

# Key Question: Economy Element of the Draft Blueprint

MTC Commission and ABAG Executive Board Workshop  
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# Draft Blueprint: Proposed Economy Strategies

## Shift the Location of Jobs

Encourage Job Growth in Housing-Rich Places via Subsidies

Assess a Jobs-Housing Balance Fee on New Office Developments

Assess a Transportation Impact Fee on New Office Developments

Place Office Caps in Jobs-Rich Cities

Allow Greater Commercial Densities in Growth Geographies

Focus of this  
session

## Improve Economic Mobility

Expand Childcare Support for Low-Income Families

Create Incubator Programs in Economically-Challenged Areas

Establish Priority Production Areas to Retain Key Industrial Lands

Additional Economy  
Strategies  
Recommended for  
inclusion in Blueprint  
*(additional material to  
be provided in February)*

# Question: Should the Blueprint include one or more strategies to significantly shift the location of job growth?



# What Determines Job Location?



Industry clusters



Population growth & demographics



Transportation access (especially for high-skilled workers)



External forces

(technology, geopolitics, federal & state investment)

***Key Finding from Plan Bay Area 2040 & Horizon:***  
Jobs are hard to move - especially between sub-regions, and especially high-wage jobs with “multiplier effects”.

# Can Policies Influence Job Location?

*Five industries projected to grow between 2020-2050*

Industry	Level of Expected Job Growth* (absolute)	Factors Influencing Location	Ability to relocate within region
<b>Retail</b>	Low	Access to customers Rents/development costs	Moderate <i>(follows population)</i>
<b>Arts/Recreation/Other</b> (e.g. restaurants)	Low	Access to customers Rents	Moderate <i>(follows population)</i>
<b>Information</b> (e.g. web publishers)	Moderate	Proximity to similar firms and skilled employees	Very low
<b>Health &amp; Education</b> (e.g. hospitals, schools)	High	Land availability and cost	Moderate <i>(follows population)</i>
<b>Professional &amp; Managerial</b> (e.g. engineering, architecture)	High	Land availability and cost	Low

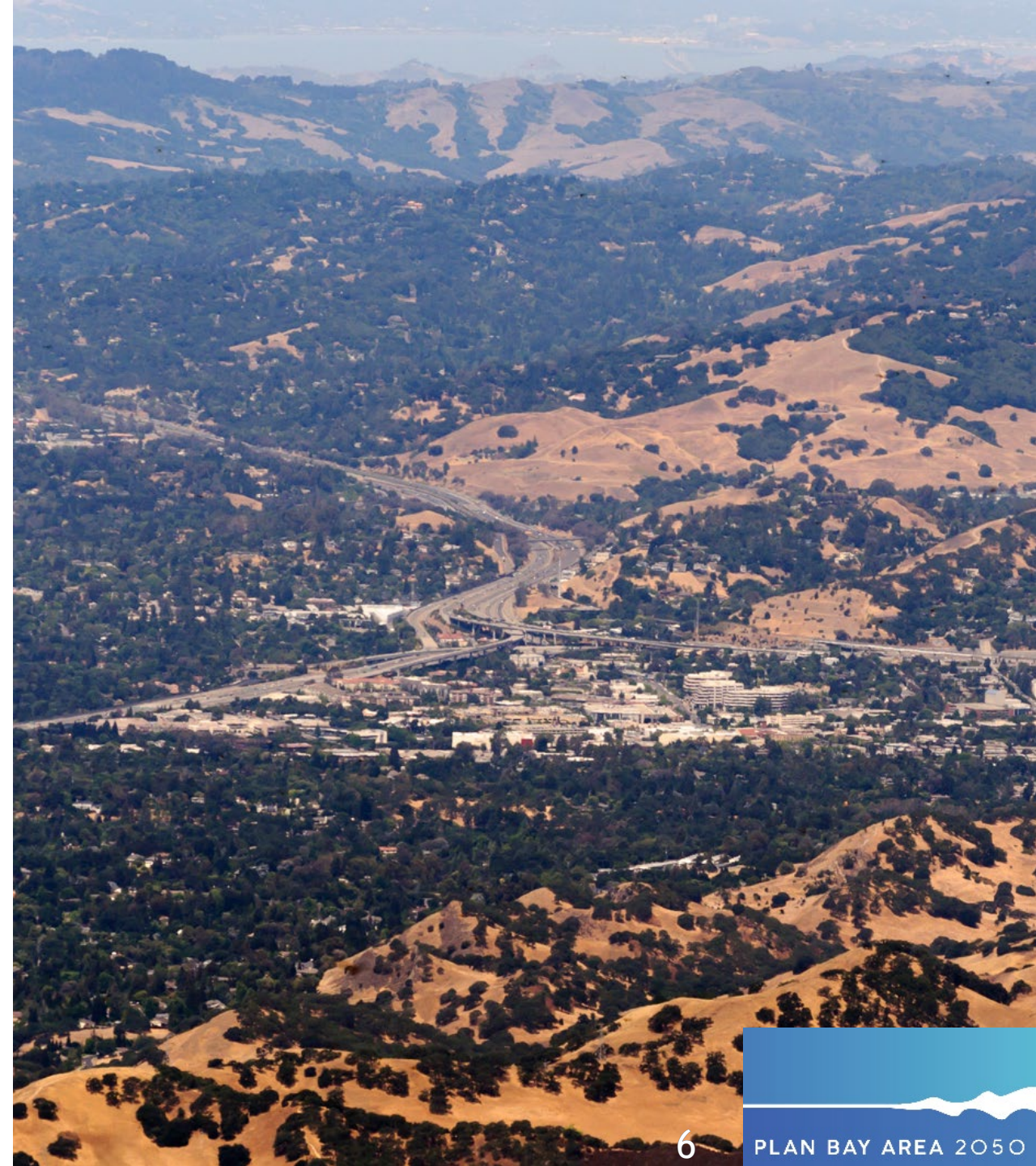
\*Based on preliminary PBA 2050 Forecast





## Encourage Job Growth in Housing Rich Places through Subsidies

- **Strategy:** Subsidize office development in housing-rich areas through new revenue sources (i.e. taxes, instead of new fees in job rich areas)
- **Considerations:** generates funding for economic development in disadvantaged communities; revenue source TBD
- **Potential Impacts:** increases employment opportunities in disadvantaged communities; longer timeframe







## Assess a Jobs-Housing Balance Fee on Office Development

- **Strategy:** Assess a fee on new office development in areas that have a jobs-housing balance higher than the regional average or county average
- **Considerations:** increases resources for affordable housing near jobs; politically controversial; may dampen job growth
- **Potential Impacts:** may be difficult to direct development to alternative areas within the region







# Assess a Transportation Impact Fee on New Office Development

(revised per feedback)

- **Strategy:** Assess an expanded transportation impact fee on new office development in areas where employees would generate above-average VMT (region or county level)
- **Considerations:** increases resources for economic development programs where there are jobs/housing deficiencies improving economic opportunity; politically controversial; may dampen job growth
- **Potential Impacts:** may be difficult to direct development to alternative areas within the region







## Place Office Caps in Jobs-Rich Cities

- **Strategy:** Expand office development caps in job-rich cities to limit further job growth in cities with the highest jobs-to-housing ratios
- **Considerations:** reduction of job growth in capped cities; improves subregional jobs balance and may improve access to opportunity; local opposition
- **Potential Impacts:** potential loss of jobs to other regions

Limited in scope

Broad in scope





# Discussion