

\*External Email\*

by rs6.risingnet.net (8.15.2/8.15.2) with ESMTP id x/H2evecb048165  
(version TLSv1.2 cipher DHE-RSA-AES256-GCM-SHA384 bits 256 verify NO);  
Fri, 16 Aug 2019 19:38:57 -0700 (PDT)

From: [REDACTED]  
Message-Id: [REDACTED]  
Subject: 'Let's not make the same mistakes again.'  
To: letters@padailypost.com  
Date: Fri, 16 Aug 2019 19:38:57 -0700 (PDT)  
Cc: [REDACTED]  
X-Mailer: ELM [version 2.5 PL8]  
MIME-Version: 1.0  
Content-Type: text/plain; charset=us-ascii  
Content-Transfer-Encoding: 7bit

Ms L.L. Eng denounces the current Plan Bay Area and implores that "the public participate fully in the discussion of a plan that would affect the jobs and housing balance in the Bay Area". I have not been invited. What is the scope of the options anyway? A moratorium on the creation of more jobs or more companies? demanding the relocation of companies? limiting the number of people that can cross the bridges? The Global Footprint Network just reported that we operate as if we live on 1.75 Earths. Should the Bay Area take the lead to become more ecological responsible?

From: ddc  
To: [MTC info: mtc\\_info@agda.lipost.com](mailto:mtc_info@agda.lipost.com)  
Cc: ddc  
Subject: Let's not make the same mistakes again.  
Date: Sunday, August 18, 2019 7:55:13 PM

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\*External Email\*

Ma L.L. Eng urges the public to speak up about Plan Bay Area 2050 in order to avoid "making the same mistakes again". This is my 2nd contribution.

Regarding the existing traffic infrastructure: pathetic mistakes were made indeed. For example:

- Bart should run around the Bay. The extension from Fremont down should have been completed years ago.
- There is no clover leaf for 280 & San Thomas Expressway.
- There is no clover leaf for 280 & Lawrence Expressway; the current 'solution' is stupendous.
- The 880-680 connection in Fremont is a perennial choke point.
- Etc.

The traffic infrastructure lags always behind demand. As soon as new infrastructure is added (like 85), new housing is build and the gridlocks return.

Public transportation is a joke. For example, it takes two hours to go from MtView to Winchester in SJ with the light rail.

Massive new housing projects can be seen around the Bay while there are no additions in the works for improving the traffic infrastructure. Massive gridlock is standard in ever longer commute periods.

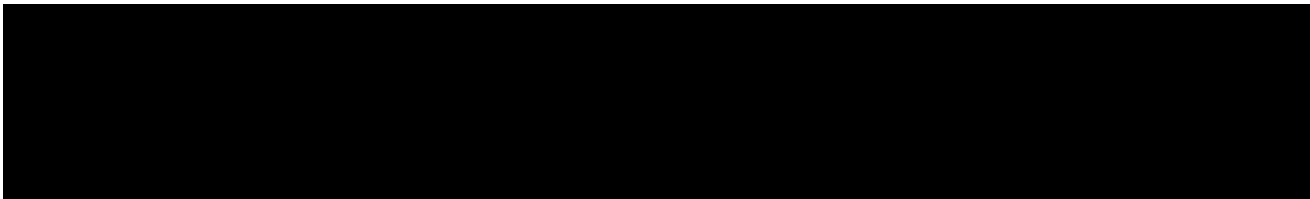
The root problem:- Cities giving permits to new business without considering where the employees are supposed to live.

Now consider what we don't want to think about: a massive earthquake hit:- We can't escape out of the Bay area with the increasing densities ... ..

California has a large economy. Still, the rainstorm in 2017 Feb caused \$700M in damage and California had to beg Mr Trump for emergency funds. Why? Because California channels its tax revenues to public education (for a cognitive challenged population), to give free healthcare (for a large segment that has negative worth) and only than allocates funds for the infrastructure. Thus MTC/ABAG should try getting a large part of the pie.

An academic department of Carnegie-Mellon University drove a self-driving truck coast to coast decades ago. How about tasking Google/Waymo with the development of self-driving multi-person commute vehicles?

THINK OUT OF THE BOX !!!!



**From:** [Jim Colton](#)  
**To:** [MTC Info](#)  
**Subject:** 02 PBA50 Draft Growth Forecast Methodology  
**Date:** Wednesday, August 07, 2019 5:30:43 AM

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**\*External Email\***

I am writing to comment on the 02 PBA50 Draft Growth Forecast Methodology.

The current methodology is driven by the assumption that aggressive job growth will occur in priority development areas. This assumption should be eliminated. Instead the methodology should be based on a range of more moderate and balanced projections of jobs and housing over a greater geographical area.

Finally, the technical discussion should be an open, public process that provides a clear opportunity for other points of view to be heard.

Thanks for taking my point of view into account.

Regards,

Jim Colton

Palo Alto

**From:** [Nancy Madsen](#)  
**To:** [MTC Info](#)  
**Subject:** ABAG  
**Date:** Saturday, August 10, 2019 8:07:02 PM

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**\*External Email\***

I am writing to comment on the 02 PBA50 Draft Growth Forecast Methodology.

The current methodology is driven by the assumption that aggressive job growth will occur in priority development areas. This assumption should be eliminated. Instead the methodology should be based on a range of more moderate and balanced projections of jobs and housing over a greater geographical area.

Finally, the technical discussion should be an open, public process that provides a clear opportunity for other points of view to be heard.

Thanks for taking my point of view into account.

Regards,  
Nancy Madsen

**From:** Ronald Vinsant  
**To:** [MTC Info](#)  
**Subject:** bay area 2050  
**Date:** Monday, August 19, 2019 4:43:28 PM

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\*External Email\*

A Comment from the public.

Please stop generating more commercial space (jobs) with no transportation or housing to back it up.

Your growth plans do not seem to consider water usage.

and lastly,

finding a place to enter a public comment on your website is difficult so I'm sure this is being sent to the proper address.

Ron

**From:** [Stuart Hansen](#)  
**To:** [MTC Info](#)  
**Cc:** [REDACTED]  
**Subject:** Bay Area Plan 2050  
**Date:** Friday, August 16, 2019 5:29:47 PM

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**\*External Email\***

The current Plan 2040 has been largely ineffective in establishing a methodology for orderly, affordable jobs and housing in the Bay Area. It's not working.

In my day as an engineer at Hewlett-Packard (Palo Alto) we had a plan that worked very well and avoided the jobs-housing imbalance we now experience:

When a particular product division grew to the point that additional room was needed, we started/shifted this new division to a new city....like Santa Rosa, Roseville, Corvallis OR, Boise ID, and many more.

Please consider adding requirements for startups to relocate to areas where employees/families can afford to live when expansion occurs, like HP has done.

e. A recent local example could be Survey Monkey, Palo Alto. When they wanted to expand beyond our 50ft height limit, they were encouraged to relocate, which they did, making room for a new startup.

Stuart Hansen, Palo Alto.

**From:** [Moitra, Chitra](#)  
**To:** [MTC Info](#)  
**Subject:** City of Palo Alto's Comments on Regional Growth Forecast Methodology  
**Date:** Monday, August 19, 2019 1:08:08 PM  
**Attachments:** [Regional Growth Forecast Methodology.pdf](#)

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**\*External Email\***

Attached is the City of Palo Alto's comments on Regional Growth Forecast Methodology for your review.

Thank you for considering our input. If you have any questions, please contact Roland Rivera at [Roland.Rivera@cityofpaloalto.org](mailto:Roland.Rivera@cityofpaloalto.org)

Thank you

Chitra Moitra

**Chitra Moitra**

Planner

*Planning and Development Services Department*

*250 Hamilton Avenue, Palo Alto, CA 94301*

*Email: [chitra.moitra@cityofpaloalto.org](mailto:chitra.moitra@cityofpaloalto.org)*



CITY OF  
**PALO  
ALTO**

PLANNING & COMMUNITY ENVIRONMENT

250 Hamilton Avenue, 5th Floor  
Palo Alto, CA 94301  
650.329.2441

August 19, 2019

Metropolitan Transportation Commission  
Public Information Office  
375 Beale Street, Suite 800  
San Francisco, CA 95401

Subject: Methodology Used to Determine the Regional Housing control Total and the Forecasted Development pattern for Plan Bay Area 2050.

The City of Palo Alto has reviewed the Regional Growth Forecast Methodology: *Setting the Stage for Crafting Pan Bay Area 2050's Growth Pattern*, July 2019. We support a consolidated regional planning team of ABAG and MTC to prepare the 2050 long-range plan for better integration of land use with transportation throughout the region.

We note the proposed methodology will focus at the regional level and local jurisdictions will have opportunities to review the outcomes as they affect the local jurisdictions. This approach will combine several models: Regional Economic Modeling Inc. model for the San Francisco Bay Area version 2.2; Urban Sim 1.0/2.0; Travel Model 1.0; and use Bay Area Spatial Information System (BASIS) as key source for baseline data. We noted that there maybe two possible approaches to how the model will address Income Distribution by Household. Before a determination on what methodology is used, the City would like to be informed about which approach ABAG/MTC will ultimately decide to use and how each affects the population and household allocation at the local level.

Regarding *Crafting the Growth Pattern*, our concern is that the land use/spatial datasets included in the UrbanSim 2.0 update reflect accurately the land use, jurisdictional boundaries, local land use policies and other related information that is critical to the model's outcome. For example, the City adopted an annual limit of 50,000 square feet of office use on new construction or conversion to office of existing development. The City's adopted 2015-2030 Comprehensive Plan also has a policy that maintains a citywide cap of 850,000 square feet of new office or converted to office use through the year 2030. We support the inclusion of the BASIS dataset into all models, however, to ensure that it's the most current data, the City would like the opportunity to review the BASIS dataset before any model runs. Palo Alto's most recent response to ABAG's request for data included in BASIS was last quarter of 2018. Many jurisdictions such as ours have historic boundaries that are not clear. In addition, in built out areas such as ours, land available for increased density is not always apparent given that over half of the City's landmass is protected open space/conservation areas.



[CityOfPaloAlto.org](http://CityOfPaloAlto.org)



Thank you for considering our input. If you have any questions , please contact Roland Rivera at [Roland.Rivera@cityofpaloalto.org](mailto:Roland.Rivera@cityofpaloalto.org).

Sincerely,



Jonathan Lait  
Director of Planning and Community Environment

cc:

Elena Lee, Long Range Planning Manager

Roland Rivera, Senior Business Analyst



[CityOfPaloAlto.org](http://CityOfPaloAlto.org)

Printed with soy-based inks on 100% recycled paper processed without chlorine.

**From:** [peter.rosenthal](#)  
**To:** [MTC Info](#)  
**Subject:** Concerns about Plan Bay Area 2050 Methodolgy  
**Date:** Friday, August 16, 2019 12:39:25 PM

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**\*External Email\***

Dear Executive Committee Members:

As a resident of Palo Alto I am deeply concerned with the current methodology employed in developing Plan Bay Area 2050.

I would strongly urge you to consider and adopt the following steps:

1. Eliminate the model assumption that it be driven by an aggressive job-growth in priority development areas.
2. Replace that with a requirement that the process will include a range of more moderate and balanced projections of jobs and housing that explore a greater geographical dispersion of jobs.
3. Make the technical discussions an open, public process with a clear opportunity to hear other points of view.

Sincerely,

Peter N. Rosenthal, Ph.D.

[REDACTED]

Palo Alto, CA 94301

**From:** [Daniel Lilienstein](#)  
**To:** [MTC Info](#)  
**Cc:** [Lydia Kou](#)  
**Subject:** I oppose ABAG plan to increase density in Palo Alto  
**Date:** Thursday, August 08, 2019 3:25:43 PM

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**\*External Email\***

Our quality of life has suffered due to increased road traffic, deterioration of roads, poor public transportation, crumbling infrastructure, increased airplane noise, "traffic calming" (better known as "Driver Enragement"), etc.  
STOP IT STOP IT STOP IT!

I will organize and vote to punish anybody that falls for the ABAG/developer mantra. We don't need more density in built-out suburban towns.

Daniel Lilienstein  
Palo Alto

June 19, 2019

Metropolitan Transportation Commission  
Public Information  
375 Beale Street, Suite 800  
San Francisco, CA 94105  
Sent via mail: [eircomments@mtc.ca.gov](mailto:eircomments@mtc.ca.gov)

**Dear Metropolitan Transportation Commission:**

The Alameda Local Agency Formation Commission (LAFCO) along with the eight other Bay Area LAFCOs would like to take the time to comment on the upcoming *Plan Bay Area 2050* long-range transportation and land-use plan. We would also like to thank the Metropolitan Transportation Commission (MTC) for the opportunity to do so as well.

LAFCOs are a state mandated local agency that oversees boundary changes to cities and special districts, the formation of new agencies including the incorporation of new cities, and the consolidation of existing agencies. The agency was established to ensure the orderly formation of local government agencies, to monitor the efficient extension of public services, to preserve agricultural and open space lands, and to discourage urban sprawl.

Alameda LAFCO understands *Plan Bay Area 2050* will provide a roadmap for accommodating projected household and employment growth in the nine-county Bay Area by 2050 as well as transportation investment strategy for the region.

LAFCOs are required by law to establish spheres of influence (SOI) for cities and special districts under LAFCO jurisdiction. Spheres of influence define the probable physical boundaries and service area of a local agency as determined by LAFCO. The law requires that LAFCOs update spheres at least once every five years. LAFCOs make sure to evaluate the availability and capacity of public services along with the present and planned uses in the area and the probable need for public facilities when determining an SOI for a city or special district.

LAFCOs would like MTC to take into consideration the LAFCO established SOIs for each city and special district as they determine future service areas and population growth. Further, LAFCOs request the Plan Bay Area 2050 recognize special districts as critical service providers. In many counties, critical infrastructure services, (i.e., fire, water, wastewater) are provided by special districts and without these services, development cannot occur. SOIs are essential indicators in determining future and expected growth within the region.

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**Administrative Office**

Rachel Jones, Executive Officer  
1221 Oak Street, Suite 555  
Oakland, California 94612  
T: 510.272.3894  
[www.acgov.org/afco](http://www.acgov.org/afco)

Scott Haggerty, Chair  
County of Alameda

Nate Miley, Regular  
County of Alameda

Richard Valle, Alternate  
County of Alameda

John Marchand, Regular  
City of Livermore

Jerry Thorne, Regular  
City of Pleasanton

David Haubert, Alternate  
City of Dublin

Ralph Johnson, Regular  
Castro Valley Sanitary District

Ayn Wieskamp, Regular  
East Bay Regional Park District

Geogean Vonheeder-Leopold, Alternate  
Dublin San Ramon Services District

Sblend Sblendorio, Vice Chair  
Public Member

Tom Pico, Alternate  
Public Member

We hope that Plan Bay Area may incorporate more of LAFCOs regional growth management duties into upcoming plans and projects.

Thank you for your consideration of these comments, and we would love to collaborate more in the future.

Respectfully,

A handwritten signature in blue ink, appearing to read "Rachel Jones", with a long horizontal flourish extending to the right.

Rachel Jones  
Executive Officer

cc: Bay Area LAFCOs (Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, Solano, Sonoma)

**From:** [Patricia Jones](#)  
**To:** [MTC Info](#)  
**Subject:** MTC/ABAG jobs based model  
**Date:** Wednesday, August 07, 2019 8:35:24 AM

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**\*External Email\***

The jobs based model used by MTC/ABAG has been a disaster. It has not provided for the balanced growth it planned.

I hereby demand that MTC/ABAG:

1. Eliminate their model assumption that it be driven by an aggressive job-growth in priority development areas.
2. Replace that with a requirement that the process will include a range of more moderate and balanced projections of jobs and housing that explore a greater geographical dispersion of jobs.
3. Make the technical discussions an open, public process with a clear opportunity to hear other points of view.

Thank you.

Patricia Jones

[REDACTED]

Palo Alto, CA 94301

Patricia Jones

[REDACTED]

**From:** [Lee Christel](#)  
**To:** [MTC Info](#)  
**Subject:** MTC/ABAG Plan Bay Area  
**Date:** Sunday, August 11, 2019 11:33:29 AM

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**\*External Email\***

Dear ABAG Executive Board,

I am very concerned about the impact of Priority Development Areas (PDA) being proposed for Palo Alto's residential neighborhoods.

We cannot have 50 ft high apartment buildings taking over our neighborhoods just a few blocks from El Camino Real.

I urge MTC/ABAG to eliminate their model assumption that planning be driven by aggressive job-growth in priority development areas.

This should be replaced with a requirement that the process will include a range of more moderate and balanced projections of jobs and housing that explore a greater geographical dispersion of jobs.

In addition, please make the technical discussions an open, public process with a clear opportunity to hear other points of view.

Sincerely,

Lee A Christel

[REDACTED]

Palo Alto

**From:** [Rita Vrhel](#)  
**To:** [MTC Info](#)  
**Subject:** My concerns about Plan Bay Area 2050 Methodology  
**Date:** Saturday, August 17, 2019 10:51:55 PM

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**\*External Email\***

Hello:

As a Palo Alto resident i am concerned with:

1. Bay Area Plan 2050 and,
2. the proposed methodology.

Why is the same methodology, which has resulted in housing and transportation problems, continuing to be used?

Why is the process "hidden", non-transparent and not public input driven?

Who are the main beneficiaries of Plan 2040 and now Plan 2050?

Certainly not the residents of Palo Alto and other cities in the West Bay where we are living with high concentrations of job growth, almost astronomical housing prices, long commutes (time and distance), unacceptable levels of congestion, transit overload, increases in income inequality, a growing residential tax burden, and sustainability challenges.

As a result of the above we now have "Sacramento" threatening our local democracy by proposing numerous Senate Bills to remove local zoning and relax local building Codes. We did not elect our state officials so our local control could be stolen.

I am sure this was not the original intent of Plan Bay Area. Was it?

Please do not continue your previous mistakes and make our situation even worse.

Please honestly review the current results of Bay Area Plan 2040. Please define a more open and inclusive planning process that clearly acknowledges the West Bay's current problems while offering the opportunity for a full public discussion of a new, more effective Plan Bay Area 2050. The West Bay is teeming with academics, business people and residents willing to be part of the solution.

Please re-examine your methodology, identify your mistakes, and make the necessary changes. Aggressive job growth in identified priority development areas has not worked! A more moderate and balanced projection of jobs and housing that encompass the entire Bay Area is required. The West Bay can not continue to absorb all the job growth. We are saturated!

Again, invite the Public to partner in the decision making process.

Please use the democratic process: open meetings, transparency, public discussions and agency listening. Otherwise the above mentioned problems will intensify.



Thank you.

Rita C. Vrhel, RN, BSN, CCM  
Medical Case Management



**From:** [Amy Christel](#)  
**To:** [andi@citiesassociation.org](mailto:andi@citiesassociation.org); [MTC Info](#)  
**Subject:** PDA's in ABAG and MTC models  
**Date:** Sunday, August 11, 2019 3:01:16 PM

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**\*External Email\***

To Whom It May Concern,

As a citizen of Palo Alto, and as a homeowner, I must object to any ABAG/MTC models that assume aggressive job growth for “priority development areas.” Palo Alto’s housing crisis has been created by past policies which allowed more job growth than our peninsula region’s transit system can accommodate. New models must call for more moderate assumptions for job growth and disperse those jobs over a wider geographical region.

I also feel that the process of developing future ABAG/MTC policy should be far more transparent and public, with input from a wider range of viewpoints, not just those of business, developers, and technical consultants chosen behind closed doors.

Furthermore, as a 20+ year resident of Barron Park, I know that the designation of El Camino Real as a mass transit corridor is ridiculous. No one rides those buses to work because they are *not* an efficient means of getting anywhere in a reasonable time frame. Therefore, allowing high density housing in current R1 zones (within a half mile of El Camino) would just degrade the residential neighborhoods, crowd the streets with parked cars, and cause gridlock during commute hours. Only the train corridor should be considered as a mass transit corridor.

We need models that slow job growth in Palo Alto! Give housing a chance to catch up, and improve the current mass transit system before driving more growth, please.

Sincerely,

Amy Christel

Sent from my iPad

**From:** [Marcia Gibbs](#)  
**To:** [MTC Info](#)  
**Subject:** Plan Bay Area 2040, 2050  
**Date:** Monday, August 19, 2019 7:45:29 AM

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**\*External Email\***

Bay Area Executive Board,

As ABAG and MTC prepare and adopt a long-range regional plan, I sincerely hope they will recognize the short-sightedness of recent efforts. Planners have moved forward with development at the expense of residents and without sufficient infrastructure to support these developments. Now we are paying the price in overcrowding and traffic congestion that seriously compromises our quality of life. I have lived in this area for over 40 years and watched the steady decline in air quality and overall standard of living, along with increased safety concerns. The current path is not succeeding and it is time to recognize that new models and a new direction is paramount if we hope to effect a positive change. Development can be a good thing, but not when driven by greed.

M.G.  
Los Altos, CA 94022

**From:** [Suzanne Keehn](#)  
**To:** [MTC Info](#)  
**Subject:** Plan Bay Area 2050 Methodology Additional signatures  
**Date:** Sunday, August 18, 2019 9:40:23 AM  
**Attachments:** [Second MTC-ABAG letter.docx 2.docx](#)

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**\*External Email\***

This is a second sending of what was sent by Greg Schmidt, August 15th, with additional signatures.



# Palo Altans for Sensible Zoning

August 17, 2019

SECOND LETTER with ADDITIONAL SIGNATURES

## PLAN BAY AREA 2050 METHODOLOGY

The current Plan Bay Area 2040 has led us towards critical community problems. The methodology for the updated Plan Bay Area 2050 must clearly acknowledge the problems it has contributed to and a clear pathway that lead us to an outcome that will benefit all.

Plan Bay Area is important—it provides jobs and housing projections for the region as a whole and for every city within the region. The numbers guide state and regional spending on transportation and housing. These projections are used by city planning staffs, virtually all the consultants who work for the cities, by academics doing their own analysis and forecasting, by the media and by state politicians. There is only one chance in every eight years to correct the jobs and housing projections in this Plan and now is that time.

What problems are embedded in the current Plan? The current Plan is based on an aggressive jobs-driven model that emphasizes jobs-rich areas as the centers of priority development areas. This has led to critical problems. Over the first seven years covered by the current Plan (2010-2017) we have had high concentrations of job growth in the West Bay, astoundingly high housing prices, a huge jump in long distance commuting, higher levels of congestion, transit overload, a jump in income inequality, a growing tax burden on residents, sustainability challenges and a deep threat to local democracy.

We need to define a more open and inclusive planning process that clearly identifies our current problems and offers opportunity for a full public discussion of a new more effective Plan Bay Area 2050.

## WHAT ARE THE MANIFESTATIONS OF OUR METHODOLOGY PROBLEMS TODAY?

The current Plan Bay Area 2040 is based on a jobs-driven model. It starts with a regional job growth projection that seeks to concentrate growth in jobs-rich priority development areas.<sup>1</sup> It has asserted that a rapid growth of new jobs would be spread in urban centers around the Bay Area while an effective transit system could make these job centers flourish effectively. Through the first seven years of the Plan (2010-2017), the result has been quite the opposite: very rapid job growth has been concentrated in a dramatically narrow band of West Bay cities. (The West Bay includes the city of San Francisco, all the San Mateo County cities east of Highway 280 and the five cities in Northern

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<sup>1</sup> ABAG resolution 02-19.

Santa Clara County that have been associated with Silicon Valley--Palo Alto, Mountain View, Sunnyvale, Santa Clara and Cupertino).

The original intention of Plan Bay Area was to concentrate job growth in the three big cities of the Bay Area—San Francisco, San Jose and Oakland. While San Francisco and the neighboring Silicon Valley cities would be the fastest growing job center, together San Jose and Oakland would create about half as many new jobs each year as the West Bay. In practice, the West Bay has added well over SEVEN TIMES the number of jobs as San Jose and Oakland over the first seven years of the Plan (Table 1).

Table 1  
The Projections in Plan Haven't Worked  
(average annual job growth)

	Projected (2010-2040)	Actual (2010-2017)
West Bay	19,857	36,245
Oakland/San Jose	7,717	5,044

Source: Plan Bay Area: Strategy for a Sustainable Future (July 2013), "Employment Growth by Jurisdiction"; and Census Bureau, ACS Factfinder (Advanced search on B08601 and DP03).

In actuality, over the seven years from 2010 to 2017 San Francisco and the cities of the West Bay have created about two and a half times the number of new jobs compared to the rest of the whole Bay Area. (Table 2) Half of those new jobs have been filled by commuters crossing the Bay or travelling along the narrow and congested pathways from the south.

Table 2  
New jobs created and new employed residents added: 2010-2017  
(in thousands)

	New jobs	New Employed Residents	Ratio Jobs/Emp Res
San Francisco	120	60	
Five Silicon Valley cities	88	30	
San Mateo cities east of 280	<u>44</u>	<u>32</u>	
West Bay Total	252	122	2.1:1
Rest of Santa Clara Co	59	94	
Rest of San Mateo Co	2	12	
Alameda Co	23	110	
Contra Cost Co	19	53	
Marin Co	<u>3</u>	<u>5</u>	
Rest of Bay Area Total	107	274	0.4:1

(Census Bureau, ACS Factfinder, Advanced search on B08601 and DP03)

This huge imbalance in job growth has created severe problems throughout the Bay Area. The rapid job growth in a relatively constrained strip of ground bounded by mountains on one side and the Bay on the other has resulted in severe problems: land and housing costs are the highest in the country, congestion is escalating, there are disturbing inequalities in incomes, family workers are commuting longer distances, overloaded regional transit systems need major upgrades, commute times are increasing, we are facing new challenges in our ability to create a sustainable future and the functioning of local democracy is under challenge. We need a methodology that will systematically explore each of these challenges.

## **TEN CHALLENGES THAT MUST BE ADDRESSED**

There are at least ten major economic, financial and societal problems that flow from the concentrated job growth and increased congestion engendered by the serious imbalances we have identified:

### **\* LAND PRICES.**

The rapid expansion in business growth in jobs-rich areas has driven up the cost of land and the share of land costs in total housing prices. A recent Federal Reserve study has tracked land cost escalation in 46 metro areas around the country. They found that in the 46 metro areas, land's share of home value accounted for 51% of total market value of home prices. The highest share was in the San Francisco metro area where over 88% of the market value of a home was accounted for by land. The San Jose metro area was a close second with 82%. In general the cities in California were well ahead of the rest of the country in land price share.<sup>2</sup> This is clearly driven by the aggressive expansion of office space in the West Bay.

### **\* HOUSING PRICES.**

Home prices in San Francisco and in the San Jose Metro area are now the highest in the country. The same is true of rental rates for apartments (Table 3).

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<sup>2</sup> Morris A. Davis and Michael G. Palumbo, Federal Reserve Board, Staff Paper 2006-25, Washington DC).

Table 3

The Bay Area has the most expensive housing in the Country  
(Metro Areas)

	<u>Median Housing prices</u> (thousands of dollars)	<u>Monthly Rentals</u> (dollars/month)
San Francisco	955	3448
San Jose	1,230	3547
Los Angeles	652	2955
Seattle	491	2232
Boston	468	2391
New York	440	2419
Washington DC	407	2172
Austin	310	1700
Dallas	244	1641

Zillow, February 2019

Prices are especially high in the job-rich cities of the West Bay. But the rate of increase is just as high in the surrounding communities that feel the commuting effects from the centers of job growth (Table 4). The housing price impact has spread to every part of the Bay Area.

Table 4

Increase in housing prices throughout the Bay Area  
(annual percent increase in median family home prices, 2010-2018)

The Core	
Silicon Valley 6	11.4
San Francisco	10.2

Surrounding communities	
San Jose	10.1
Milpitas	12.9
Fremont	10.3
Hayward	10.4
Oakland	12.9
Concord	10.4



Source: [siliconvalleymls.com](http://siliconvalleymls.com)

**\* INCOME INEQUALITY.**

Highly paid new workers are taking the existing housing that is being offered on the markets as well as the new housing being built. A recent study by Brookings showed that of all US Metro areas that San Francisco had the largest income gap between the 95<sup>th</sup> and 20<sup>th</sup> percentiles other than the New York area. While the San Jose Metro area income gap was slightly lower, it was growing at the second highest rate in the country in recent years (just behind Honolulu).<sup>3</sup> A recent Census Bureau report noted that the income gap between the 90<sup>th</sup> and the 50<sup>th</sup> percentiles were growing at about the same rate as the gap between the highest and the lower income groups.<sup>4</sup>

**\* CONGESTION.**

More people commuting longer distances have crowded local freeways on both sides of the Bay. The time spent in congested traffic conditions throughout the Bay Area has been growing almost 10% per year since 2010.<sup>5</sup>

**\* TRANSIT OVERLOAD.**

The key to dealing with the growing number of commuters is to get them onto public transit. Three transit systems serve commuters to the West Bay: BART, Caltrain and the VTA. While transit ridership on these lines grew through the 1990s and 2000s, over the last three years, both BART and Caltrain have found their ridership leveling off and even dropping a bit from 2016 to 2018. The Santa Clara County transit system that services San Jose and the five Silicon Valley cities (VTA) has had a 14% fall in ridership over those three years.<sup>6</sup> The costs of maintaining current service much less any planned expansion has escalated rapidly, making quick improvements slow and costly.

**\* IMPACT ON FAMILIES.**

As we move toward greater densification, congestion has raised the issue of family living in the Bay Area. Denser apartment buildings near jobs serve workers well, but they are not ideal for families with children. Clearly San Francisco with its dense housing and nineteenth century transportation system is already an outlier. It has the lowest ratio of children between the ages of five and seventeen as a share of the total population of any city in the country—just under the ratio of other dense cities built up before the automobile like New York and Boston. But there are troubling signs of changes in other cities in the West Bay. The share of the population in early elementary school has fallen between 5% and 10% in Cupertino, Palo Alto and Sunnyvale over the period 2015 to 2019 among the other job-rich cities in the West Bay. The neighboring city of East Palo Alto has seen a drop of over a quarter in the share of the population in elementary school.<sup>7</sup>

**\* TAX BURDEN ON RESIDENTS.**

Rapid growth in jobs and workers leads to dramatic increases in infrastructure costs. This includes a wide range of items from worker housing, transit improvements, offsetting increased congestion,

<sup>3</sup> Berube, Alan, “Income Inequality in cities and metro areas: An update” Brookings: Metropolitan Policy Program, 2016, Appendix X).

<sup>4</sup> Glassman, Brian, U.S. census Bureau, “Income inequality among Regions and Metropolitan Statistical Areas: 2005 to 2015”, SEHSD Working Paper Number: 2017-41).

<sup>5</sup> *Horizons, Vital Signs “Bay Area: Time spent in Congestion”*)

<sup>6</sup> BART, Caltrain and VTA operating statistics.

<sup>7</sup> Data taken from California Department of Education, School Profiles, and California Department of Finance, E-5. Population Estimates for Cities and Counties, 2011-2019.

improved roadways, police, health responses, schools and recreation facilities. The vast majority of local infrastructure funding is paid by residents, not by businesses. Residents pay through higher property taxes, parcel taxes, sales taxes, and gas taxes. For example, the base tax for all local government (cities, counties, schools, community colleges) is the Property Tax. Prop 13 has shifted a major share of that tax from business to residents. In the mid-1980s, commercial properties and residences in Santa Clara County paid roughly the same share of the property tax. In 2018 despite the rapid growth in new jobs in the county residents paid 62% and commercial properties 38%.<sup>8</sup> Furthermore, at least three quarters of all new transportation funds for the Bay Area come from local and regional sources that fall on individual residents such as gas taxes, sales taxes, parcel taxes and property taxes.<sup>9</sup> Most of these are regressive taxes with middle and lower income people paying a larger share of their income for such taxes.

#### **\* *DON'T KILL SILICON VALLEY***

Silicon Valley emerged as a dynamic center of tech innovation partially because of its unique features of mobility both of talented workers and ideas flowing easily from place to place. Historical observers have pointed to two unique features of the Valley that were critical to its success: a very high rate of people changing jobs and the lack of large dominant firms that could capture new ideas as they emerged.<sup>10</sup> The emergence of very large companies and the densification jobs within the Valley is challenging the traditional mobility of workers and ideas that lie at the basis of Silicon Valley's unique success. In 2015 an anti-trust case was resolved that stopped an agreement among several large Silicon Valley firms agree that they would not hire workers from each other.

#### **\* *SUSTAINABLE GROWTH GOALS.***

With the dramatic increase in commuters coming into the job-rich West Bay, the number of cars on the road, the distance traveled and the longer time spent in congested traffic all mean a rise in harmful emissions. It is essential that we develop an effective public transportation system that will minimize the pollution but it is hard to deal with our current problems when we keep adding longer-distance commuters. An increasing share of workers with families will continue to live in suburban communities. Further, increased water needs from the growing number of office buildings and new worker housing (especially those with families) means that the Bay Area's chronic water shortages will be exacerbated as changes in climate impact the limited sources of water that the Bay Area depends upon.

#### **\* *THE FUTURE OF LOCAL DEMOCRACY.***

The greatest threat of all is the increasing pressure to usurp local government control over zoning. A number of bills are being debated in the state legislature that would override local zoning authority on housing density. While regional cooperation on creating healthy balances between new jobs and housing is essential, this should be done through working together, not from having regional solutions imposed by state legislators. This destroys the very essence of local government—the ability of individuals to participate directly in decisions that affect the daily family life of their communities.

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<sup>8</sup> Santa Clara County, County Assessors 2018-2019 Annual Report, page 14.

<sup>9</sup> MTC, Plan Bay Area 2040, Draft EIR, April 17, 2017,p 1.2-13.

<sup>10</sup> Annalee Saxenian, "Regional Advantage: Culture and Competition in Silicon Valley and Route 128", Harvard University Press, 1994 and Martin Kenney, ed. "Understanding Silicon Valley: The Anatomy of an Entrepreneurial Region", Stanford University Press, 2000).

## LET'S MAKE SURE THAT PLAN BAY AREA 2050 WORKS

The planning process used in the formulation of Plan Bay Area 2040 has not been effective in preparing us to deal with today's overriding issue of job concentration in a geographically bounded area. In fact, it has completely missed the impacts of the exaggerated jobs/employed resident imbalances in the West Bay. Jobs are expanding there at almost twice the annual average projected in the Plan (and 35% less than projected in the major cities of San Jose and Oakland). This has had serious consequences for the whole region. The methodology for Plan Bay Area 2050 must confront these imbalances and assure effective public discussion on planning for our future. That process must start now if it is to confront the existing problems and offer pathways to resolving the most important issues. We suggest three key methodological steps as critical for the upcoming planning process:

### **1. END THE JOBS-BASED MODEL**

MTC/ABAG base their population and housing projections for each community in the Bay Area on a model that starts with an aggressive regional job projection. The original job projections were based on maintaining the local share of a national BLS job projection by industry. The projections of jobs, population and housing for each community were then produced internally (based on their own consultants work, their own Technical Advisory Committee and their own self-appointed advisory groups). Once approved, the job growth starting point could not be lowered or even examined by subsequent CEQA processes. (Plan Bay Area 2040 is currently operating under a jobs growth number that was generated in 2011 and will continue in effect until 2022. During that time period, no lower regional job projection number could be considered (although a higher one can be).<sup>11</sup>

The model seriously underestimated the high job growth numbers in one specific jobs-rich area—the West Bay. That has been a key cause of the problems discussed above. The process would be much improved by having a range of job growth options explored upfront both in the region as a whole and in key sub-regions, like the West Bay. This would allow the modeling process to compare impacts of a range of jobs and population projections for the region as a whole, as well as key sub-regions. This would foster the exploration of alternative job growth projections on land costs, housing costs, congestion, income inequality, infrastructure needs and sustainability goals.

The initial methodology must allow communities to explore job growth and housing growth together upfront, including potential regional imbalances. This would allow public discussion of the consequences of a more moderate and balanced jobs and housing growth throughout the Bay Area and in special regions and the range of impacts on their communities.

### **2. PROVIDE REALISTIC ALTERNATIVES FOR BALANCED GROWTH**

MTC/ABAG has suggested a process that should be at the core of planning for Bay Area 2050. Horizon's Perspective Paper: The Future of Jobs (May 2019) identified a few Priority Strategies that would help. One was particularly suited to the problems of the West Bay. It was Priority Strategy L3: "Office Development Limits in Jobs-Rich Communities". This strategy stated that cities that have a

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<sup>11</sup> MTC, Plan Bay Area 2040, Final EIR, July 10, 2017, Master Response #6, p 2-16.

job/housing ratio of over 2:1 merited special attention.<sup>12</sup> But Table 2 pointed out that the entire West Bay was adding jobs at well over a 2:1 ratio over the period 2010-2017.

Thus the entire West Bay qualifies as an area that is job rich, with a transit system that is at full capacity and difficult commutes over restricted bridges or crowded north-south roadways. Between 2010 and 2017 this area added 250K jobs with half of them coming from outside the area using crowded commute corridors.

This has created the list of critical issues that affect the whole Bay Area. There is no easy transit solution available. Denser housing is limited because the land cost in the fastest growing job centers is so high that developers will not build housing in mixed zone areas unless they are granted mandates to build even more offices than housing units. (Note a thousand square feet of office space can house between four to six workers while a similar space for housing would fit a single apartment with access and common spaces that would on average house fewer than 1.5 workers. The job space offers a higher return.)

This means that this huge regional imbalance must be addressed in the updated Plan. A critical component of the Plan's methodology has to be to explore alternative growth paths in this major jobs-rich area. This should include exploring the consequences of moderate and balanced growth of both jobs and housing with a dynamic and adapting transit system that grapples with today's existing problems of imbalance and congestion. Clearly job limit discussions have to engage the whole of the jobs-rich area—in this case the West Bay.

There are really two critical tasks that should be included in the new methodology: work carefully to craft incentives for a moderate growth balance of jobs and housing in the West Bay while at the same time creating credible incentives for jobs to grow in San Jose, Oakland and the urban areas in other parts of Santa Clara County, Alameda County and Contra Costa County. The incentives that MTC/ABAG uses to allocate job growth around the Bay Area (Priority Development Areas in jobs-rich areas with promised transit solutions) have not worked. We need to explore limits on job growth in the West Bay and clear incentives to add jobs in cities like Oakland and San Jose and other mid-level cities on the East and South Side of the Bay.

### ***3. OPEN THE PROCESS TO ENGAGE A DIVERSE SET OF THOSE AFFECTED***

Job growth has an impact on each of the problem areas we discussed above. The only road to an effective planning process is to grapple with this complex set of interrelationships in the modeling process and that each of the key parties affected has a chance to observe and comment on those relationships. Elsewhere MTC/ABAG have introduced the notion of an iterative model.<sup>13</sup> An effective iterative model would look not just at the impacts of transit on housing but the impact of jobs on community life. By far, the biggest imbalance is on the jobs and employed resident side and any effective policy has to grapple with the consequences of shifting that jobs to housing ratio. But, of course, the way the model is currently set up, there can be no examination of alternative lower job growth numbers during the course of the RHNA period.<sup>14</sup> Obviously the most effective way of

<sup>12</sup> MTC, Regional Advisory Working Group, June 4, 2019, Agenda Item 3, Attachment B, page 2 of 17.

<sup>13</sup> MTC, Regional Advisory Working Group, June 2, 2019, Agenda Item 2, Draft Methodology, page 2-4 of 13.

<sup>14</sup> MTC, Plan Bay Area 2040, Final EIR, July 10, 2017, Master Response #6, p 2-16.

lowering housing prices in the jobs-rich West Bay would be to lower the job growth number which is pushing up land and housing costs and forcing longer distance commuting. A good effective reiterative model could explore how much housing prices and congestion might be affected if the jobs growth number was lowered in jobs-rich areas. Thus, a jobs cap or limit through the West Bay would be one effective way of dealing with the whole slew of problems that have cropped up over the last seven years.

The Regional Body involved (MTC/ABAG) has no direct authority over land use matters in the individual cities. But they do have substantial incentives that they could use to shift the site of new growth. They could provide affordable housing funds for those communities that fostered balanced jobs and housing growth. They could build transit systems that would provide effective service linking homes and jobs outside the West Bay. By limiting the growing number of long distance commuters, they would be providing the most effective way of cutting harmful emissions and wasted time in congestion.

The approved methodology needs to explicitly examine the consequences of critical decisions on job growth for each of the ten challenges mentioned above. Participation in the process should include all parties affected. Make this happen—get a Bay Area Plan that allows an effective reiterative planning process with diverse public inputs.

HELP THE BAY AREA PREPARE FOR THEIR FUTURE NOW.

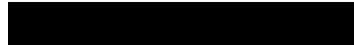
APPROVE A METHODOLOGY THAT:

- \* IS NOT DRIVEN BY AN AGGRESSIVE JOBS-BASED MODEL;
- \* ALLOWS CLOSE EXAMINATION OF MORE MODERATE REGIONAL JOBS AND HOUSING BALANCES;
- \* AND WELCOMES DIVERSE POINTS OF VIEW.

Correspondent:

Greg Schmid

Palo Alto CA



Signers:

Rishi Kumar

Saratoga City Council

Doria Summa

Palo Alto Planning Commissioner

Henry Riggs

Menlo Park Planning Commissioner

Lynn Branlett

former Menlo Park Library Commissioner

Mickie Winkler

former Menlo Park Mayor

\* for purposes of identification only

Jim Colton Palo Alto  
Jerry Clements Los Altos  
Brooke Ezzat Concerned California  
Joan Chinn Cupertino  
Danessa Techmanski Santa Clara  
Tessa Parish Santa Clara Co. resident  
Pamela Hershey Santa Clara C. resident  
Jim Jolly Los Altos  
Michael Perez Menlo Park  
Charmine Furman Palo Alto  
John Guislin Palo Alto  
Mark Apton Santa Clara  
Margaret Heath Palo Alto  
Carol Scott Palo Alto  
Kimberley Wong Palo Alto  
Jo Ann Mandinach Palo Alto  
Reine Flexer Palo Alto  
Michael and Jacqueline Grubb Palo Alto  
Joanne Koltnow Palo Alto  
Jennifer Landesmann Palo Alto  
Karen Latchford Palo Alto  
Barbara Miller San Francisco  
Subhash Narang Palo Alto  
T. R. Ranganath Palo Alto  
Peter Rosenthal Palo Alto  
Ronald and Kathy Dow Los Altos  
Allen Akin Palo Alto  
Heather Lattanzi Los Altos  
Feraidoon Jamzadh Los Altos  
Duffy Price Los Altos Hills  
Hamilton Hitchins Palo Alto  
Tina Peak Palo Alto  
Neilson Buchanon Palo Alto  
Arthur Keller Palo Alto  
Katherine Strehl Menlo Park  
Bryna Chang Palo Alto  
Annette Portello Ross Palo Alto  
Andy Miksztal Palo Alto

William Ross Palo Alto  
Zita Zukowsky Palo Alto  
Walter Eng Los Altos  
Kristin Mercer Belmont  
former Planning Commissioner  
Lieve Moortgat Palo Alto  
Walter Enos Palo Alto  
Teresa Morris Los Altos

Los Altos Residents, Steering Committee

Fred Haubensak

Freddie Wheeler

We recommend that you reassess how the projections are determined to ensure a more accurate outcome for Plan Bay Area 2050. We request this action because the last iteration of Plan Bay Area was widely off the mark.

**From:** [Manjun Martin](#)  
**To:** [MTC Info](#)  
**Cc:** [Home Martin](#)  
**Subject:** Plan Bay Area 2050 Methodology  
**Date:** Sunday, August 18, 2019 4:54:11 PM

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**\*External Email\***

Dear MTC Public Information Office:

The current proposed 2040 is already predicting too large of a population and job growth. Instead of “paving over paradise” and lining the pockets of developers ABAG needs to look broadly at what plan can maintain and IMPROVE planning for continuing job and population growth ABAG needs a reset:

- 1) Plan for slow, clean, green and sustainable job and population growth, <~0.5%/year.
  - a) California Statewide - 0.40% 2018. In other words during last several years during height of economic growth average population growth has been 0.4% for California!
  - b) Bay Area Population growth is NOT dramatically different also slowing fewer than 38,000 new residents in 2018 out of nearly 8 Million population, again 0.5%. (Bay Area Eco Inst)
  - c) Factors driving slow growth are fundamental; aging population, lower fertility, balance of immigration and out-migration.
- 2) Focus on infrastructure improvement that supports CURRENT BAY AREA RESIDENTS! Currently ABAG seems myopically focused on housing costs as THE primary factor driving out-migration, but this is NOT the only factor!!! People need space, they need parks, they need real public transportation they need to be able to enjoy the wonderful natural treasures of the Bay Area. Just cramming in more jobs, more houses and more people does NOTHING to improve QUALITY of life for Bay Area Residents. We do not live in NYC or LA for a reason, we want to enjoy the fruits of our generations of investment.
- 3) The Bay Area does NOT need every possible job!!! QUALITY OF LIFE is important and depends on us making choices. A perfectly valid and long term better choice would be to increase taxes on job creation to the point that jobs in the Bay Area become stable, NO GROWTH AT ALL, in number. This does NOT mean that quality of life doesn't improve. In fact during 2018 when CA population growth was only 0.4%, CA GDP growth was 5%, this means that the QUALITY OF LIFE for Californians IMPROVED!! Please add a model with ZERO job growth, but with substantial PRODUCTIVITY growth and let the people of the Bay Area review that scenario; Quality of life improves, population is at pure replacement level, no net population growth but every Bay Area Resident has higher quality of life because investments were made in improving education, transportation, air quality, open space and NOT on building new houses.
- 4) Respect local city control over planning. Cities should be encouraged to make THEIR OWN decisions on balancing QUALITY OF LIFE and POPULATION. There is no good reason for ABAG to jam down the throats of small city governments housing they do not need or want!! Cities are the most democratic form of government we have because they are closest to the people.

Sincerely,



Paul S. Martin

**From:** [Paul Campos](#)  
**To:** [MTC Info](#)  
**Subject:** Plan Bay Area 2050 Methodology  
**Date:** Friday, August 16, 2019 12:50:15 PM

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**\*External Email\***

To MTC/ABAG:


The Building Industry Association of the Bay Area appreciates the opportunity to comment on the proposed Methodology. Overall, BIA believes the proposed Methodology represents a thoughtful and sound approach to developing the Regional Housing Control Total. The iterative processes described in the proposed Methodology provide an excellent opportunity for the region to test how significantly increased housing production could influence prices and rents. We urge the agencies to "stretch" the bounds for envisioning levels of future new housing production in the region. We recall that when the region initially considered the level of per capita GHG reduction to recommend to CARB during the development of the original Plan Bay Area, as between the competing concepts of "ambitious" and "achievable," ambition far and away carried the day. The Boards of both MTC and ABAG made very clear that the Bay Area is unique and has a responsibility to be a global leader in setting the very highest goals for addressing an existential crisis. It is now clear that the Bay Area's housing crisis is similarly existential and just as the original Play Bay Area pushed the envelope to the limit in establishing GHG reduction targets, the region now should make every methodological decision that involves a supportable choice among a range of assumptions, inputs, or policy interventions, based on which will establish the highest housing target for the region.

Along these lines, we urge the agencies to be fully aware of, and to reject, the concerted effort being spearheaded by the former Mayor of Palo Alto to pressure MTC and ABAG to reduce estimates of future regional job growth in order to reduce future housing needs. Having embraced jobs and eschewed housing for decades, these voices now cynically seek to use the resulting jobs/housing imbalance as a reason to plan for less housing in their job-rich communities and the region as a whole. Over the next decades, there is no reason to expect the Bay Area to cede its place as the leading jobs creator in the United States. Unless, that is, the region heeds the call to depress future job estimates and uses that a pretext for abandoning policy reforms to facilitate a significant increase in future housing production.

Best regards,

--

Paul Campos



**From:** [Mfernwood](#)  
**To:** [MTC Info](#)  
**Subject:** Plan Bay Area 2050 Methodology  
**Date:** Tuesday, August 06, 2019 6:30:26 PM

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**\*External Email\***

### **CASA Compact: Soviet Style Central Planning**

Few know that a slum may be coming to a neighborhood near you! Unelected bureaucrats in Plan Bay Area, ABAG and MTC and now the CASA Compact, will force thousands of high density housing projects into our communities. A portion of which will be for low to very low incomes. This will totally change the character and livability of our communities.

The function of local zoning laws is to protect the character and commonality of our communities. Local zoning allows the residents to determine their future. Maintaining local character protects the value of our homes. With CASA, we now have Soviet style central planning imposed on us.

**Lie # 1.** Amid cries of “housing crisis” we are told that there is an acute housing shortage. A quick fact check can be had by searching apartment locating web sites such as Hotpads.com, Apartmentfinder.com and others. Each will show thousands of vacant Bay Area units. A “crisis” of shortages should show only long waiting lists, not thousands of vacant, waiting Bay Area apartments.

**Lie # 2.** We are also told that housing is too expensive. CASA asserts that building still more units will lower costs. According to the Building Industry Association, the average cost to build a new Bay Area unit is \$500,000. With this hard cost burden, new units cannot lower costs.

**Lie # 3.** CASA’s further assertion, is that if populations are tightly packed, near transit hubs, residents will not need cars. In fact, no parking will be provided. The reality is that many will own cars and will have visitors. This will further burden limited public parking. The stated goal is to reduce the amount of CO2 from driving to prevent “Global Warming.” How will imposing high density on outlying communities, where there are no jobs or mass transit possibly help this?

**Lie # 4.** We are also told adding more housing will help solve the “homeless” epidemic. The “homeless” have no money for any rent. They can live for free in “shelters” but rarely choose to do so as “shelters” don’t allow drinking or drugs.

**Mark Fernwood**



Danville, CA 94526

**From:** [Sarah Jo Szambelan](#)  
**To:** [MTC Info](#)  
**Subject:** Plan Bay Area 2050 Methodology  
**Date:** Monday, August 19, 2019 12:46:08 PM  
**Attachments:** [SPUR comments ABAG MTC Reg Forecast Methodology\\_PBA2050.pdf](#)

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**\*External Email\***

To Whom It May Concern:

SPUR is grateful to participate in the comment period for the forecast methodology of Plan Bay Area 2050. Please find attached our written comments.

Thank you,

Sarah Jo

--

Sarah Jo Szambelan

Research Manager

415-644-4887

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August 19, 2019

Metropolitan Transportation Commission  
Public Information Office  
375 Beale St, Suite 800, San Francisco, CA 94105

Re: Plan Bay Area 2050 Regional Forecast Methodology

To Whom It May Concern:

We are grateful for the opportunity to comment on the regional forecast methodology for Plan Bay Area 2050. Coming up with the official projections that serve as guideposts for how many jobs, people and housing units to accommodate in our region in the coming decades is a critical task, and we at SPUR take seriously the chance to participate and offer thoughts.

SPUR recognizes the good work ABAG and MTC have done in regional forecasting and modeling. In particular, SPUR applauds the latest ambition to reflect the feedback between housing supply and prices, and the total jobs and people who will come to and stay in the region. Given the current housing crisis, and the many years it may take to address, this is critical in planning to 2050.

In addition, ABAG and MTCs' new Futures work is a step in the right direction in terms of acknowledging the inherent uncertainty in regional projections, and offers a way to create strategies robust enough to withstand potential future shocks and risks. We also admire ABAG and MTCs' new investigation of how headship rates may change over time with income and changing housing preferences by different race and ethnic groups, and how different housing and economic development strategies may affect in-commuting. These research tasks will help planners and policymakers better understand the complex relationships between culture, preference and planning, which is an ongoing and critical need.

As ABAG and MTC finalize the research, forecasting and modeling for regional projections of employment, population and housing, we encourage the following considerations:

- **In the new feedback between UrbanSim and REMI, test how multiple dynamics affect employment and population projections as well as housing prices.** The recent spike in housing prices has been caused not only by a shortage of housing, but because the recent entrants to the housing market have higher incomes, purchasing power, and ability to set the price in the housing market. The rapid increase in the number of higher-wage workers has also pushed prices up. We hope that to the extent possible, ABAG and MTC will look at each the supply and wage effects on


housing prices, as well as how the rate of building more supply and the rate of growing income inequality affects housing prices and who will be likely to settle in the region. For example, if housing production through 2050 is concentrated in the near term, as opposed to linearly spread throughout all time periods, does it have a greater likelihood to moderate housing prices? Insights into these dynamics can help point policymakers and advocates toward strategies to best serve the current and future households of the Bay Area.

- **With new modeling capacity, allow for more calls for ideas from external partners.** Many local agencies, researchers and nonprofits are likely very curious to see housing supply may shape regional projections as well as how linking UrbanSim and REMI will allow for analysis of policy interventions. We hope that at an appropriate time, ABAG and MTC will open its new modeling capacity to solicit and model big ideas and innovative strategies in housing and economic development. We recognize that this process is probably best suited to a future plan, and could be similar to the call for transformative transportation projects that were a part of the current Futures process. Such a solicitation could help flush out policy solutions to our toughest housing and economic development challenges, and could further highlight the work ABAG and MTC have done in developing modeling methods and tools.
- **In doing REMI model runs on employment dynamics, also look at automation.** In addition to newly looking at how improved access to housing, work force training and priority production areas may affect total employment projections, an investigation of the effects of automation on industry formation and job creation could be worthwhile. Anticipating the effects of automation could help policymakers and advocates better prepare future generations for jobs in the Bay Area.
- **Look at demand for different types of housing units in an investigation of headship rates.** As ABAG and MTC look at how income and demographic variables affect household formation, SPUR encourages also looking at how the availability of different types of housing units may affect headship rates and create more options in the housing market. For example, as our population ages and more young adults want to form households, would a higher supply of smaller units best meet demand and help more people find suitable housing? Or is it larger units for young families that may be limiting household formation and the performance of the market? Will adding different kinds of units help to temper prices in the overall market? A clearer understanding of these dynamics could lead to better informed policy and better policy outcomes across the region.
- **Look at wealth, not just income, in researching headship rates.** ABAG and MTC have already acknowledged that some zero-income households in the Bay Area may be quite wealthy. In the research of how income affects household formation and headship rates, we encourage identifying

ways to account for both income and wealth, especially as the number of retirees increases in the years to come.

Thank you again for soliciting ideas on the projection forecast methodology for Plan Bay Area 2050. We at SPUR hope these comments are helpful and look forward to learning more about your work in the months to come.

Sincerely,

A handwritten signature in black ink, reading "Sarah Jo Szambelan". The signature is written in a cursive, flowing style. The first name "Sarah" is written in a larger, more prominent script, and the last name "Szambelan" follows in a similar but slightly smaller script. The signature is centered within a light gray rectangular box.

Sarah Jo Szambelan  
Research Manager





**From:** [REDACTED]  
**To:** [MTC Info](#)  
**Subject:** Plan Bay Area 2050 Methodology  
**Date:** Saturday, August 24, 2019 6:49:19 PM

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**\*External Email\***

Regional Housing Needs Assessment figures originate from population growth projections prepared by the California Department of Finance ("DOF"). (Gov't Code section 65584.01.) ABAG uses these figures for the Bay Area. ([https://abag.ca.gov/sites/default/files/rhna\\_2007-2014\\_final\\_report.pdf](https://abag.ca.gov/sites/default/files/rhna_2007-2014_final_report.pdf) at page 17.) How are these projections prepared? "The projection assumes sufficient resources to support population growth (or the development of more efficient/productive technology)." ([http://www.dof.ca.gov/Forecasting/Demographics/projections/documents/Methods\\_01\\_Report\\_v15.pdf](http://www.dof.ca.gov/Forecasting/Demographics/projections/documents/Methods_01_Report_v15.pdf) at section 6 [assumptions].)

In other words, the "carrying capacity" of the Bay Area and of the State of California are not considered whatsoever. The amount of water and water storage capacity; sanitary sewers, schools, parks, police and fire depts, roads, and mass transit, that Northern California can accommodate during the period covered by the projections is completely ignored.

This is wrong.

Nick Waranoff  
Orinda, CA

**From:** [Bonny Parke](#)  
**To:** [MTC Info](#)  
**Subject:** Plan Bay Area 2050  
**Date:** Sunday, August 18, 2019 9:38:16 PM

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**\*External Email\***

Dear Madams and Sirs,

An alternative to creating one massive New York type city on the peninsula, thereby losing the charm of individual cities and neighborhoods, would be to allow cities to curb the development of office space, if they so desired. There is no reason for more and more office space to be developed here, given the burden that the over supply of jobs has already created on the infrastructure of our cities. It is also important to let people who live in these cities take part in the decisions that affect their lives.

Please consider these points when deciding how to create the Plan Bay Area 2050.

Sincerely,

Bonny Parke, Ph.D.  
Palo Alto, CA 94306

**From:** [carole/steve eittreim](#)  
**To:** [MTC Info](#)  
**Subject:** Plan Bay Area 2050  
**Date:** Thursday, August 15, 2019 12:18:52 PM

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**\*External Email\***

ABAG Executive Board,

I would like to put my 2-cents into your discussion about what should be included in Plan Bay Area 2050. Because traffic congestion, housing and income inequality are perhaps the biggest sources of frustration in today's living in the Bay Area, I believe you should focus on two items:

1) Incentives to use alternatives to the single-passenger automobile by increased support for: Rail and express-bus public transit (Caltrain, BART, VTA).  
Improved connected pathways for bicycle, pedestrian, scooter, etc transportation.

2) Disincentives for single-person automobile travel by:  
Increasing gasoline taxes whenever possible.  
Decreasing approval of large parking lots, especially black-tar type which enhance global warming. Approval of such should be contingent on inclusion of PV-covered roofs.

Thanks for listening  
Steve Eittreim  
Palo Alto

**From:** [Beth Rosenthal](#)  
**To:** [MTC Info](#)  
**Subject:** Plan Bay Area 2050  
**Date:** Sunday, August 18, 2019 11:04:20 PM

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\*External Email\*

ABAG Executive Board Members:

As a Palo Alto resident, I am writing to express my deep concerns about Plan Bay Area 2050. My concerns are as follows:

The job-based model on which the plan is designed is a disaster. Because of this model, the West Bay has added 30% more jobs on an annual basis than the combined cities of Oakland and San Jose. Over the past seven years, the West Bay has added six times the number of jobs as have these two cities. This has led to astronomical land and housing costs, congestion on our local streets and highways, growing income inequality, long commutes for service people, the closure of local businesses because of the scarcity of help due to the high cost of rent and the lack of low income housing, and concerns about sustainability issues.

I recommend instead that MTC/ABAG explore and implement a model based on moderate, balanced targets of jobs and housing.

I am particularly concerned about the fact that your deliberations are opaque. You make public participation difficult and you do not seem responsive to input from the public. It is particularly disturbing that those people who are effected by your decisions are left out of the decision making process. I recommend that technical discussions be based on current and accurate information and that planning be done by experts and consultants beyond the in-house individuals currently running the process. I hope that meetings will be open and that public comment will be welcomed and listened to. Please take into account the concerns of the many citizens who are impacted by your deliberations and make this a program that will enhance the Bay Area.

Sincerely,

Beth Rosenthal, Ph.D.

**From:** [Tom Feeney](#)  
**To:** [MTC Info](#)  
**Subject:** Plan Bay Area 2050-Methodology comments  
**Date:** Monday, August 19, 2019 7:58:01 AM  
**Attachments:** [Plan 2050 comments.docx](#)

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**\*External Email\***

I believe you are receiving comments on your methodology for the Plan Bay Area 2050. The **attached comments** (1.5 pages) do not provide specific detailed comments on the methodology. But rather it tries to outline some broad principle for regional planning that might be consider in this process. Admittedly some of these suggestions are general and impractical, but perhaps they are worth considering as you proceed.

Thank you,  
Tom Feeney  
Burlingame

## **Plan Bay Area 2050 Methodology Comments and General Principles**

### **Market Imbalance**

From a macro point of view, the best way to address the housing crisis is to stop creating market imbalances. A city could be allowed to grow to whatever size it wants, subject to the following constraints (guidelines):

1. A balanced mix of income levels and jobs needs to be accommodated.
2. A balanced mix of housing that fits the above income level profile.
3. All zoning and permits must comport with these plans. (Now General Plans do not do this. They are just a conglomeration of current residents' preferences and opinions—no “rational strategy for growth.” They focus on land use but not on land capacity.)
4. Funding can be by any means that works (property taxes, fees, subsidies, etc.) The “equity” of these sources is a separate interesting issue.

Thus the new Plan should benchmark which jobs are allowed and how much housing must be provided. This is actually a market-driven solution. In the current approach the market is distorted by the monopoly power of cities (tax consuming entities) and developers (tax providing entities). The new approach should establish ideal outcomes but let the market decide how to get there. A “balanced mix” is admittedly subjective, but should probably approximate equal amounts of jobs and population.

### **Regional Tax**

These figures were in a recent article re San Bruno:

119--Number of units of housing built by San Bruno since 2016

1,036--Number of units that San Bruno needs to build by 2023 to meet its state-mandated goal

72,000--Number of jobs created in San Mateo County between 2010 and 2015

3,844--Number of housing units created in San Mateo County between 2010 and 2015 — about 19 jobs for every new home

These factoids reinforce that the only solution is to view new jobs on a regional basis. New jobs create substantial externalities that cities do not account for. The private market is distorted because the impact on housing is not accounted for. And the public (fiscal) impacts are understated because the impact of new housing is not accounted for. I am not aware of any fiscal impact studies that include residential costs (regardless of where they occur) as part of the FI study for new jobs. It might be easiest to just add the positive FI of a typical job + the negative impact of a new household to get the true Net Impacts of a job/HH unit. Has MTC or ABAG ever tried to do this? Once these externalities are recognized it would make sense to reapportion the regional tax receipts back to cities based on population (or possibly a new job/HH unit). Sharing all or a large portion of local taxes within the zone, would allow all new developments to have a proportional net impacts (positive and negative) on all cities.

### **Cap and Trade Approach**

Establish regional zones and only through negotiation with all cities can new development occur (a cap and trade system). Each region should be given a profile with a target mix of jobs

and housing broken down by income level. The targets should represent a model of what a “self-contained” community would have. Then a “cap and trade system” could be established so that cities within each region could trade development rights with neighboring cities. (Hillsborough and San Jose, for example, would be in a position to receive payment for selling their excess housing rights.)

This cap and trade system could also include the ability of the State (or regional agency) to dictate the maximum new jobs in each region over time. This is where it gets sticky because this would require the State/Regions to first decide how much growth they want to have in each region. (The current RHNA's would all be redone.) We would finally have to face the “inconvenient truth” that you cannot have unlimited new jobs and population without commensurate new housing.

And of course once housing targets are set, I would encourage any and all measures to boost supply-- modular, RLF, public investment, eliminate R-1, price caps, P3, etc. (See kiwi-Build in New Zealand as example of such a successful A to Z program.)

**From:** [Greg Schmid](#)  
**To:** [MTC Info](#)  
**Subject:** Plan Bay Area Methodology  
**Date:** Thursday, August 15, 2019 4:27:43 PM  
**Attachments:** [August 15 PBA 2050.docx](#)

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**\*External Email\***

The attached document contains public comments on:

PLAN BY AREA 2050 METHODOLOGY

Thank you!



## **PASZ (Palo Altans for Sensible Zoning)**

August 15, 2019

### **PLAN BAY AREA 2050 METHODOLOGY**

The current Plan Bay Area 2040 has led us towards critical community problems. The methodology for the updated Plan Bay Area 2050 must clearly acknowledge the problems it has contributed to and a clear pathway that lead us to an outcome that will benefit all.

Plan Bay Area is important—it provides jobs and housing projections for the region as a whole and for every city within the region. The numbers guide state and regional spending on transportation and housing. These projections are used by city planning staffs, virtually all the consultants who work for the cities, by academics doing their own analysis and forecasting, by the media and by state politicians. There is only one chance in every eight years to correct the jobs and housing projections in this Plan and now is that time.

What problems are embedded in the current Plan? The current Plan is based on an aggressive jobs-driven model that emphasizes jobs-rich areas as the centers of priority development areas. This has led to critical problems. Over the first seven years covered by the current Plan (2010-2017) we have had high concentrations of job growth in the West Bay, astoundingly high housing prices, a huge jump in long distance commuting, higher levels of congestion, transit overload, a jump in income inequality, a growing tax burden on residents, sustainability challenges and a deep threat to local democracy.

We need to define a more open and inclusive planning process that clearly identifies our current problems and offers opportunity for a full public discussion of a new more effective Plan Bay Area 2050.

### **WHAT ARE THE MANIFESTATIONS OF OUR METHODOLOGY PROBLEMS TODAY?**

The current Plan Bay Area 2040 is based on a jobs-driven model. It starts with a regional job growth projection that seeks to concentrate growth in jobs-rich priority development areas.<sup>1</sup> It has asserted that a rapid growth of new jobs would be spread in urban centers around the Bay Area while an effective transit system could make these job centers flourish effectively. Through the first seven years of the Plan (2010-2017), the result has been quite the opposite: very rapid job growth has been concentrated in a dramatically narrow band of West Bay cities. (The West Bay includes the city of San Francisco, all the San Mateo County cities east of Highway 280 and the five cities in Northern Santa Clara County that have been associated with Silicon Valley--Palo Alto, Mountain View, Sunnyvale, Santa Clara and Cupertino).

The original intention of Plan Bay Area was to concentrate job growth in the three big cities of the Bay Area—San Francisco, San Jose and Oakland. While San Francisco and the neighboring

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<sup>1</sup> ABAG resolution 02-19.

Silicon Valley cities would be the fastest growing job center, together San Jose and Oakland would create about half as many new jobs each year as the West Bay. In practice, the West Bay has added well over SEVEN TIMES the number of jobs as San Jose and Oakland over the first seven years of the Plan (Table 1).

Table 1  
The Projections in Plan Haven't Worked  
(average annual job growth)

	Projected (2010-2040)	Actual (2010-2017)
West Bay	19,857	36,245
Oakland/San Jose	7,717	5,044

Source: Plan Bay Area: Strategy for a Sustainable Future (July 2013), "Employment Growth by Jurisdiction"; and Census Bureau, ACS Factfinder (Advanced search on B08601 and DP03).

In actuality, over the seven years from 2010 to 2017 San Francisco and the cities of the West Bay have created about two and a half times the number of new jobs compared to the rest of the whole Bay Area. (Table 2) Half of those new jobs have been filled by commuters crossing the Bay or travelling along the narrow and congested pathways from the south.

Table 2  
New jobs created and new employed residents added: 2010-2017  
(in thousands)

	New jobs	New Employed Residents	Ratio Jobs/Emp Res
San Francisco	120	60	
Five Silicon Valley cities	88	30	
San Mateo cities east of 280	<u>44</u>	<u>32</u>	
West Bay Total	252	122	2.1:1
Rest of Santa Clara Co	59	94	
Rest of San Mateo Co	2	12	
Alameda Co	23	110	
Contra Cost Co	19	53	
Marin Co	<u>3</u>	<u>5</u>	
Rest of Bay Area Total	107	274	0.4:1

(Census Bureau, ACS Factfinder, Advanced search on B08601 and DP03)

This huge imbalance in job growth has created severe problems throughout the Bay Area. The rapid job growth in a relatively constrained strip of ground bounded by mountains on one side and the Bay on the other has resulted in severe problems: land and housing costs are the highest

in the country, congestion is escalating, there are disturbing inequalities in incomes, family workers are commuting longer distances, overloaded regional transit systems need major upgrades, commute times are increasing, we are facing new challenges in our ability to create a sustainable future and the functioning of local democracy is under challenge. We need a methodology that will systematically explore each of these challenges.

## **TEN CHALLENGES THAT MUST BE ADDRESSED**

There are at least ten major economic, financial and societal problems that flow from the concentrated job growth and increased congestion engendered by the serious imbalances we have identified:

### **\* LAND PRICES.**

The rapid expansion in business growth in jobs-rich areas has driven up the cost of land and the share of land costs in total housing prices. A recent Federal Reserve study has tracked land cost escalation in 46 metro areas around the country. They found that in the 46 metro areas, land's share of home value accounted for 51% of total market value of home prices. The highest share was in the San Francisco metro area where over 88% of the market value of a home was accounted for by land. The San Jose metro area was a close second with 82%. In general the cities in California were well ahead of the rest of the country in land price share.<sup>2</sup> This is clearly driven by the aggressive expansion of office space in the West Bay.

### **\* HOUSING PRICES.**

Home prices in San Francisco and in the San Jose Metro area are now the highest in the country. The same is true of rental rates for apartments (Table 3).

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<sup>2</sup> Morris A. Davis and Michael G. Palumbo, Federal Reserve Board, Staff Paper 2006-25, Washington DC).

Table 3

The Bay Area has the most expensive housing in the Country  
(Metro Areas)

	<u>Median Housing prices</u> (thousands of dollars)	<u>Monthly Rentals</u> (dollars/month)
San Francisco	955	3448
San Jose	1,230	3547
Los Angeles	652	2955
Seattle	491	2232
Boston	468	2391
New York	440	2419
Washington DC	407	2172
Austin	310	1700
Dallas	244	1641

Zillow, February 2019

Prices are especially high in the job-rich cities of the West Bay. But the rate of increase is just as high in the surrounding communities that feel the commuting effects from the centers of job growth (Table 4). The housing price impact has spread to every part of the Bay Area.

Table 4

Increase in housing prices throughout the Bay Area  
(annual percent increase in median family home prices, 2010-2018)

The Core	
Silicon Valley 6	11.4
San Francisco	10.2
Surrounding communities	
San Jose	10.1
Milpitas	12.9
Fremont	10.3
Hayward	10.4
Oakland	12.9
Concord	10.4

Source: [siliconvalleymls.com](http://siliconvalleymls.com)

**\* INCOME INEQAULITY.**

Highly paid new workers are taking the existing housing that is being offered on the markets as well as the new housing being built. A recent study by Brookings showed that of all US Metro

areas that San Francisco had the largest income gap between the 95<sup>th</sup> and 20<sup>th</sup> percentiles other than the New York area. While the San Jose Metro area income gap was slightly lower, it was growing at the second highest rate in the country in recent years (just behind Honolulu).<sup>3</sup> A recent Census Bureau report noted that the income gap between the 90<sup>th</sup> and the 50<sup>th</sup> percentiles were growing at about the same rate as the gap between the highest and the lower income groups.<sup>4</sup>

#### **\* CONGESTION.**

More people commuting longer distances have crowded local freeways on both sides of the Bay. The time spent in congested traffic conditions throughout the Bay Area has been growing almost 10% per year since 2010.<sup>5</sup>

#### **\* TRANSIT OVERLOAD.**

The key to dealing with the growing number of commuters is to get them onto public transit. Three transit systems serve commuters to the West Bay: BART, Caltrain and the VTA. While transit ridership on these lines grew through the 1990s and 2000s, over the last three years, both BART and Caltrain have found their ridership leveling off and even dropping a bit from 2016 to 2018. The Santa Clara County transit system that services San Jose and the five Silicon Valley cities (VTA) has had a 14% fall in ridership over those three years.<sup>6</sup> The costs of maintaining current service much less any planned expansion has escalated rapidly, making quick improvements slow and costly.

#### **\* IMPACT ON FAMILIES.**

As we move toward greater densification, congestion has raised the issue of family living in the Bay Area. Denser apartment buildings near jobs serve workers well, but they are not ideal for families with children. Clearly San Francisco with its dense housing and nineteenth century transportation system is already an outlier. It has the lowest ratio of children between the ages of five and seventeen as a share of the total population of any city in the country—just under the ratio of other dense cities built up before the automobile like New York and Boston. But there are troubling signs of changes in other cities in the West Bay. The share of the population in early elementary school has fallen between 5% and 10% in Cupertino, Palo Alto and Sunnyvale over the period 2015 to 2019 among the other job-rich cities in the West Bay. The neighboring city of East Palo Alto has seen a drop of over a quarter in the share of the population in elementary school.<sup>7</sup>

#### **\* TAX BURDEN ON RESIDENTS.**

Rapid growth in jobs and workers leads to dramatic increases in infrastructure costs. This includes a wide range of items from worker housing, transit improvements, offsetting increased congestion, improved roadways, police, health responses, schools and recreation facilities. The vast majority of local infrastructure funding is paid by residents, not by businesses. Residents

<sup>3</sup> Berube, Alan, “Income Inequality in cities and metro areas: An update” Brookings: Metropolitan Policy Program, 2016, Appendix X).

<sup>4</sup> Glassman, Brian, U.S. census Bureau, “Income inequality among Regions and Metropolitan Statistical Areas: 2005 to 2015”, SEHSD Working Paper Number: 2017-41).

<sup>5</sup> *Horizons, Vital Signs “Bay Area: Time spent in Congestion”*)

<sup>6</sup> BART, Caltrain and VTA operating statistics.

<sup>7</sup> Data taken from California Department of Education, School Profiles, and California Department of Finance, E-5. Population Estimates for Cities and Counties, 2011-2019.

pay through higher property taxes, parcel taxes, sales taxes, and gas taxes. For example, the base tax for all local government (cities, counties, schools, community colleges) is the Property Tax. Prop 13 has shifted a major share of that tax from business to residents. In the mid-1980s, commercial properties and residences in Santa Clara County paid roughly the same share of the property tax. In 2018 despite the rapid growth in new jobs in the county residents paid 62% and commercial properties 38%.<sup>8</sup> Furthermore, at least three quarters of all new transportation funds for the Bay Area come from local and regional sources that fall on individual residents such as gas taxes, sales taxes, parcel taxes and property taxes.<sup>9</sup> Most of these are regressive taxes with middle and lower income people paying a larger share of their income for such taxes.

### **\* *DON'T KILL SILICON VALLEY***

Silicon Valley emerged as a dynamic center of tech innovation partially because of its unique features of mobility both of talented workers and ideas flowing easily from place to place. Historical observers have pointed to two unique features of the Valley that were critical to its success: a very high rate of people changing jobs and the lack of large dominant firms that could capture new ideas as they emerged.<sup>10</sup> The emergence of very large companies and the densification jobs within the Valley is challenging the traditional mobility of workers and ideas that lie at the basis of Silicon Valley's unique success. In 2015 an anti-trust case was resolved that stopped an agreement among several large Silicon Valley firms agree that they would not hire workers from each other.

### **\* *SUSTAINABLE GROWTH GOALS.***

With the dramatic increase in commuters coming into the job-rich West Bay, the number of cars on the road, the distance traveled and the longer time spent in congested traffic all mean a rise in harmful emissions. It is essential that we develop an effective public transportation system that will minimize the pollution but it is hard to deal with our current problems when we keep adding longer-distance commuters. An increasing share of workers with families will continue to live in suburban communities. Further, increased water needs from the growing number of office buildings and new worker housing (especially those with families) means that the Bay Area's chronic water shortages will be exacerbated as changes in climate impact the limited sources of water that the Bay Area depends upon.

### **\* *THE FUTURE OF LOCAL DEMOCRACY.***

The greatest threat of all is the increasing pressure to usurp local government control over zoning. A number of bills are being debated in the state legislature that would override local zoning authority on housing density. While regional cooperation on creating healthy balances between new jobs and housing is essential, this should be done through working together, not from having regional solutions imposed by state legislators. This destroys the very essence of local government—the ability of individuals to participate directly in decisions that affect the daily family life of their communities.

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<sup>8</sup> Santa Clara County, County Assessors 2018-2019 Annual Report, page 14.

<sup>9</sup> MTC, Plan Bay Area 2040, Draft EIR, April 17, 2017, p 1.2-13.

<sup>10</sup> Annalee Saxenian, "Regional Advantage: Culture and Competition in Silicon Valley and Route 128", Harvard University Press, 1994 and Martin Kenney, ed. "Understanding Silicon Valley: The Anatomy of an Entrepreneurial Region", Stanford University Press, 2000).

## LET'S MAKE SURE THAT PLAN BAY AREA 2050 WORKS

The planning process used in the formulation of Plan Bay Area 2040 has not been effective in preparing us to deal with today's overriding issue of job concentration in a geographically bounded area. In fact, it has completely missed the impacts of the exaggerated jobs/employed resident imbalances in the West Bay. Jobs are expanding there at almost twice the annual average projected in the Plan (and 35% less than projected in the major cities of San Jose and Oakland). This has had serious consequences for the whole region. The methodology for Plan Bay Area 2050 must confront these imbalances and assure effective public discussion on planning for our future. That process must start now if it is confront the existing problems and offer pathways to resolving the most important issues. We suggest three key methodological steps as critical for the upcoming planning process:

### **1. END THE JOBS-BASED MODEL**

MTC/ABAG base their population and housing projections for each community in the Bay Area on a model that starts with an aggressive regional job projection. The original job projections were based on maintaining the local share of a national BLS job projection by industry. The projections of jobs, population and housing for each community were then produced internally (based on their own consultants work, their own Technical Advisory Committee and their own self-appointed advisory groups). Once approved, the job growth starting point could not be lowered or even examined by subsequent CEQA processes. (Plan Bay Area 2040 is currently operating under a jobs growth number that was generated in 2011 and will continue in effect until 2022. During that time period, no lower regional job projection number could be considered (although a higher one can be).<sup>11</sup>

The model seriously under estimated the high job growth numbers in one specific jobs-rich area—the West Bay. That has been a key cause of the problems discussed above. The process would be much improved by having a range of job growth options explored upfront both in the region as a whole and in key sub-regions, like the West Bay. This would allow the modeling process to compare impacts of a range of jobs and population projections for the region as a whole, as well as key sub-regions. This would foster the exploration of alternative job growth projections on land costs, housing costs, congestion, income inequality, infrastructure needs and sustainability goals.

The initial methodology must allow communities to explore job growth and housing growth together upfront, including potential regional imbalances. This would allow public discussion of the consequences of a more moderate and balanced jobs and housing growth throughout the Bay Area and in special regions and the range of impacts on their communities.

### **2. PROVIDE REALISTIC ALTERNATIVES FOR BALANCED GROWTH**

MTC/ABAG has suggested a process that should be at the core of planning for Bay Area 2050. Horizon's Perspective Paper: The Future of Jobs (May 2019) identified a few Priority Strategies

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<sup>11</sup> MTC, Plan Bay Area 2040, Final EIR, July 10, 2017, Master Response #6, p 2-16.



that would help. One was particularly suited to the problems of the West Bay. It was Priority Strategy L3: “Office Development Limits in Jobs-Rich Communities”. This strategy stated that cities that have a job/housing ratio of over 2:1 merited special attention.<sup>12</sup> But Table 2 pointed out that the entire West Bay was adding jobs at well over a 2:1 ratio over the period 2010-2017.

Thus the entire West Bay qualifies as an area that is job rich, with a transit system that is at full capacity and difficult commutes over restricted bridges or crowded north-south roadways. Between 2010 and 2017 this area added 250K jobs with half of them coming from outside the area using crowded commute corridors.

This has created the list of critical issues that affect the whole Bay Area. There is no easy transit solution available. Denser housing is limited because the land cost in the fastest growing job centers is so high that developers will not build housing in mixed zone areas unless they are granted mandates to build even more offices than housing units. (Note a thousand square feet of office space can house between four to six workers while a similar space for housing would fit a single apartment with access and common spaces that would on average house fewer than 1.5 workers. The job space offers a higher return.)

This means that this huge regional imbalance must be addressed in the updated Plan. A critical component of the Plan’s methodology has to be to explore alternative growth paths in this major jobs-rich area. This should include exploring the consequences of moderate and balanced growth of both jobs and housing with a dynamic and adapting transit system that grapples with today’s existing problems of imbalance and congestion. Clearly job limit discussions have to engage the whole of the jobs-rich area—in this case the West Bay.

There are really two critical tasks that should be included in the new methodology: work carefully to craft incentives for a moderate growth balance of jobs and housing in the West Bay while at the same time creating credible incentives for jobs to grow in San Jose, Oakland and the urban areas in other parts of Santa Clara County, Alameda County and Contra Costa County. The incentives that MTC/ABAG uses to allocate job growth around the Bay Area (Priority Development Areas in jobs-rich areas with promised transit solutions) have not worked. We need to explore limits on job growth in the West Bay and clear incentives to add jobs in cities like Oakland and San Jose and other mid-level cities on the East and South Side of the Bay.

### ***3. OPEN THE PROCESS TO ENGAGE A DIVERSE SET OF THOSE AFFECTED***

Job growth has an impact on each of the problem areas we discussed above. The only road to an effective planning process is to grapple with this complex set of interrelationships in the modeling process and that each of the key parties affected has a chance to observe and comment on those relationships. Elsewhere MTC/ABAG have introduced the notion of an iterative model.<sup>13</sup> An effective iterative model would look not just at the impacts of transit on housing but the impact of jobs on community life. By far, the biggest imbalance is on the jobs and employed resident side and any effective policy has to grapple with the consequences of shifting that jobs to housing ratio. But, of course, the way the model is currently set up, there can be no

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<sup>12</sup> MTC, Regional Advisory Working Group, June 4, 2019, Agenda Item 3, Attachment B, page 2 of 17.

<sup>13</sup> MTC, Regional Advisory Working Group, June 2, 2019, Agenda Item 2, Draft Methodology, page 2-4 of 13.



examination of alternative lower job growth numbers during the course of the RHNA period.<sup>14</sup> Obviously the most effective way of lowering housing prices in the jobs-rich West Bay would be to lower the job growth number which is pushing up land and housing costs and forcing longer distance commuting. A good effective reiterative model could explore how much housing prices and congestion might be affected if the jobs growth number was lowered in jobs-rich areas. Thus, a jobs cap or limit through the West Bay would be one effective way of dealing with the whole slew of problems that have cropped up over the last seven years.

The Regional Body involved (MTC/ABAG) has no direct authority over land use matters in the individual cities. But they do have substantial incentives that they could use to shift the site of new growth. They could provide affordable housing funds for those communities that fostered balanced jobs and housing growth. They could build transit systems that would provide effective service linking homes and jobs outside the West Bay. By limiting the growing number of long distance commuters, they would be providing the most effective way of cutting harmful emissions and wasted time in congestion.

The approved methodology needs to explicitly examine the consequences of critical decisions on job growth for each of the ten challenges mentioned above. Participation in the process should include all parties affected. Make this happen—get a Bay Area Plan that allows an effective reiterative planning process with diverse public inputs.

HELP THE BAY AREA PREPARE FOR THEIR FUTURE NOW.

APPROVE A METHODOLOGY THAT:

- \* IS NOT DRIVEN BY AN AGGRESSIVE JOBS-BASED MODEL;
- \* ALLOWS CLOSE EXAMINATION OF MORE MODERATE REGIONAL JOBS AND HOUSING BALANCES;
- \* AND WELCOMES DIVERSE POINTS OF VIEW.

Correspondent:

Greg Schmid

Palo Alto CA



Signers:

Liang-Fang Chao	Vice-Mayor*	Cupertino
Anita Enander	City Council Member*	Los Altos
Lynette Lee Eng	Mayor*	Los Altos
Lydia Kou	City Council Member*	Palo Alto
Eric Filseth	City Council Member*	Palo Alto
Steven Scharf	Mayor*	Cupertino

Rahul Vasenth	AD-28 Delegate*	County of Santa Clara
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\* For identification purposes only

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<sup>14</sup> MTC, Plan Bay Area 2040, Final EIR, July 10, 2017, Master Response #6, p 2-16.

Maria Bautista	Los Altos
Paul Boetius	Los Altos
Liana Crabtree	Cupertino
Ignatius Ding	Cupertino
Mary Gallagher	Palo Alto
Caryl Gorska	Santa Clara
Maurice Green	Palo Alto
Joe Hirsch	Palo Alto
Terry Holzemer-hernandez	Palo Alto
Suzanne Keehn	Palo Alto
Ben Lerner	Palo Alto
Paul Machado	Palo Alto
Elaine Meyer	Palo Alto
James & Susan Moore	Cupertino
Michael Nash	San Mateo
Nelson Ng	Palo Alto
Jane Osborne	Los Altos
Roberta Phillips	Cupertino
Andie Reed	Palo Alto
Beth Rosenthal	Palo Alto
Rafael & Becky Sarabia	Mt View
Greg Schmid	Palo Alto
Jonathan Shores	Los Altos
Govind Tatachari	Cupertino
Freddie Park Wheeler	Los Altos

**From:** Jaime Cordera  
**To:** [MTC Info](#)  
**Cc:** [REDACTED]  
**Subject:** Plan Bay Area Methodology  
**Date:** Sunday, August 18, 2019 10:03:14 PM

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\*External Email\*

I'm writing to oppose continuing the failed planning process of the past Plan Bay Area 2040.

The idea that ABAG or MTC or Oakland or San Jose would WANT to have job growth and housing growth where it is beneficial to THEM, is completely different than what has happened in the past,

Wishing and hoping that suddenly Oakland will be where all the hot new jobs will be is flying in the face of reality. Likewise, prioritizing transportation expenditures, or affordable house expenditures based on the same wishful thinking that Oakland and San Jose would prefer, instead of the track record of reality is wasteful and doesn't contribute to solving any of the problems the 9 county San Jose Bay Area has.

Planning must accept reality and past economic reality EVEN IF IT IS DIFFERENT than what city leaders in Oakland or San Jose aspire to and hope for. The current Plan Bay Area 2040 seems disconnected from reality.

For example, companies and jobs are created typically near where the executives and venture capitalists live, even if that is different than where most of the employees live. Thus, it would be sensible to expect that job growth in the West Bay cities, where most of the job growth has historically been. It would be foolish to believe that executives are suddenly going to abandon Palo Alto (or Los Altos, or Cupertino, or Mountain View) and move to San Jose, much less Oakland.

Historically, 1/3 of the venture capital for the entire United States has been funded through the venture funds headquartered on Sand Hill Road. Not a single one of those companies has any interest in moving to Oakland or San Jose.

Among other things, using PDA criterion which is different than reality will continue down the path of ineffective use of limited public funds. Prioritizing transportation for areas where Oakland or San Jose HOPES development occurs, rather than where job creation has ACTUALLY occurred historically, is not only a waste of time and taxpayer money, it also lowers ABAG and MTC's credibility with the public.

Please let's plan for Plan Bay Area 2050 using DATA and EXPERIENCE rather than wishful thinking.

Jaime Cordera

Los Altos

Santa Clara County

**From:** [mickie winkler](#)  
**To:** [MTC Info; lleeeng@losaltosca.gov](#)  
**Subject:** Plan Bay Area rejects innovative ideas  
**Date:** Friday, August 16, 2019 1:00:52 PM

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**\*External Email\***

Dear Therese McMillan et al

In formulating Plan Bay Area, please include--not rule out!--successful and innovative public transit options such as aerial commute gondolas and hovercraft.

These options are inexpensive, they can be quickly implemented, serve large number of commuters and do not compete with existing transit infrastructure.

Thanks for your consideration. We depend on you.

Former Menlo Park Mayor, Mickie Winkler

Mickie Winkler  


**From:** [Jerome Camp](#)  
**To:** [MTC Info](#)  
**Subject:** Please follow these recommendations ...  
**Date:** Wednesday, August 14, 2019 12:53:53 PM

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**\*External Email\***

## From the Mayor's Desk

### **Plan Bay Area 2040 fails; let's not make the same mistake**

**By Lynette Lee Eng**

For many residents, traffic begins before 3 PM, while our teachers and service workers struggle with the extended and prolonged commutes.

People can't get around anymore –forget about public transit. The cost of living is through the roof, state/ regional legislatures favor the interests of developers as well as tech companies and income inequality has never been worse. Insanity is doing the same thing over and over again while expecting different results.

Plan Bay Area is continuing to make the same mistakes by relying on flawed projections instead of planning based on what's better for the future. Trapped in a negative feedback loop of enacting bad policy, Plan Bay Area is in need of bold, structural change; it's time for residents to be truly involved in the process.

The Metropolitan Transportation Commission (MTC) and the Association of Bay Area Governments (ABAG) prepare and adopt a long-range regional plan for the Bay Area called Plan Bay Area. The plan is required under state and federal law. Within it, the two agencies develop a long-range, regional housing and transportation plan that is an essential element in every Bay Area city's general or comprehensive planning process. The current plan covering the period from 2010 to 2040 has been a disaster.

MTC and ABAG utilize a process that starts with an aggressive jobs-based forecast for the area and then projects population and housing numbers for each community out to the year 2050. Plan Bay Area's goal is to spread priority development areas through the urban regions of the nine counties, but the plan called for job growth in Oakland and other urban areas to total approximately 25% less than that in the West Bay cities (cities from San Francisco to Santa Clara and Cupertino west of Highway 280).

In the first seven years of the plan, the West Bay cities accounted for six times the number of jobs that Oakland and San Jose added. In fact, the number of jobs in the West Bay was two and a half times greater than those in the rest of the entire Bay Area. Businesses that find value in co-location have concentrated growth in a single spot – the West Bay.

The imbalance of excessive job growth in the West Bay has created critical issues that are overwhelming the Bay Area; land and housing costs are now the highest in the country, regional transit systems are overloaded, congestion is reaching a breaking point, workers commute longer distances than ever before, household income inequality is spiraling out of control and local democracy is under threat.

MTC and the ABAG Executive Board want to continue with Plan Bay Area's ineffective model. The data coming from Plan Bay Area are based not on a proactive plan for the future, but on past projections around an aggressive job-growth priority development model. The results? An affordability crisis.

MTC and ABAG need to adopt a requirement that the process will include a range of more moderate and balanced projections of jobs and housing that explore a greater geographical dispersion of jobs and eliminate their model assumption that it be driven by an aggressive job-growth in priority development areas.

MTC and ABAG must approve their methodology for the Plan Bay Area 2050 update by September. They have a current public comment period on their methodology from now until Monday. This is a limited opportunity to have an input on how this process will move along before MTC and ABAG staff prepare in-house their new jobs and population projections.

MTC and ABAG must let the public participate fully in the discussion of a plan that would affect the jobs and housing balance in the Bay Area. Plan Bay Area 2050 will impact each city's character

as well as each individual's quality of life. People should email the ABAG Executive Board at [info@  
bayareametro.gov](mailto:info@bayareametro.gov) and reach out to their local city council before Monday.

*Lynette Lee Eng is mayor of Los Altos.*

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Jerome A. Camp

**From:** [ROMANTASY Custom Corsetry](#) on behalf of [Ann Grogan](#)  
**To:** [andi@citiesassociation.org](mailto:andi@citiesassociation.org); [council@cityofpaloalto.org](mailto:council@cityofpaloalto.org); [MTC Info](#)  
**Subject:** Public Comment on Plan Bay Area 2050; please record  
**Date:** Thursday, August 08, 2019 11:39:18 AM  
**Attachments:** [ann\\_sig\\_darkorchid.gif](#)

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**\*External Email\***

Dear ABAG and MTC:

I understand that MTC/ABAG must approve methodology for the Plan Bay Area 2050 update by September 2019, and that there is a public comment period on methodology which ends on August 19. Please consider and file this email as a public comment by a 40-plus year resident of Glen Park, San Francisco, who is very concerned with potential and oft-promoted over-building of high-rises especially around transit centers/neighborhoods with transit, rather than address the cause of the problem: too many high tech jobs coming into narrow geographic areas, putting pressure on politicians to take away local building/zoning control and endangering the diversity and beauty of our many neighborhoods, esp. in San Francisco.

Require high tech businesses to build housing next to their campuses for their workers; no one has a 'right' to live in my tiny, traffic-packed, liveable neighborhood and demand high-rise, no parking, market rate housing! If anything we need more housing for the homeless and more below-market rate housing for them and non-tech workers, mentally ill or drug-addicted, seniors, minorities, women, and the disabled. These are the folks who government must serve, and not the rich or well-off.

With respect to your plan kindly:

1. Eliminate your model assumption that housing be driven by an aggressive job-growth in priority development areas.
2. Replace that with a requirement that your process will include a range of more moderate and balanced projections of jobs and housing that explore a greater geographical dispersion of jobs.
3. Make the technical discussions an open, public process with a clear opportunity for residents in the Bay Area to be heard on other points of view.

Thank you for your consideration.

Signature: Ann Grogan



San Francisco, CA 94131



## Paul S. Martin (Plan Bay Area 2050 Methodology)

Palo Alto CA 94301 |

August 18<sup>th</sup> 2019

RECEIVED:

AUGUST 22, 2019 at 12: 25 pm

Bay Area Metro Center  
375 Beale Street, Suite 800  
San Francisco, CA 94105-2066

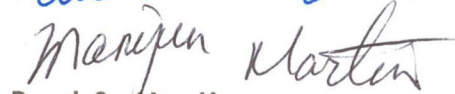
Dear MTC Public Information Office:

The current proposed 2040 is already predicting too large of a population and job growth. Instead of "paving over paradise" and lining the pockets of developers ABAG needs to look broadly at what plan can maintain and IMPROVE planning for continuing job and population growth ABAG needs a reset:

- 1) Plan for slow, clean, green and sustainable QUALITY OF LIFE improvement! ZERO NET Job growth, ZERO NET population growth!
  - a) California Statewide - 0.40% 2018. During last several years during height of economic growth average population growth has been 0.4% for California!
  - b) Bay Area Population growth is NOT dramatically different also slowing fewer than 38,000 new residents in 2018 out of nearly 8 Million population, again 0.5%. (Bay Area Eco Inst)
  - c) Factors driving slow growth are fundamental; aging population, lower fertility, balance of immigration and out-migration.
- 2) Focus on infrastructure improvement that supports CURRENT BAY AREA RESIDENTS! Currently ABAG seems myopically focused on housing costs as THE primary factor driving out-migration, but this is NOT the only factor!!! People needs space, they need parks, they need real public transportation they need to be able to enjoy the wonderful natural treasures of the Bay Area. Just cramming in more jobs, more houses and more people does NOTHING to improve QUALITY of life for Bay Area Residents. We do not live in NYC or LA for a reason, we want to enjoy the fruits of our generations of investment.
- 3) The Bay Area does NOT need every possible job!!! QUALITY OF LIFE is important and depends on us making choices. A perfectly valid and long term better choice would be to increase taxes on job creation to the point that jobs in the Bay Area become stable, NO GROWTH AT ALL, in number. This does NOT mean that quality of life doesn't improve. In fact during 2018 when CA population growth was only 0.4%, CA GDP growth was 5%, this means that the QUALITY OF LIFE for Californians IMPROVED!! Please add a model with ZERO job growth, but with substantial PRODUCTIVITY growth and let the people of the Bay Area review that scenario; Quality of life improves, population is at pure replacement level, no net population growth but every Bay Area Resident has higher quality of life because investments were made in improving education, transportation, air quality, open space and NOT on building new houses.

4) Respect local city control over planning. Cities should be encouraged to make THEIR OWN decisions on balancing QUALITY OF LIFE and POPULATION. There is no good reason for ABAG to jam down the throats of small city governments housing they do not need or want!! Cities are the most democratic form of government we have because they are closest to the people.

Sincerely,



**Paul S. Martin**  
**Manjun Martin**

**From:** [Jennifer Landesmann](#)  
**To:** [MTC Info](#)  
**Cc:** [city.council@cityofpaloalto.org](mailto:city.council@cityofpaloalto.org)  
**Subject:** Public must participate in MTC/ABAG plans  
**Date:** Friday, August 16, 2019 10:49:03 AM

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**\*External Email\***

Dear ABAG Executive Board,

Thanks to Lynette Lee Eng's Editorial in the Daily Post today, alerting to your activities.

High stakes decisions which affect communities demand a high level of public outreach, which I have not seen from your organizations.

Please let the public participate fully in the discussion of your plans to impact the jobs and housing imbalance in the Bay Area. Thank you,

Jennifer Landesmann

**From:** [Danielle Staude](#)  
**To:** [MTC Info](#)  
**Subject:** Plan Bay Area 2050 Methodology  
**Date:** Tuesday, August 06, 2019 4:41:01 PM

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**\*External Email\***

I do not see a link to the documents in your recently released news item. The library resource link only has 2014-2023 RHNA.

Danielle L. Staude

Senior Planner

City of Mill Valley

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