PLAN BAY AREA 2050

Key Question: Housing Element of the Draft Blueprint

MTC Commission and ABAG Executive Board Workshop

January 31, 2020

Refresh on Housing:
What is the Plan <u>required</u> to do?

"The sustainable communities strategy shall...

"Identify areas within the region sufficient to house all the population of the region, including all economic segments of the population over the [30 year] course of the planning period... taking into account... employment growth

"Identify areas within the region sufficient to house an eight-year projection of the regional housing need [RHNA] for the region...

"Reduce the greenhouse gas emissions from automobiles and light trucks to achieve... [state-approved] reduction targets" *(-19% for Plan Bay Area 2050)*
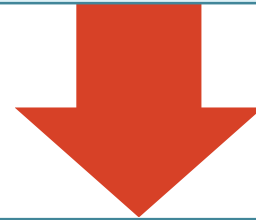
-California Government Code 65080(b); Senate Bill 375

PLAN BAY AREA 2050

What are the consequences of <u>not</u> meeting one or more requirements?

Plan not approved by federal or state agencies

Transportation funding sources jeopardized
(e.g. SB1 Solutions for Congested Corridors)

PLAN BAY AREA 2050

Refresh on RHNA & Plan Bay Area 2050:
What are the statutory requirements?

RHNA must be consistent with the development pattern from the Plan[1].

- **Housing Element Law does not provide a definition of consistency or specific guidance about how it should be achieved.** Historically, MTC/ABAG has interpreted the consistency requirement to mean that the eight-year RHNA housing allocation for a given jurisdiction should not exceed the 30-year Plan housing forecast for the same jurisdiction.

Subregional shares must be generated based on the Plan[2].

- **For any designated subregions, the share of the RHND allocated to that subregion must be generally based solely on the long-range plan**, as opposed to other factors that may be integrated into the methodology.

Key assumptions from the Plan's Regional Growth Forecast should be provided to the state during the RHND consultation process[3].

- **However, the state is not required to integrate Council of Governments input on population growth estimates** unless that total regional population forecast for the projection year is within ±1.5 percent of the state's own forecast for the Bay Area.

1. *California Government Code 65584.04(m)*
2. *California Government Code 65584.03(c)*
3. *California Government Code 65584.01(a)*

PLAN BAY AREA 2050

In addition to reducing GHG emissions...
Why are Housing Strategies Critical?

Without new strategies, regional affordability will continue to worsen.

Plan BayArea 2040

↑ **+13%**
housing & transport share of household budget

Strategies included in Plan Bay Area 2040 were insufficient to slow rising housing costs. **The share of lower-income households' income spent on housing and transportation were forecasted to rise 13 percentage points by year 2040.**

Source: Plan Bay Area 2040 Final Plan

The region is anticipated to see significant growth through 2050.

up to **10.2 million** **residents in 2050**
(+2.6 million from 2015 levels)

up to **5.2 million** **jobs in 2050**
(+1.2 million from 2015 levels)

up to **4.4 million** **homes in 2050**
(+1.5 million from 2015 levels)
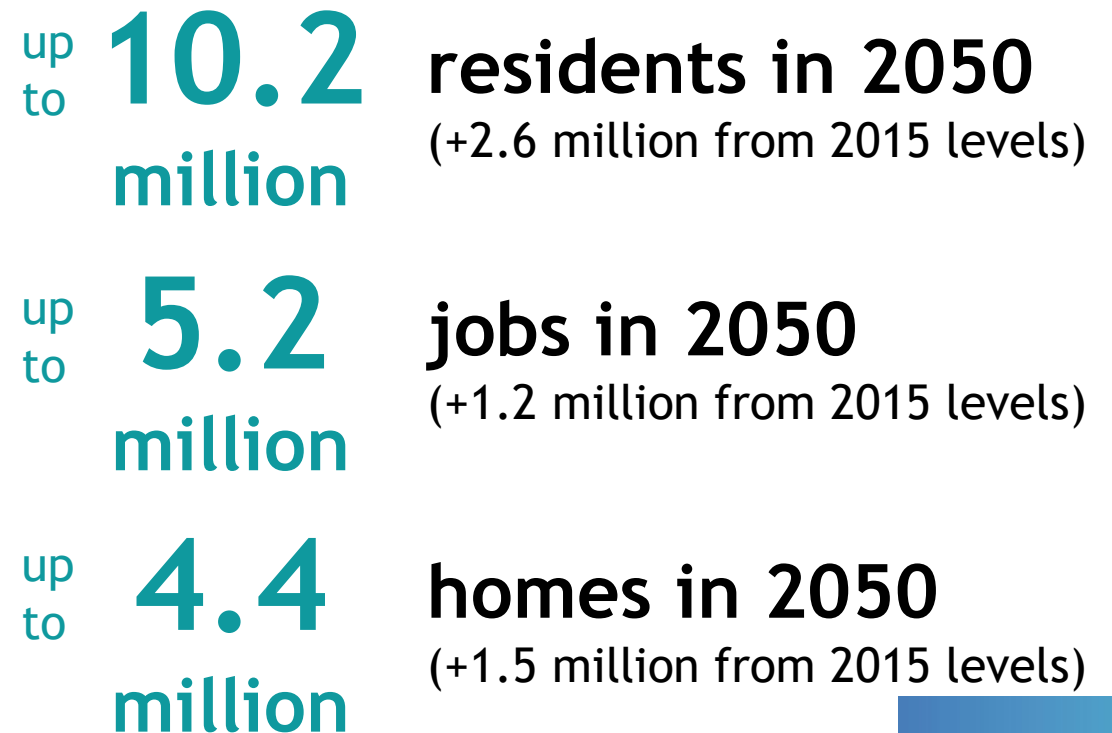
Source: Plan Bay Area 2050
***Draft** Regional Growth Forecast*

5

PLAN BAY AREA 2050

Draft Blueprint:
Proposed Housing Strategies

Spur Housing Production & Create Inclusive Communities

Allow a Greater Mix of Housing Types & Densities in Growth Geographies

Focus of this session

Transform Aging Malls and Office Parks into Neighborhoods

Reduce Barriers to Housing in Growth Geographies

Protect, Preserve, & Produce Affordable Housing

Additional Housing Strategies Recommended for inclusion in Blueprint

(additional material to be provided in February)

Fund Affordable Housing Protection, Preservation & Production

Require 10 to 20 Percent of All New Housing to be Affordable

Further Strengthen Renter Protections

Adopted into State Law in 2019; included in Blueprint

Repurpose Public Land to Build Housing

6

Question: To meet regional housing need and improve potential GHG & equity outcomes, should the Blueprint integrate Transit-Rich and High-Resource Areas throughout the region?

PLAN BAY AREA 2050

Looking at the Big Picture:
Our Current Growth Framework

Locally-Nominated Priority Areas

Priority Development Areas

Priority Conservation Areas

Priority Production Areas

Plan Bay Area:
Focused Growth

Plan Bay Area:
Strategies & Implementation

Source: Plan Bay Area 2040

PLAN BAY AREA 2050

Regional Growth Framework:
Progress to Date

- Effective open space protection
- 188 adopted PDAs
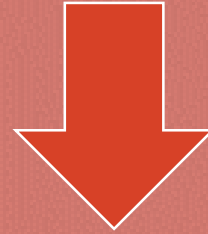
- Some PDAs not aligned with program guidelines
- Many areas that support regional goals not yet nominated PDAs
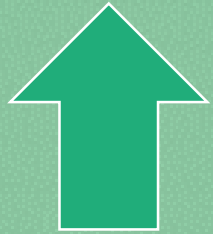
- Share of housing permits in PDAs increasing
- OBAG aligns investment with growth strategy
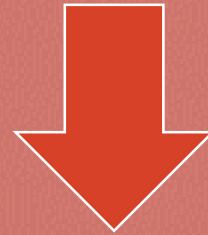
- Current share of jobs & housing in PDAs well below PBA forecast
- Low and moderate income housing needs not met
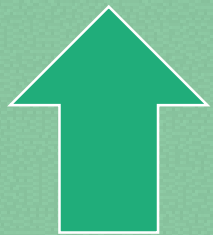
- Stronger real estate markets in PDAs across region
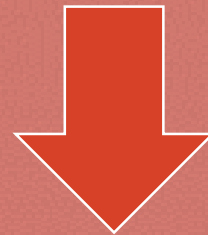
- Increasing displacement pressure in many PDAs

Which **Growth Geographies** should the Draft Blueprint include?

Existing Growth Geographies
Locally nominated

Priority Development Areas

Priority Production Areas

To consider:
Additional Growth Geographies
Advance GHG & Equity Outcomes and PDA-eligible, but not yet locally nominated

Transit-Rich Areas

High-Resource Areas

Other Urbanized Areas

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Priority Development Areas

Definition:

- **Locally nominated**
- **Within the urban footprint;**
- **Planned, or will be planned, for significant housing and job growth;**
- **Within ½ mile of qualifying transit.**

Two types of PDAs, based upon level of transit service:
- Transit-rich (rail, ferry, 15-minute bus)
- Connected Community (30-minute bus and VMT policies or within High Resource Area)

Priority Development Areas

Includes new PDAs recommended for adoption
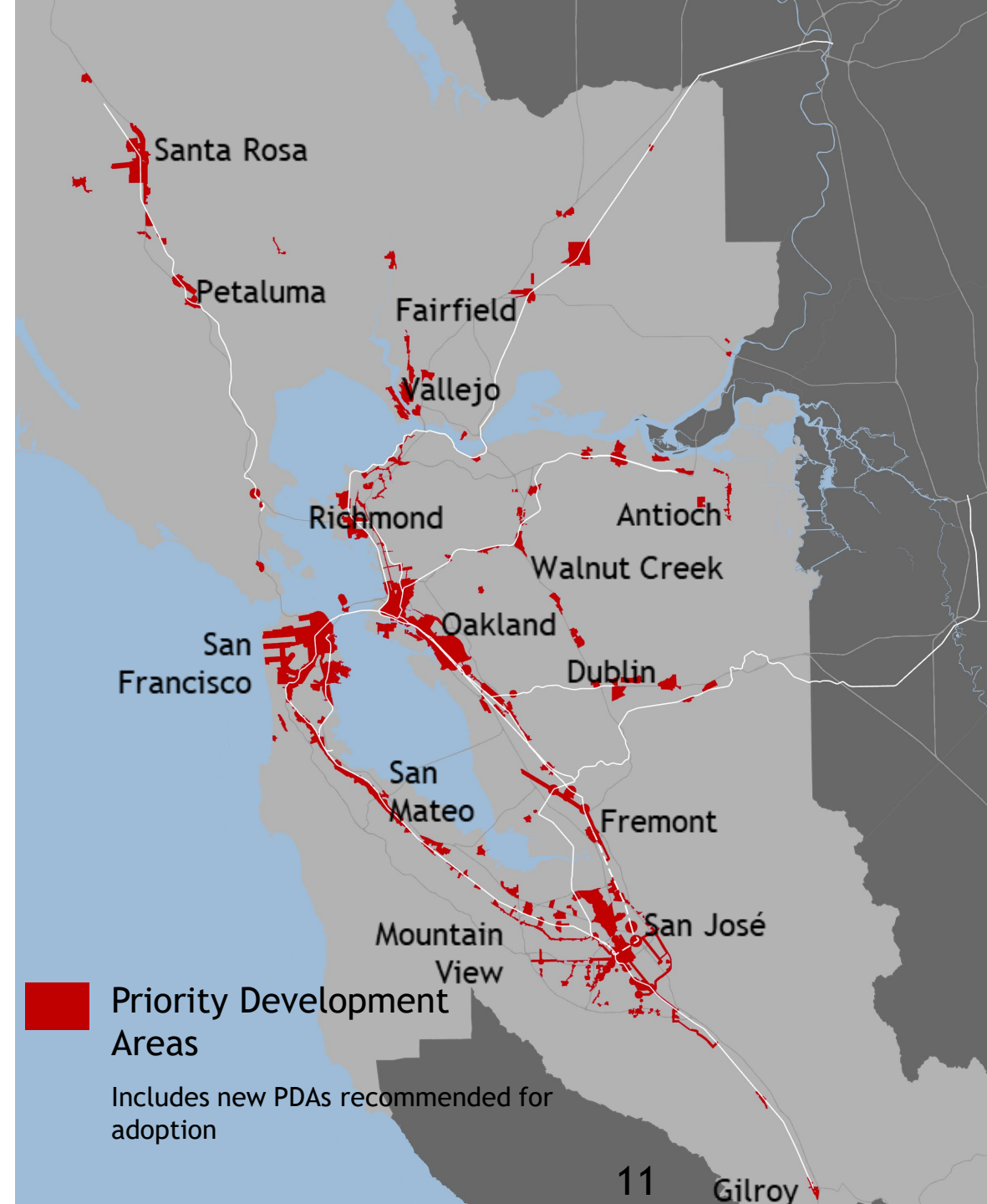
🚊 Transit-Rich Areas

Definition:
Within ½ mile of a rail station, ferry terminal, or bus stop with peak headways of 15 minutes or less.

54%
Percent not designated PDA*

*Includes new PDAs recommended for adoption
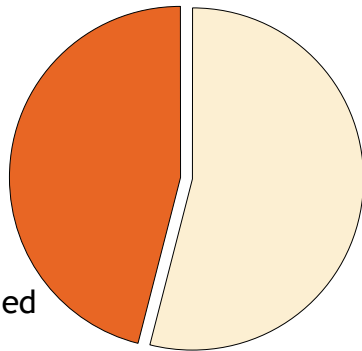
□ Undesignated ■ Designated

Transit-Rich Areas

☐ Not Designated PDA

■ Designated* PDA
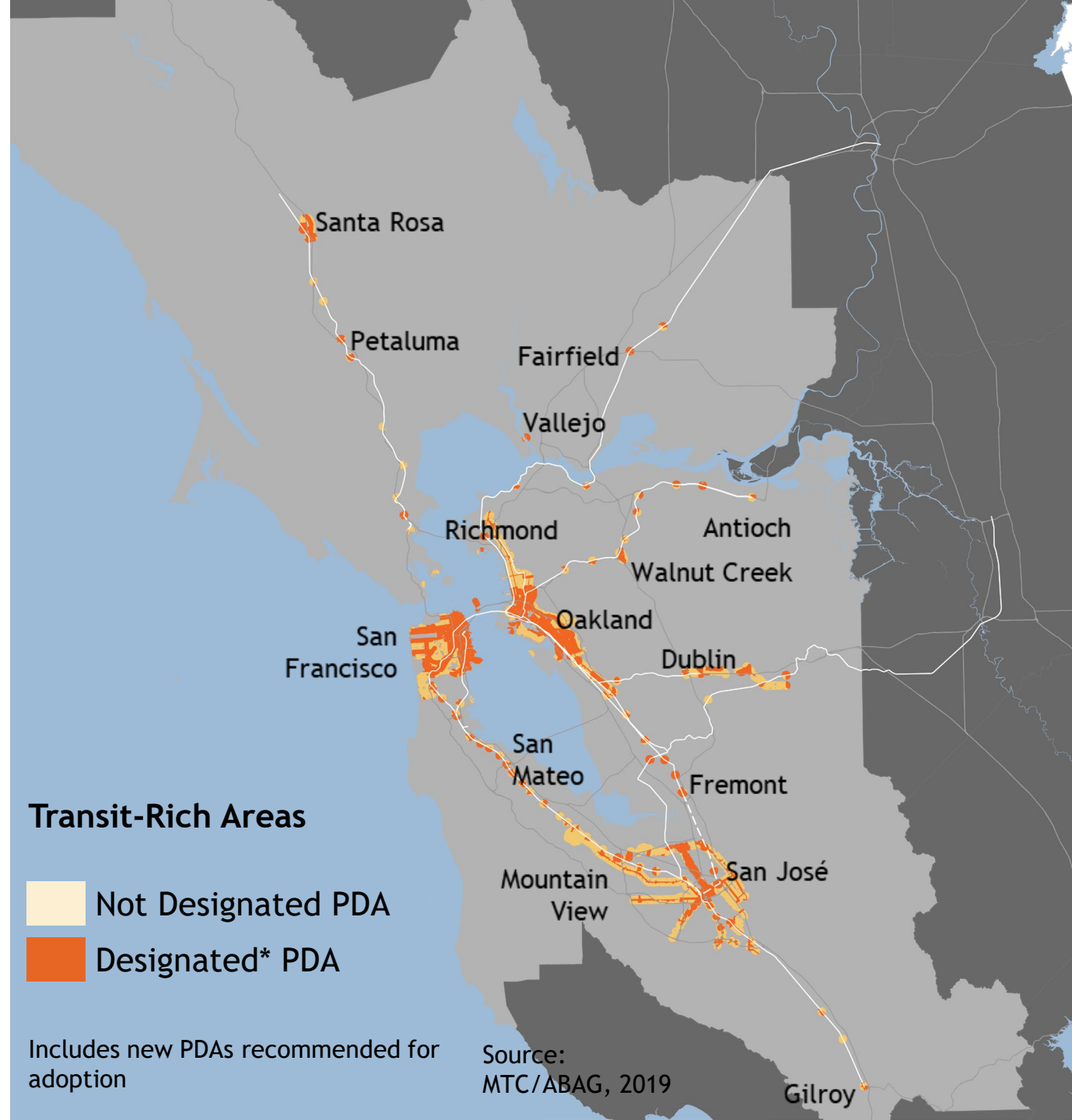
Includes new PDAs recommended for adoption

Source: MTC/ABAG, 2019

Santa Rosa
Petaluma
Fairfield
Vallejo
Richmond
Antioch
Walnut Creek
San Francisco
Oakland
Dublin
San Mateo
Fremont
Mountain View
San José
Gilroy

High-Resource Areas*

Definition:
Places that offer "the best chance at economic advancement, high educational attainment, and good physical and mental health"
- *CA HCD 2019*

Based upon **economic, environmental, and educational** indicators shown to affect these outcomes
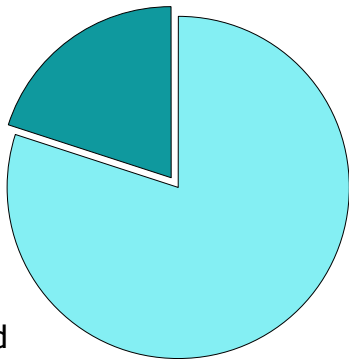
*Includes High Resource Areas within ½ mile of transit stop that meets PDA criteria.

80%
Percent not designated PDA*
*Includes new PDAs recommended for adoption

☐ Undesignated ☐ Designated

PDA-Eligible High Resource Areas

☐ Not Designated PDA

☐ Designated* PDA

Includes new PDAs recommended for adoption

No high-resource areas are located south of San Jose.
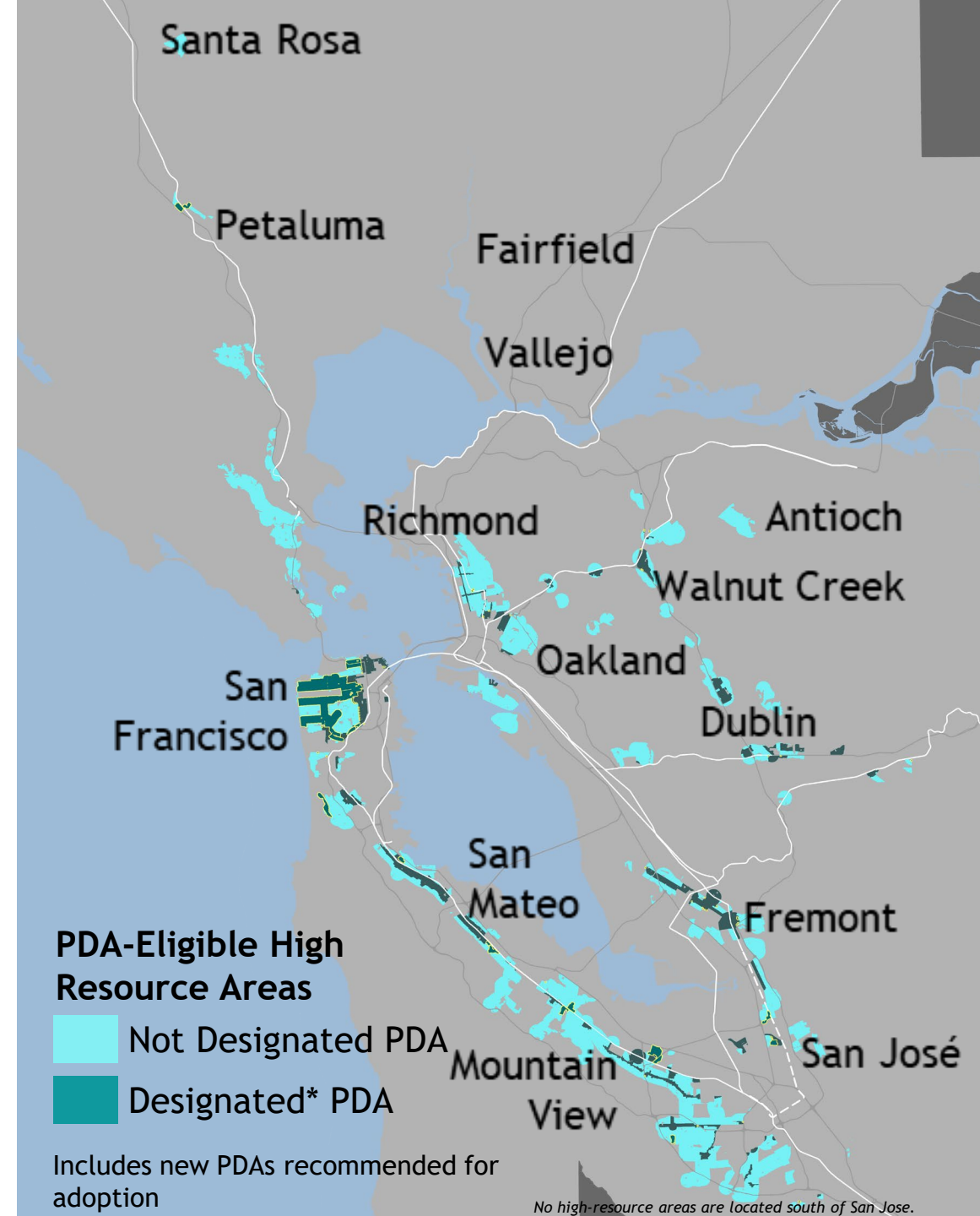
Other Urbanized Areas

Definition:
Places <u>within</u> urban growth boundaries but <u>outside</u> PDAs and Transit-Rich, Low-VMT, and High-Resource Areas

100%

Outside PDAs, TRAs, & HRAs
(not eligible)

■ Undesignated

Urbanized area outside PDA, TRA, or HRA served by transit

Santa Rosa

Petaluma

Fairfield

Vallejo

Richmond

Antioch

Walnut Creek

Oakland

Dublin

San Francisco

San Mateo

Fremont

Mountain View

San José

14
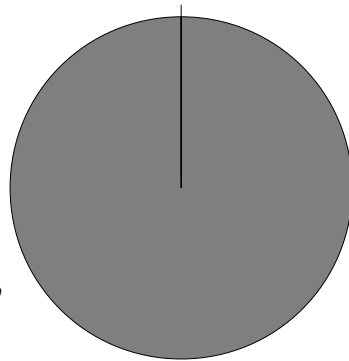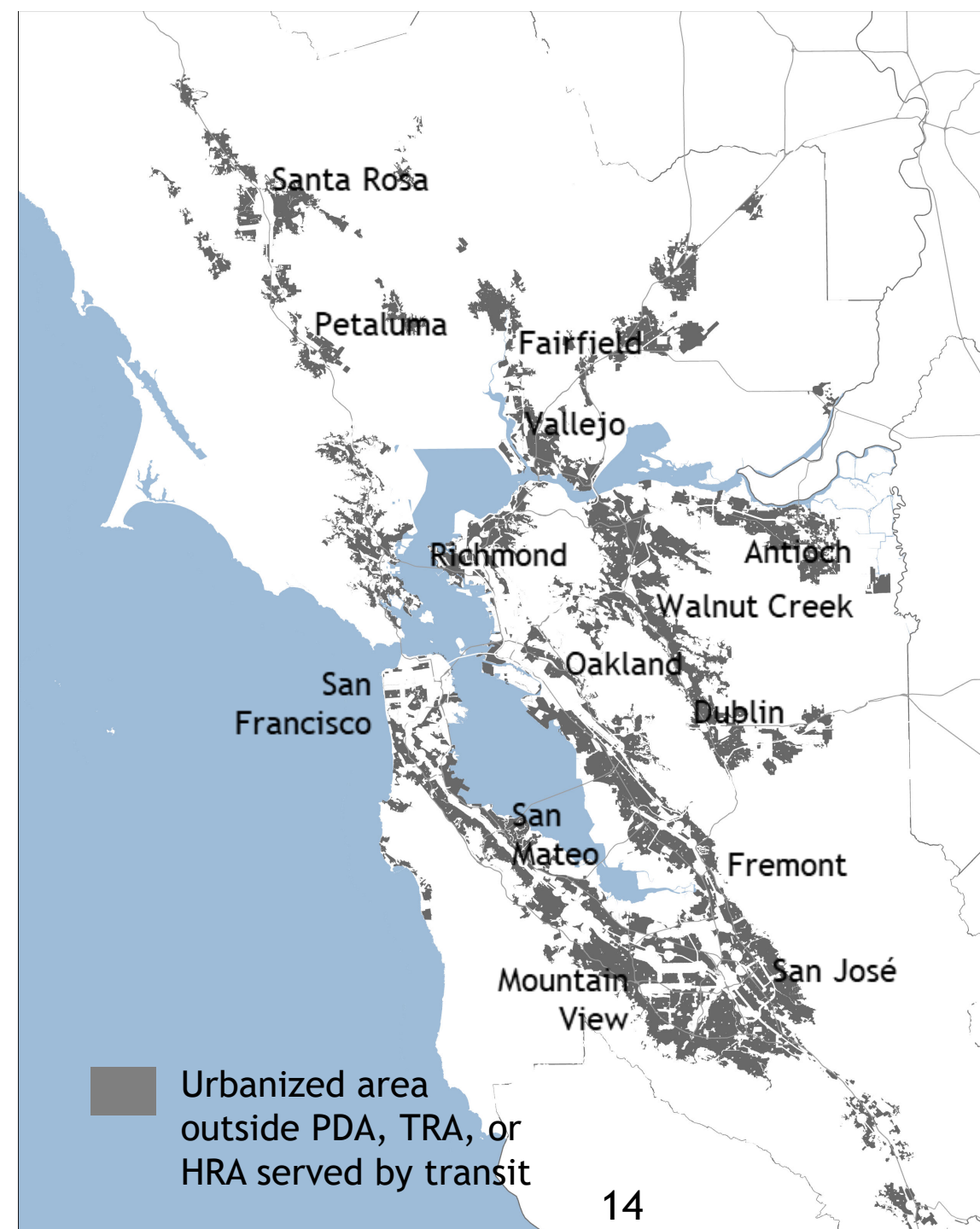
Which Geographies Should the Blueprint Prioritize?

Three Refined Options to Consider

A

B

C

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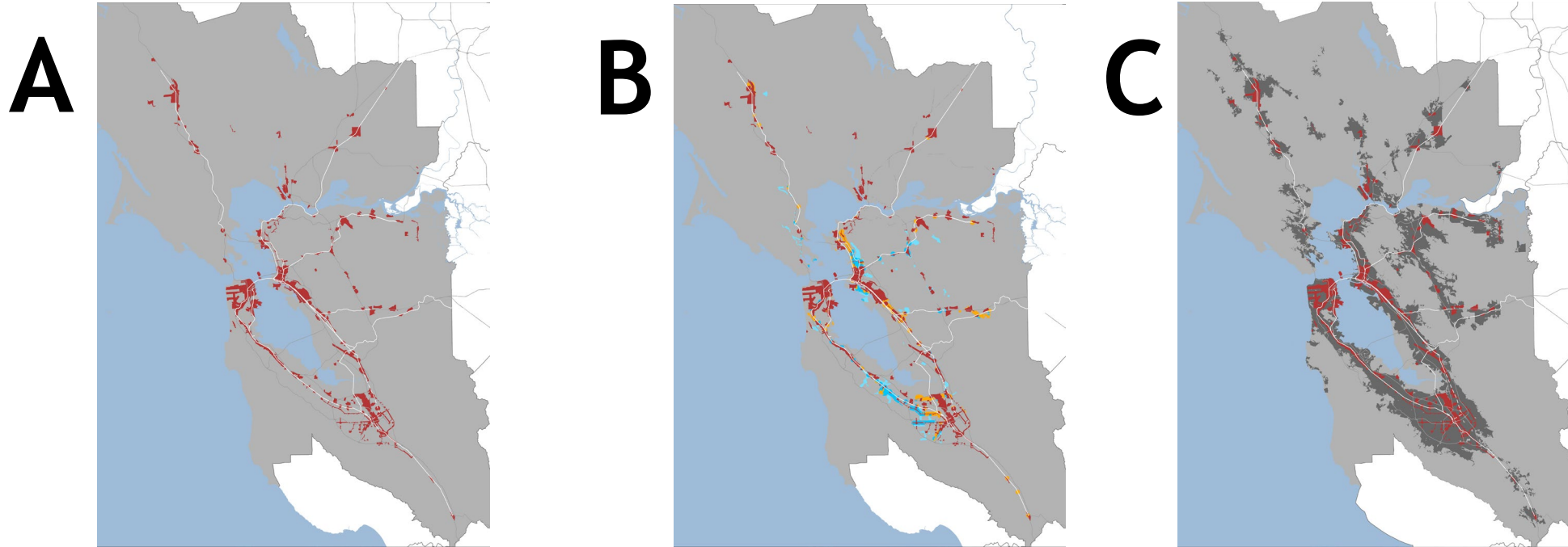
All Options

Growth geographies exclude high fire risk areas

No growth outside urban growth boundaries

Some new homes & jobs outside Growth Geographies

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Location of Growth by Option

Location of Growth (charts are illustrative)

A	**Highly focused** in: **Existing & Proposed PDAs**	PDA pie chart
B	**Focused** in: **Existing & Proposed PDAs +** Select **High-Resource Areas +** Select **Transit-Rich Areas** outside PDAs	PDA, HRA, TRA pie chart
C	**Focused in Existing &** **Proposed PDAs & more** **distributed growth** within Urban Growth Boundaries	PDA, Other infill* pie chart

* Including all High-Resource Areas + Transit-Rich Areas

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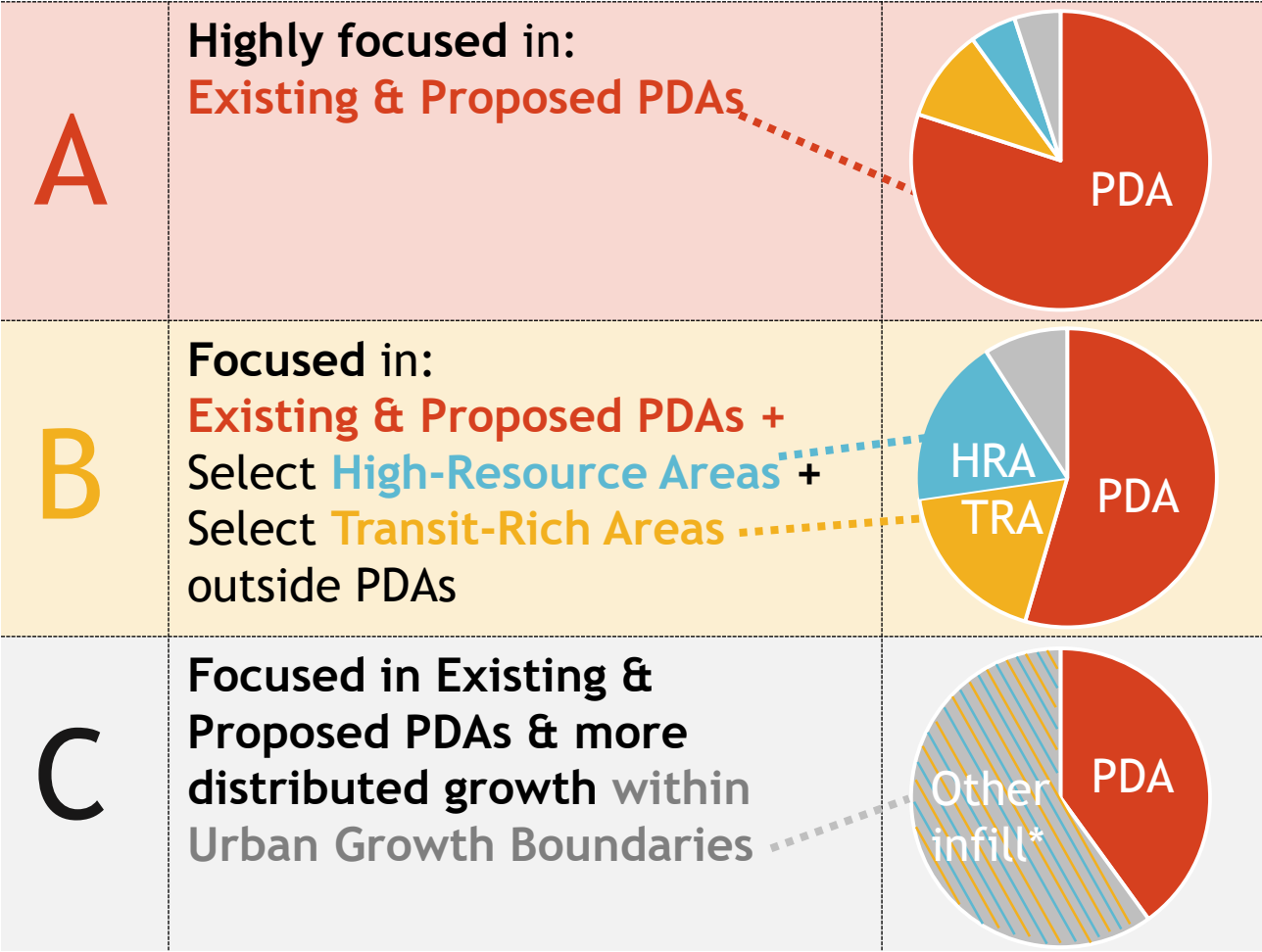
Option A: Which Geographies are Prioritized?

Growth Geographies Prioritized		Homes	Jobs	
			Non-industrial	Industrial
Inside locally-nominated areas	PDA	✔	✔	
	PPA			✔

■ Priority Development Area

Priority Production Areas not shown
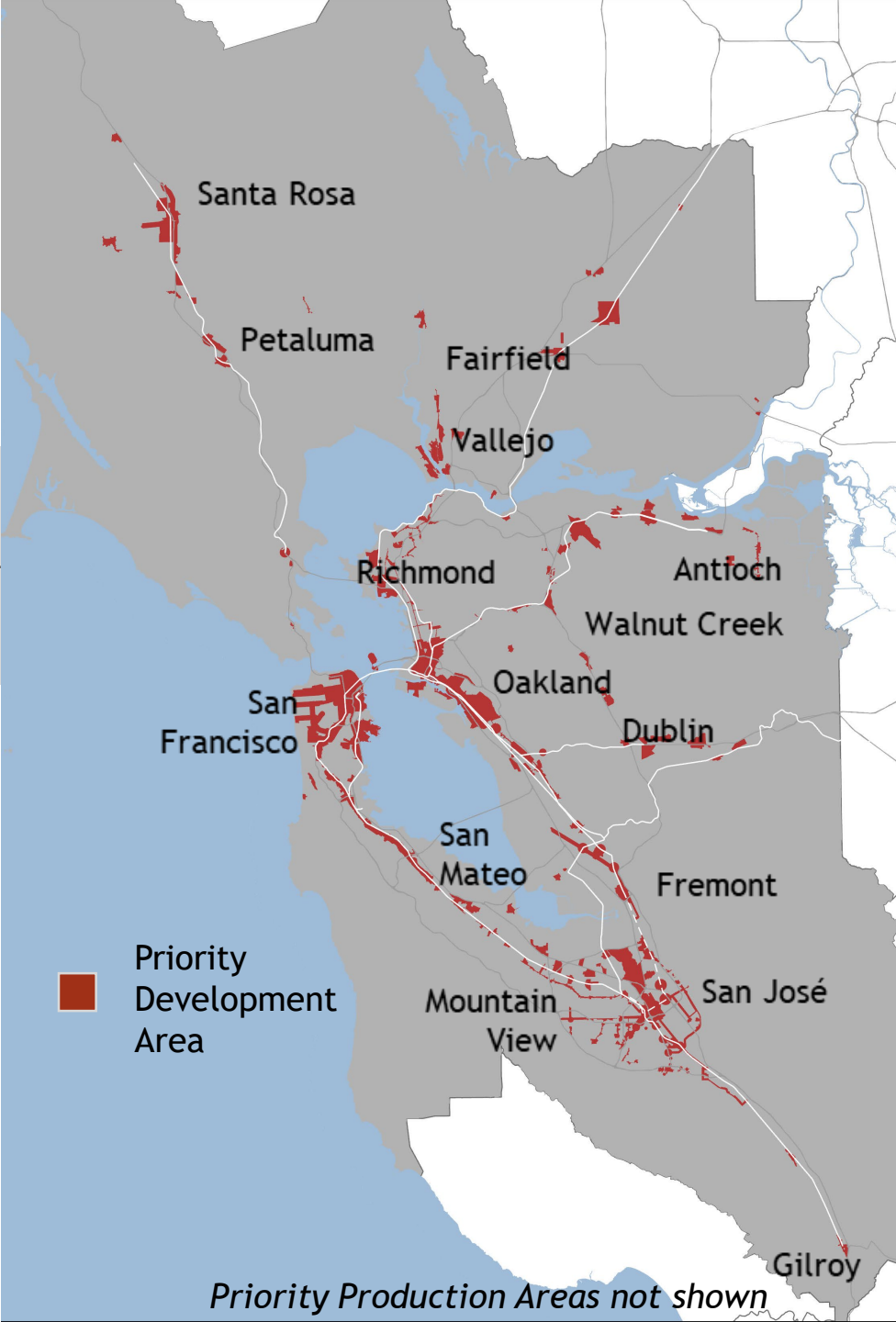
Option B: Which Geographies are Prioritized?

Growth Geographies Prioritized		Homes	Jobs	
			Non-industrial	Industrial
Inside locally-nominated areas	PDA	✔	✔	
	PPA			✔
Outside locally-nominated areas	TRA: frequent regional rail stations	✔	✔	
	TRA: All*	✔		
	HRA*	✔		

Applies to all jurisdictions <u>except</u> those that have already nominated more than 50% of PDA-eligible areas

Legend:
- Priority Development Area
- Transit Rich Area (outside HRA)
- High Resource/Transit-Rich Area
- High Resource Area

Priority Production Areas not shown
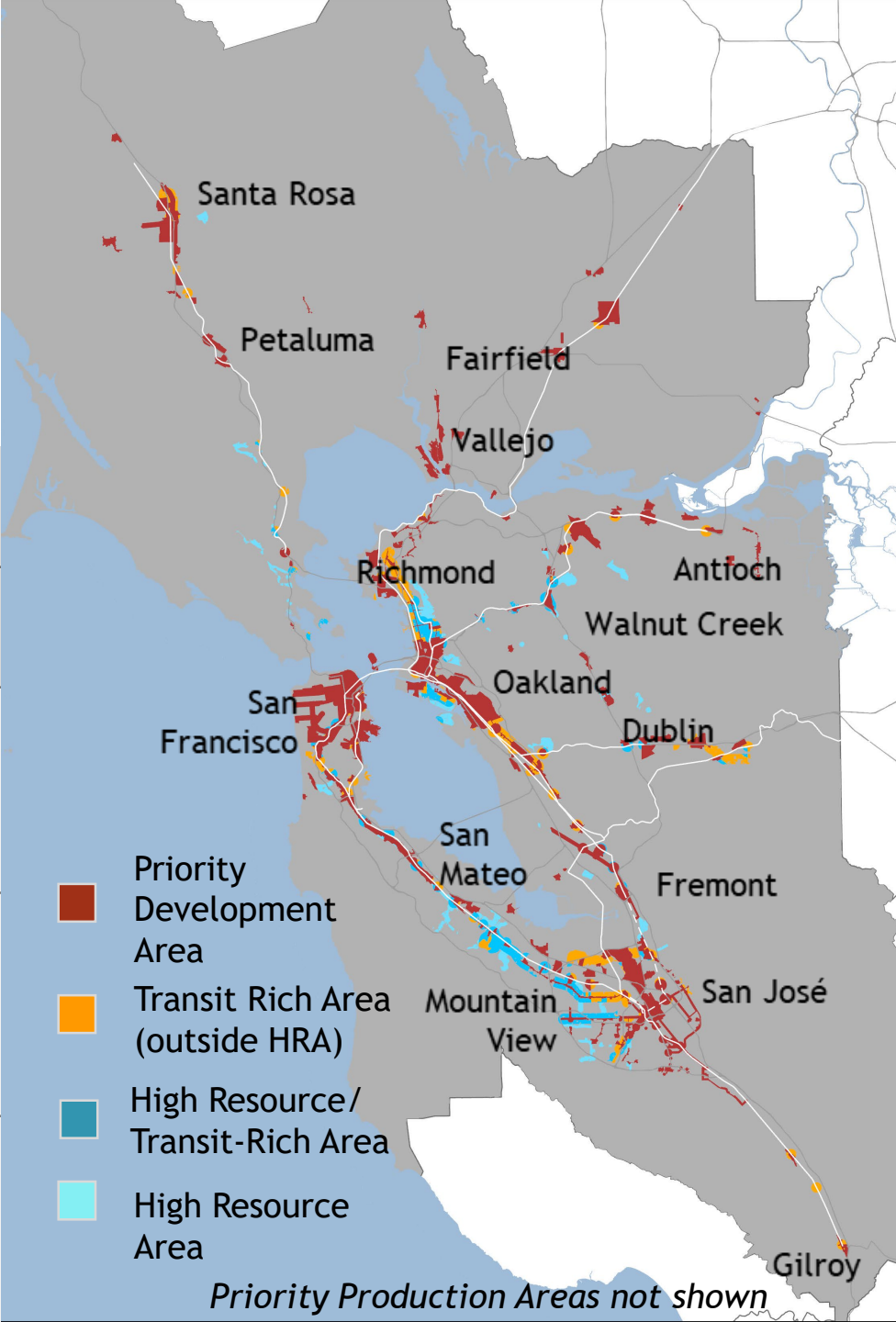
Option C: Which Geographies are Prioritized?

	Growth Geographies Prioritized	Homes	Jobs	
			Non-industrial	Industrial
Inside locally-nominated areas	PDA	✔	✔	
	PPA			✔
Outside locally-nominated areas	Other Urbanized Areas*	✔	✔	

Including all High-Resource Areas + Transit-Rich Areas

Priority Development Area

Other Urbanized Area

Including all High-Resource Areas + Transit-Rich Areas

Priority Production Areas not shown
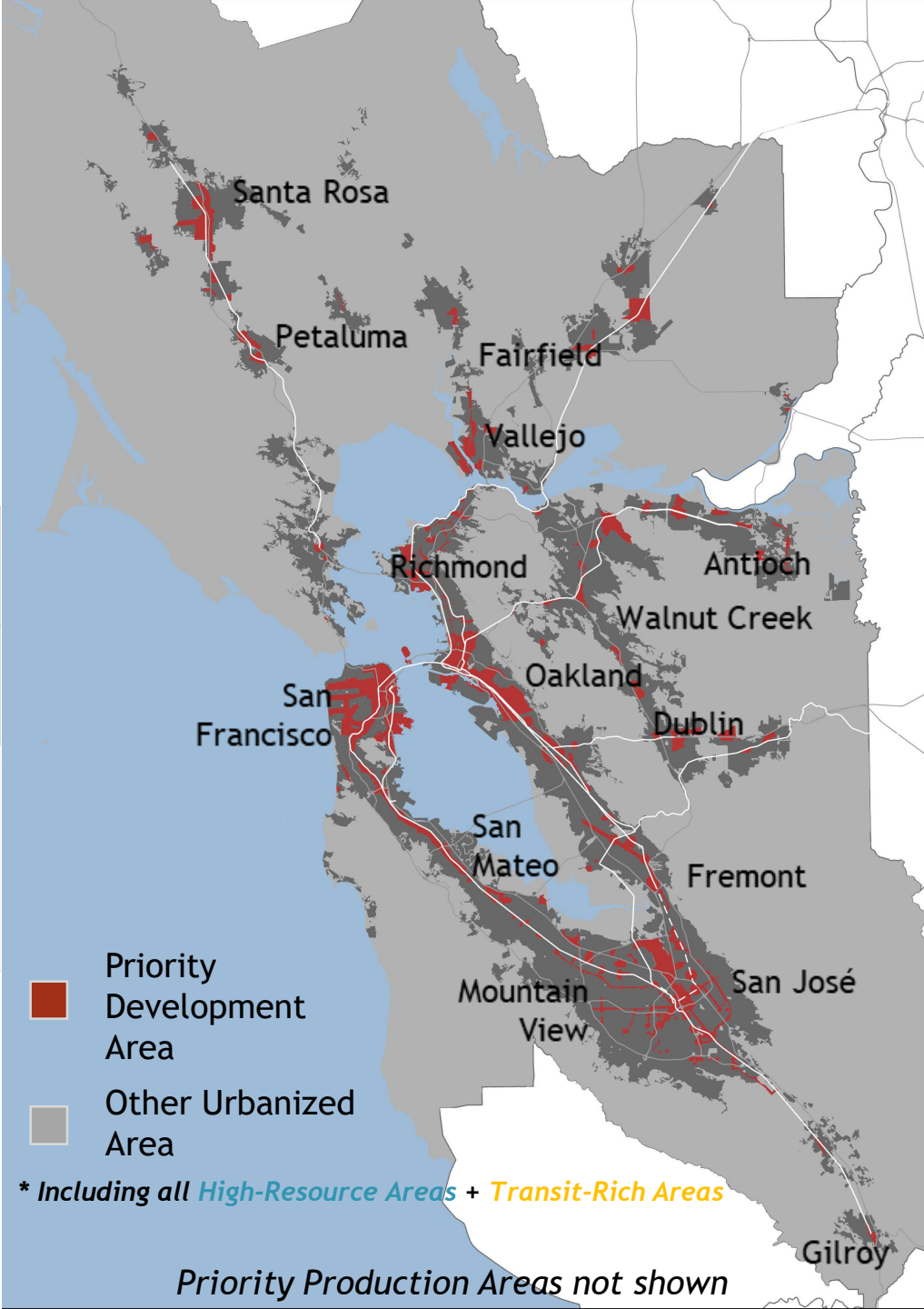
What Changes: Share of High Resource* & Transit Rich Areas Included in Each Option

Option

Geography	PBA 2040	A	B	C
Transit Rich — Included / Excluded	44% Included, 56% Excluded	47% Included, 53% Excluded	77% Included, 23% Excluded	100% Included
High Resource* — Included / Excluded	16% Included, 84% Excluded	21% Included, 79% Excluded	56% Included, 44% Excluded	100% Included
Transit Rich & High Resource — Included / Excluded	27% Included, 73% Excluded	38% Included, 62% Excluded	78% Included, 22% Excluded	100% Included
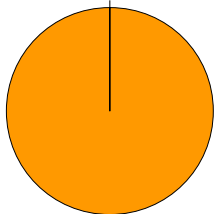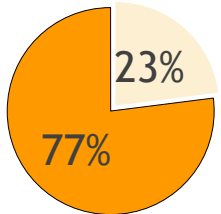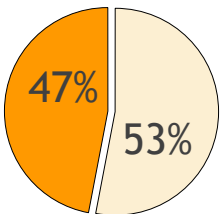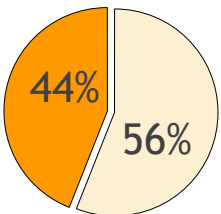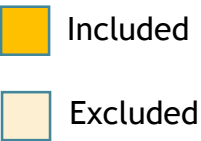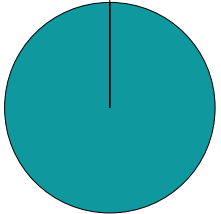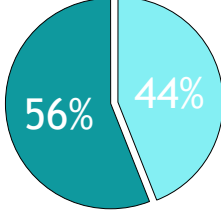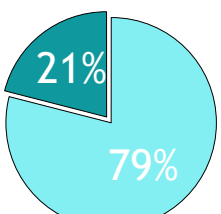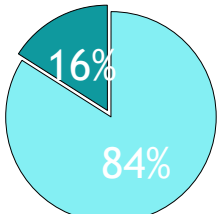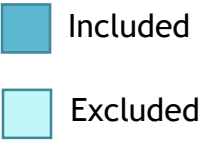
All urbanized areas are included in Option C

Growth would be distributed across the region
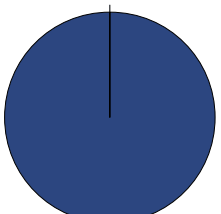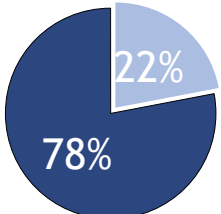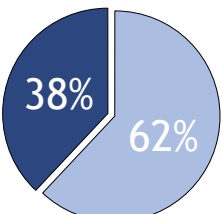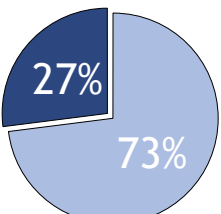
*Excludes High-Resource Areas that do not meet minimum PDA transit criteria

21

Potential Outcomes of Options

	Location of Growth (charts are illustrative)		GHG Reduction	Equity	RHNA Consistency	Local Implementation
A	**Highly focused** in: **Existing & Proposed PDAs** PDA		+	– –	–	++
B	**Focused** in: **Existing & Proposed PDAs** + select **High Resource Areas** + Select **Transit Rich Areas** outside PDAs HRA TRA PDA		++	++	+	–
C	**More distributed** growth within Urban Growth Boundaries * *Including all High-Resource Areas + Transit-Rich Areas* Other infill* PDA		– –	+	+	+

Best Option to Meet Goals: Option B

No Growth in:

🚫🔥 High Hazard Areas

🚫 Areas outside Urban Growth Boundaries

B
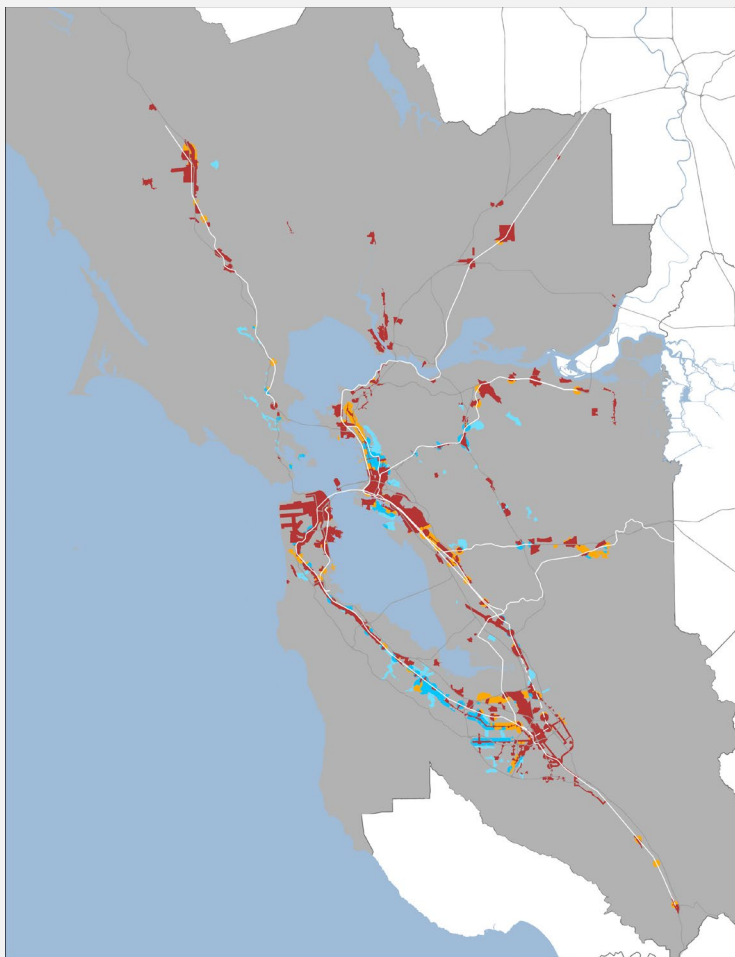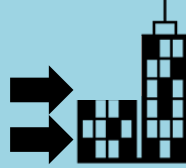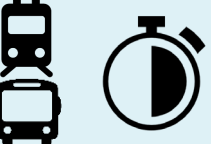
✓ 🏢 **PDAs**

✓ 🏭 **PPAs**

✓ 🚆 **TRAs:** Frequent Regional Rail

✓ 🚌🚆 **All TRAs***

✓ 📊 **HRAs***

* Applies to all jurisdictions __except__ those that have already nominated more than 50% of PDA-eligible areas

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Option B: What would it look like?

Context (not exhaustive)			Housing Mix (illustrative only)		
Transit	Job Access	Area Land Use			
Very frequent service					
Frequent service					
Basic service					

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PLAN BAY AREA 2O5O

Discussion