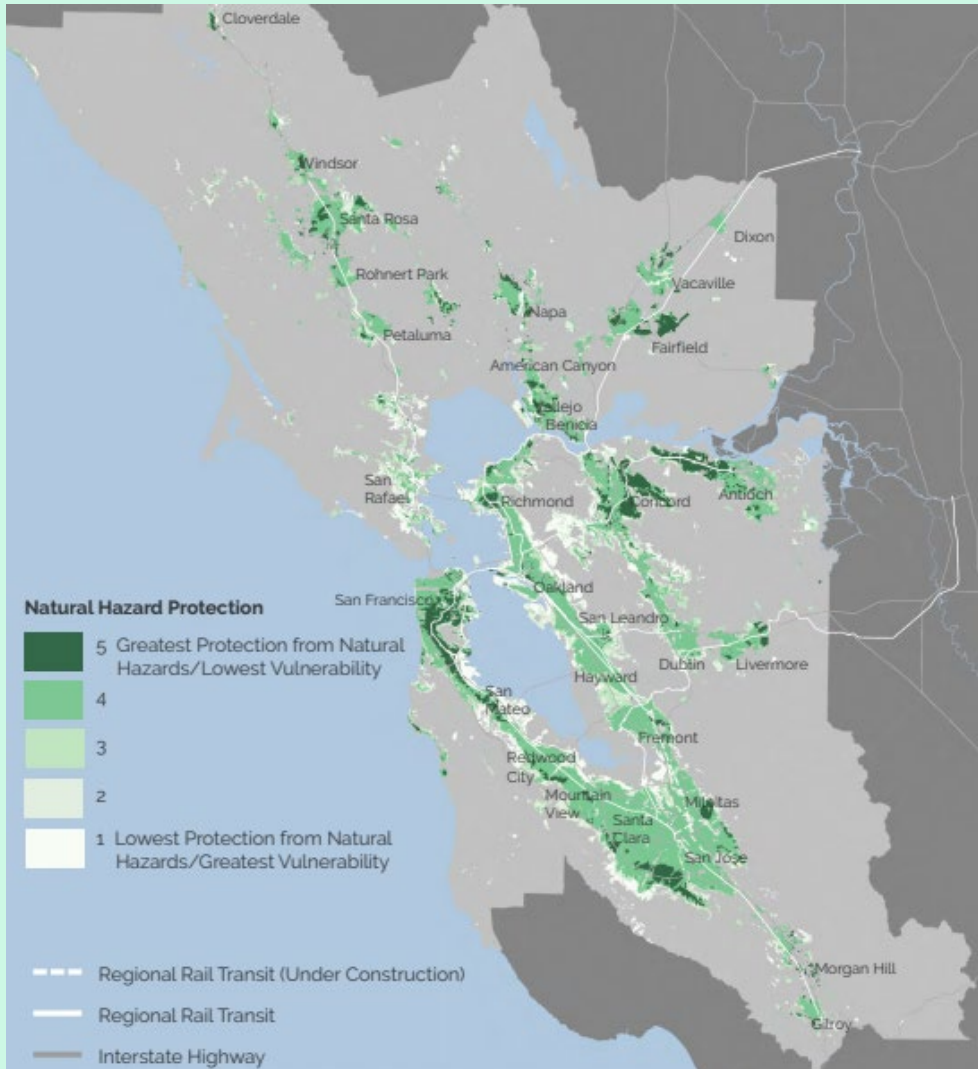
Key Challenge with Framework

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| Cross-Cutting | 4 | Priority areas are at risk from sea level rise, wildfires, earthquakes, and more. | Focus on strategies and guidelines to protect the final set of priority areas in the Preferred Plan. |

Challenge

Priority areas are **at risk** from sea level rise, wildfires, earthquakes, and more.



Potential Revision

Focus on **strategies and guidelines** to protect the final set of priority areas in the Preferred Plan.

4















Strategies



*Given the scale of the region's housing crisis, **focus on protecting identified growth areas and mitigating risks** rather than deprioritizing places for growth.*

This work will occur as part of the development of the Resilience element for the Preferred Plan Bay Area 2050 - between **September and December 2019**.

How Might Some or All of These Revisions Move Forward?

| | | | Apr | May | June | July | Aug | Sept | Oct | Nov | Dec | 2020 |
|--------------------|----|---------------|--|---|--|------|-----|--|-----|-----|-----|------|
| PDAs | 1a | Align PDAs |  |  | Submission from CTA and/or city/county | | | | | | | |
| | 1b | New PDAs |  |  | Letter of interest | | | City Council / Board of Supervisors adoption | | | | |
| PCAs | 2 | New PCAs |  |  | Letter of interest | | | Local Agency adoption | | | | |
| New Priority Areas | 3a | PPAs |  |  | Letter of interest | | | City Council / Board of Supervisors adoption | | | | |
| | 3b | TPAs |  | | Finalize zones | | |  | | | | |
| | 3c | HRAs |  | | Finalize zones | | |  | | | | |
| Cross-Cutting | 4 | At-Risk Zones | | | | | | Incorporate strategies into Preferred Plan Bay Area 2050 | | | | |

 = Action on Element of Regional Growth Framework Update

We hope that local jurisdictions will rise to the regional challenge this summer.

Ideally, local jurisdictions will nominate transit-rich and high-resource areas as new PDAs to address climate & equity shortcomings of Plan Bay Area 2040 and be eligible for significant transportation investments.

If not, MTC/ABAG will be faced with failing to meet GHG targets, or falling short of the needs of our most vulnerable communities.

That should not be our future.
We must remain partners to advance our collective regional good.



Plan Bay Area 2050: Regional Growth Framework Update Priority Development Area (PDA) Program Fact Sheet

Program Information

Priority Development Areas (PDAs) are places with convenient transit access identified by local jurisdictions for new growth, including housing and jobs. Together with Priority Conservation Areas (PCAs), PDAs are the centerpiece of the Regional Growth Strategy that shaped the first two iterations of Plan Bay Area. The region has invested in planning and capital projects in PDAs through the One Bay Area Grant (OBAG) Program. Through grants to local jurisdictions, MTC has spurred additional capacity for more than 100,000 housing units within walking distance of high-quality transit. The objectives of the PDA program are to:

- **Meet the region's housing needs** in places served by infrastructure accessible by transit to regional opportunities;
- **Reduce development pressure on open spaces**, including PCAs; and
- **Increase transit ridership** and active transportation - and in the process, improve air quality, reduce congestion and leverage major regional transportation investments.

Current Eligibility Criteria

Areas eligible for PDA designation must be:

1. **Within an existing community** (i.e. "infill")
2. **Planned for a significant increase in housing units**, including affordable housing
3. **Within a half mile of a rail station, ferry terminal, or a bus stop** served by one or more route with peak headways of 20 minutes or less

Proposed Revisions for Plan Bay Area 2050

Potential revisions to the PDA program include requiring that all PDAs align with program criteria by 2020, better balancing housing and job growth, and encouraging local jurisdictions to nominate Transit Priority Areas and eligible High Resource Areas as PDAs. MTC/ABAG may also update the transit service criteria for PDAs to reflect present-day state high-quality transit standards, as well as new mobility options that have emerged since the 2007 creation of the PDA program.

Process for Aligning PDAs with Program Criteria

Tables 1 and 2 of this attachment summarize the level of transit service and planning in the region's PDAs. In the coming months, MTC/ABAG staff will coordinate with CTA and local jurisdiction staff to ensure the accuracy of this information.

For the purposes of aligning PDAs with program criteria, staff is proposing that **at least 50 percent** of the PDA needs to have existing or planned transit service that meets frequency standards in the PDA guidelines. Similarly, for local planning, staff is proposing that only those PDAs **without any planning adopted or underway** would be considered inconsistent with program guidelines; staff is looking for a local commitment to advance a PDA Plan in the coming years. Staff will work with our local partners (jurisdictions and CTAs) to address these issues this summer in advance of Plan Bay Area 2050.

Process for New and Modified PDAs

Applicants for new or modified PDAs would begin by submitting letters of interest, followed by a full application. **Letters of interest** would include: a) a completed checklist demonstrating consistency with eligibility criteria; b) a narrative description of the proposed area; and c) a map of the area. **Full applications** would include all of this information as well as an adopted resolution by the City Council or Board of Supervisors. Before soliciting letters of interest, staff would request board approval to do so in May.

What's Next?

The month-by-month schedule for the proposed update to the PDA program is shown below:

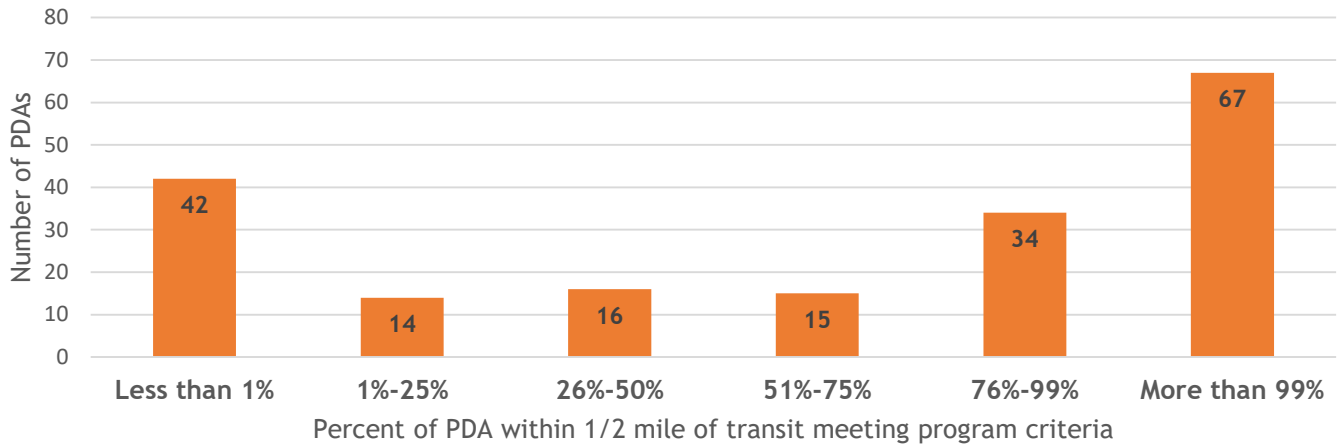
- **March 2019 through May 2019:** finalize data on consistency with program guidelines for PDAs
- **May 2019:** seek approval from ABAG Board to solicit letters of interest for new or modified PDAs
- **May 2019 through August 2019:** local jurisdictions can submit letters of interest to create PDAs; CTAs and/or local jurisdictions submit letters of intent and timeline to meet PDA program criteria
- **September 2019 through December 2019:** Board adopts final revised criteria; local jurisdictions that previously submitted a letter of interest submit full applications
- **September 2019 through March 2020:** integrate new and modified PDAs into Draft and Final Preferred Scenario of Plan Bay Area 2050

Staff Contracts:

Christy Leffall - cleffall@bayareametro.gov

Mark Shorett - mshorett@bayareametro.gov

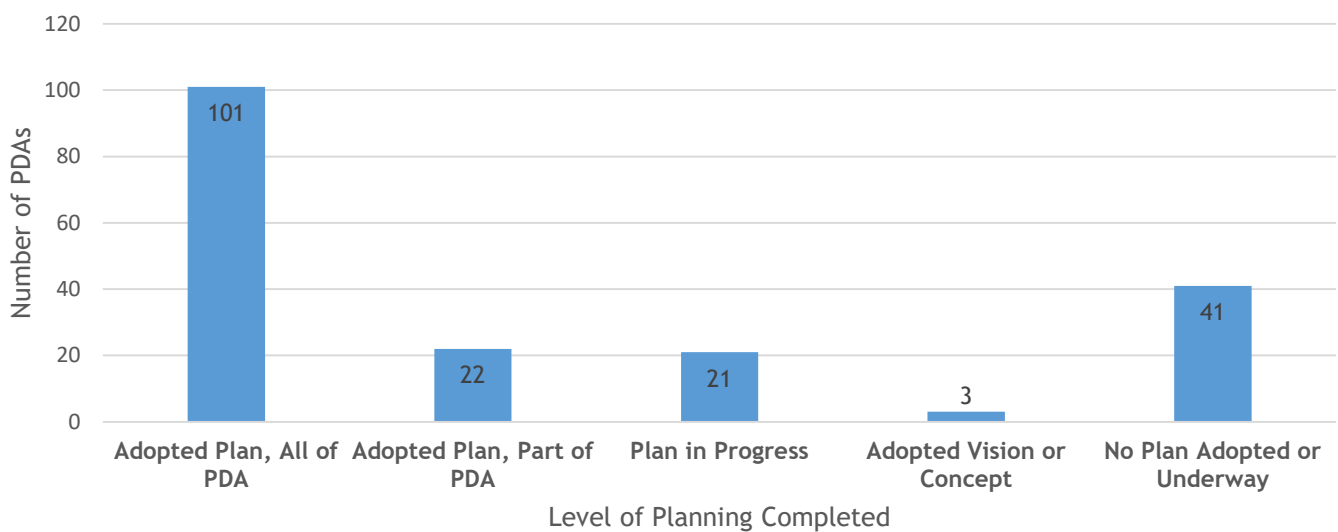
Table 1. Share of Priority Development Area (PDA) within 1/2 mile of Transit Meeting Current Program Criteria¹, 2019



Data subject to update following local jurisdiction and County Transportation Agency (CTA) review 1. Defined for the purpose of this analysis as an existing rail station, ferry terminal, or 20-minute frequency bus in peak periods, or a future rail station, ferry terminal, or 20-minute frequency bus service in peak periods (6AM-10AM and 3PM-7PM) included in the fiscally-constrained Plan Bay Area 2040. Only Resolution 3434 investments that were included in Plan Bay Area 2040 were considered in this analysis.

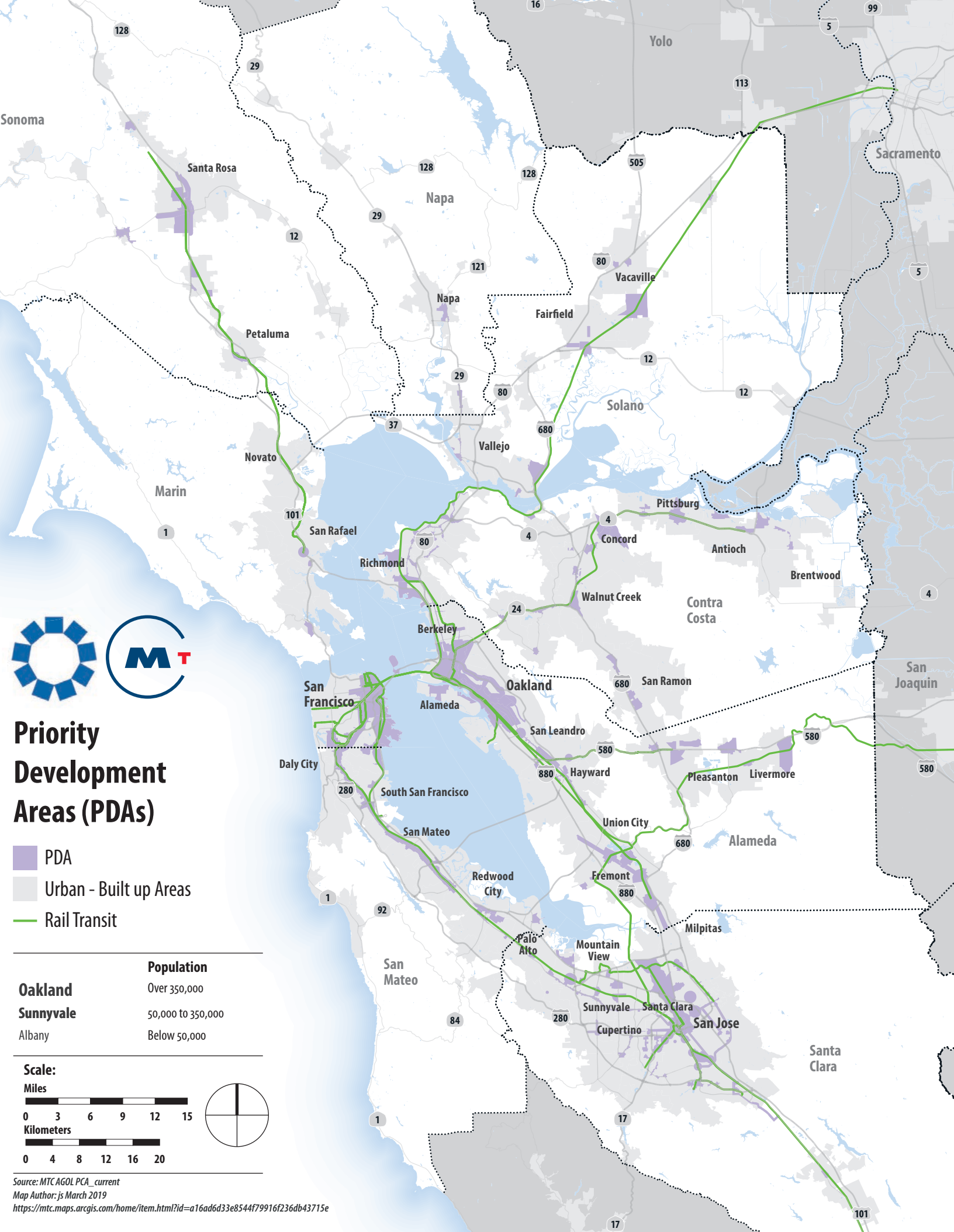
Data sources: MTC/ABAG, Plan Bay Area 2040; Google Transit Feed Specification (GTFS), March 2019

Table 2. Level of Planning² Completed in PDAs, 2019



Data subject to update following local jurisdiction and County Transportation Agency (CTA) review 2. Defined as a Specific, Precise, or other adopted Plan with detailed development standards for the area included in the PDA, accompanied by a programmatic EIR.

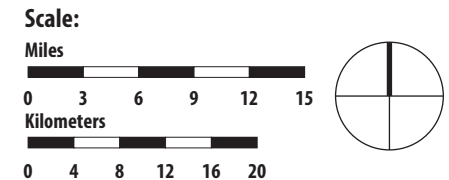
Data Source: MTC/ABAG, review of locally adopted PDA plans, March 2019



Priority Development Areas (PDAs)

- PDA
- Urban - Built up Areas
- Rail Transit

| | Population |
|------------------|-------------------|
| Oakland | Over 350,000 |
| Sunnyvale | 50,000 to 350,000 |
| Albany | Below 50,000 |





Plan Bay Area 2050: Regional Growth Framework Update Priority Conservation Area (PCA) Program Fact Sheet

Program Information

The Priority Conservation Areas (PCA) complement PDAs by protecting a network of locally-identified at-risk open space, farmland, and habitat. Along with PDAs, PCAs were the centerpiece of the Regional Growth Framework that shaped the first two iterations of Plan Bay Area. The goal of the nominating PCAs is to:

- **Protect key open spaces** under pressure from urban development and other factors.
- **Preserve the lands necessary** to maintain the region's quality of life, ecological diversity, and agricultural production capabilities.
- **Provide opportunities for partnerships** and coordination in open space protection and preservation efforts, focusing available resources within a regional framework.
- **Create a regional vision** for open space conservation and preservation needs.

Eligible Areas

For an area to be eligible for nomination as a PCA, it must:

- Provide **regionally significant** agricultural, natural resource, scenic, recreational, and/or ecological values and ecosystem functions, demonstrated through adopted plans and recognized data sources such as the Conservation Lands Network (CLN);
- **Require protection** due to pressure from urban development or other factors; and
- Fall into **one or more PCA designation category**: Natural Landscapes, Agricultural Lands, Urban Greening, and Regional Recreation.

Nomination Process

Similar to the proposed process for PDAs, applicants would have the option of submitting a letter of interest prior to full application for staff review, or submitting a full application.

Letters of interest would include: a) a completed checklist demonstrating consistency with eligibility criteria; b) a narrative description of the proposed area; and c) a map of the area.

Full applications would include all of this information as well as an adopted resolution by the jurisdiction or special district with primary land use control - typically a city, county or park/open space district.

Program Revisions for Plan Bay Area 2050

No significant revisions are proposed to the PCA program this year. One minor modification, to be developed in the coming months, would further refine the definition of the four designation categories.

What's Next?

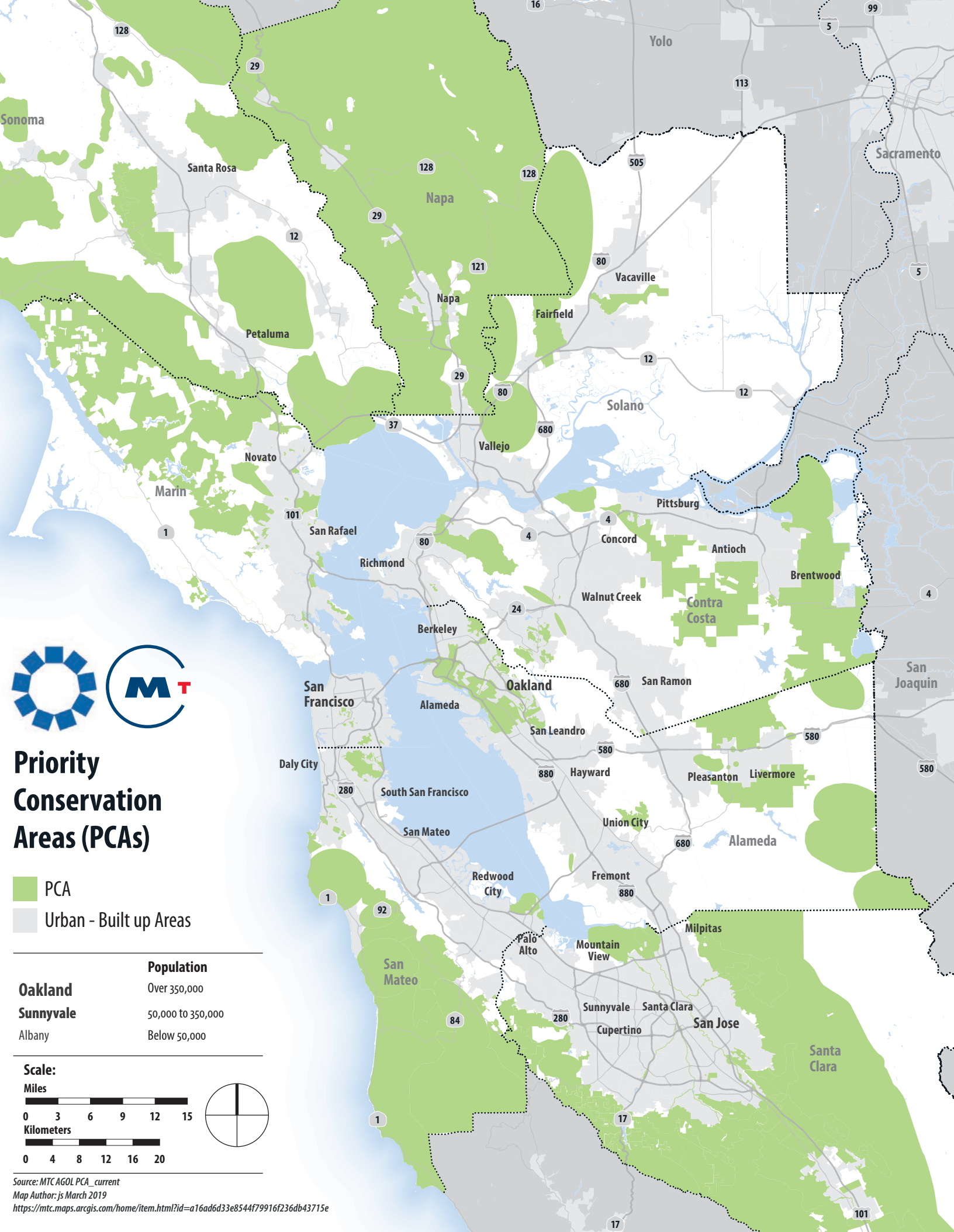
The month-by-month schedule for updating existing and proposing new PCAs is shown below:

- **March through May:** finalize minor updates to PCA criteria and guidelines
- **May 2019:** seek approval from ABAG Board to solicit letters of interest for new or modified PCAs
- **May through August:** local jurisdictions and partner organizations can submit letters of interest to add, remove, or modify their PCAs
- **September through December:** local jurisdictions and partner organizations seek approval of PCA changes by elected board(s)
- **September through March 2020:** integrate updated PCAs into Draft and Final Preferred Scenario

Contact Information

Lee Huo - lhuo@bayareametro.gov

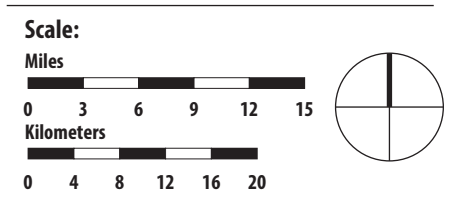
Laura Thompson - lthompson@bayareametro.gov



Priority Conservation Areas (PCAs)

- PCA
- Urban - Built up Areas

| | Population |
|-----------|-------------------|
| Oakland | Over 350,000 |
| Sunnyvale | 50,000 to 350,000 |
| Albany | Below 50,000 |





Plan Bay Area 2050: Regional Growth Framework Update **Potential Priority Production Area (PPA) Pilot Program Fact Sheet**

Program Information

The Priority Production Area (PPA) program would identify industrial areas of importance to the regional and local economies, provide supportive resources and implementation actions for these areas, and encourage middle-wage job opportunities. PPAs would be locally-designated areas where production, distribution and repair services (PDR) would be a priority consideration in determining future land use. In many cases, PPAs would be areas with broad community support for continued industrial activity that face pressure for conversion to higher-value uses.

The PPA program would complement existing Priority Development Area (PDA) and Priority Conservation Area (PCA) programs. It would build on the regional and local partnerships and knowledge resources that ABAG/MTC has developed over the past three years in establishing the Greater Bay Area Regional Economic Development District. The goals of designating PPAs would be to:

- **Support** strong clusters of the region's economy.
- **Align with the transportation planning framework** for freight and goods movement.
- **Plan for space** needed for middle-wage job opportunities.
- **Encourage middle-wage job growth** close to affordable housing.

For Plan Bay Area 2050, the PPA program will be implemented as a pilot program, with a limited number of PPAs designated from selected jurisdictions. The criteria for the pilot program described below would be improved and revised through testing during the Plan Bay Area 2050 analysis.

Eligibility Criteria and Guideline for Pilot PPA Program

Each application will be evaluated according to local context and needs. Preliminarily, areas that meet the following criteria would be eligible for nomination as a PPA:

1. **The area is zoned for industrial use** or has a high concentration of PDR activities, and located:
 - a. Within 1-mile radius of highway ramp; or
 - b. Within 1-mile of freight facilities (airports, seaports, and intermodal terminals).
2. **The local jurisdiction desires to protect the area** for job retention and growth, and to prioritize industrial use over housing in the area.

In addition, these **guidelines** need to be followed when nominating PPAs:

1. **Housing needs are being addressed** by the jurisdiction:
 - a. The jurisdiction has a certified housing element, and
 - b. If the jurisdiction's jobs-housing ratio is greater than 1.5, the jurisdiction can demonstrate that alternative sites are identified and being permitted for housing construction.

2. **The area does not overlap with a Priority Development Area** and does not include land within one-half mile of a rail station or ferry terminal:
 - a. A jurisdiction would have the opportunity to request a modification of PDA boundaries to avoid this overlap.
 - b. Priority Development Areas (PDAs) that are at risk of losing their PDA designation because of the transit frequency requirement, and that meet the criteria and guidelines, could seek conversion from PDA to PPA status.

Nomination Process

Similar to the proposed process for PDAs and PCAs, applicants would have the option of submitting a letter of interest prior to full application for staff review, or submitting a full application. **Letters of interest** would include: a) a completed checklist demonstrating consistency with eligibility criteria; b) a narrative description of the proposed area; and c) a map of the area. **Full applications** would include all of this information as well as an adopted resolution by the City Council or Board of Supervisors. Applications that are not accepted for the pilot program to include in the plan may still be helpful in testing and shaping the PPA program that will be finalized after adoption of PBA 2050.

What's Next?

The month-by-month schedule for the proposed PPA pilot program is shown below:

- **March 2019 through May 2019:** finalize and adopt PPA pilot program criteria and guidelines
- **May 2019 through August 2019:** local jurisdictions can submit letters of interest to create PPAs
- **September 2019 through December 2019:** local jurisdictions that previously submitted letters of interest may submit full applications
- **September 2019 through March 2020:** integrate pilot PPAs into Draft and Final Preferred Scenario of Plan Bay Area 2050
- **Beginning August 2021:** Evaluate PPA pilot program and modify as needed for broader adoption.

Staff Contracts:

Bobby Lu - blu@bayareametro.gov

Johnny Jaramillo - jjaramillo@bayareametro.gov