

MEMO

To: ABAG Executive Board
From: Paul Fassinger, Research Director *PF*
Ken Kirkey, Planning Director
Date: May 21, 2009
Subject: ABAG's Interactions with the JPC in Implementing SB 375

Summary

At the March Executive Board Meeting Ted Droettboom, Regional Planning Program Director of the Joint Policy Committee (JPC) presented policies for the Bay Area's implementation of SB 375. The staffs of the four regional agencies, including ABAG, were involved in the development of those policies, and support them. This memo addresses some of the key questions that arose as a result of that presentation, related to how ABAG, its policy makers and staff, will be involved in, and contribute to the development of a Sustainable Communities Strategy (SCS), and the joint regional planning process described in SB 375.

In our region, ABAG and MTC are responsible for the implementation of SB375. The agencies' staffs have a good relationship having worked jointly on a variety of issues. However, if SB375 is to be successfully implemented a higher level of collaboration and cooperation will be necessary. It will also mean coordinating a series of decisions by policymakers. We are recommending that the initial staff proposal for the SCS would be reviewed by ABAG and the other regional agencies (MTC, BCDC and BAAQMD) before seeking input from the JPC. In its subsequent decisions the Executive Board would continue to act independently but would need to consider the actions taken by MTC and the other regional agencies. In turn, we will need to convey the actions of the Executive Board to our partner agencies.

The JPC should continue to play a critical role in the coordination of regional policies for the four agencies. We propose that ABAG's representatives to the JPC will be responsible for face-to-face discussions with policymakers representing the other regional agencies, acting to identify inconsistencies in our approach and help to forge combined recommendations. Good communication with the Executive Board will be essential.

While this memo describes some details of a potential administrative process for SB375, we believe it is important to not lose sight of the real objective of SB375. Effective policy implementation through a Sustainable Communities Strategy that has buy-in across many sectors will put our region in a position of leadership in reducing greenhouse gas emissions and advancing real progress on climate change. Throughout the process the involvement and input of local jurisdictions, congestion management agencies, and key stakeholder entities will be critical to the development of a meaningful SCS in our region. We are also recommending that staff begin to engage local agencies and other key stakeholders around the issues that were raised in the JPC memo and report back to the Executive Board at its next meeting.

The Joint Policy Committee and Implementation of SB 375

Since the March 19, 2009 Executive Board meeting, the staff of the JPC has recommended that the proposed policies to implement SB 375 be amended in response to comments, and that the JPC hold its decision until its September 2009 meeting. Further, it asks the regional agencies' staffs to engage local agencies and other key stakeholders to build a consensus recommendation.

The legislation that established the JPC calls for certain documents of regional significance to be reviewed by the committee. Over the last five years ABAG received JPC input on its *Projections* forecast and process, the Regional Housing Needs Allocation (RHNA), and a number of FOCUS implementation programs including the adoption of the Priority Development and Priority Conservation Areas. Going forward, during the next four years the JPC will review ABAG's demographic forecast as part of the Sustainable Communities Strategy. It will also review the next round of the RHNA, and will provide additional input on how to implement and support the FOCUS Priority Development Areas and Priority Conservation Areas. .

The proposal before the JPC would not change the type of ABAG-related activities that are reviewed by the JPC, and the Executive Board would continue to have the final decision on all ABAG-related programs. The proposed SB 375 implementation policies encompassed in the JPC staff report do suggest a significantly expanded level of coordination between the regional agencies' staffs and policy makers.

In order to describe that coordination, and begin a discussion with the Board, we want to provide a description of two key components of the SCS-- Technical Analysis and Civic Engagement. We intend to bring forward other issues at upcoming meetings. .

Sustainable Communities Strategy -*Technical Analysis and Local Involvement*

The Sustainable Communities Strategy is required by SB 375. By statute, it will provide key inputs as part of the next Regional Transportation Plan (RTP) and a link between the RTP and RHNA. It will also replace ABAG's *Projections* forecast with a more comprehensive joint land-use and transportation strategy. If successful it would also provide a framework for further implementation of the FOCUS Priority Development Areas.

In recent years, the staffs of ABAG and MTC have developed a good working relationship through the kick-off and implementation of the FOCUS Initiative, joint work on *Transportation 2035*, the recently adopted RTP and the *Projections 2009* forecast. To date, staff has held initial joint meetings to discuss the development of the SCS and potential schedules for completing the strategy. The SCS process will be a big part of each agency's work over the next four years. It will require significantly more coordination and collaboration at the staff level than ever before.

Technical Analysis

One key aspect of the SCS is technical analysis, including the development of computer models to describe land use and transportation outcomes. MTC and ABAG are both engaged in

significant upgrades of the computer models that are used to estimate land-use forecasts, and the characteristics of the region's transportation system. Although the two sets of complex models will remain separate, staff is working together to ensure that the models can create consistent and comprehensive land-use and transportation forecasts. We expect that the model development will continue for the next year and will need to incorporate information from BCDC and the BAAQMD. The region's climate adaptation needs and air quality rules are critical parts of the overall strategy.

Local Involvement

While the agencies can produce a technical analysis, local involvement in revising, changing and validating the analysis makes it a strategy. Initial discussions about the SCS have begun, including the process of arriving at our most recent forecast, *Projections 2009*, the FOCUS initiative, the Spring General Assembly, and the Air District's Climate Change Summit. SB 375 describes a required outreach plan, but the public involvement necessary for a successful SCS in our region will go far beyond the legal requirements. The staff of the regional agencies will be working jointly with Congestion Management Agencies (CMAs), local jurisdictions and other key stakeholders to discuss modeling assumptions, the potential scenarios that will describe future development and transportation, and their climate-change impacts.

Sustainable Communities Strategy --*Policymaker Review*

Drafts of work plans, programs, assumptions and scenarios will be brought to the Executive Board for its approval. We propose that staff from ABAG and MTC, working with staff from the other regional agencies will produce initial SCS proposals that would first be reviewed by the Executive Board, and the other regional agencies prior to discussion at the JPC. Because we are producing a joint land use and transportation strategy, dependant on each other, the individual parts are not really meaningful. Going forward, the Executive Board's input and decisions will need to be coordinated with the input and decisions of MTC, BCDC and BAAQMD. Since the regional agencies have authority over different aspects of the SCS, the agencies will need to work together to coordinate policy review and adoption of the SCS. Key policy issues for which ABAG and by extension the Executive Board is responsible for by statute and as envisioned relative to SCS implementation are listed below.

Key issues that will need decisions by the Executive Board include:

- The basic work program for the development of the SCS;
- Draft assumptions and scenarios for analysis and local discussion;
- Draft results of the land use transportation strategy;
- Various points in the development of the Regional Housing Needs Allocation (RHNA);
- Potential implementation issues including PDA incentives, CEQA reform and legislation;
- Final decisions on the SCS and the RHNA.

The JPC will play a critical coordinating role in the development of the SCS. It would be very difficult to have an effective discussion between the entire Executive Board and Commission. It becomes even more difficult when we include the other regional agencies. The large number of people and the difficulty in logistics suggests the need for a committee to identify inconsistencies

and recommend further policies. However, staff believes that successful development of the SCS will require policy coordination between agencies in addition to the work of the JPC.

As the development of the SCS progresses, the Executive Board will need information about the decisions occurring at the other regional agencies, the opportunities for direct input into those decisions and the consequences of those decisions. Staff is proposing a process whereby ABAG staff will share draft material for the Executive Board with staff from the other regional agencies. Where it is appropriate, staff from other agencies will take part in presentations at the Executive Board. ABAG and other regional agencies will consider policies prior to bringing them to the Joint Policy Committee for input, brought back to the Executive Board for further consideration and if needed returned to the JPC for further input prior to a final decision by the Executive Board. To be successful this process would need to be incorporated by the other regional agencies as well.

The JPC will remain the place where policy makers from the various agencies can have face to face discussions about the issues as they develop and can make recommendations with one voice. Therefore, it would be appropriate for the Executive Board to provide direction to its representatives in advance of JPC meetings, and for ABAG's JPC members to make regular reports on the deliberations of the JPC back to the Executive Board.

Next Steps

Staff is seeking input regarding the above-described issues at the Executive Board's meeting on May 21st, 2009 but believes that any final action pertaining to SB 375 implementation policies and process could be delayed until the Executive Board meeting on July 16th, 2009. This staff report is presented as a primer relative to a larger set of SB375 implementation policies issues that will be presented to the Executive Board at the Board's July meeting.

The JPC is asking that regional agencies' staffs to commence discussions with local agencies and other key stakeholders relative to the implementation policies proposed by regional agency staff and presented by JPC staff to the Executive Board on March 19, 2009. Initial engagement with local agencies across a variety of sectors is intended to result in consensus recommendations on SB 375 implementation policies including those outlined in this staff report at the September 2009 JPC Meeting. ABAG staff will work to coordinate initial discussions pertaining to SB375 implementation policies prior to the Executive Board's July meeting. Based upon the input of local jurisdictions, other key entities and in coordination with staff from our partner regional agencies, ABAG staff will present recommendations pertaining to SB 375 Implementation Policies at the July Executive Board Meeting. We will also provide an update on progress constructing an overall joint agency SB 375 workplan.