

**Metropolitan Transportation Commission and the  
Association of Bay Area Governments  
Regional Advisory Working Group**

May 7, 2019

Agenda Item 3

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**Horizon – Futures Round 2: Finalizing Strategies for Analysis**

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**Subject:** Presentation on proposed set of Horizon strategies to study in a second round of Futures analysis.

**Background:** In March 2019, MTC/ABAG released the Futures Interim Report, which summarized the results of Futures Round 1 analysis. This work sought to understand how existing regional policies – those from Plan Bay Area 2040 – would fare under three different Futures developed collaboratively with stakeholders in 2018. The report identified key opportunities and challenges for the Bay Area – both existing issues like affordability, traffic congestion, and inequities as well as potential future risks from sea level rise, earthquake impacts, autonomous vehicles, economic shifts, and more. To address these challenges through new policies beyond those in Plan Bay Area 2040, staff pulled together 44 potential strategies from Perspective Papers, from Project Performance, and from other ongoing regional initiatives that might address or mitigate these challenges.

To better inform the next phase of Futures analysis, Spring 2019 outreach for Horizon solicited feedback from over 1,000 Bay Area residents on which strategies would be best positioned to improve outcomes in each of the Futures being explored as part of Horizon. This feedback has informed our initial recommendation for strategies to advance into Futures Round 2, where we will test how packages of strategies might serve to change the region's potential trajectory. In short, Futures Round 2 is designed to answer two core questions:

1. Given a wide range of potential future conditions, how might new strategies result in improved outcomes in each Future?
2. Which strategies are effective across multiple Futures?

To best answer these two questions, staff recommend a two-tiered approach. In all three Futures, we would include a set of low- or no-cost strategies to better align outcomes with the Guiding Principles, and then integrate an additional set of higher-cost strategies in the two higher-resource Futures (Clean and Green & Back to the Future). Staff believe this approach will best answer how effective strategies are in different Futures, while aligning strategies with financial resources across all three.

**Issues:** **What is a Horizon Strategy?**

A strategy is a policy (such as upzoning around transit stations or pricing all freeways) or investment (such as a short list of major rail extensions, or a package of sea level rise infrastructure) that can be advanced and implemented by local, regional, or state government. This differs from an external force, introduced in Futures Round 1 and carried over into Futures Round 2, which occurs on a national or global level and remains firmly outside the control of Bay Area residents, businesses, or elected officials.

As mentioned above, many of the strategies come from other strands of work for Horizon, as well as key regional initiatives. The Futures Round 2 analysis is intended to explore how combinations of strategies could lead to better outcomes in each future. Importantly, exploration of these strategies in Horizon is not intended to serve as a near-term legislative platform or call to action – this work will support our ongoing exploratory scenario planning to inform long-range decisions for Plan Bay Area 2050. The strategies explored in Futures analysis should be considered with this context in mind.

### **How Have We Prioritized Strategies for Futures Round 2 So Far?**

**Attachment A** summarizes the strategy priorities identified in the spring 2019 outreach, highlighting which strategies had the greatest support to tackle challenges for transportation, land use, economic development, and resilience. This input was critical in helping to prioritize which strategies had the greatest support from the public and from stakeholders; as shown in Attachment A, all of the top 20 strategies are proposed to be advanced to Futures Round 2 along with another six strategies that address critical remaining challenges posed in one or more Futures.

As discussed above, staff has bundled the priority strategies into two sets: the first focusing on low- or no-cost strategies that could be advanced in all three Futures, and the second focusing on higher-cost strategies that could prove financially feasible in Futures with greater financial resources and a stronger regional economy (Clean and Green & Back to the Future). The second set of higher-cost strategies would build upon the foundation of the low- and no-cost strategies from Rising Tides, Falling Fortunes.

The summary table in **Attachment B** displays a range of information about each strategy and organizes the strategies by their inclusion in different Future analyses. Strategies are organized horizontally by topical areas and vertically by how they will be incorporated into the three Futures. Further analysis is currently underway to ensure that all of the Futures are fiscally constrained – in other words, that projected revenues are generally consistent with projected costs for the strategies in each Future. As noted in the Futures Interim Report, available revenues are significantly lower in Rising Tides, Falling Fortunes – which may necessitate modifying Plan Bay Area 2040 strategies in some circumstances to balance the budget.

Building upon the previously-released Transform-the-Future Strategy Booklet, Attachment 3 provides additional information on the strategies that have evolved based on outreach feedback. Staff looks forward to hearing your thoughts as we further shape the list and composition of strategies in the coming weeks.

### **How Will Futures Round 2 Inform Plan Bay Area 2050?**

This two-step Futures analysis is intended to provide stakeholders and policymakers with a better understanding of how existing and future policies would hold up in an era of uncertainty – setting the stage of key Plan Bay

Area 2050 decisions. While Futures is a critical part of Horizon, it is important to note that Futures Round 2 and the Final Futures report will be one element of information to inform discussions around strategies for the Preferred Plan. For example: for transportation projects, the Project Performance results – evaluating investments individually against the three Futures – will play a lead role, with the Futures analysis acting as a secondary data point. At the same time, for land use, resilience, and economic development strategies, the Futures Analysis will be a key source used to characterize strategies and their potential efficacy. Staff will also draw upon past Perspective Papers and other key studies, literature, and outreach as we move into Plan Bay Area 2050. While strategies that prove effective in Futures Round 2 will be prioritized for Plan Bay Area 2050, the exclusion of a strategy from this next phase of Futures analysis does not exclude it from consideration as we craft the Preferred Plan. Ultimately, MTC and the ABAG Executive Board will decide on what strategies are included in the preferred scenario.

**Next Steps:**

Through the end of May, staff will incorporate feedback from the RAWG into a final set of strategies to study in the Futures Round 2 analysis. During the month of May, staff will expand on strategy descriptions in the Transform-the-Future Strategy Booklet, working both to finalize strategy costs and to incorporate the strategies into economic, transportation, and land use models. This summer, staff will re-run each of the Futures with the new set of strategies incorporated, documenting the results and findings into the Final Futures Report – slated for release in September 2019 in time for Plan Bay Area 2050.

**Attachments:**

Attachment A – Summary of Spring 2019 Outreach: Strategy Prioritization  
Attachment B – Futures Round 2 Proposed Strategies Summary Table  
Attachment C – Additional Information on Round 2 Strategies  
Attachment D – Presentation

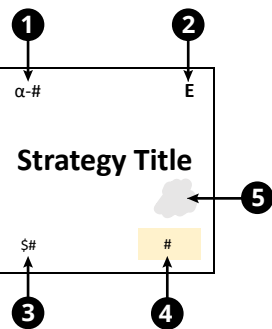
## Attachment A – Summary of Spring 2019 Outreach: Strategy Prioritization

Staff collected quantitative data on all 44 strategies from three different outreach sources: (1) a stakeholder workshop, (2) six public workshops, (3) nine community-based organization focus groups. The online survey collected data only on some strategies. The online survey results are shown, but not included in the overall rank calculation. To create a single, overall rank, staff summed the stakeholder workshop, public workshop, and CBO focus group rankings. The summed value was then ranked to formulate a final overall rank.

	Strategy Title	Stakeholder Workshop	Public Workshops	CBO Focus Groups	Online Survey	Overall
Horizon Lower/No Cost Strategies	A-7 Allow Diverse Housing Around all Major Transit Stops	8	2	14	1	2
	C-4 Build and Operate a Next Generation Bus Rapid Transit Network	1	8	16	7	3
	D-7 Require 20 Percent of all new Housing to be Affordable	15	5	5	16	3
	D-9 Allow Affordable Housing in Areas of High Opportunity	10	10	8	11	5
	A-4 Transform Aging Malls and Office Parks Into Neighborhoods	4	7	19	10	7
	D-6 Increase Renter Protections	16	13	4	4	8
	V-5 Create Incubator Program in Economically Challenged Communities	16	20	1	27	10
	C-3 Complete Regional Bike Networks	1	9	30	5	12
	V-6 Provide Portable Benefits for Part-Time and Freelance Workers	23	20	10	N/A	18
	D-2 Expand Support for Low-Income Community College Students	25	27	3	2	20
	C-1 Develop a Single Platform to Access all Mobility Options	10	31	21	N/A	23
	H-4 Purchase Disaster Recovery Financing to Recover After Disasters	25	33	15	24	26
	C-6 Apply 10-Cent-per-Mile Peak-Period Pricing on Freeways	10	27	44	28	29
	H-7 Partially Adapt to Sea Level Rise	29	35	18	N/A	30
	D-4 Invest in Free “Last Mile” Service	29	14	42	N/A	31
Horizon High Cost, Strong Economy Strategies	C-10 Increase Capacity and Frequency by Modernizing Existing Rail Network	1	4	12	7	1
	H-9 Expand Financing for Energy, Water, Seismic, Fire and Accessibility Improvements	10	17	2	13	6
	H-8 Fully Adapt to Sea Level Rise	4	3	28	N/A	9
	V-3 Preserve Agricultural Lands and Jobs	16	11	11	23	11
	C-9 Extend the Regional Rail Network	33	1	7	21	13
	A-3 Provide 50 Percent Fare Discount for Low-Income Transit Riders	7	16	22	N/A	14
	C-7 Build a New Transbay Rail Crossing	6	12	29	11	15
	V-1 Expand Construction Workforce Programs	16	23	9	9	16
	H-2 Pass a Regional Measure for Parks, Trails and Greenways	21	24	6	3	17
	V-7 Implement Incentives and Disincentives to Locate Jobs in Housing-Rich Locations	25	6	23	17	19
	H-3 Adapt Highway 37 to Sea Level Rise	16	19	26	32	21
	A-5 Reuse Excess Parking for Housing	25	14	31	15	25
	A-8 Raise Taxes to Spur Affordable Housing Production & Preservation	10	32	34	30	27
	A-1 Streamline Accessory Dwelling Units	21	20	20	21	21
	H-1 Establish Vehicle Trip Reduction Requirements for all New Development	8	18	38	20	24
Strategies Not Prioritized for Futures Round 2 Analysis	A-2 Repurpose Public Land to Build Housing	36	30	13	5	28
	A-9 Institute a Bay Area Universal Basic Income (UBI) for Low-Income Households	36	25	24	19	31
	V-4 Develop a State-Level Fund for Automation-Induced Job Displacement	36	34	17	18	33
	C-2 Provide Commuters With Incentives to Carpool	29	36	25	26	34
	H-6 Pass a Statewide Carbon Tax on Food and Goods	33	26	32	29	35
	H-5 Implement Parking Fees	23	29	43	14	36
	D-8 Expand the Income Tax Credit for Renters	33	37	35	25	37
	D-5 Mandate Private Mobility Businesses Accommodate the Elderly and Disabled	36	38	33	N/A	38
	C-5 Increase Freeway Capacity and Build Express Lanes to Sacramento and Tracy	41	42	27	32	39
	V-2 Establish Priority Production Areas to Protect Industrial Lands	29	43	41	35	40
	D-3 Subsidize Small Businesses Impacted by Transit Projects	41	40	36	N/A	41
	A-6 Establish Urban Reserves for Housing Development	41	38	40	31	42
	C-8 Build a New Transbay Highway Crossing	41	41	37	N/A	42
	D-1 Develop a Housing Lottery Preference Program	36	44	39	34	42

Attachment B

Horizon: Futures Round 2 Proposed Strategies Summary Table



- 1

Alpha-Numeric Strategy Code

A - Affordable

C - Connected

D - Diverse

H - Healthy

V - Vibrant

\* indicates that something may be modified.
- 2

Equity Tag

Indicates strategies with a strong equity nexus
- 3

Estimated Strategy Cost
- 4

Outreach Rank

1 - 5

6 - 10

11 - 15

16 - 20

21 - 25

26 - 30

31 - 35

36 - 40

41+
- 5

Inclusion in Round 2

PBA 2040 Strategies Included in all Futures

New Strategies Included in all Futures

New Strategies Included in 2 Futures

New Strategies May be included in minor ways.

New Strategies Not included in analysis

		Land Use & Housing Strategies			Transportation Strategies			Environmental & Resilience Strategies		Economic Development Strategies	
		Spur Housing Production		Retain and Expand Affordable Housing	Improve Access, Reliability and Speed of Transportation Services		Price Transportation Services	Reduce our Impact on the Environment	Reduce the Enviro. Impact on Us	Shift Location of Jobs	Improve Economic Mobility
Rising Tides, Falling Fortunes	Plan Bay Area 2040 Strategies <i>(Studied in all 3 Futures)</i>	PBA-1* Assign Higher Densities to Priority Development Areas	PBA-2* Reduce Cost of Building in PDAs (Streamlining and Subsidies)	PBA-3* E Require 10 Percent of All New Housing in PDAs to be Affordable	PBA-4* Make Strategic Modernization & Expansion Investments for Public Transit	PBA-5* Build Express Lanes & Address Interchange Bottlenecks	PBA-6* Operate and Maintain the Existing System	PBA-7 Keep Current Urban Growth Boundaries in Place		PBA-8* Preserve Office Space Caps in Job-Rich Cities & Assess VMT-Based Commercial Development Fee	
	Horizon Low/No Cost Strategies <i>(Included in all 3 Futures)</i>	A-7 Allow Diverse Housing Around all Major Transit Stops \$0 2	D-9 E Allow Affordable Housing in Areas of High Opportunity \$5 5	D-7 E Require 20 Percent of Housing to be Affordable \$0 3	C-4 E Build and Operate a Next Generation Bus Rapid Transit Network \$6 3	C-3 Complete Regional Bike Networks \$3 12	C-1* Develop a Single Platform to Access and Pay For all Mobility Options \$3 23		H-4* Purchase Disaster Recovery Financing to Recover After Disasters \$6 26	V-5* Create Incubator Programs in Economically Challenged Communities \$5 10	V-6 E Provide Portable Benefits for Part-Time and Freelance Workers \$0 18
		A-4 Transform Aging Malls and Office Parks Into Neighborhoods \$0 7		D-6 E Increase Renter Protections \$3 8	D-4* E Invest in Free Short-Trip Service \$6 31		C-6* Apply Tolls on All Freeways \$0 29		H-7 Partially Adapt to Sea Level Rise \$6 30	V-7 Implement Incentives and Disincentives to Locate Jobs in Housing-Rich Locations \$0 19	D-2 E Expand Support for Low-Income Community College Students \$2 20
	Horizon High Cost, Strong Economy Strategies <i>(Included in 2 Futures, Clean and Green + Back to the Future)</i>			A-8 E Raise Taxes to Spur Affordable Housing Production & Preservation \$45 27	C-10 Increase Capacity and Frequency by Modernizing Existing Rail Network \$48 1	C-9 Extend the Regional Rail Network \$32 13	A-3* E Provide Free Transit to Low-Income Riders \$10 14	H-9* Expand Financing for Energy, Water, Seismic, Fire and Accessibility Improvements \$20 6	H-8 Fully Adapt to Sea Level Rise \$6 9		V-1 Expand Construction Workforce Programs \$5 16
					C-7 Build a New Transbay Rail Crossing \$25 15			V-3 / H-2* Pass a Regional Measure for Parks, Trails and Greenways and Agriculture Lands \$10 14*	H-3* Adapt Highway 37 to Sea Level Rise \$5 21		
Clean and Green & Back to the Future	Potential Strategies for Futures Planning Work	A-5 Reuse Excess Parking for Housing 25	A-2 Repurpose Public Land to Build Housing 28	A-1 Streamline Accessory Dwelling Units 21		H-1 Establish Vehicle Trip Reduction Requirements for all New Development 24	H-5 Implement Parking Fees 36			V-2 Establish Priority Production Areas to Protect Industrial Lands 40	
		A-6 Establish Urban Reserves for Housing Development 42	D-1 Develop a Housing Lottery Preference Program 42	A-9 Institute a Bay Area Universal Basic Income (UBI) for Low-Income Households 31	C-5 Increase Freeway Capacity and Build Express Lanes to Sacramento and Tracy 39	C-8 Build a New Transbay Highway Crossing 42	C-2 Provide Commuters With Incentives to Carpool 34	H-6 Pass a Statewide Carbon Tax on Food and Goods 35			V-4 Develop a State-Level Fund for Automation-Induced Job Displacement 33
	Strategies Not Prioritized for Futures Round 2			D-8 Expand the Income Tax Credit for Renters 37			D-5 Mandate Private Mobility Businesses Accommodate the Elderly and Disabled 38				D-3 Subsidize Small Businesses Impacted by Transit Projects 41

## Attachment C – Additional Information on Round 2 Strategies

The Futures Round 2 Proposed Strategies Summary Table (Attachment B), is designed to be a reference guide for stakeholders. The summary table displays attributes for each strategy and organizes them by two dimensions: horizontally by the four topical areas of Horizon, and vertically by how staff recommend including strategies for study in Futures round 2 analysis.

This attachment provides additional details for each strategy, with most of the content drawn from the Transform-the-Future Strategy Booklet document. For strategies that include an asterisk next to the alpha-numeric strategy code, a brief description of the recommended change is also included.

### Land Use and Housing Strategies Proposed for Study in Futures Round 2 Analysis

ID	Strategy Name	Brief Description for Futures Round 2
<b>PBA-1</b>	Assign Higher Densities to Priority Development Areas	<b>Included in Plan Bay Area 2040 &amp; Futures Round 1.</b> While increased density and intensity limits will continue be applied in many PDAs – consistent with Plan Bay Area 2040 – staff is proposing to adjust the zoning assumptions in select PDAs to more closely reflect what is currently allowable. This revision would align with the expansion of the growth footprint in strategies A-7, D-9, and A-4, working to shift growth into a broader array of low-VMT, high-opportunity locations.
<b>PBA-2</b>	Reduce Cost of Building in Priority Development Areas	<b>Included in Plan Bay Area 2040 &amp; Futures Round 1.</b> A range of modeled incentive policies – from development subsidies to streamlining – were included in Plan Bay Area 2040 to incentivize building. Staff is proposing a revision for Futures Round 2 to address the extremely high levels of growth in PDAs in Futures Round 1. Instead, incentives could be realigned to spread growth more broadly across the new growth geographies.
<b>PBA-3</b>	Require 10% of All New Housing in PDAs to be Affordable	<b>Included in Plan Bay Area 2040 &amp; Futures Round 1.</b> Given housing affordability challenges in all three Futures, this policy would be superseded by strategy D-7, which would increase the inclusionary requirement to 20% in a broader range of geographies.
<b>A-7</b>	Allow Diverse Housing Around All Major Transit Stops	Rezone areas within a half-mile of any rail station or major transit station in the region to allow for more diverse housing. While in some communities this would involve no change, in others it would allow a variety of new housing, such as duplexes and apartments. This strategy will use the Transit Priority Area (TPA) geography.
<b>D-9</b>	Allow Affordable Housing in Areas of High Opportunity	Allow for the construction of mixed-income housing in transit-served high-resource areas (HRAs) – places with quality schools and other resources linked to better life outcomes. This strategy will likely be blended with the inclusionary housing policy below (D-7).

ID	Strategy Name	Brief Description for Futures Round 2
<b>A-4</b>	Transform Aging Malls and Office Parks into Neighborhoods	The region would provide supportive resources to identify and redevelop large vacant and low-performing shopping centers and other opportunity sites into mixed-income neighborhoods with local services and transit connections. Staff will assign new development into a portion of possible mall and office space conversion sites.
<b>D-7</b>	Require 20 Percent of New Housing to be Affordable	Increase the requirement on new construction to build at least 20 percent deed-restricted affordable housing, building on strategy PBA-3.
<b>D-6</b>	Increase Renter Protections	Advance a suite of four protection policies to help Bay Area renters stay in their communities: (i) just cause evictions; (ii) anti-gouging cap; (iii) right to legal counsel; and (iv) no net loss.
<b>A-8</b>	Raise Taxes to Spur Affordable Housing Production and Preservation	Generate approximately \$1.5 billion per year to build a broad range of permanently affordable housing — from supportive housing for the homeless to owner-occupied homes for moderate-income buyers. The impact of new taxes and fees would be spread among the region’s developers, homeowners, employers and shoppers.

#### Transportation Strategies Recommended for Study in Futures Round 2 Analysis

ID	Strategy Name	Brief Description for Futures Round 2
<b>PBA-4</b>	Make Strategic Modernization and Expansion Investments in Public Transit	<b>Included in Plan Bay Area 2040 &amp; Futures Round 1.</b> While modernization and expansion investments from Plan Bay Area 2040 will largely be carried over into the two higher-growth Futures, strategic changes to the project list may need to be made in Rising Tides, Falling Fortunes to address the projected deficit.
<b>PBA-5</b>	Build Express Lanes and Address Interchange Bottlenecks	<b>Included in Plan Bay Area 2040 &amp; Futures Round 1.</b> While express lane and interchange investments from Plan Bay Area 2040 will largely be carried over into the two higher-growth Futures, strategic changes to the project list may need to be made in Rising Tides, Falling Fortunes to address the projected deficit.
<b>PBA-6</b>	Operate and Maintain the Existing System	<b>Included in Plan Bay Area 2040 &amp; Futures Round 1.</b> Given the priority associated with “Fix It First”, staff is working to ensure that Plan Bay Area 2040’s commitment to maintain system conditions and support ongoing operations can be preserved in Futures Round 2. Staff is considering modifications to baseline transit operations in light of strategies C-4 and D-4 below.
<b>C-4</b>	Build and Operate a Next Generation Bus	Invest in the development of a more expansive bus rapid transit (BRT) network, including dedicated lanes and enhanced stations.

ID	Strategy Name	Brief Description for Futures Round 2
	Rapid Transit Network	Building off planned BRT projects on Geary, El Camino Real and San Pablo, this strategy would expand BRT across all transbay bridges.
<b>C-3</b>	Complete Regional Bike Networks	Expand the region's bicycle infrastructure through three projects: the completion of the Bay Trail, the completion of the Regional Bike Network, and the creation of Bicycle Superhighways adjacent to several of the region's highways.
<b>C-1</b>	Develop a Single Platform to Access and Pay For all Mobility Options	Develop a Mobility-as-a-Service platform to display transportation options and allow the user to pay for any service through the platform ( <i>title modified since March 2019</i> ).
<b>D-4</b>	Invest in Free Short-Trip Services	Provide free transportation options for trips no greater than 3 miles, including but not limited to circulator AV shuttles, bikeshare, e-scooters, etc. This strategy would be implemented around major transit stations. ( <i>title modified since March 2019 to recognize the broader array of short trips beyond last-mile transit access these services could be used for</i> ).
<b>C-6</b>	Apply Tolls to All Freeways	Apply time-of-day tolls to all freeways, reflecting feedback to expand tolls beyond peak periods. Based on feedback received, use revenues to fund other highlighted transportation strategies to counteract the regressive nature of roadway pricing.
<b>C-10</b>	Increase Capacity and Frequency by Modernizing Existing Rail Networks	Going beyond Plan Bay Area 2040 investments above (strategy PBA-4), improve the capacity, frequency, and reliability of the existing rail network – including BART, Caltrain, Muni Metro, and VTA light rail – to address capacity constraints in higher-growth Futures.
<b>C-9</b>	Extend the Regional Rail Network	Construct a package of new rail extensions throughout the Bay Area, including new light rail, commuter rail, and heavy rail segments. The strategy consists of extensions of existing rail lines (BART extensions, VTA light rail extensions, etc.) as well as several new links (Fremont-Newark Light Rail, Dumbarton Rail, etc.).
<b>A-3</b>	Provide Free Transit to Low-Income Riders	Given broad support from the public and from stakeholders to make transit free, staff have proposed to expand this strategy to make transit free for all low-income riders.
<b>C-7</b>	Build a New Transbay Rail Crossing	Connect the East Bay with the West Bay by constructing a new BART or conventional rail tunnel, with alignment and specifications informed by the conclusions of the Crossings Perspective Paper in June.



## Environmental and Resilience Strategies Recommended for Study in Futures Round 2 Analysis

ID	Strategy Name	Brief Description for Futures Round 2
<b>PBA-7</b>	Keep Current Urban Growth Boundaries in Place	<b>Included in Plan Bay Area 2040 &amp; Futures Round 1.</b> No changes proposed for Futures Round 2.
<b>H-4</b>	Purchase Disaster Financing to Recover After Disasters	Leverage disaster funding to assist with earthquake recovery in all Futures, but especially in Rising Tides, Falling Fortunes where federal dollars for disaster recovery are assumed to be no longer available. <i>(strategy revised to broaden scope from only PDAs)</i>
<b>H-7</b>	Partially Adapt to Sea Level Rise	Using marsh restoration, horizontal levees, traditional levees, sea walls and tidal gates at creeks, adapt the most affected portions of the bay shoreline while allowing inundation of some areas with more minor impacts. The portions of shoreline that have the greatest impacts with three feet of sea level rise will be protected with a set of archetypal adaptation strategies.
<b>H-8</b>	Fully Adapt to Sea Level Rise	Full adaptation expands adaptation measures beyond those completed in strategy H-7 to cover most areas in the region that would experience impacts with three feet of sea level rise. Staff has reduced the strategy cost to reflect that it would be advanced in tandem with strategy H-7 in two of the Futures.
<b>H-9</b>	Expand Financing for Energy, Water, Seismic, Fire and Accessibility Improvements	Provide low- or zero-rate financing for owners of existing homes to upgrade their properties to reduce their carbon and water footprint, and to reduce their earthquake and wildfire risks. Staff has proposed to scale this strategy in half – both in terms of cost and potential impacts – to more accurately reflect available resources, even in the higher-growth Futures.
<b>H-3</b>	Adapt Highway 37 to Sea Level Rise	Use transportation dollars to adapt the low-lying State Route 37 corridor that connects Marin county to Vallejo in Solano County. Staff has scaled back this strategy to focus solely on SR-37, given that seismic resources will be available through strategy H-4.
<b>V-3 + H-2</b>	Pass a Regional Measure for Parks, Trails and Greenways and Agricultural Lands	Merging together two strategies from public and stakeholder outreach, this strategy would generate new funds to protect open space and agricultural lands, expanding habitat and recreation resources in the region. Staff has proposed this integration to reflect the overlap in preserving rangelands in foothills and mountains. <i>(cost modified to reflect the continuation of strategy PBA-7 in Futures Round 2)</i>

## Economic Development Strategies Recommended for Study in Futures Round 2 Analysis

ID	Strategy Name	Brief Description for Futures Round 2
<b>PBA-8</b>	Preserve Office Space Caps in Job-Rich Cities & Assess VMT-Based Commercial Development Fee	<b>Included in Plan Bay Area 2040 &amp; Futures Round 1.</b> This strategy will largely remain the same but may be tweaked to be complementary to V-7.
<b>V-5</b>	Create Incubator Programs in Economically Challenged Communities	Incubation programs would provide technical assistance for establishing the foundation of new businesses, as well as access to workspaces, mentorship and financing. Staff has proposed scaling down this strategy to ensure it can be included in all Futures – but especially the weak economy of Rising Tides, Falling Fortunes where it was proved most popular with stakeholders.
<b>V-6</b>	Provide Portable Benefits for Part-Time and Freelance Workers	Pass state legislation requiring companies depending on freelance workers (i.e., “gig economy”) to contribute to prorated benefits in proportion to the work done, building upon existing programs like San Francisco’s Health Care Security Ordinance and California’s CalSavers retirement savings vehicle. <i>(cost modified to reflect the private sector’s role in policy implementation)</i>
<b>V-7</b>	Implement Incentives and Disincentives to Locate Jobs in Housing-Rich Locations	Building off strategy PBA-8 and its incentives to encourage employment development in transit-rich areas, advance new job caps or head taxes in areas with many more jobs than residents. Use tax revenues generated to support other economic development strategies in housing-rich cities or for affordable housing strategies in jobs-rich cities.
<b>D-2</b>	Expand Support for Low-Income Community College Students	Make community college and training programs increasingly accessible with free tuition, childcare assistance during education, and free access to class-related resources.
<b>V-1</b>	Expand Construction Workforce Programs	Invest in school, apprenticeship, and financial incentives that prepare workers for middle-wage construction-related jobs, focusing on higher-growth Futures. By fostering a new cluster in construction innovation and increasing the local construction workforce, labor costs may stabilize and more projects could be constructed in a single year.



H O R I Z O N

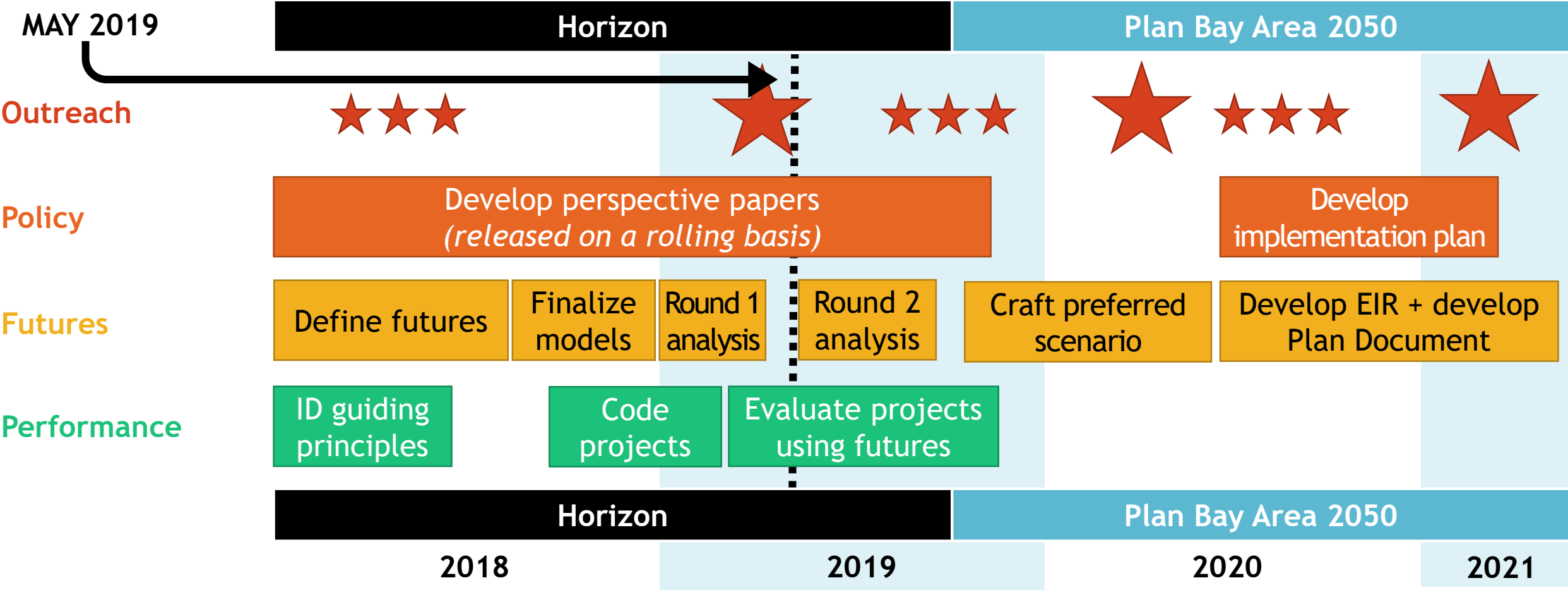
# Futures Round 2

Finalizing Strategies for Analysis

Michael Germeraad, Associate Planner

Regional Advisory Working Group | May 7, 2019 | San Francisco, CA

# Schedule for Horizon and Plan Bay Area 2050





# Futures Analysis

## Plan Bay Area 2040

*Adopted in July 2017*

### Horizon Futures Round 1 Analysis

- *How does the region's currently-adopted Plan fare in an era of uncertainty?*
- *What are the opportunities and challenges the region may face?*



Baseline



PBA 2040  
Strategies



Baseline



**External  
Forces**



PBA 2040  
Strategies

### Horizon Futures Round 2 Analysis

- *How might new strategies result in improved outcomes in each future?*
- *Which strategies are effective across many futures?*



Baseline



External  
Forces



**New  
Strategies**

# 1,000+ Individuals Engaged:

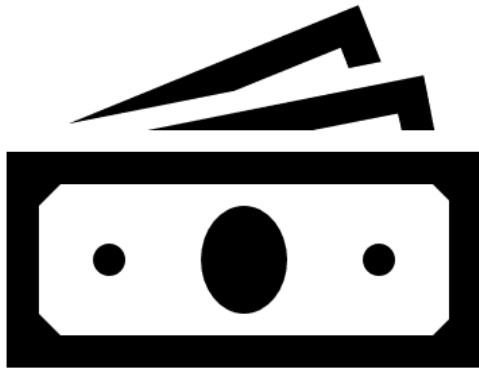
- 1. Community Based Organizations** (9 focus group meetings, 192 individuals)
- 2. Public Workshops** (6 workshops, 258 individuals)
- 3. Stakeholder Workshop** (1 half-day event, 65 individuals)
- 4. Vital Signs Online Survey** (1 month window, 339 responses)
- 5. Y-Plan Youth Engagement** (9 schools, 350 students)
- 6. Other** (e.g. Santa Clara County local staff briefing; Policy Advisory Council)

# What is a Strategy in the Context of Horizon?

A strategy is a policy (such as upzoning around transit stations or pricing all freeways) or investment (such as a short list of major rail extensions, or a package of sea level rise infrastructure) that can be advanced and implemented by local, regional, or state government.

This differs from an external force, introduced in Futures Round 1 and carried over into Futures Round 2, which occurs on a national or global level and remains firmly outside the control of Bay Area residents, businesses, or elected officials.

# Why Are We Prioritizing Strategies?



## Fiscal Constraints

The full set of 44 strategies would not fit into any realistic fiscally constrained Future. Even though we explore new revenue sources, we want to keep things within reason.



## Staff Resources

Studying every one of the 44 strategies would have stretched ABAG/MTC staff capacity. We'd like to model a smaller set of strategies well, leveraging feedback received to prioritize the most effective ideas.



# How Are We Prioritizing Strategies?

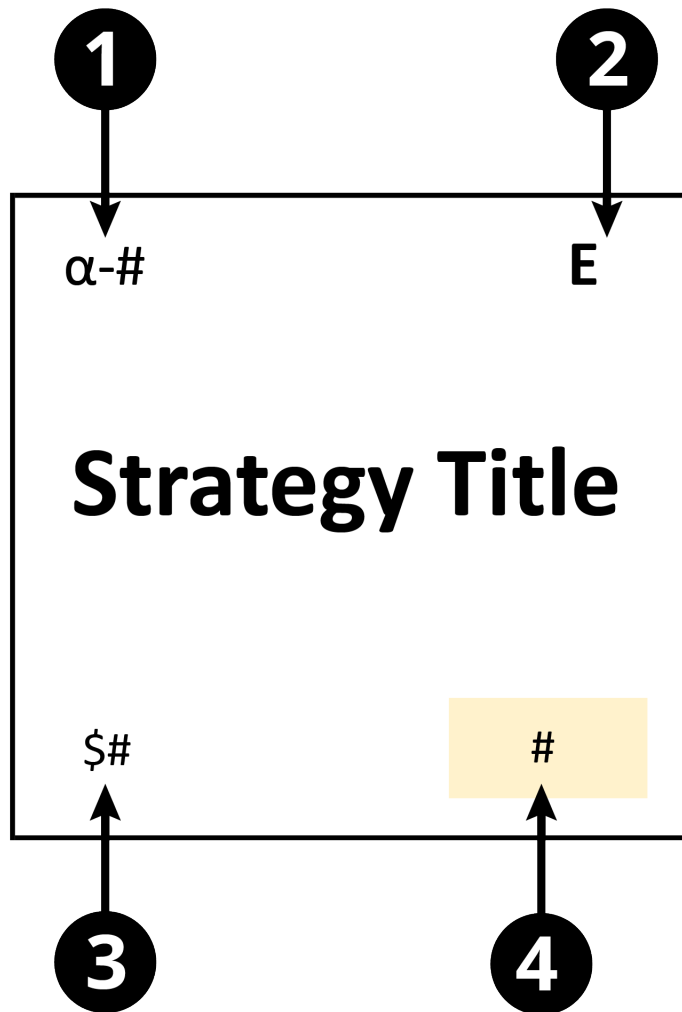
1. **Feedback** - The top 20 strategies are all proposed for advancement into Futures Round 2. Six of the next 11 highest ranked strategies are also proposed to move forward.
2. **Duplicative Response to Future Challenges** - When there were multiple strategies addressing the same challenge, we selected the top strategies.
3. **Strategy Cost** - Strategy cost was the primary reason for only studying a subset of strategies in *Rising Tides, Falling Fortunes*.



Turn to **Attachment B.**

Futures Round 2 Proposed Strategies Summary Table

# Strategy Legend



## 1 Alpha-Numeric Strategy Code

A - Affordable, C - Connected, D - Diverse, H - Healthy, V - Vibrant

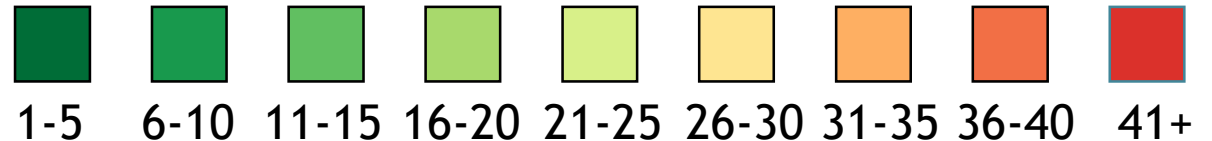
*Asterisk symbol indicates that something may be modified.*

## 2 Equity Tag

E - Designates strategies with a strong equity nexus

## 3 Estimated Strategy Cost

## 4 Outreach Rank



## 5 Inclusion in Round 2

The color of the box indicates which future a strategy may be studied in.

# Strategies Recommended for Study in Round 2

		Land Use & Housing Strategies			Transportation Strategies			Environmental & Resilience Strategies		Economic Development Strategies	
		Spur Housing Production		Retain and Expand Affordable Housing	Improve Access, Reliability and Speed of Transportation Services		Price Transportation Services	Reduce our Impact on the Environment	Reduce the Enviro. Impact on Us	Shift Location of Jobs	Improve Economic Mobility
Rising Tides, Falling Fortunes	Plan Bay Area 2040 Strategies <i>(Studied in all 3 Futures)</i>	PBA-1* Assign Higher Densities to Priority Development Areas	PBA-2* Reduce Cost of Building in PDAs (Streamlining and Subsidies)	PBA-3* E Require 10 Percent of All New Housing in PDAs to be Affordable	PBA-4* Make Strategic Modernization & Expansion Investments for Public Transit	PBA-5* Build Express Lanes & Address Interchange Bottlenecks	PBA-6* Operate and Maintain the Existing System	PBA-7 Keep Current Urban Growth Boundaries in Place		PBA-8* Preserve Office Space Caps in Job-Rich Cities & Assess VMT-Based Commercial Development Fee	
	Horizon Low/No Cost Strategies <i>(Included in all 3 Futures)</i>	A-7 Allow Diverse Housing Around all Major Transit Stops \$0 2	D-9 E Allow Affordable Housing in Areas of High Opportunity \$5 5	D-7 E Require 20 Percent of Housing to be Affordable \$0 3	C-4 E Build and Operate a Next Generation Bus Rapid Transit Network \$6 3	C-3 Complete Regional Bike Networks \$3 12	C-1* Develop a Single Platform to Access and Pay For all Mobility Options \$3 23		H-4* Purchase Disaster Recovery Financing to Recover After Disasters \$6 26	V-5* Create Incubator Programs in Economically Challenged Communities \$5 10	V-6 E Provide Portable Benefits for Part-Time and Freelance Workers \$0 18
		A-4 Transform Aging Malls and Office Parks Into Neighborhoods \$0 7		D-6 E Increase Renter Protections \$3 8	D-4* E Invest in Free Short-Trip Service \$6 31		C-6* Apply Tolls on All Freeways \$0 29		H-7 Partially Adapt to Sea Level Rise \$6 30	V-7 Implement Incentives and Disincentives to Locate Jobs in Housing-Rich Locations \$0 19	D-2 E Expand Support for Low-Income Community College Students \$2 20
Clean and Green & Back to the Future	Horizon High Cost, Strong Economy Strategies <i>(Included in 2 Futures, Clean and Green + Back to the Future)</i>			A-8 E Raise Taxes to Spur Affordable Housing Production & Preservation \$45 27	C-10 Increase Capacity and Frequency by Modernizing Existing Rail Network \$48 1	C-9 Extend the Regional Rail Network \$32 13	A-3* E Provide Free Transit to Low-Income Riders \$10 14	H-9* Expand Financing for Energy, Water, Seismic, Fire and Accessibility Improvements \$20 6	H-8 Fully Adapt to Sea Level Rise \$6 9		V-1 Expand Construction Workforce Programs \$5 16
					C-7 Build a New Transbay Rail Crossing \$25 15			V-3 / H-2* Pass a Regional Measure for Parks, Trails and Greenways and Agriculture Lands \$10 14*	H-3* Adapt Highway 37 to Sea Level Rise \$5 21		



## Next Steps

- Finalize which strategies to study in each Future.
- Refine the strategies being studied.
- Conduct the analysis for Futures Round 2.

# Timeline for Futures Round 2

## May

- **Incorporate Feedback on Strategies to Study** - Staff is seeking feedback on which strategies to study through May 15.
- **Refine Strategies into Model Inputs** - In May staff will translate strategy narratives into computer model inputs.

## June - August

- **Futures Round 2 Analysis** - Rerun Futures modeling with new strategies incorporated and summarize findings in Final Futures Report.

## September - 2020

- **Plan Bay Area 2050 Starts** - Findings will be used to help policymakers select final projects and strategies for the preferred scenario.