

A G E N D A

REVISED

ABAG EXECUTIVE BOARD MEETING NO. 376

Thursday, September 16, 2010, 7:00 PM

METROCENTER AUDITORIUM

101 8th Street (at Oak Street)

Oakland, California

For additional information, please call:
Fred Castro, (510) 464 7913

Agenda and attachments available at:
<http://www.abag.ca.gov/meetings/>

1. CALL TO ORDER

2. PUBLIC COMMENT

3. ANNOUNCEMENTS

4. PRESIDENT'S REPORT

5. EXECUTIVE DIRECTOR'S REPORT**

6. CONSENT CALENDAR

ACTION: Unless there is a request by a Board member to take up an item on the consent calendar separately, the calendar will be acted upon in one motion.

A. Approval of Executive Board Summary Minutes**

Summary Minutes of Meeting No. 374 held on July 15, 2010

Summary Minutes of Special Meeting No. 375 held on July 29, 2010

B. Grant Applications

None since last meeting.

C. Approval of Resolution No. 11-10 Authorizing Submission of Grant Application to California Department of Conservation**

Approval of Resolution No. 11-10 authorizing the Executive Director to submit, on behalf of the San Francisco Estuary Partnership, a grant proposal to the California Department of Conservation to fund a Watershed Coordinator and if funded authorizing the Executive Director or designee to enter in contract.

Please Note: The Board may act on any item on this agenda. **Attachment included.



7. BAY AREA GREEN BUSINESS PROGRAM CERTIFIED PUBLIC AGENCY RECOGNITION**

Information/ACTION: ABAG Senior Planner Ceil Scandone will report on the progress of the Bay Area Green Business Program which is seeking Executive Board recognition for 15 public agencies that have been certified as "Green Businesses" in the past 14 months.

8. PLANNED PRIORITY DEVELOPMENT AREA ASSESSMENT – PLANNED GROWTH AND INFRASTRUCTURE NEEDS**

Information/ACTION: Kenneth Kirkey, ABAG Planning Director, will present results of the Priority Development Area (PDA) Assessment undertaken by ABAG on all PDAs in the region.

9. REGIONAL HOUSING TARGET: ECONOMIC AND DEMOGRAPHIC ASSUMPTIONS

Information/ACTION: Paul Fassinger, ABAG's Research Director will present information on the assumptions for the Regional Housing Target in the Sustainable Communities Strategy (SCS), and ask for direction on the expected range of employment growth and the household formation assumptions to be used to identify the Regional Housing Target methodology and constructing scenarios for the SCS.

10. LEGISLATION & GOVERNMENTAL ORGANIZATION COMMITTEE REPORT**

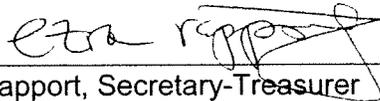
Information/ACTION: Committee Chair Mark Luce, Supervisor, County of Napa, will report on Committee activities and ask Board approval of Committee recommendations.

11. FINANCE & PERSONNEL COMMITTEE REPORT**

Information/ACTION: Committee Chair Scott Haggerty, Supervisor, County of Alameda, will report on Committee activities and ask Board approval of Committee recommendations.

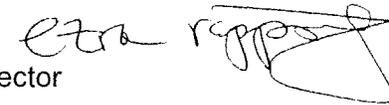
A. Fiscal Year 2009-10 Diversity and Business Opportunity Report

12. ADJOURNMENT



Ezra Rapport, Secretary-Treasurer

M E M O

Date: September 7, 2010
To: Executive Board
From: Ezra Rapport 
Executive Director
Subject: **Executive Director's Report**

It is a great privilege to present my first report to you as Executive Director of ABAG. This report will highlight activity related to:

- Environmental stewardship projects, managed by San Francisco Estuary Partnership (SFEP) and the Bay Trail
- Grants and awards related to Climate Change goals in the fields of Energy Efficiency and Electric Vehicle Deployment
- Sustainable Communities Strategy
- Earthquake Preparedness and Recovery Grants managed by ABAG
- Legislation that ABAG has sponsored or plans to sponsor in the next Legislative session
- Upcoming events.

Environmental Stewardship Projects

This section is devoted to new grant activity and highlights completed projects since the last Executive Board Meeting.

SFEP/ABAG has received new contracts for:

- \$200,000 from USGS for support of the 2010 Bay-Delta Science Conference to be held in Sacramento in September.
- \$445,756 to continue permitting support at the North Coast Regional Water Board from CalTrans, District 3, for two years.
- \$68,000 for Statewide Stream and Wetland Policy support as a subcontractor to SFEI for 15 months
- \$92,657 from the State Water Resources Control Board to provide state-wide TMDL support for two years.

- \$3,613,704 from U.S. EPA, Region 9 (under the San Francisco Bay Water Quality Improvement Fund) to implement 10 projects for Bay area stormwater control and TMDL implementation.

SFEP/ABAG Completed Projects

- El Cerrito Green Streets Rain Garden Complete Construction. Construction of the stormwater treatment planters on San Pablo Avenue in El Cerrito (at Eureka/San Pablo Avenue and Madison/San Pablo Avenue) is complete.
- Bay Area-Wide Trash Capture Demonstration Project Contracts with Vendors. SFEP/ABAG has contracted with 11 vendors of trash capture equipment offering more than 35 device models. Fund allocations have been announced to the cities, and contracts have been sent to 96 Bay Area cities and counties for their review and approval.
- Annual Mailout of Boater Sewage Pumpout Maps. Mailing of our Sewage Pumpout Guide maps to 110 marinas and boating supply shops in the Bay and Delta areas.
- California Invasive Species Council Drafts Strategic Plan. The ISCC is an inter-agency council that helps to coordinate and ensure complementary, cost-efficient, environmentally sound and effective state activities regarding invasive species.

San Francisco Bay Trail

The Bay Trail Project has announced the opening of a 2.4-mile trail section along Moffett Field between Mountain View and Sunnyvale. This opening will complete the missing link in a 26-mile continuous section of trail between East Palo Alto and San Jose. This new connection will provide bicycle commuters with a direct route to and from high-tech companies such as Google and Yahoo. It will also link two regional parks providing opportunities for strolling and spectacular shorebird viewing. The trail will be managed by the U.S. Fish & Wildlife Service as part of the Don Edwards San Francisco Bay National Wildlife Refuge.

The dedication will take place on the Sunnyvale side of the Moffett Bay Trail on September 20, 2010, at 10:30 AM. For more information, please see the Bay Trail website: www.baytrail.org

Climate Change Related Projects

ABAG manages regional energy efficiency grants and early adoption of electric vehicles that help meet Climate Change goals. The following projects are illustrative of our efforts.

Energy Efficiency DOE Retrofit Ramp-up ("Better Buildings Program")

This program, now known nationally as the Better Buildings Program, is underway with LA County as the lead contracting agency for the state. ABAG is under contract with LA County for \$8,395,887 to provide projects in four parts of the Bay Area: City of San Jose, City/County of San Francisco, County of Alameda (StopWaste.Org), County of Sonoma (Sonoma County RCPA). The Bay Area program will include the following elements: Marketing and Outreach Innovations (San Francisco and Alameda); On-Water-Bill Financing (Sonoma); Whole Neighborhood Approach (San Francisco, San Jose, Sonoma); Multifamily (San Francisco, Alameda). The program is still in the early stages, but committees have been meeting to coordinate similar program elements across the state.

Retrofit Bay Area (Energy Upgrade California)

ABAG is finalizing a contract with the California Energy Commission (CEC). This program will provide \$10,750,000 to promote energy efficiency retrofits in residential homes in the Bay Area. The program will be marketed under the new statewide brand: "Energy Upgrade California." In addition to a regional website and call center managed by ABAG, each county will receive funding to implement programs specific to their area.

PG&E Green Communities

ABAG anticipates two work authorizations under this program: (1) GHG Inventory Assistance for Local Governments. Project implementation has begun with a survey of local governments to assess the degree to which agencies have already completed GHG inventories and climate action plans. (2) Energy Use Benchmarking. ABAG is negotiating a work authorization to provide assistance for agencies in benchmarking the energy use in their facilities. We hope to begin training events this Fall.

Electric Vehicle Deployment

ABAG staff is taking a collaborative role with other agencies and NGOs in developing a strategy to facilitate early adoption of electric vehicles (EVs), which will help meet Climate Change goals.

Electric Vehicle (EV) Grant Awards

EV Corridor Project Grant: In January, 2010 ABAG and the EV Communities Alliance (a nonprofit serving to accelerate EV deployment in the region) on behalf of the Greater Bay Area EV Corridor Project – a multi-stakeholder alliance of more than 60 partners, including counties, cities, industry partners, and nonprofit and research institutions. The Corridor Project requested funds to install EV “charge points” and undertake related EV infrastructure initiatives. A funding award of \$504K was announced in June, 2010, and the project contract negotiation will begin shortly.

Electric Vehicle Deployment Pending Grants

Proposal to MTC by the ABAG – Bay Area EV Corridor Project Team and BAAQMD:

ABAG and EV Communities Alliance initiated a Letter of Inquiry to the Climate Initiatives grant program in June on behalf of the nine-county region and several independently represented cities. BAAQMD also submitted a separate, uncoordinated request for \$5M for EV chargers. Because there were many areas of overlap between the BAAQMD and ABAG/EV Corridor proposals, MTC requested that the agencies merge their requests into a single grant proposal. The agencies ultimately requested a grant of \$4.1M.

ABAG – EV Communities Alliance Application to the RFG Settlement Fund for the “California Fast Charge Project”:

ABAG (via the Balance Foundation) and EV Communities Alliance collaborated on a \$1.8M funding request to install nine EV Fast Chargers (at an installed cost of more than \$100K each) on the San Francisco to Los Angeles I-5 Corridor and to promote EV Charger Permit Streamlining and EV-Friendly Building Codes and Public Works Guidelines in select jurisdictions in both the ABAG region and the greater Los Angeles region. If awarded, this grant will provide ABAG and EV Communities Alliance with the resources needed to develop and deploy model EV-ready green building ordinances and public works guidelines (focusing on San Mateo and Santa Clara counties and including San Francisco and San Jose). This work is needed to reduce the current 30-45 day installation period for residential EV chargers by better integrating the activities of contractors, auto dealers, customers, utility representatives, and building inspectors.

Sustainable Communities Strategy (SCS)

There are two SCS agenda items on the Executive Board Agenda; one related to Employment and Demographic Forecasts, and a second on information related to Priority Development Areas.

County/Corridor Engagement meetings have been undertaken or are scheduled in all nine counties.

Meetings in Alameda, Napa, Santa Clara, and Solano Counties have been held. The remaining meetings are in Contra Costa County on September 27th, Marin County on September 29th and San Francisco City and County on September 30th.

Grant Applications

HUD Grant: San Francisco Bay Area Regional Plan for Sustainable Development Grant Application

MTC and ABAG partnered with local governments with Planned Priority Development Areas, and key stakeholders, including the Great Communities Collaborative, Breakthrough Communities, San Francisco Bay Conservation and Development Commission, Bay Area Air Quality Management District, San Francisco Planning and

Urban Research Association, Silicon Valley Leadership Group, Bay Area Council, East Bay Economic Development Association, Urban Land Institute, Bay Area Regional Health Inequities Initiative, Bay Area Open Space Council, and University of California-Berkeley.

Our proposal centers on advancing the implementation of FOCUS, the San Francisco Bay Area's Regional Plan for Sustainable Development (RPSD). This is aligned with the Sustainable Communities Strategy (SCS), which will distribute housing growth in the region based upon the housing target and in relation to the GHG target as well as employment growth numbers.

Our proposal was submitted for a total of \$4.2 million to address the following tasks:

- Develop a Regional Affordable Housing Investment Strategy
- Regional Infrastructure Bank
- Analyze employment trends by sector and develop policies that support transit-served job locations
- Target Community Engagement in underserved/ resourced/ represented communities

HUD will approve awards this fall.

Strategic Growth Council Grant Proposal: Strategies for a Sustainable Bay Area

MTC and ABAG need to leverage partnerships with local governments and stakeholders to build support for the successful adoption of the Sustainable Communities Strategy (SCS). This proposal is submitted for a total amount of one million dollars to address the following tasks:

- Support targeted community engagement in disadvantaged communities
- Obtain visualization tools to engage a range of stakeholders in the development of SCS policies
- Identify performance indicators and a process for monitoring progress on SCS goals
- Identify CEQA benefits in SB 375
- Coordinate with adjoining MPOs and COGs on mega-regional planning issues
- Support local government implementation of SCS strategies

The Strategic Growth Council will make awards by November 10, 2010.

Earthquakes and Hazards

Grant Awards

ABAG will receive \$400,000 over three years funded by Caltrans, Division of Aeronautics, to study the long-term recovery of the regional airport system following an earthquake. This project will take a comprehensive look at the airport system and its role in the region's post-disaster recovery. The survivability analysis of the three international airports will be updated and a system of alternate airports capable of surviving a disaster

and providing commercial and cargo flights will be developed to compensate for potential loss of capacity at the three internal airports.

Grant Applications

California Earthquake Authority. The California Earthquake Authority (CEA) is a major provider of residential earthquake insurance in the State of California. Through an annual set-aside of its investment income each year, the CEA has designated approximately \$20 million to provide financial incentives to homeowners throughout the State who retrofit their homes. ABAG, in partnership with PMC Consultants, the California Building Officials and the California Real Estate Inspection Association, has submitted a Statement of Qualifications to implement this state-wide incentive program, train retrofit contractors through an online training course, educate building department staff about the program requirements, perform periodic quality assurance checks of completed retrofits ensure the eligibility of the homes receiving incentives, administer the incentives, and educate homeowners about their retrofit options and the details of the program.

Legislation Update

- **AB 153 (Ma).** This bill, which would have authorized the Bay Area and other regions in the State by a vote of the people to impose a fee up to \$4 on vehicle registrations to pay for regional land use planning activities was folded into **SB 1445 (DeSaulnier)**. The bill was re-referred to Assembly Appropriations Committee where it died. We're told that Assembly Leadership was concerned with any fee-based bills passed by the Legislature prior to the November ballot initiative Prop. 26.
- **SB 1205 (Corbett).** This bill establishes the Bay Area Disaster Recovery Planning Council to create a long-term regional recovery plan for an earthquake or other major disaster in collaboration with various stakeholders. It is currently on the desk of the Governor awaiting signature.

Federal Legislation

- **H.R. 4715**, a bill to amend the Federal Water Pollution Control Act to reauthorize the National Estuary Program was marked up in the Senate and went to floor votes in the House in April. It is now part of a package called "The Great Waters Bills." If approved, it provides up to \$1.2 million each year for each National Estuary Program (NEP) starting in 2012.
- **H.R. 5061**, the San Francisco Bay Improvement Act of 2010 introduced by Representative Jackie Speier last spring, is also now part of the "Great Waters Bill" discussion. It has been marked up on the Senate side, with substantial differences between the House and Senate versions.

Coming Events

- **Bay-Delta Science Conference 2010.** SFEP is organizing the 6th Biennial Bay-Delta Science Conference (formerly the CALFED Science Conference) in Sacramento September 27-29. It is a forum to provide the public with new information on Bay-Delta issues. The program is posted online at www.baydeltascienceconf.org.
- **ABAG/SFEP is sponsoring a boat tour** on the San Francisco Bay for ABAG officials on September 30th to in celebration of National Estuaries Day.
- **ABAG's Bay Trail staff will lead a series of nine bike rides** in nine weeks along various sections of the Bay Trail to highlight completed portions of the trail network. The rides are for Bay Trail Board Directors, public officials and agency partners. The excursions range in length from eight to twenty-seven miles and a schedule of the rides has been provided to you today. Please contact Bay Trail staff if you are interested in participating.

SUMMARY MINUTES

ABAG Special Executive Board Meeting
No. 375, July 29, 2010
MetroCenter Auditorium
101 8th Street, Oakland, California

1. CALL TO ORDER

President Green called the meeting to order at approximately 7:06 p.m. A revised agenda adding Item B, Approval of Resolution 09-10, to the Consent Calendar, was distributed.

Representatives and Alternates Present

Supervisor Susan L. Adams
Supervisor John Avalos
Mayor Ronit Bryant
Councilmember Richard Garbarino
Supervisor John Gioia
Mayor Mark Green
Supervisor Carole Groom
Supervisor Scott Haggerty
Mayor Beverly Johnson
Supervisor Mike Kerns
Supervisor Barbara Kondylis
Supervisor Ross Mirkarimi
Councilmember Julie Pierce
Vice Mayor Joe Pirzynski
Mayor Harry Price
Vice Mayor Jean Quan
Councilmember A. Sepi Richardson
Supervisor Gail Steele
Mayor Pamela Torliatt
Supervisor Gayle B. Uilkema
Councilmember Joanne Ward
Supervisor Ken Yeager

Representatives Absent

Councilmember Jane Brunner
Councilmember Kansen Chu
Supervisor David Cortese
Mayor Pro Tem Carole Dillon-Knutson
Mayor Jack Gingles
Supervisor Rose Jacobs Gibson
Councilmember Ash Kalra
Director Nancy Kirshner Rodriguez
Representatives Present
Councilmember Sam Liccardo
Supervisor Mark Luce
Councilmember Nancy Nadel
Mayor Gavin Newsom
Vice Chair Terry Young

Jurisdiction

County of Marin
County of San Francisco
City of Mountain View
City of South San Francisco
County of Contra Costa
City of Union City
County of San Mateo
County of Alameda
City of Alameda
County of Sonoma
County of Solano
County of San Francisco
City of Clayton
Town of Los Gatos
City of Fairfield
City of Oakland
City of Brisbane
County of Alameda
City of Petaluma
County of Contra Costa
City of Hercules
County of Santa Clara

Jurisdiction

City of Oakland
City of San Jose
County of Santa Clara
City of Novato
City of Calistoga
County of San Mateo
City of San Jose
City of San Francisco
Jurisdiction
City of San Jose
County of Napa
City of Oakland
City of San Francisco
RWQCB

2. PUBLIC COMMENT

There was no public comment.

3. ANNOUNCEMENTS

There were no announcements

4. CONSENT CALENDAR

President Green recognized a motion by Sepi Richardson, Councilmember, City of Brisbane, and seconded by Julie Pierce, Councilmember, City of Clayton, to approve the Consent Calendar, including Item B. The motion passed unanimously.

A. Appointment to Committee

The following committee appointments were approved.

Regional Planning Committee

Ross Mirkarimi, Supervisor, City and County of San Francisco

Legislation and Governmental Organization Committee

Ross Mirkarimi, Supervisor, City and County of San Francisco

B. Approval of Resolution No. 09-10 Authorization to Enter into Contract with Delta Stewardship Council to Provide Support for Delta Science Program (DSP)**

Authorized the Executive Director or designee to enter into an amended two-year contract on behalf of ABAG/SFEP with the Delta Stewardship Council to continue providing support for the Delta Science Program. The contract amount will not exceed \$974,258.

5. EXECUTIVE DIRECTOR RECRUITMENT

The Board entered closed session at 7:08 p.m.

CLOSED SESSION: The following item was discussed in closed session pursuant to the requirements of the Ralph M. Brown Act:

Public Employee Appointment

Title: Executive Director

The Board returned to open session at 7:43 p.m.

President Green reported that the Executive Board unanimously approved the appointment of Ezra Rapport as Executive Director. The appointment is effective September 1, 2010.

Members congratulated Mr. Rapport on his appointment, thanked Mr. Gardner for his service, and discussed the announcement process.

6. ADJOURNMENT

The meeting was adjourned at approximately 7:45 p.m.


Henry L. Gardner, Secretary-Treasurer

** Indicates attachments.

*** For information on the L&GO Committee, contact Patricia Jones at (510) 464 7933 or PatJ@abag.ca.gov, or Kathleen Cha at (510) 464 7922 or KathleenC@abag.ca.gov.

All ABAG Executive Board meetings are recorded. To arrange for review of these tapes, please contact Fred Castro, Clerk of the Board, at (510) 464-7913 or FredC@abag.ca.gov.

SUMMARY MINUTES

ABAG Executive Board Meeting
No. 374, July 15, 2010
MetroCenter Auditorium
101 8th Street, Oakland, California

1. CALL TO ORDER

President Green called the meeting to order at approximately 7:05 p.m.

Representatives and Alternates Present

Supervisor Susan L. Adams
Supervisor John Avalos
Councilmember Jane Brunner
Mayor David Casas
Supervisor David Cortese
Mayor Pro Tem Carole Dillon-Knutson
Mayor Jack Gingles
Mayor Mark Green
Supervisor Scott Haggerty
Councilmember Dave Hudson
Supervisor Rose Jacobs Gibson
Supervisor Mike Kerns
Director Nancy Kirshner Rodriguez
Supervisor Barbara Kondylis
Supervisor Mark Luce
Supervisor Ross Mirkarimi
Councilmember Julie Pierce
Mayor Harry Price
Supervisor Gail Steele
Supervisor Gayle B. Uilkema
Vice Chair Terry Young

Representatives Absent

Councilmember Kansen Chu
Councilmember Richard Garbarino
Supervisor John Gioia
Supervisor Carole Groom
Mayor Beverly Johnson
Councilmember Ash Kalra
Councilmember Sam Liccardo
Councilmember Nancy Nadel
Mayor Gavin Newsom
Vice Mayor Joe Pirzynski
Vice Mayor Jean Quan
Councilmember A. Sepi Richardson
Mayor Pamela Torliatt
Supervisor Ken Yeager

Jurisdiction

County of Marin
County of San Francisco
City of Oakland
City of Los Altos
County of Santa Clara
City of Novato
City of Calistoga
City of Union City
County of Alameda
City of San Ramon
County of San Mateo
County of Sonoma
City of San Francisco
County of Solano
County of Napa
County of San Francisco
City of Clayton
City of Fairfield
County of Alameda
County of Contra Costa
RWQCB

Jurisdiction

City of San Jose
City of South San Francisco
County of Contra Costa
County of San Mateo
City of Alameda
City of San Jose
City of San Jose
City of Oakland
City of San Francisco
Town of Los Gatos
City of Oakland
City of Brisbane
City of Petaluma
County of Santa Clara

2. PUBLIC COMMENT

There was no public comment.

3. ANNOUNCEMENTS

There were no announcements

4. PRESIDENT'S REPORT

President Green reported on the following:

Since January, President Green visited seven of the nine mayors and councilmembers' conferences to speak with them about the work ABAG is doing on behalf of the region. Many are pleasantly surprised by all of the programs and services that ABAG offers. He plans to continue this connection and interaction.

At the request of the Livermore City Council, President Green formally presented the ABAG Growing Smarter Together Award for Urban Design to the entire City Council at their June 14th meeting. The original announcement of the award was made at the Spring General Assembly.

The Joint Policy Committee met in a joint meeting with the ABAG Administrative Committee and the MTC Planning Committee on July 9th to hear a report on the California Air Resources Board draft greenhouse gas emissions targets that were issued on June 30th. ABAG, MTC, and our regional agency partners are well underway in planning to meet the final targets, and to produce the required Sustainable Communities Strategy for the region.

President Green and Vice President Susan Adams, Supervisor, County of Marin, were appointed by the Bay Area Air Quality Management District to an Ad Hoc Facilities Advisory Committee that will review plans and advise the Air District, MTC, and ABAG on a possible regional agencies headquarters building.

Mayor Green also reported on the status of the recruitment for an Executive Director. The Finance and Personnel Committee met to review applications and will meet to interview candidates. A recommendation will be made to the Executive Board at a special meeting on July 29th.

ABAG will be celebrating its 50th anniversary next year. President Green has asked the Administrative Committee and a few other representatives from other jurisdictions to participate on a committee to plan how this occasion is celebrated.

President Green announced that this meeting would be the last for Henry Gardner as Executive Director.

5. EXECUTIVE DIRECTOR'S REPORT

Henry Gardner, ABAG Executive Director, announced that this was his last report as Executive Director of ABAG. He spoke about how this experience has been rewarding and stated that he recognizes the importance and necessity of working across jurisdictional boundaries to develop a common vision to shape the future of the Bay Area. He also spoke about the diversity of the region and the challenges it brings, and the readiness of the region's political leadership and the public to tackle important issues.

He acknowledged the Executive Boards' support for the staff and the work that has allowed ABAG to make progress in forging cooperation among regional agencies.

He commented on the need for long-term financial stability and the previous attempts with the strong support and leadership of Senator Mark DeSaulnier to get legislative authority to levy a very modest vehicle registration fee. He reported on two measures. The first, authored by Senator DeSaulnier, would involve a state levied fee, it would be used by ABAG and MTC to plan for and implement SB 375, the Sustainable Communities Strategy, and the second, authored by Assemblywoman Fiona Ma, would be subject to voter approval, and would provide support for ABAG and MTC, but would also fund planning grants and small projects for cities and counties.

Executive Director Gardner reported on the State budget, noting that there is little chance the eventual adopted budget will be realistic and will most likely have illusory revenues and expenditure reductions as in the past, further complicating the fiscal problems of cities and counties. Initiatives and budget reform measures on the November ballot calling for a simple majority of the Legislature to adopt a State budget, but continuing to require a two-third approval for raising taxes and fees, will do very little to fix the problem.

He reported on SB 1205 (Corbett) which would establish the Bay Area Disaster Recovery Planning Council to create a long-term regional recovery plan for an earthquake in collaboration with various stakeholders.

A key component of SB 375 and the Sustainable Communities Strategy is to successfully engage local elected officials in the process. Staff is working on scheduling an evening meeting that will initiate the SCS engagement process in each county. The meetings will be convened by an ABAG Executive Board member and an MTC commissioner.

In a project funded by Caltrans Aeronautics Division, ABAG will receive \$400,000 over three years to study the long-term recovery of the regional airport system. This project will take a comprehensive look at the Bay Area's airport system and their role in the region's post-disaster recovery.

The Bay Area Air Quality Management District is planning to relocate its offices and has asked ABAG and MTC to explore with them the possibility of co-locating the three agencies into one building. At this point no commitments have been made to do anything other than to consider the possibility. The presidents and vice presidents, chairs and vice chairs, and the executive directors of the three agencies will be meeting with CB Richard Ellis and Sedway Consulting, selected by the Air District to analyze the feasibility of such a proposal, and report back to the respective boards and commissions.

Property Assessed Clean Energy (PACE) financing programs were dealt a set back when Fannie Mae and Freddie Mac notified lenders that they would not accept mortgages with PACE liens. This decision will not directly affect ABAG's Retrofit Bay Area program. It will likely affect some Bay Area counties that were counting on stimulus funding to jump start their PACE program.

Members discussed the impacts on PACE financing programs by the private sector.

President Green thanked Executive Director Gardner for his report.

6. CONSENT CALENDAR

President Green recognized a motion by Mike Kerns, Supervisor, County of Sonoma, and seconded by Carole Dillon Knutson, Mayor Pro Tem, City of Novato, to approve the Consent Calendar. The motion passed unanimously.

A. Approval of Executive Board Summary Minutes**

Approved Summary Minutes of Meeting No. 373 held on May 20, 2010.

B. Grant Applications

A list of grant applications was approved for submission to the State Clearinghouse, having been circulated in ABAG's "Intergovernmental Review Newsletter" since the last Executive Board meeting.

C. Appointment to Committee

The following committee appointment was approved.

Regional Planning Committee

Linda J. Seifert, Solano County Supervisor

D. Authorization is Requested to Enter into Agreement with California Department of Natural Resources**

Authorized entering into an agreement with the California Department of Natural Resources to provide support for the Delta Science Program (DSP) and for the Executive Director or designee to sign the amendment on behalf of ABAG/SFEP with the Natural Resources Agency to continue providing support for the Delta Science Program.

E. Authorization to Enter into Agreement with U.S. Environmental Protection Agency (EPA)**

Authorized Board ratification of the San Francisco Estuary Partnership (SFEP) application for funds under the National Estuary Program and authorization for the Executive Director or designee to enter into a new cooperative agreement with EPA on behalf of the San Francisco Estuary Partnership to provide technical, public involvement and administrative support in implementing the Comprehensive Conservation and Management Plan (CCMP). The agreement term will be through September 30, 2011.

F. Authorization to Modify a Contract with Alameda County and Alameda County Flood Control and Water Conservation District**

Authorized the Executive Director or designee to sign the modification to the agreement to extend the contract with Alameda County and Alameda County Flood Control and Water Conservation District for one year to August 10, 2011, with the option to extend for a second year to August 10, 2012. The total amount of the contract is increased by \$127,000 for the 2010-2011 year. No ABAG match is required. The project assists with implementation of the Comprehensive Conservation and Management Plan (CCMP) for the San Francisco Estuary.

G. Authorization to Submit Grant Application to the Metropolitan Transportation Commission**

Authorized submitting a grant application in the amount of \$250,000 to the Metropolitan Transportation Commission and if funded to enter into a contract.

H. Authorization to Submit Grant Proposal to California Department of Water Resources in Collaboration with Santa Clara Valley Water District, North Marin Water District, and Bay Area Waste Dischargers Association**

Authorized submitting a proposal to the California Department of Water Resources in collaboration with the Santa Clara Valley Water District, North Marin Water District, and the Bay Area Waste Dischargers Association to work with the cities of Fremont, East Palo Alto, Alameda County, StopWaste.org, and San Francisco Estuary Institute to implement a variety of green infrastructure pilot projects and measure their effectiveness in treating stormwater. SFEP's portion of the request is \$850,000, of which \$675,000 would be subcontracts to partners.

I. Authorization to enter into Contract with CalTrans Division of Aeronautics

Authorized the Executive Director or designee to enter into contract with CalTrans Division of Aeronautics in the amount of \$400,000 over a three year period for the purpose of analyzing the recovery of the region's airport system following a disaster. ABAG will subcontract for a portion of the services.

J. Authorization to Submit Proposal and if Funded enter into Contract with the California Earthquake Authority

Authorized submitting a proposal to the California Earthquake Authority and if funded to enter into an agreement to implement a statewide incentive program to train retrofit contractors through an online training course, educate local building department staff about program requirements, perform periodic quality assurance checks of completed retrofits, ensure the eligibility of homes receiving incentives, administer the incentives and educate homeowners about retrofit options.

7. COUNTY CORRIDOR PARTNERSHIP PROCESS FOR SUSTAINABLE COMMUNITIES STRATEGY**

Kenneth Kirkey, ABAG Planning Director, reported on the planned strategy for SB 375 related county/corridor engagement with elected officials. He reviewed the purpose of the initial leadership roundtable meetings; building the partnership process with the regional agencies elected officials, congestion management agencies leadership, planning directors, and transit agency representatives; the role of the SCS Executive Group and the Regional Advisory Working Group; and listed key Sustainable Communities Strategy objectives and leadership roundtable tasks. County/corridor leadership roundtable meetings are expected to take place by September.

Members discussed transit corridors that cross county lines and transit agency representation; encouraged staff to consider each county's "culture" and to work extensively with local jurisdiction staffs; recommended working with mayors and councilmembers associations and city managers associations and other community organizations; discussed structure and objectives of county meetings, and compiling results of outreach; discussed adoption of process time line; and discussed alternate planning strategy.

8. CALIFORNIA AIR RESOURCES BOARD GREENHOUSE GAS DRAFT TARGETS

Doug Kimsey, MTC Planning Director, reported on the Air Resources Board's target setting process and draft targets. He reviewed greenhouse gas emission reduction targets across other regions, the effect of T2035 and ARB fuel/fleet efficiency

standards, and findings related to existing operations and maintenance obligations. He described the Bay Area's "most ambitious scenario" and the ARB's recommendations for percent reduction in per capita emissions from 2005 to 2020. He also described three Bay Area sensitivity tests and their effects on the Bay Area's GHG scenarios, and spoke about an Alternative Planning Strategy. He reviewed principles under consideration by MTC for establishing GHG emission targets.

Members discussed the Air Resources Board target setting process and the principles for establishing GHG emission targets, including the three sensitivity tests, one statewide target, issues specific to suburban areas without transit or job centers, transportation costs on citizens, the need for realistic goals, setting goals higher, the effect of new technology, pricing and costs of housing and infrastructure, enforceable commitments and requirements on local governments, other GHG producers, and the need for incentives.

Scott Zengel, representing the Bay Area Council, commented on the business perspective on the Air Resources Board's draft targets noting that targets can be aggressive but also realistic. He encouraged finding ways to help developers achieve land use objectives, and following through on the SCS process.

9. ABAG 50TH ANNIVERSARY PLANNING

President Mark Green reported on the ABAG 50th Anniversary planning process. Suggested activities include a major event at the Claremont Hotel in January or February, encouraging cities and counties to prepare exhibits, having cities and counties purchase a table at the event, outreach to mayors and councilmembers associations, producing a video showing ABAG's achievements and a booklet focusing on the One Bay Area theme, having a performance arts group or speaker, creating an honorary committee, and seeking corporate sponsors. He invited members to submit ideas for celebrating ABAG's anniversary.

10. LEGISLATION & GOVERNMENTAL ORGANIZATION COMMITTEE REPORT**

President Green recognized Committee Chair Mark Luce, Supervisor, County of Napa, who reported on committee activities, including: approval of minutes of meeting held May 20, 2010; recommendations on new bills, including AB 153 (Ma), Land Use Planning: Environmental Quality, support; AB 234 (Huffman), Oil Spill Prevention and Response: Transfer of Oil, support; SB 1174 (Wolk), Land Use: General Plan – Future Sustainable Communities Pilot Project, watch; AB 1810 (Feuer), Crime Gun Tracing Improvement Act, support; AB 1934 (Salana/Ammiano), Firearms – Open Carrying of Unloaded Handguns, support; AB 1998 (Brownley), Solid Waste: Single Use Carryout Bags, support; SB 228 (DeSaulnier), Plastic Bags: Compostable Plastic Bags, watch; SB 1454 (DeSaulnier), Recycling: Plastic Products, support; and receiving latest summary of ten propositions qualified for the November 2010 ballot.

President Green recognized a motion by Chair Luce, which was seconded by Harry Price, Mayor, City of Fairfield, to approve the staff report. The motion passed, with two nay votes on AB 1934 by Dave Cortese, Supervisor, County of Santa Clara, and Dave Casas, Mayor, City of Los Altos, and a nay vote on AB 1810 by Cortese.

President Green thanked Chair Luce for his report.

11. FINANCE & PERSONNEL COMMITTEE REPORT**

President Green recognized Chair Scott Haggerty, Supervisor, County of Alameda, who reported on committee activities, including approval of minutes of the May 10th meeting; a report on the financial reports for April and May; a report on a regional agencies headquarters; and a closed session on a public employee performance evaluation of Legal Counsel.

The Board entered closed session at 8:35 p.m.

CLOSED SESSION: The following item was discussed in closed session pursuant to the requirements of the Ralph M. Brown Act:

Public Employee Performance Evaluation

Title: Legal Counsel

The Board returned to open session at 8:40 p.m.

Chair Haggerty reported that the Finance and Personnel Committee reviewed the work performance and has briefed the Executive Board who requested that Legal Counsel be retained for another year.

President Green recognized a motion by Chair Haggerty, which was seconded by Supervisor Kerns, to approve the staff report. The motion passed unanimously.

President Green thanked Chair Haggerty for his report.

12. ADJOURNMENT

The meeting was adjourned at approximately 9:20 p.m.


Henry L. Gardner, Secretary-Treasurer

** Indicates attachments.

*** For information on the L&GO Committee, contact Patricia Jones at (510) 464 7933 or PatJ@abag.ca.gov, or Kathleen Cha at (510) 464 7922 or KathleenC@abag.ca.gov.

All ABAG Executive Board meetings are recorded. To arrange for review of these tapes, please contact Fred Castro, Clerk of the Board, at (510) 464-7913 or FredC@abag.ca.gov.



MEMO

Submitted by: Ceil Scandone 
Subject: Bay Area Green Business Program
2010 Status Report and Certified Public Agency Recognition
Date: September 16, 2010

Executive Summary

The Bay Area Green Business Program (Program) was initiated in 1996 by ABAG's Hazardous Waste Management Facility Allocation Committee. The Program assists and recognizes businesses, organizations and public agency facilities that voluntarily exceed regulatory compliance to prevent pollution, conserve resources, and minimize waste.

Annually, staff provides a Program update and asks the Executive Board to recognize the public agencies and officials whose facilities have recently been designated as Green Businesses. Since the last recognition event on July 16, 2009, 15 public agency facilities have been certified (see Attachment A).

Recommended Action

Staff requests that the Executive Board recognize the 15 Certified Green Business public facilities as environmental leaders who are protecting the environment and public health. These agencies are providing safer, more healthful facilities for employees, customers and students, reducing their greenhouse gas emissions, and setting an exemplary example for businesses, residents, and other public agencies in their communities and our region.

Next Steps

Introduce and present the 15 public agency honorees with Certificates of Recognition for their environmentally responsible actions and leadership. Continue to recruit, assist and recognize public agencies interested in achieving Green Business Certification.

Attachments: Staff Memo and List of Honorees

ASSOCIATION OF BAY AREA GOVERNMENTS

Representing City and County Governments of the San Francisco Bay Area



To: Executive Board

From: Ceil Scandone 
Senior Regional Planner/Green Business Coordinator

Subject: Bay Area Green Business Program
2010 Status Report and Certified Public Agency Recognition

Date: September 16, 2010

INTRODUCTION

The Bay Area Green Business Program (Program) was initiated in 1996 by ABAG's Hazardous Waste Management Facility Allocation Committee. The Program assists and recognizes businesses, organizations and public agency facilities that voluntarily exceed regulatory compliance to prevent pollution, conserve resources, and minimize waste.

The first businesses were recognized in 1997 in Alameda and Napa Counties. Other counties joined in subsequent years. Since 2007, all nine Bay Area counties have offered the Program. Currently, there are 2,273 firms certified, including 145 public facilities. All are listed on the Program website at www.greenbiz.ca.gov.

The Program primarily serves small businesses, particularly consumer-oriented firms. Participants include auto body and repair shops, printers, wineries, restaurants, groceries, hotels, janitorial services, retail shops, remodeling contractors, solar installers, attorneys, architects, dentists, and landscapers. On the public side, the Program has certified fleet maintenance operations, corporation yards, police and fire stations, community centers, K-12 schools, community colleges, universities, civic centers, water treatment plants and the offices of local, state and federal elected officials.

Annually, we provide a Program update and ask the Executive Board to recognize the agencies and officials whose facilities have recently become Green Businesses. Since July 2009, 15 public facilities have been added to our Directory (see Attachment A).

ACTION REQUESTED

Staff requests that the Executive Board recognize the 15 Certified Green Business public facilities as environmental leaders who are protecting the environment and public health. These agencies are providing safer, more healthful facilities for employees, customers and students, reducing their greenhouse gas emissions, and setting an exemplary example for businesses, residents, and other public agencies in their communities and our region.



STATUS REPORT

The Bay Area Green Business Program had another busy and successful year. Collectively, the nine counties added 473 businesses to the listings-an increase of 26%. The Program continues to experience high demand in spite of the economy and recent strengthening of our standards that significantly raised the bar.

Certifications occur at the county level. The County Coordinators recruit and assist businesses through the process. They also coordinate the participation of the public agencies, utilities and other partner organizations whose staffs verify that prospective green businesses meet the Program standards.

The regional office, staffed by ABAG, facilitates ongoing collaboration among the county coordinators to ensure program consistency, the efficient development of materials, and maintenance of the website and other resources. The regional coordinator also maintains the Program's close relationships with state agencies, seeks new funding opportunities to expand the local programs and support additional marketing, measurement, web and other resources at the regional level, and responds to inquiries from jurisdictions interested in initiating Green Business Programs.

County status and highlights of recent accomplishments include:

- **Alameda County** has 481 Green Businesses. One of the first counties to offer the program, Alameda is currently in its 14th year. In addition to responding to demand from new businesses seeking certification, Alameda has been recertifying businesses, some for the fourth time. The Program has made strong connections to Green Jobs and Green Economy efforts in the East Bay. Alameda has played a leading role in testing the new online system, helping to identify and correct system problems.
- **Contra Costa County** has 384 Green Businesses. Now in its 13th year of operations, Contra Costa has spent many hours making the standards consistent, up-to-date and user-friendly to strengthen the online foundation for Programs throughout the state. They are working with longer-term Green Businesses to bring them up to speed with the new standards through the recertification process. They are also working to bring these standards into Contra Costa County government.
- **Marin County** has 408 Green Businesses. The County launched their Program in 2002 with City of Novato then expanded countywide. In addition to working with businesses, the Program worked with the county fairgrounds to help them obtain certification and to organize their 2007 "Greenest County Fair on Earth" event. The fair expanded its green efforts during the 2010 fair, and achieved a 90% diversion rate. It will be featured in an upcoming PBS show, California's Gold.
- **Napa County** has 79 Green Businesses, all certified since reactivating its Program in 2007. The Program formed key partnerships with the Napa Vintners Association, which helps to recruit its members, and with the Napa County Transportation Planning Agency, which assigned staff to expand the Program to other businesses. In 2009, Napa made a concerted effort to green the hospitality industry and successfully expanded certification to hotels and restaurants.

- **San Mateo County** has 120 Green Businesses. The County launched its pilot Program in July 2007 with six cities. Since then, four more have signed on: Half Moon Bay, Pacifica, Portola Valley and San Bruno. The partnership with San Francisco International Airport and the San Francisco Public Utilities Commission has so far resulted in 24 airport businesses certified. The County continues to build partnerships and seek new funding to maintain and strengthen the Program.
- **San Francisco** has 181 Green Businesses. The Program is working with consultants to develop a strategy for expansion to new sectors. San Francisco led the effort to develop the online, web-based green business tracking and measurement database that was launched in the Fall of 2009. Staff has devoted countless hours to soliciting and coordinating input from all programs statewide, then working with the contractor to design and implement a system that serves our needs.
- **Santa Clara County** has 512 Green Businesses. More than half of those businesses have been certified in the past three years, as the desire to make their business practices more environmentally sound has grown to an all time high. Santa Clara's local partners remain committed to providing the referrals, site audits and financial contributions necessary for the Program to sustain itself and grow."
- **Solano County** has 8 Green Businesses. The County launched its pilot program to auto repair shops and other regulated businesses in July 2007. The Board of Supervisors authorized expansion to additional industries in 2008. Several businesses are close to certification and a number of others are in the pipeline.
- **Sonoma County** has 101 Green Businesses. After focusing its Program on wineries for several years, in 2006 the Program established a partnership with the county Economic Development Board that provided the staffing to expand to new industries. Sonoma County initiated and has coordinated the development of two new checklists for Small Manufacturers and Commercial Property Managers
- **Regional Program:**

Checklists: The Program completed a systematic update of all checklists in 2009, raising the bar in every section. A new checklist, currently in final draft form, was developed for Commercial Real Estate Managers. This checklist will be used to engage managers of multi-tenant buildings in the systematic upgrading of building systems and common areas to meet Green Business standards. Bringing building managers on board will make it easier for their tenants to be certified.

Measurement / Management System: A generous \$90,000 grant from longtime partner Cal EPA Department of Toxic Substances Control (DTSC) provided foundation funding to develop an online measurement system. Local Programs contributed funds and countless hours of staff time so that the system could be enhanced to serve as a program management resource. DTSC continues its involvement and recently provided an additional grant of \$74,500 to host, maintain and enhance the system.

The system was launched internally in September 2009. Since then, counties have been working to upload checklists, train partners and transition to this new tool.

On the measurement side, the system collects data from Green Businesses and calculates the amount of energy and water conserved; waste diverted; pollution prevented; and greenhouse gas emissions reduced. For the first time in the Program's 14 year history, we will have hard data to demonstrate its environmental benefits.

The management functions are equally exciting. Procedures that have been handled by mail, email, fax and phone are automated and largely paper-free. When fully implemented, the system is expected to speed up the certification process by 30%.

The system will also convert our Green Business listings to a searchable database format. The listings will be updated instantaneously whenever a business achieves Green Business status. The system will allow Green Businesses to have more descriptive listings, and will make it easier for potential customers to find them.

System development has been led by the San Francisco Green Business Program. Coordinators in the Bay Area and beyond have participated in its design, testing, and ongoing improvement, with particular contributions from the Alameda and Contra Costa programs. This has been a significant, groundbreaking undertaking. The system will be available to Green Business Programs throughout the state. It is being closely watched by US EPA as a potential model for use elsewhere in the country.

Outreach: With ongoing interest in green business practices, the Program continues to be featured in print, and on radio and television spots. Our businesses are represented in two Bay Area coupon books: the Green Zebra and the EcoMetro Guides. We are featured in the Air Resources Board's Cool California website as a resource for small businesses seeking to reduce their greenhouse gas emissions. The Program is working with the Environmental Defense Fund, which has created a map of California businesses that are part of the Green Economy, to add our businesses to their listings. A generous annual contribution from the Bay Area Air Quality Management District helps to support outreach efforts.

PROGRAM EXPANSION:

The Program is a model for other jurisdictions in California and beyond. Currently Santa Cruz, Monterey, San Benito, and Santa Barbara counties and the City of Santa Monica offer Green Business Programs. Collectively, they have certified more than 350 businesses. The City of Los Angeles and Mendocino Counties are organizing programs.

To promote consistency, efficiency and innovation, Bay Area coordinators joined with counterparts around the state and Cal EPA-DTSC to establish the California Green Business Programs Network. Members meet at least twice a year. The Network has facilitated communications, information and task sharing over the past two years as the coordinators and contractor designed and built the new measurement system.

The Program has attracted attention from beyond California. Montgomery County, Maryland launched a program this year and has 20 certified businesses. Inquiries have been received from Seattle, Chicago, Westchester County, New York, and most recently from Calgary, Alberta, Canada.

CERTIFIED PUBLIC AGENCIES

In every county public agencies serve as “certification partners,” contributing staff time to verify that businesses have achieved Program standards. Many local agencies provide funding support to their county programs, and the Bay Area Air Quality Management District contributes to the regional Program.

More than 145 public agencies have taken their commitment a further step by successfully seeking certification. Certified public entities include fleet maintenance facilities; print shops; corporation yards; civic centers; fire and police stations; a city; two towns; elementary, middle and high schools; water districts; sanitary districts; waste authorities; libraries; performing arts, community and senior centers; and the offices of county supervisors, state legislators, and a U.S. Congress member.

Since the last recognition event in July 2009, 15 public entities successfully implemented dozens of environmentally-responsible measures to meet our strengthened standard and earn Green Business certification. The 2010 honorees are listed on Attachment A.

FOR MORE INFORMATION

If you would like to seek green business certification for facilities in your jurisdiction, please contact me at 510/464-7961 or at ceils@abag.ca.gov or contact your county Green Business coordinator. The County Coordinators are listed on the “Contact Us” page of the program website at: www.greenbiz.ca.gov.



Attachment A

The following city, county, special district, special district and state facilities achieved Green Business status since July 16, 2009:

Alameda County

Cal State East Bay Oakland Professional Development and Conference Center

Contra Costa County

Central Contra Costa Sanitary District
Contra Costa College, Collision Repair Department
Richmond City Hall
Office of Supervisor Federal Glover
Martinez City Hall

Marin County

Sun Valley Elementary School

San Mateo County

Midpeninsula Water District
Portola Valley Town Hall
Portola Valley Library
South Bayside Waste Management Authority

Santa Clara County

Office of Supervisor George Shirakawa
Egan Junior High School
Los Altos High School

Sonoma County

City of Sonoma Public Works Corporation Yard

MEMO

Submitted by: Ken Kirkey, ABAG Planning Director

Subject: Planned Priority Development Area Assessment – Planned Growth & Infrastructure Needs

Date: September 7, 2010

Executive Summary

The designation of the FOCUS Priority Development Areas (PDAs) as a network of neighborhoods that are expected to accommodate the majority of the region's population and employment growth in the Sustainable Communities Strategy (SCS) calls for a thorough understanding of the changes expected to occur in these areas and potential barriers to future development. ABAG and MTC have undertaken an assessment of Planned PDAs, since these PDAs have an adopted neighborhood-level land use plan, and thus are closer to implementing a specific vision for growth.

Using information primarily provided by local governments, the assessment will evaluate the scale and type of growth planned to occur in Planned PDAs, the strategies needed to ensure that this growth results in complete communities, how ready local governments and communities are for growth to occur, and the investments needed to make this growth a reality.

Preliminary analysis indicates that Planned PDAs in the Bay Area expect to add approximately 209,000 housing units and 607,000 jobs over the next 25 years, and that the capital infrastructure needs to support this growth in the Planned PDAs total \$14.7 billion.

The attached memo describes in detail the purpose and approach for the PDA Assessment, and provides initial findings related to planned growth and infrastructure needs in the Planned PDAs.

Recommended Action

None.

Next Steps

Over the coming months, additional growth and need findings will be presented by staff at the county-level SCS meetings, with the intention of informing the SCS base case modeling scenario and growth allocation discussions. Staff will also analyze the readiness and complete community characteristics of the Planned PDAs. A final report linking together the analyses of growth, need, readiness and completeness in the Planned PDAs will be produced, which will be presented to the ABAG Executive Board.

Attachments:

Planned PDA Assessment Memo for ABAG Executive Board, September 2010

Date: September 2, 2010
To: ABAG Executive Board
From: Gillian Adams, ABAG Regional Planner
Sailaja Kurella, ABAG Regional Planner
Subject: **Planned Priority Development Area Assessment – Planned Growth & Infrastructure Needs**

Overview

The Association of Bay Area Governments (ABAG) and the Metropolitan Transportation Commission (MTC) approach the implementation of the FOCUS Priority Development Areas (PDAs) as a key consideration for the development and adoption of the Sustainable Communities Strategy (SCS) under SB375. The designation of PDAs as a network of neighborhoods that will accommodate the majority of the region's population and employment growth calls for a thorough understanding of the changes expected to occur in these areas and potential barriers to future development.

To accomplish this goal, ABAG and MTC have undertaken an assessment of Planned PDAs, since Planned PDAs have an adopted neighborhood-level land use plan, and thus are closer to implementing a specific vision for growth. Potential PDAs are those that have not yet completed a neighborhood-level land use plan. Over time, it is expected that the Potential PDAs will complete plans and transition to Planned status.

This memo describes the purpose and approach for the PDA Assessment, and provides initial findings related to planned growth and infrastructure needs in the Planned PDAs.

Purpose and Rationale of PDA Assessment

The two primary goals of the PDA Assessment are to gain information about Planned PDAs in order to help hasten development of these areas as complete communities and to support the development of a realistic SCS. While all of the Planned PDAs have been proposed by local jurisdictions committed to sustainable transit-oriented development through local plans, they vary greatly in their visions of complete communities and readiness to produce new housing.

Using information primarily provided by local governments, the assessment will evaluate the scale and type of growth planned to occur in Planned PDAs, the strategies needed to ensure that this growth results in complete communities, how ready local governments and communities are for growth to occur, and the investments needed to make this growth a reality. The desired outcomes of the assessment are to identify the PDAs most ready for implementation and growth potential, identify policies and resources needed to support essential elements of complete communities, and consider policies for prioritizing additional funding to the PDAs via the SCS. The Assessment may additionally assist the Potential PDAs by identifying strategies and policies to facilitate plan implementation.

Assessment Approach

The information to be used in the PDA Assessment has been gathered from our local government partners through one-on-one meetings with local city staff and an extensive survey. This information will be complemented by data from other sources, such as the U.S. Census. The assessment is organized around four main topics related to future development in the Planned PDAs:

- The **Growth Potential** assessment looks at amount and type of growth planned in the PDAs.
- The **Need** assessment evaluates the amount of types of funding that the PDAs need to achieve their desired growth. It also identifies policy changes needed to support growth in the PDAs
- The **Readiness** assessment will gauge which PDAs are ready for higher-density, transit-oriented development. This analysis will focus on funding needs, entitlement process, transit capacity and connectivity, community support, and implementation feasibility.
- The **Completeness** assessment evaluates local plans and community characteristics to determine the extent to which PDAs are poised to become complete communities. This analysis focuses on housing choices, multi-modal access and mobility, and neighborhood identity and vitality.

Preliminary Findings

The summaries of data presented below are based on responses provided by local jurisdictions to the Assessment Survey of Planned PDAs.

Planned Growth

The PDA Survey indicates that Planned PDAs in the Bay Area expect to add approximately 209,000 housing units and 607,000 jobs over the next 25 years. As a result, in 2035 there are anticipated to be nearly 579,000 housing units and 1.6 million jobs in the region's Planned PDAs. These numbers indicate that, while the 92 Planned PDAs included in this assessment account for a little over one percent of the land area of the Bay Area, they are planning to accommodate 32 percent of the housing growth and 37 percent of the job growth forecasted in ABAG's *Projections and Priorities 2009: Building Momentum*. Based on this data, jurisdictions are clearly expecting a high number of jobs relative to new housing in their Planned PDAs. This reflects a general pattern over recent decades where local jurisdictions plan for more jobs than the number that are ultimately produced.

The three counties planning for the most housing growth in Planned PDAs—based on total units added and the county's share of the region's total growth—are San Francisco, Alameda, and Contra Costa Counties, while the top three counties for job growth are San Francisco, Santa Clara, and Alameda.

By 2035, 37 percent of the region's housing units in Planned PDAs will be in San Francisco, down from 41 percent in 2010. Contra Costa County Planned PDAs are planning for the largest increase in the share of the region's total housing in Planned PDAs, moving from 7 percent in 2010 to 10 percent in 2035. San Francisco will see a 4 percent decline in their share of the region's total jobs in Planned PDAs, from 47 percent to 43 percent, while Santa Clara County's share will increase from 13 percent to 17 percent.

Table 1 provides a summary of the planned housing and job growth by county in the Planned PDAs.

Infrastructure Need

Preliminary analysis of the budget data from the PDA Assessment Surveys indicate that the capital infrastructure needs in the Planned PDAs total \$14.7 billion. The highest categories of capital needs for the Planned PDAs include affordable housing (\$2.5 billion), station improvements (\$2.5 billion), and parks (\$1.7 billion). Transit capital projects, such as BART expansion, bus rapid transit, and ferry system projects, were not included in the infrastructure needs analysis. However, it is important to note that a mix of transit expansion, rehabilitation and capacity improvement projects will be critical to supporting

growth in these PDAs. MTC's Resolution 3434 identifies a number of these critical transit improvements for which funding has been committed. Table 2 provides a summary of capital needs by category.

As expected, the highest capital needs for Planned PDAs by county occur where the greatest growth is planned – San Francisco, Santa Clara, Alameda, and Contra Costa Counties. The highest capital needs are estimated for the San Jose Central and North Consolidated PDA and San Francisco's Treasure Island and Bayview/Hunters Point Shipyard/Candlestick Point PDAs, each with over \$1 billion in infrastructure needs.

We have consistently heard that many jurisdictions require major public investments in infrastructure in order to stimulate significant new housing growth within their PDAs. To understand the variation of the public investments that will generate private investment in each of the PDAs, an analysis of the capital infrastructure needs identified relative to the number of new housing units planned in each PDA was performed. This metric is only rough comparative tool, and does not include the cost of constructing new housing in the PDAs. Given the planned growth in the Planned PDAs and the estimated capital infrastructure needs, the estimated public infrastructure investment that would be needed to spur private investment in new housing in the planned PDAs is approximately \$70,000/new housing unit. Santa Clara County has the highest capital infrastructure need per new unit, at approximately \$131,000/new housing unit, while Contra Costa County has the lowest capital infrastructure need per new unit, at \$38,000/new housing unit.

Table 3 shows the variation of capital infrastructure needs compared with housing growth across the counties.

Next Steps

Over the coming months, additional growth and need findings will be presented at the county-level SCS meetings, with the intention of informing the SCS base case modeling scenario and growth allocation discussions. Staff will also analyze the readiness and complete community characteristics of the Planned PDAs. The framework related to readiness and completeness factors will be presented to the Regional Advisory Working Group. A final report linking together the analyses of growth, need, readiness and completeness in the Planned PDAs will be produced, which will help inform discussion on how we might approach regional funding strategies as part of developing the SCS.

Table 1: Planned PDA Growth by County^{i, ii}

County	Existing Units (2010)	Future Units (2035) ¹	Change in Units (2010-2035)	Share of Total Planned PDA Housing Growth (2010)	Share of Total Planned PDA Housing (2035)	Existing Jobs (2010)	Future Jobs (2035) ¹	Change in Jobs (2010-2035)	Share of Total Planned PDA Job Growth	Share of Total Planned PDA Jobs (2010)	Share of Total Planned PDA Jobs (2035)
Alameda	89,518	140,067	50,549	24%	24%	228,845	335,839	106,994	18%	22%	20%
Contra Costa	25,428	60,095	34,667	16%	7%	76,272	124,236	47,965	8%	7%	8%
Marin	2,777	4,363	1,586	1%	1%	12,494	15,405	2,911	0%	1%	1%
San Francisco	152,389	215,907	63,518	30%	41%	495,542	715,090	219,548	36%	48%	43%
San Mateo	21,475	39,096	17,621	8%	6%	57,099	121,046	63,947	11%	5%	7%
Santa Clara	67,023	97,244	30,221	14%	18%	131,357	276,332	144,975	24%	13%	17%
Solano	4,460	9,036	4,576	2%	1%	10,621	17,220	6,599	1%	1%	1%
Sonoma	6,824	14,357	7,533	4%	2%	29,899	45,333	15,434	3%	3%	3%
Total	369,893	580,164	210,271	100%	100%	1,042,128	1,650,501	608,373	100%	100%	100%

Table 2: Total Regional Planned PDA Capital Need by Categoryⁱⁱⁱ

ALL PLANNED PDAs	Total Capital Need (\$ MM)	Category % of Total Need ²	Total Funded Capital Costs (\$ MM)	Total % Funded
Total Regional Infrastructure Need	\$ 14,712		\$ 2,743	21%
Affordable Housing	\$ 2,542	19%	\$ 535	21%
Connectivity Projects	\$ 518	4%	\$ 96	19%
Environmental Clean-up	\$ 37	0%	\$ 2	6%
Land Assembly / Site Acquisition / Land Banking	\$ 724	5%	\$ 670	93%
Non-Transportation Infrastructure / Utilities	\$ 1,282	10%	\$ 317	25%
Parking Structures	\$ 395	3%	\$ 97	24%
Parks	\$ 1,734	13%	\$ 330	19%
Public Facilities	\$ 1,073	8%	\$ 223	21%
Road Improvements	\$ 1,653	13%	\$ 133	8%
Shuttles & Other Public Transportation	\$ 805	6%	\$ -	0%
Station Improvements	\$ 2,467	7%	\$ 32	3%
Streetscape Improvements	\$ 920	7%	\$ 123	13%
Transportation Demand Management	\$ 65	0%	\$ 61	93%
Other/Pre-development	\$ 494	4%	\$ -	0%

Table 3: Planned PDA Growth and Capital Infrastructure Needs by County^{iv}

County	Change in Units (2010-2035)	Share of Total Planned PDA Housing Growth	Total Estimated Planned PDA Capital Need (\$M)	% of Total Planned PDA Capital Need	Capital Need/New Housing Unit (\$)
Alameda	50,549	24%	\$2,969	20%	\$58,743
Contra Costa	34,667	17%	\$1,302	9%	\$37,544
Marin	1,586	1%	\$157	1%	\$99,190
San Francisco	63,518	30%	\$4,990	34%	\$78,554
San Mateo	16,411	8%	\$737	5%	\$41,804
Santa Clara	30,221	14%	\$3,947	27%	\$130,613
Solano	4,576	2%	\$180	1%	\$39,333
Sonoma	7,533	4%	\$430	3%	\$57,093
Total	209,061	100%	\$14,712	100%	\$69,966

ⁱ No PDA Assessment Survey was received for the following PDAs: Alameda Naval Air Station; Hayward Cannery, Downtown, and South Hayward BART; and San Leandro Downtown TOD and East 14th Street, El Cerrito San Pablo Avenue Corridor, WCCTAC San Pablo Avenue Corridor, San Francisco Port, Campbell Central Redevelopment Area, Gilroy Downtown Specific Plan Area, Fairfield Downtown South/Jefferson Street/Union Avenue, Suisun City Downtown Waterfront District, Vacaville Allison Policy Plan Area, and Santa Rosa Sebastapol Road Corridor. Growth data from PDA. Applications was substituted where available.

ⁱⁱ If a jurisdiction reported a planning horizon for their PDA that was not 2035, growth figures were extrapolated to 2035.

ⁱⁱⁱ Total capital need figure excludes transit capital projects (BART, VTA, High Speed Rail, Caltrain, SMART, eBART, Dumbarton Rail, Transbay rail, SF Muni, Amtrak, & Ferry capital expansion projects). Data about infrastructure needs was not provided or was incomplete for the following PDAs: Berkeley Downtown, San Pablo Avenue, South Shattuck, and University Avenue; Dublin Town Center and Transit Center/Dublin Crossings, San Pablo-San Pablo Avenue Corridor, San Rafael Downtown and Civic Center/North Rafael Town Center, San Francisco/San Mateo Bi-County, Menlo Park El Camino and Downtown, San Mateo County (unincorporated Colma) El Camino Real, San Jose Central/North Consolidated Area and Cottle Transit Village, Vallejo Waterfront and Downtown, and Windsor Redevelopment Project Area. Budget data from PDA. Applications was substituted where available for survey non-respondents and for surveys with missing or incomplete budgets.

^{iv}

Date: August 31, 2010
To: ABAG Executive Board
From: ABAG Staff
Subject: Calculating the Regional Housing Target: Economic & Demographic Assumptions

Summary

SB 375 requires each Metropolitan Planning Organization in California to develop a Sustainable Communities Strategy, a regional land use and transportation plan that demonstrates, amongst other things, areas within the region sufficient to house “all the population of the region.” Two key factors in developing the Regional Housing Target are employment growth and household formation forecasts. This memo describes the demographic and employment growth assumptions incorporated into the housing estimate.

Staff requests that the Executive Board:

Provide direction with respect to the:

- a) The range of employment growth that ABAG will reflect in the Regional Housing Needs Target methodology. Staff recommends that Bay Area Employment for 2035 be in a range between 4.4 and 4.85 million jobs.
- b) Household Formation assumptions that ABAG will incorporate into the Regional Housing Needs Target.

SB 375 & Regional Housing Target

Senate Bill 375 states that the Sustainable Communities strategy must “identify areas within the region sufficient to house all the population of the region, including all economic segments of the population, over the course of the planning period of the regional transportation plan, taking into account net migration into the region, population growth, household formation and employment growth.”

The Bay Area regional agencies, as well as the State Department of Housing and Community Development (HCD), interpret this requirement to mean that the region must set a target for housing sufficient to meet natural population increase (net births), household formation and employment growth over the next 25 years.

The net effect of this legislative requirement is that the region must plan for more housing than it has traditionally. Before SB 375, when the regional agency prepared the economic and demographic forecast, staff assumed that there will continue to be a regional imbalance of jobs and housing and an insufficient number of homes to fully accommodate regional employment growth and population increase. To assume that the entire region’s housing demand will be fully met within the region will require planning for an additional increase in housing supply. Limitations on housing development are not taken into account, such as local land use constraints that limit housing production.

Under the Sustainable Community Strategy (SCS) workplan, staff will create a Base Case Scenario that will be examined by the region through the County/Corridor engagement process. Following this engagement, a realistic scenario of what the Bay Area can reasonably expect to produce in housing supply will be adopted in the SCS, including planning for natural population increase and housing formation assumptions, but not necessarily including the population expected to reside outside the Bay Area. The

Regional Housing Needs Assessment (RHNA) will be consistent with the SCS, and will require cities to zone for their share of the next eight years of allocated growth.

Employment Growth Trends and Forecasts

The region's total projected population is directly impacted by economic growth. Economic opportunities are a key driver to in-migration. One of the most significant tasks that ABAG does is estimating the rate that the regional economy will grow and the number of jobs the Bay Area will have in the next 25 years. Job growth typically impacts population and the region's total housing need. In addition, draft employment estimates will be used to construct land use scenarios for the Sustainable Communities Strategy. We expect to refine the job forecast during the next year to incorporate input from local jurisdictions, the release of U.S. Census data, and additional economic information.

ABAG's previous projections estimated a total number of jobs as 5.1 million by 2035. This reflects an average annual growth rate of 1.9 percent from the employment base of 3.1 million in 2010. This trend is far greater than the Bay Area's job production over the last 20 years. One of the key issues in forecasting future employment growth is explaining why the Bay Area has added so few jobs in the last twenty years despite robust growth in the regional economy, and whether this trend will continue into the future. The analysis begins with projections about the growth of the national economy and the Bay Area's relative share of this growth.

State of the National Economy & Gross Domestic Product

In December of 2007, the United States officially found itself in a severe economic recession. The recession spread to the majority of the industrialized world, and caused a significant drop in economic activity. The recession was triggered by a subprime mortgage "meltdown" that began in 2005. By 2007, the mortgage crash sparked a three-year financial crisis, requiring \$700 billion in federal government interventions and massive loan guarantee support from the Federal Reserve. This recession will likely prove to be the longest and most severe since the Great Depression and World War II, as measured in payroll jobs lost and unemployment rates.¹

The Congressional Budget Office (CBO) projects that economic growth in the next few years "will probably be muted in the aftermath of the financial and economic turmoil."² In his statements to the Budget Committee, the Director of the Congressional Budget Office (CBO) goes on to say that despite actions taken by the Federal Reserve with the Economic Stabilization Act of 2008 and the aggressive stimulus package, which helped to moderate the severity of the recession and shorten its duration, household spending is likely to continue to be restricted due to slow income growth, lost wealth, and limited ability to borrow, due to heightened credit restrictions. Investment spending is also anticipated to be slow because of continued high vacancy rates in both the residential and commercial markets. Government and household deficits are anticipated to further curtail a quick economic recovery.

Some economists point to further indicators that the recovery will indeed be slow and that the recession will have long-term impacts on the economy. These indicators include a marked increase in household savings, rather than spending, a "deleveraging" of the world's financial institutions, weak commodity prices, an intensification of government regulations and protectionist policies.³

Projected slow economic growth, over the long-term, has prompted the Congressional Budget Office to reduce its projection of gross domestic product, out to the year 2020. Previous long-term GDP rates were estimated at 2.6 percent, the rate in which ABAG used to prepare its most recent long-term job forecast. Current GDP estimates by the CBO have rates at 2.4 percent for the 2015-2020 period. Long term national and State growth is not necessarily stable, and there are numerous uncertainties in the economy,

¹ Andrew Sum, et.al. "The Economic Recession of 2007-2009: A Comparative Perspective on Its Duration and the Severity of Its Labor Market Impacts." April 2009

² Congressional Budget Office. "The Budget and Economic Outlook Fiscal Years 2010 to 2020." Statement of Douglas W. Elmendorf, Director. Statement before the Committee on the Budget United States Senate. January 28, 2010.

³ A. Gary Shilling. "Long-term Outlook: Slow Growth and Deflation." Insight. March 2009

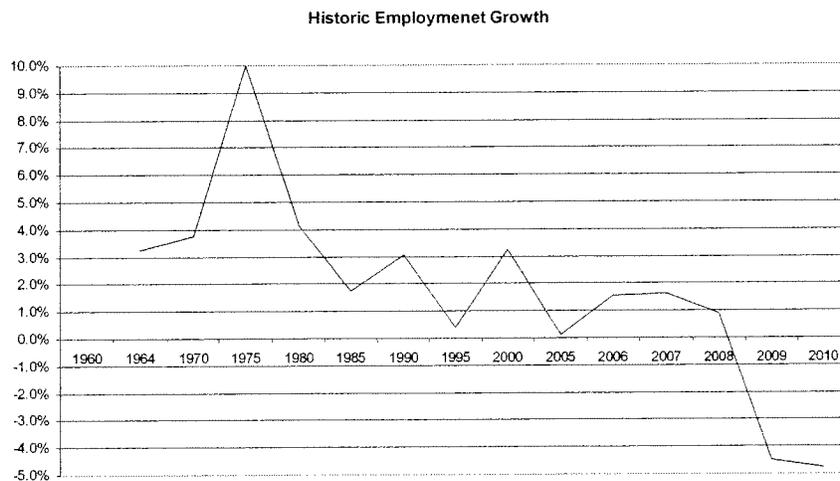
particularly the resolution of long term deficits, that will need to be resolved in order to sustain long term economic growth.

Given that the task for ABAG is a long term forecast, however, staff does not believe that the extended recovery from this recession should be over-weighted when considering a forecast in the year 2035. However, there are structural changes in the U.S. economy related to the retirement of baby boomers and demographic trends that are more significant for long term forecasts. Another important element of the employment growth narrative is the regional competitiveness of the Bay Area and the challenges the region faces with respect to affordable housing, transportation, education, and other quality of life issues.

Bay Area Historical Employment Trends

Over the last fifty years the Bay Area has been an economic success story. It is a region that began with a strong base in traditional manufacturing and finance, and has since transitioned to an economy that is known for its leadership in technology-based industries. The growth of those industries- including biotechnology, high technology hardware, software, on-line technologies and social media- continue to drive the region's diverse economy.

From 1960 to 1990, the Bay Area added over 2.2 million jobs. Over the same period, the region's economic output also rose, with the Gross Regional Product increasing by an average of over 5.5 percent annually. This economic performance in the Bay Area was fueled by numerous factors, including a substantial investment in transportation infrastructure, including BART, and the urbanization of agricultural land in several counties in the Bay Area.



From 1990 to 2010, however, there has been a marked shift in the trend of employment growth in the Bay Area. If we look at the current decade and the 1990's, we see that overall employment growth has only been about 5 percent; or about 0.25 percent annually. In 1990, total jobs amounted to 3.5 million, in 2000 there were 3.6 million jobs in the Bay Area and by 2010, jobs declined to 3.2 million jobs.

Nationally, between 1991 and 2001 alone, real GDP increased by 49%. While there have been significant job losses during the recent recessions, there has also been a shift in the regional economy over the last two decades. Growth in manufacturing, retail and utilities has been limited, while significant growth has occurred in professional services, education and healthcare; areas that tend to have higher output per employee. Further explaining the continued growth in regional GDP is that jobs are also being restructured. Jobs that can be off shored or relocated to other lower cost areas have increased firms' productivity, but result in less employment in the Bay Area. Therefore, while there is still a relationship of economic growth (or GDP) to employment, the relationship appears to be fundamentally altered. Part

of this explanation could result from the type of industries that are expanding in the Bay Area, and part can be explained by the Bay Area's cost of living which impacts regional competitiveness and results in slower job growth in certain income categories, as well as the export of some jobs to the lower cost Central Valley.

Since July 2008, the Bay Area has lost nearly 250,000 jobs, over 2000 totals. The recent decline in jobs mirrors the early 2001 "dot-com bust" recession, where the region also lost 250,000 jobs. The peak of the job loss occurred in January 2010, with job declines lessening in degree over the last six months.

Bay Area Maintains Significant Economic Strength

Despite recent job losses, the overall strength of the Bay Area economy has remained intact. According to the Bay Area Council Economic Institute (BACEI), "the Bay Area continues to have high levels of productivity, high per capita GDP, and remains a center for Fortune 1000 and Fortune Global 500 companies." The Bay Area's economy also remains strong due to a highly educated work force graduating from world class research centers and universities. The Bay Area is home to many of the world's most vital economic sectors, including biotechnology, clean energy technology, and information technology. These sectors are supported by an active venture capital community. The Bay Area's open and multi cultural social structure attracts some of the most innovative and educated persons from around the world.

Risks to the Bay Area Economy May Be Addressed by the SCS

BACEI provides a cautionary voice regarding potential threat to long-term economic growth in the region. These include the declining investment in the education system, transportation and public infrastructure, and the state's fiscal crisis.⁴

In addition the threats identified by the BACEI, there are significant barriers to job growth that relate directly to land use and transportation policy, which are the purview of the SCS. These include:

- Jobs-housing fit - access to sufficiently available and affordable housing in relationship to job opportunities
- Increased roadway congestion and delay
- An inefficient transit system
- A lack of transit accessible jobs
- Disparate employment location and attraction policies resulting in region-wide "job sprawl"
- The conversion of industrial lands to commercial and residential use

The Sustainable Communities Strategy presents a unique opportunity to engage in regional dialogue on each of these issues. Our challenge, during the SCS process, is to ensure these issues are raised and adequately addressed in the SCS. The specific places in the process for these issues to be raised could be in scenario developments (to determine the impact various scenarios have on congestion, transit ridership, and access to jobs) and also in the crafting of policies that may be adopted as part of the final Sustainable Communities Strategy (i.e. regional employment, affordable housing, and industrial lands policies).

Bay Area Employment Growth Forecast

Considering the magnitude of the recession and anticipated slow recovery, in 2009 ABAG reduced its long-term forecast by nearly 140,400 jobs for the year 2035, compared to earlier forecasts. As we approach the next revision to the job forecast, the data appears to indicate a further retraction in the region's long-term economic outlook.

ABAG used its regional models to estimate Projections 2009 employment growth. Recent employment data indicates that in that forecast the level of 2010 employment was too high, and macro economic forecasts from the federal government suggest we should be using a trend that reflects a slower recovery and slower trend in economic growth. Our initial estimate, prior to running the models is that we expect

⁴ Bay Area Economic Council Economic Institute. "Recession and Recovery: An Economic Reset." Bay Area Economic Profile. April 2010

employment in the year 2035 to be at least 200,000 lower than in the Projections 2009 forecast, resulting in a 2035 employment level of approximately 4.85 million.

Staff anticipates that there would be slow economic growth as we are recovering from the recession, with more positive employment growth in the long term. Staff also expects significantly lower than the average annual growth than the region saw over the last fifty years. Regional industry data reflects the changes in industry mix, occupations and productivity that have occurred in our region over the last several decades. This pattern is also likely to be consistent with our current understanding of the regions population growth.

The model itself uses macroeconomic information (Personal Consumptions Expenditures, Investment, Government Purchases and Exports) from the national economy as well as regional data describing individual industries to forecast growth. We are using data for 2008, the most current available year to estimate the relationships between economic factors and employment.

The expected rates of national growth and the relative competitiveness of our region are important for forecasting future growth. Competitiveness is primarily affected by industrial productivity and labor costs. The economic impact of regional congestion and housing costs are reflected in the model's labor costs.

To help inform ABAG's forecast, staff has consulted a variety of experts and compared the forecast prepared by Caltrans. The primary differences in ABAG and Caltrans forecasts are attributed to the characteristics of the economic models that are used and how employment is defined. Most other forecasts, including Caltrans, only estimates traditional Wage and Salary employment, while ABAG staff attempts to use a more comprehensive definition which includes self-employment. Increasing proportions of people have jobs outside of traditional "Wage and Salary" employment; rather they are self employed, business owners, consultants, or contractors. As there is a trend toward higher rates of self employment, the ABAG job forecast is somewhat higher, although it is not clear that this trend will continue into the future. A comparable number from the Caltrans forecast would appear to be 4.7 million jobs in 2035.

Discussions were also held with a group of economists brought together by the Bay Area Economic Institute, and these discussions suggested that the forecast of employment might be significantly lower. The most specific comment came from Steve Levy of the Center for Continuing Study of the California Economy (CCSCE).

CCSCE undertakes forecasts of employment growth for other regions in the State, including the Southern California Association of Governments (SCAG) and Sacramento Council of Governments (SACOG). CCSCE uses an alternative method to project employment growth. First, CCSCE projects national employment growth, then projects the share that is expected to be generated in the Bay Area. CCSCE projects a lower U.S. job production and growth as a result of a slowdown in the growth of working age population. CCSCE believes that the Bay Area is positioned to grow slightly faster than the nation going forward given that that the nation's future growth will be heavily determined by success in technology and innovation. However, looking at the Bay Area share of U.S. jobs since 1990, Mr. Levy estimates the range of job growth to be substantially lower than the ABAG model, on the order of approximately 4.4 million.

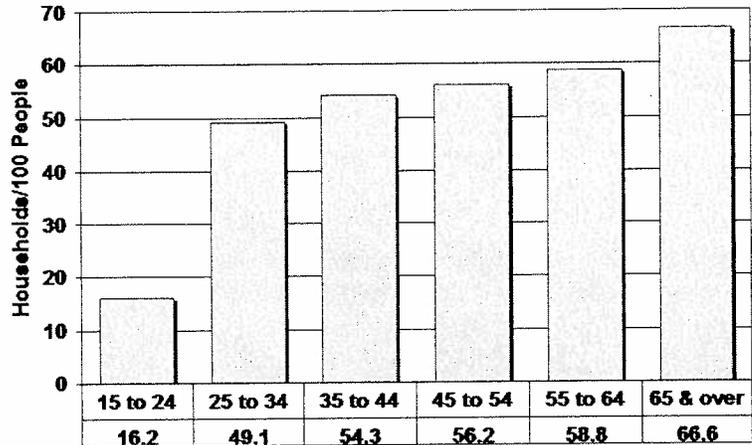
There is interest on the part of the large metropolitan areas, the State office of Housing and Community Development (HCD), and Caltrans to consider developing a more common forecast methodology. This is especially important given the need to measure the SCS inter-regionally through common metrics, such as GHGe reduction. Staff will continue looking into these issues prior to recommending ABAG's official employment forecast.

HOUSEHOLD FORMATION ASSUMPTIONS

Headship Rates/Household Formation

Household formation, or headship rate, is the percentage of people in the population who are heads of household. Every head of household, theoretically, requires a separate housing unit. If there were no restrictions on the number of housing units available, i.e. those that exist due to local land use policies or other financial and/or environmental constraints on development, every head of household would form new “households” or need a home. The rate of new households that are formed is called the household formation rate. It is these rates that are applied to the total population to determine how many housing units are needed to house the entire population.

Age-specific Headship Rates, 2002

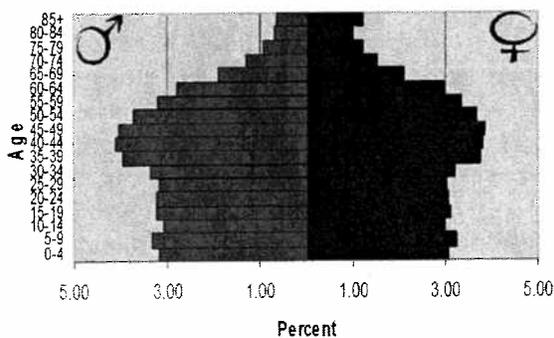


The chart above, constructed from data compiled by a housing economist at the National Association of Home Builders (NAHB), shows U.S. age-specific headship rates for 2002. Notice that those age 65 and over have a headship rate four times that of 15- to 24-year olds, and about third larger than those in the 25- to 34-year old category. As the senior age group grows, this difference in headship rates really begins to matter. That the Bay Area’s population is dramatically aging over the next 25 years, therefore, has significant implications for the region’s total housing need. We will be using headship rate information that is specific to the Bay Area to illustrate the Regional Housing Need at the next Executive Board meeting, and will describe that need by affordability category.

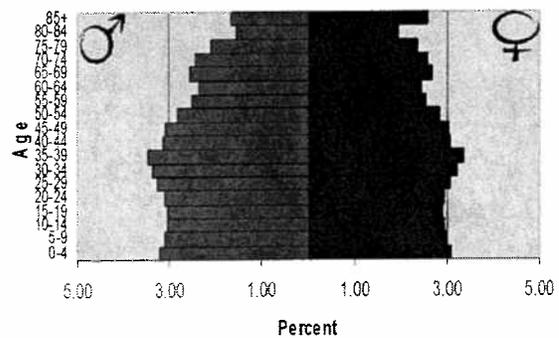
Aging Population Increases the Need for Additional Housing

Over the next several decades, the number of people over 65 and over 80 years old will nearly triple. By 2035, one quarter of the population, almost 2.3 million people will be 65 years or older. Over three million people will be over 55; this is one-third of the Bay Area’s projected population. As we plan our communities, and move forward with the development of the Sustainable Communities Strategy, we will need to consider the needs of a much older, and perhaps significantly greater non-driving population, including the need for non-auto dependent mobility and smaller homes.

Percent of Bay Area Population by Age & Sex, 2010



Percent of Bay Area Population by Age & Sex, 2040



By and large, studies suggest that the older population continues to live in their existing homes. Some studies have shown that segments of that population relocate from suburban areas to urban areas, particularly as they become empty nesters. Others choose to relocate outside the region, presumably

where the cost of living is less expensive. We will be performing further analysis on retirement migration as part of our SCS work on overall migration issues to estimate the significance and distributions of these trends for our region.

Of the many issues that will need to be studied, ABAG staff is currently assuming that the aging population will remain in the Bay Area and occupy their own home, or relocate to a smaller unit in the Bay Area. Given the trend in the Bay Area for an aging population, a substantial increase in the Regional Housing Target will be required. This will also result in higher RHNA numbers for cities across the Bay Area, so that additional housing is provided for working families in addition to those units occupied by seniors.

CONCLUSION

Assessing Forecast Risks

It is important to have accurate forecasts of the region's future growth. But we should also think about the purpose of the forecasts the regional agencies are making for the Bay Area. If forecasts are lower than they should be, we will plan for fewer people and jobs than would actually occur. Some would argue that lower forecasts could have a dampening effect on growth, as local jurisdictions and business put these expectations in to their plans. As part of the Sustainable Communities Strategy, a lower forecast would tend to produce lower numbers of Vehicle Miles Traveled, less CO2 emissions, and a reduced need for additional housing.

When forecasts are higher than they should be, they cause the region and local governments to plan for higher levels of population and employment and potentially overemphasize the conflicts between land uses. At the same time, if the region over projects some level of long term growth, it can be assumed that the net effect is to be planning for a longer time horizon.

Feedback from local governments about population and housing forecasts has been generally supportive of the forecast from Projections 2009. While there are those who think the employment forecast should be lowered, most are supportive of the demographic forecast. There have been comments from several sources that the assumptions for labor force participation are too high. We expect additional comments through the more extensive SCS engagement process.

Next Steps

Following direction from the Executive Board on the range of expected employment growth, staff will continue to collect information and prepare a regional housing need methodology for November Executive Board meeting. The methodology will be described incorporating economic and demographic modeling, and will identify households by income category. In addition we will be constructing initial land use scenarios for the Sustainable Communities Strategy. We expect to refine these estimates during the next year to incorporate the release of U.S. Census data and additional economic information.



LEGISLATION
2010 State Legislative Session
Legislation & Governmental Organization Committee
September 1, 2010

Bill Author	Subject	Status	Staff Recommendation	L&GO Position	Legislation Summary
*NEW BILLS					Bold Face/Shading in Legislation Summary indicates change/amendments.
<i>Bills to be reviewed are listed in numeric order with Assembly bills listed first, followed by Senate bills</i> *Federal Bills listed on pages 13-14					
AB 234 Huffman	Bills Enrolled Oil Spill Prevention and Response: Transfer of Oil	Enrollment	Support	Support	<p>Senate Amendments concurred in Assembly: Require the OSPR administrator to adopt regulations requiring a marine oil transfer unit, at the point of transfer, to provide and deploy equipment for the containment of oil spills if they occur including:</p> <ul style="list-style-type: none"> a) Prior to oil transferring, a vessel would be required to "pre-boom," or install a marine surface flotation barrier prior to, and during any, oil transfer operation, including bunkering or lightering, unless it is not safe to do so; b) Check the boom during oil transferring, especially during changes in weather conditions; and, c) Determine alternative protocols when pre-booming is not determined to be safe. <p>--Requires the administrator to determine case-by-case thresholds for pre-booming during oil transfers including personnel safety, sea and wave states, current velocity, wind speed, vessel traffic, and fishing activity, among others. --Requires the oil transfer vessel operator to communicate with OSPR when an oil transfer was not pre-boomed at a time when thresholds indicated that it was safe to do so. --Increases the maximum fee per-barrel of oil or petroleum product to \$0.06 and authorizes the administrator to adjust the maximum per barrel fee annually for inflation according to the Consumer Price Index. --Establishes the non-tank vessel owner or operator fee paid to the administrator to be \$3,000 per vessel for an application to obtain a certificate of financial responsibility.</p>

Bill Author	Subject	Status	Staff Recommendation	L&GO Position	Legislation Summary	Page 2
					<p>--Requires, on or before March 1, 2011, the SLC to report to the Legislature regarding regulatory actions taken to ensure maximum offshore oil drilling including:</p> <ul style="list-style-type: none"> a) Offshore drilling rig requirements for state water operations shall have fully redundant and functioning safety systems to prevent blowout preventer failure; b) A blowout response control plan description to accompany a discharge of hydrocarbons including: <ul style="list-style-type: none"> i) The technology and timeline for regaining well control; and, ii) The strategy, organization, and resources necessary to avoid harm to the environment and human health as a result of a spill. c) Demonstration of the best available and safest technologies and practices were applicable; and, d) Sunsets the report on January 1, 2015. 	
AB 987 Ma	Transit Village Development Districts: Infrastructure Financing	Enrollment	Support	Support	<p>Amended 5/20/10: Would allow local government officials to divert property tax increment revenues to pay for public facilities and amenities with transit village development districts. Would eliminate the requirement of voter approval for the formation of an infrastructure financing district, adoption of an infrastructure financing plan, and issuance of bonds for the purpose of implementing a transit village development districts. Would recast the area included in a transit village development districts to include all land within not more than 1/2 mile of the main entrance of a transit station.</p> <p>Amended 8/18/2010</p> <p><i>Added to characteristics of development:</i></p> <p>--A mix of housing types, including apartments, within not more than one-half mile of the main entrance of the transit station.</p> <p>--It Promotes economic development and job creation.</p> <p>--Has Other land uses, including educational facilities, that provide direct linkages for people traveling to and from primary and secondary education schools, community colleges, and universities.</p>	
AB 1343 Huffman	Architectural Paint Recycling	Enrollment	Support CSAC Support (2009)	Support	<p>Amended 8/31/2010</p> <p>1) Updated the administrative agency responsible for the architectural paint recovery program from the California Integrated Waste Management Board (CIWMB) to the recently created Department of Resources Recycling and Recovery (Cal-Recycle)</p> <p>2) Extended the date for manufactures to submit stewardship plans to Cal-Recycle from January 1, 2010, to April 1, 2012.</p>	

Bill Author	Subject	Status	Staff Recommendation	L&GO Position	Legislation Summary	Page 3
AB 1755 Swanson	Seismic Safety Finance Act	Enrollment	Support	Support	<p>Amended 8/19/2010</p> <p>Expands the authorization that allows public agencies to enter into contractual assessments to finance the installation of specified improvements to now include seismic strengthening improvements.</p> <p>1) Prohibits a public agency from permitting a property owner to participate in a contractual assessment program if the total amount of annual property tax and assessments exceeds 5% of the property's market value.</p> <p>2) Specifies that nothing in this measure shall be construed to void or otherwise release a property owner from the contractual obligations incurred by a contractual assessment on a property. Particularly in the event that the total amount of annual property taxes exceeds 5% of a property's market value after the property owner has entered into a contractual assessment.</p> <p>3) Clarifies that a public agency report shall include a description of its criteria for underwriting requirements of a property owner.</p> <p>4) Restructures the bill to prevent chaptering out with other contractual assessment measures.</p> <p>Sponsor of this bill: City of Oakland</p> <p>Amended 6/1/10: <i>The bill would define "public agency," for purposes of financing the installation of seismic strengthening improvements, to mean a city, county, or city and county.</i></p>	
AB 2103	San Francisco Bay Restoration	Enrollment	Support	Support	<p>Amended 6/2/10: <i>This bill would require the board of supervisors</i></p>	

Bill Author	Subject	Status	Staff Recommendation	L&GO Position	Legislation Summary
Hill	Authority				<p><i>of each affected county, when the authority proposes a measure to levy a benefit assessment, special tax, or property-related fee for submission to the voters, to call a special election on the measure and place the regional measure on the ballot of the next regularly scheduled election, and would require the county clerk of each county to report the results of the special election to the authority.</i></p> <p>Prescribes the method of how the San Francisco Bay Restoration Authority (Authority) places a regional funding measure before the voters of the Authority. When the San Francisco Bay Restoration Authority proposes a measure to levy a benefit assessment, special tax, or property related fee for submission to voters, this bill would require the board of supervisors of each affected county to call a special election on the measure and place the measure on the ballot of the next regularly scheduled election. Would require the county clerk of each county to report the results of the special election to the Authority. <i>Previously Amended to say: would require the Authority to adopt and implement the regional measure if cumulatively, throughout the authority's jurisdictional boundaries, the regional measure receives the constitutionally required affirmative votes.</i></p> <p>This is a clean-up bill for prior legislation on the Authority.</p> <p>Sponsored by ABAG</p>
AB 2398 Perez	Product Stewardship Carpet: Public Procurement (amended title)	Enrollment <u>AB 2398</u> <u>Perez</u>	Support	Support	<p>Amended 8/27/2010</p> <p>Prohibits producers and retailers of carpet from selling carpet in California unless the producer or a carpet stewardship organization (organization) has submitted a stewardship plan to the Department of Resources Recycling and Recovery (DRRR),</p> <p>1) Specifies that until January 1, 2013, the only organization authorized is the Carpet America Recovery Effort (CARE).</p> <p>2) Revises the requirements of the carpet stewardship plan to:</p> <ul style="list-style-type: none"> a) Achieve the requirements of the bill; b) Include goals that, to the extent feasible, increase the recycling of postconsumer carpet, as specified; c) Describe measures that will be taken to manage postconsumer carpet in a manner consistent with the state's solid waste hierarchy; d) Include a funding mechanism to carry out the plan; and, e) Include education and outreach efforts. <p>3) Specifies that the plan be designed to accept and manage all suitable postconsumer carpet, regardless of polymer type or primary materials of construction.</p>

Bill Author	Subject	Status	Staff Recommendation	L&GO Position	Legislation Summary
SB 228 DeSaulnier	Plastic Bags: Compostable Plastic Bags	Enrollment	Watch	Watch	<p>4) Clarifies the funding requirements, including auditing. Requires DRRR to identify its costs associated with the bill and establish a fee adequate to cover those costs for manufacturers or organizations that submit a plan.</p> <p>5) Between July 1, 2011, and January 1, 2013, set the "assessment" at \$0.05 per square yard of carpet sold. After January 1, 2013, specifies that the assessment per unit of carpet sold shall be in an amount that cumulatively will adequately fund the plan and be consistent with the purposes of the bill.</p> <p>6) Requires DRRR to enforce the provisions of the bill, as specified.</p> <p>7) Beginning July 1, 2012, and not later than January 1 and July 1 annually thereafter, require DRRR to post a notice on its Internet Web site listing manufacturers that are in compliance with the bill. Require retailers or wholesalers to monitor the Web site to determine if the sale of a manufacturer's carpet is in compliance.</p> <p>8) Requires, on or before January 1, 2014, DRRR and the Department of General Services (DGS) to complete a study that examines the standard for carpet purchases by the state and recommend to the Governor and the Legislature any appropriate changes to that standard. To the extent feasible and within existing resources, require DGS to ensure that postconsumer carpet removed from state buildings be managed in accordance with the bill.</p>
SB 346 Kehoe	Hazardous Materials: Motor Vehicle Brake Friction Materials	Enrollment <u>SB 346 Kehoe</u>	Support CSAC Support (2009)	Support 3/18/10 Was Watch: (questions about	<p>This bill would require, beginning July 1, 2011, a manufacturer of a compostable plastic bag meeting ASTM (American Society for Testing and Materials) standards to ensure that the compostable plastic bag is "readily and easily identifiable," as the bill would define that term, from other plastic bags. The bill would prohibit a compostable plastic bag sold in the state from displaying a chasing arrow resin identification code or recycling type of symbol in any form.</p> <p>Amended 8/18/2010</p> <p><i>A manufacturer would be required to comply with these requirements only to the extent that those labeling requirements do not conflict with the Federal Trade Commission Guides for the Use of Environmental Marketing Claims.</i></p>
				Amended 8/25/2010	<p>1. Limits the use of copper in motor vehicle brake pads to no more than five percent by weight on or after January 1, 2021, and no more than .5 percent by weight on or after January 2025.</p>

Bill Author	Subject	Status	Staff Recommendation	L&GO Position	Legislation Summary	Page 6
				brake performance)	<p>2. Exempts specific vehicles from the copper limitation in brake pads including (a) military vehicles, (b) vehicles with internal closed oil immersed brakes that do not emit copper or other debris under normal operating conditions, (c) parking brakes, (d) vehicles manufactured by small volume manufacturers, and (e) motorcycles.</p> <p>3. Exempts from the five percent copper brake pad restrictions all vehicles, or brake pads manufactured for use on those vehicles, manufactured prior to January 1, 2021.</p> <p>4. Exempts from the .5 percent copper brake pad restrictions all vehicles, or brake pads manufactured for use on those vehicles, manufactured prior to December 31, 2024.</p> <p>5. Restricts the use of the following toxic materials in motor vehicle brake pads by January 1, 2014: Cadmium and its compounds: 0.01 percent by weight Chromium (VI)-salts: 0.1 percent by weight Lead and its compounds: 0.1 percent by weight Mercury and its compounds: 0.1 percent by weight</p> <p>6. Requires manufacturers of brake pads to review safety data on alternatives to copper in brake pads. Allows manufacturers to conduct an additional alternatives analysis based on an open source alternative analysis carried out by the brake pad manufacturer.</p> <p>7. Requires brake pad manufacturers, beginning in 2014, to obtain certification to demonstrate compliance with the bill's limits and to include that certification of the content of the brake pads.</p> <p>8. Requires vehicle manufacturers and retailers of brake pads to ensure that only compliant brake pads are sold in this state.</p> <p>9. Establishes a civil fine of up to \$10,000 per violation of the brake pad limitations and certification requirements.</p> <p>10. Allows a brake pad manufacturer, effective January 1, 2021, to apply to DTSC for a one, two or three-year extension of the 2025 ban and for additional two-year extensions until January 1, 2030. Heavy-duty brake pad manufacturers only will be able to apply for two-year extensions until January 1, 2032.</p> <p>11. Requires an application for an exemption to be forwarded by DTSC to the Copper Brake Advisory Committee (CBAC), which will be a nine-member committee appointed by the Secretary of the California Environmental Protection Agency (Cal-EPA). The CBAC will be composed of:</p> <ul style="list-style-type: none"> --Three members representing the manufacturers of brake friction materials and motor vehicles. --Three members representing municipal storm water quality agencies and nongovernmental environmental organizations. --Three members who are experts in vehicle and braking safety. 	

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SB 1006 Pavley	Natural Resources: Climate Change—Strategic Growth Council	Enrollment <u>SB 1006</u> <u>Pavley</u>	Support	Support	<p>economics and or relevant technical areas.</p> <p>12. Provides that members of the CBAC shall disclose financial interest related to vehicle or vehicle parts prior to being appointed.</p> <p>13. Allows the CBAC to request additional information from DTSC with 75 days of receipt of a request for an extension.</p> <p>14. Provides that the Secretary of Cal-EPA shall rely on the recommendations of the CBAC when making a determination on an extension request.</p> <p>15. Establishes DTSC as the enforcing agency for the requirements of this bill and permits them to remove non-compliant brake pads from sale, but specifically does not authorize the recall of vehicles to remove the illegal brake pads.</p> <p>16. Requires DTSC and SWRCB to submit a report to the Governor and Legislature not later than January 1, 2023, on recommended actions necessary to address any deficiencies in meeting the copper reduction targets established by this bill.</p> <p>Amended 6/21/10: Restricts the use of copper and other toxic chemicals in automobile brake pads.</p> <p><i>Working off of the allowable pollution limits on copper by State Water Resources Control Board, studies have shown that much of copper in urban watersheds comes from debris generated from use of brake pads. This copper brake pad phase out bill was sponsored by Sustainable Conservation on behalf of the Brake Pad Partnership.</i></p>	Page 7
SB 1006 Pavley	Natural Resources: Climate Change—Strategic Growth Council	Enrollment <u>SB 1006</u> <u>Pavley</u>	Support	Support	<p>Amended 8/20/2010</p> <p>This bill expands the list of eligible applicants for urban greening project and planning monies available from the Strategic Growth Council.</p> <p>Assembly Amendments revised the qualifications of the urban greening program administered by the Strategic Growth Council (SGC) to redefine "financial assistance" to include a grant or a planning grant in accordance with specified existing law, delete provisions of the bill that require additional duties of the SGC with respect to providing information regarding climate change adaptation strategies, projects, or activities, delete provisions of the bill that require the SGC to identify and review activities and funding programs of member state agencies that may be coordinated to address climate change, and provide that grants shall be awarded for the purpose of planning grants for urban greening programs</p> <p><i>Amended 6/21/10: This bill, under the Strategic Growth Council (SGC) and Climate Change Reduction Law, requires the SGC to:</i></p> <p><i>1) Identify and review activities of member state agencies that will address climate change impacts.</i></p>	Page 7

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SB 1205 Corbett	Bay Area Disaster Recovery Planning Council Act	Enrollment <u>SB 1205</u> <u>Corbett</u>	Support	Support (was Support with amendments—amendments made)	<p>2) Provide, fund, and distribute information to local and regional agencies regarding climate change adaptation strategies to protect ecosystem functions, use nonstructural approaches for community protection, and avoid emission of greenhouse gases and environmental degradation.</p> <p>3) Expand the list of agencies under the urban greening program that can receive financial assistance to include <u>(amended to take out council of governments and metropolitan planning organization.)</u> city-county, special district, non profit organization, or an entity formed under a joint powers agreement if at least one of the parties to the joint powers authority qualifies as an eligible applicant.</p> <p>Sponsored by ABAG Would establish the San Francisco Bay Area Disaster Recovery Planning Council to create a long-term regional disaster recovery plan by collaborating with various stakeholders including but not limited to cities, counties, special districts, schools, emergency operators, hospitals, members of the public private businesses, and non governmental organizations. The scope and purpose of the recovery plan shall be for planning for the region's resiliency following a disaster by increasing the speed of rebuilding lifeline infrastructure, planning for temporary transportation and transit programs, planning for reconstruction of housing supply damaged by disaster, creating mechanisms to assist businesses with temporary relocation and financing, and other issues associated with sustainable redevelopment following a major disaster.</p> <p>SB 1205 contains extensive legislative declarations regarding the need to create a regional entity for developing long-term disaster recovery plans, protocols, and mitigation priorities for the San Francisco Bay Area.</p> <p><u>Amended 8/16/2010 to read: The council shall be funded through federal funds, gifts, donations, grants, local bonds, other appropriate funding sources, and other types of financial assistance from public and private sources. Nothing in this title shall be construed to authorize the council to incur debt or raise revenue by levying taxes, assessments, or fees, or to obligate the state to provide funding for the council.</u></p>
SB 1211 Romero-Dutton	Unemployment Insurance: Benefits—Eligibility—Overpayments—Elected Officials	Enrollment <u>SB 1211</u> <u>Romero</u>	Watch	Watch	<p>This bill requires the Employment Development Department (EDD) to determine an individual has been overpaid unemployment insurance (UI) benefits if those benefits are based on employment income from serving as an elected official. This bill authorizes EDD to file a related civil action for recovery of UI benefit overpayments and requires EDD to</p>

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					<p>adopt related regulations by July 1, 2011.</p> <p>This is an unemployment insurance benefits measure to prevent elected officials from collecting unemployment insurance benefits after they lose or leave their public seats.</p>	
	Bills Considered- Did Not Move/Pass					
AB 118 Logue	California Global Warming Solutions Act of 2006	Died 1/31 ab 118	Oppose	Oppose	<p>This bill would suspend the California Global Warming Solutions Act of 2006 until the state unemployment rate is 5.5% or lower for four consecutive calendar quarters. The bill would require the re-suspension of the act whenever the state unemployment rate rises above 5.5% for four consecutive calendar quarters. The bill would prohibit the state board, and specified other state agencies, from proposing, promulgating, or adopting any regulation pursuant to the act during a period of suspension, and would require that any such regulation adopted prior to January 1, 2011, be inoperative until the suspension is lifted.</p>	
AB 153 Hernandez & Eng (was Ma)	<p>Changed to: Safe, Clean, and Reliable Drinking Water Supply</p> <p>(was Land Use and Planning: Environmental Planning)</p>	Gutted and Amended: new bill enrolled	Support	Support	<p>Gutted and Amended 8/12 and 8/30/2010.</p> <p>Would amend the proposed the Safe, Clean, and Reliable Drinking Water Supply Act of 2012 (Water Bond), to expand the eligible uses of the \$100 for groundwater cleanup projects (Water Code Section 79770 (d)) so that funds would be available for "costs associated with projects, programs, or activities" rather than being limited to project costs.</p> <p><i>Was: Would authorize regions by a vote of the people to impose a mitigation fee of up to \$4 on vehicle registrations to pay for regional land use planning activities. This bill also makes changes to the membership and duties of the Office of Planning and Research's Planning Advisory and Assistance Council.</i></p> <p><i>Sponsor ABAG</i></p>	
AB 155 Mendoza (principal co-author Torrico, with SEN DeSaulnier, Liu, Wiggins, and other ASM co-authors)	Local Government: Bankruptcy Proceedings	Com on Senate Rules	Oppose CSAC Oppose LCC Oppose	Oppose	<p>Amended 8/31/2010 Prohibits a local public entity (defined as a county, city, district, public authority, public agency) from exercising its rights under applicable federal bankruptcy law unless granted approval by the California Debt and Investment Advisory Commission (CDIAC), under CDIAC's terms and conditions. <i>(Similar bill was re-introduced as SB 88 (DeSaulnier) which did not pass and was re-referred to Committee on Rules. AB 155 Last amended 7/9/09 and suspended in SEN Local Government committee until 4/20/10)</i></p>	
AB 283 Chesbro	California Product Stewardship Act	Died 1/31 ab 283 ches bro	Support Supported	Support in Concept	<p>Would create the California Product Stewardship Act to require the Integrated Waste management Board (IWMB) to administer an Extended Producer Responsibility (EPR) program of product</p>	

Bill Author	Subject	Status	Staff Recommendation	L&GO Position	Legislation Summary	Page 10
AB 1805 Calderon	Environment: California Environmental Quality Act	ASM Natural Resources Committee <u>AB 1805 Calderon</u>	by CSAC and LCC (2009)		<p>stewardship that encourages producers to be "comprehensively responsible" for the life cycle of their products. Specific stipulations include: requiring by July 2012 a selection of products with environmental, waste management and public health effects, including all products banned from landfill disposal, to be covered by the program and with set performance goals; and requiring a producer of covered product to submit a product stewardship plan after identification of covered product and prohibiting sale or promotional use of a covered product without a product stewardship plan. (two year bill)</p>	
AB 1810 Feuer	Crime Gun Tracing Improvement Act	To Inactive File	Watch LCC Oppose	Oppose	<p>Would enact the CEQA Litigation Protection Pilot Program of 2010: Prohibits judicial review under CEQA for 125 projects selected by the Business, Transportation and Housing Agency (BT&H). For a project to qualify for the exemption the lead agency must to BT&H that there is expectation that an EIR will be certified for the project within 12 months. BT&H's selection of projects is also exempt from judicial review. Provides that 25 of the 125 project must be selected in the following areas: 10 projects from 6 counties in Southern California; 5 projects from 9 Bay Area Counties; 5 projects from 9 Central CA counties; and 5 projects from rest of state.</p> <p>Amended 8/20/2010<i>Existing law prohibits DOJ from retaining or compiling any info from Record of Sale forms or other transfer forms related to long guns. This law would stop the differential treatment relating reporting and recordkeeping requirements between handguns and long guns. This bill would stop destruction of long gun transfer records and require addition of long gun records to the state's Automated Firearm System (AFS) database; require uniformity/same identifying info for the transfer of handguns and long guns; establish uniform reporting and remove exemptions to reporting requirements; and require daily dealer reporting of receipt of long guns, as is currently required for handguns.</i></p> <p>Sponsors: California Chapters of Brady Campaign to prevent Gun Violence and Legal Community Against Violence</p>	
AB 1934 Saldana & Ammiano	Firearms (Open Carrying of Unloaded Handguns)	Concurrence in Senate Amendments Pending	Support	Support Request follow-up with author about state exemption	<p>Amended 8/19/2010</p> <p>This bill would delete the exception pertaining to firearms carried openly in belt holsters. The bill would also establish an exemption to the offense for transportation of a firearm by members of specified organizations going directly to or from official parade duty or ceremonial occasions, as specified. This bill would make it a misdemeanor, punishable by up to six months in jail, a fine of up to \$1000, or both, for a person to</p>	

Bill Author	Subject	Status	Staff Recommendation	L&GO Position	Legislation Summary	Page 11
					<p>carry an exposed and unloaded handgun outside a vehicle on his or her person while in any public place or on any public street in an incorporated city or in any public place or on any public street in a prohibited area of an unincorporated territory.</p> <p>Lists circumstances that would exempt this prohibition to include: peace officers, those in business of gun manufacturing, importing, wholesaling, repairing, licensed dealing; military/civil orgs parades/rehearsals; practicing shooting/target practice; lawful hunting, and other specified activities and circumstances. Sponsors: Brady Campaign to Prevent Gun Violence, California Chapters, and Coalition Against Gun Violence</p>	
<p>AB 1998 Brownley</p>	<p>Solid Waste: Single-Use Carryout Bags</p>	<p>Passage refused</p>	<p>Watch</p>	<p>Support</p>	<p>Amended 8/27/2010. The bill would, on and after July 1, 2013, prohibit convenience food stores, foodmarts, and certain specified stores from providing a single-use carryout bag to a customer. The bill would require a store, on and after July 1, 2013, to only provide reusable bags, as defined, or to make available for sale recycled paper bags at a reasonable cost, but not less than \$0.05. The bill would exempt the sale of certain specified bags from the above prohibition and restriction.</p> <p>--The bill would, beginning January 1, 2013, require a reusable bag manufacturer to obtain a biennial certification from the Department of Resources Recycling and Recovery by submitting a certification fee and a certification that its reusable bag meets specified requirements. The bill would specify administrative civil penalties for a person who violates the above requirements.</p> <p>--The bill would require the department to deposit the certification fees into the Reusable Bag Account, which would be established by the bill in the Integrated Waste Management Fund, and to deposit the penalties and fines collected into the Penalty Subaccount, which would be established by the bill in the account. The bill would provide that moneys in the account and the subaccount would be expended by the department, upon appropriation by the Legislature, to implement the above requirements.</p> <p>--<i>This bill would preempt local regulations on the use and sales of reusable bags, single-use carryout bags, recycled paper bags, or other specified bags at stores, as defined.</i></p> <p>Bill Source: Heal the Bay</p>	
<p>AB 2064 Perez and Bass</p>	<p>Emergency Shelter Operations Account</p>	<p>Re-referred to Com on G.O.</p>	<p>Support</p>	<p>Support</p>	<p>Amended 8/31/2010 Amended 7/1/10: Requires the Department of Housing and Community Development (HCD) to issue a Notice of Funding Availability for the balance of funds currently available</p>	

Bill Author	Subject	Status	Staff Recommendation	L&GO Position	Legislation Summary
AB 2138 Chesbro	Recycling: Food Service Packaging—Carryout Bags	AB 2064 <u>Perez & Bass</u>	Watch, pending further information	Watch	<p><i>within the Emergency Housing Assistance Fund.</i> This must be done no later than 30 days from enactment of this measure and <i>to grant awards pursuant to the notice within 180 days of receipt.</i> These involve grant awards facility operations grants for emergency shelters, transitional housing projects, and supportive services to assist homeless individuals and families. Amended to add urgency clause: 2/3 vote of legislature needed for passage.</p> <p>Would enact the Plastic Ocean Pollution Reduction, Recycling and Composting Act. Would prohibit a food provider (such as restaurants, grocery stores, retail, etc) from distributing disposable food service packaging or a single-use carryout bag to a consumer that does not meet a specific composting rate of 25% or more. Disposable food service packaging is defined as plates, cups bowls, trays, and hinged or lidded containers. The Department of Resources Recycling and Recovery would be required to adopt regulation to implement these requirements, provide for the imposition of a civil penalty with penalties deposited in to the Ocean Pollution Reduction Account. Would expend these moneys, upon appropriation by the Legislature, to provide public education and assist local governmental agencies in efforts to reduce plastic waste and marine debris.</p>
AB 2139 Chesbro	Solid Waste: Product Stewardship	ASM Read Third Time, passage refused AB 2139 <u>Chesbro</u>	Support	Support	<p>Amended 6/1/10: Enacts the California Product Stewardship Act (Act) to require the Department of Resources Recycling and Recovery (DRRR) to administer a program to develop product stewardship protocols to foster "cradle-to-cradle" producer responsibility for products.</p> <p>Amended 4/6/10: Would create the California Product Stewardship Act that creates an EPR program for Household Hazardous Waste products already banned from disposal and not dealt with in other legislation or programs. This bill would specifically require a producer of medical sharps, <i>pesticides intended for residential use, and non refillable propane cylinders</i> to develop and implement a product stewardship plan with the goal of sharing in the responsibility of reducing the lifecycle impact of these products. Would require producer/product stewardship organization submitting a plan to pay the state administering Department of Resources Recycling and Recovery an <i>unspecified fee</i> and pay an annual <i>unspecified</i> administrative fee. Would thus provide for administrative oversight, imposition of civil penalties upon non-compliant producers, and would create a Product Stewardship Account.</p>

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AB 2176 Blumenfield	Hazardous Waste: Lighting Products	ASM Appropriations Held Under Submission AB 2176 <u>Blumenfield</u>	Watch, pending further information	Support (was Watch 3/18)	Would create the California Lighting Efficiency and Toxics Reduction Act. Would require producers of mercury containing lamps to develop, fund and manage a product stewardship program approved by the Department of Toxics Substances Control (DTSC) and fee program for inefficient lamps.	
AB 2313 Buchanan	Greenhouse Gas: Emissions—Significant Effects—Regional Transportation Plan	SEN Environmental Quality Com. <u>AB 2313</u> <u>Buchanan</u>	Watch LCC supports as amended	Watch	<p><u>Amended 6/21/10:</u> This bill would authorize a lead agency, in adopting a regional transportation plan for a region in which a residential or mixed-use residential project is located, to use a threshold of significance for greenhouse gas emissions adopted for the residential or mixed-use residential project by the air pollution control district or air quality management district within which the project is located to determine whether the project may have a significant effect on the environment due to the emission of greenhouse gases.</p> <p><u>Gutted and Amended to read:</u> This bill requires the Governor's Office of Planning and Research (OPR), to provide to the Secretary for Natural Resources recommended changes for guidelines for the mitigation of greenhouse gas (GHG) emissions as required by the California Environmental Quality Act (CEQA). The bill also requires the secretary to certify and adopt the recommended changes.</p> <p><u>Was:</u> Provides that a project's GHG emissions shall not be subject to CEQA review, if the project meets one of the following criteria:</p> <ol style="list-style-type: none"> The project complies with applicable provisions of a local, regional, or statewide GHG emissions reduction plan (e.g. SCS) The project adopts best performance standards for GHG reductions, if those best performance standards have been adopted by a public agency. For purposes of this section, "best performance standards" are feasible means that are achieved in practice for reducing or limiting GHG emissions. The project reduces project-specific GHG emissions by 30% from business-as-usual. <p>2) Provides that the bill does not limit the application to proposed projects of any other applicable laws, rules, or regulations relating to GHG emissions or emissions reductions or the authority of a local, state, or federal agency to directly regulate GHG emissions under other statutory authority.</p>	
AB 2472 Huffman	Building Standards: Pilot Program for Green Innovation Building Permits	ASM Business, Professions	Support	Support	Would authorize the County of Marin and another, unspecified city, county, or city and county to adopt a pilot program for green innovation building permits to promote and facilitate innovation	

Bill Author	Subject	Status	Staff Recommendation	L&GO Position	Legislation Summary
		and consumer Protection Committee Held under Submission <u>AB 2472 Huffman</u>			and research regarding environmentally sustainable building materials, methods, and designs not yet considered or addressed in the state's building code. Would impose certain reporting requirements, and impose duties on those adopting pilot program that includes issuing no more than 10 permits a year for a period of five years.
AB 2679 Eng	Public Building: Energy and Water—Consumption Reductions	ASM Appropriations Held under Submission <u>AB 2679 Eng</u>	Watch	Watch	<u>Amended:</u> Would require that any state building* funded with money from the State General Fund, do the following: --Develop baseline measurements for energy and water consumption by 1/1/2013; --By 1/1/2015, reduce energy usage 15% from baseline and water usage 10% from baseline; --By 1/1/2020, reduce energy 30% and water 20% from baseline; --By 1/1/2025, reduce energy by 60% and water by 30%; --By 1/1/2030, all new and existing buildings shall have zero net energy consumption or be grid neutral. --Public entities (to mean state) also need to develop a plan for how they are going to achieve these reductions, implement commissioning or retro-commissioning, and maximize the use of outside financing mechanisms. *(Deleted provision that included city, county, and city and county facilities)
*SBX8 26 Pavley, Cedillo, Hancock, Padilla, Steinberg, Wolk -- Co-Author Senator Alquist	Energy: Property Assessed Clean Energy (PACE) Financing	From ASM Without further action <u>SBX8 26 Pavley</u>	Support	Support	This bill creates a state Property Assessed Clean Energy (PACE) reserve program. Under the program, the state will provide financial assistance to local governments in order to facilitate their support for consumer energy efficiency and renewable energy projects. This bill transfers \$50 million from the Renewable Resources Trust Fund into a new account and continuously appropriates funds in that account for the program. 1. Authorizes cities, counties, and other local public agencies and utility districts to provide up-front financing to property owners to install solar or other renewable energy-generating devices or make specified water or energy efficiency improvements to their properties through a system of voluntary contractual assessments which is repaid, with interest, through property tax assessments. 2. Creates the California Alternative Energy and Advanced Transportation Financing Authority (CAEATFA) for the purpose of promoting the development and utilization of alternative energy sources and the development and commercialization of advanced transportation technologies. CAEATFA is authorized to issue up to \$1 billion in revenue or prepayment bonds to fund projects. 3. Authorizes the California Energy Commission (CEC) to use federal funds received from the American Recovery and Reinvestment Act of 2009 (ARRA), or subsequent federal acts related to ARRA, to award contracts, grants, and loans for energy efficiency, energy conservation,

Bill Author	Subject	Status	Staff Recommendation	L&GO Position	Legislation Summary
SB 1048 Hancock	Local Government: Community Facilities Districts	SEN Local Government Committee SB 1048 Hancock	Support	Support	renewable energy, and other energy-related projects and activities. (According to authors, the bill is intended to create a state program in the State Treasurer's Office through which local PACE programs can be aggregated into larger groupings to make the loans more attractive to financial markets and lower costs of financing.)
SB 1061 Hancock	San Francisco-Oakland Bay Bridge: Capital Projects	ASM Referred to Appropriations Com SB 1061 Hancock	Support	Support	Would authorize community facilities district to finance and refinance the acquisition, installation, and improvement of energy efficiency, water conservation, and renewable energy improvements to or on real property and in buildings. SB 1061 would allow a project to construct a bicycle-pedestrian maintenance pathway on the west span of the San Francisco-Oakland Bay Bridge (SFOBB) to be funded by toll bridge revenues. The bill would prohibit bridge tolls to be increased to fund this project, but would require project sponsors to seek funding from all other potential sources, including the State Highway Account and federal funds. A project that would directly benefit the Bay Trail on the Bay Bridge.
SB 1100 Corbett	Product Stewardship: Household Batteries	Com on Rules SB 1100 Corbett	Support	Support	Would require the Department of Resources Recycling and Recovery by January 2012 to establish a baseline collection rate for the amount of household batteries that are discarded and subsequently discarded. Would require household battery manufacturers to submit a product stewardship plan by September 30, 2011, with the Department reviewing (approving/disproving) the plan by January 1, 2012, and would prohibit the producer from selling the household battery without an approved plan. Would also set up an administrative fee plan, would provide for imposition of administrative civil penalties upon non-compliant producers, and would create a Household Battery Stewardship Account. Sponsor is StopWaste.org.
SB 1174 Wolk	Land Use: General Plan—Future Sustainable Communities Pilot Project	ASM Appropriations Com.	Watch LCC Oppose CSAC Oppose APA Oppose	Watch	This bill would create the Future Sustainable Communities Pilot Project under the Strategic Growth Council (SGC) to provide financial assistance to five cities and five counties, as chosen by the SGC, to update their general plans in order to facilitate the transformation of disadvantaged unincorporated communities into sustainable communities, to be funded by a pot of planning money contained in Proposition 84. Once funding is received by the local government, the city or county would then review and prepare amendments to their General Plan to address the presence of these types of disadvantaged unincorporated communities, including the extent to which the households in the communities lack access to sanitary sewer service, municipal water service, paved roads, storm

Bill Author	Subject	Status	Staff Recommendation	L&GO Position	Legislation Summary
SB 1189 Correa	Housing Element Law: Regional Housing Need Allocation (RHNA)	SEN Transportation and Housing <u>SB 1189</u> <u>Correa</u>	Watch	Oppose	<p>drainage, sidewalks, and street lighting, and how improvements in these areas would encourage sustainable land use.</p> <p>This bill prohibits the Southern California Association of Governments (SCAG) and any of its delegated subregions from allocating to a city or county a total RHNA number that, as a percentage of the aggregate RHNA allocation for the respective subregion, is more than 20% greater than the city's or county's population, as a percentage of the aggregate population of the subregion.</p> <p><i>The bill also subjects the RHNA process in all regions to judicial review and specifies what shall happen in the event that a court finds a COG in violation of the law.</i></p>
SB 1445 DeSaulnier	Planning	ASM Referred to Appropriations Com. <u>SB 1445</u> <u>DeSaulnier</u>	Support/ Watch, pending further information	Support	<p>Amended 8/20/2010 Amended 5/13:</p> <p>Sponsored by ABAG. Would increase the registration fee imposed by the state on the registration of each vehicle by \$1 until January 1, 2016 to fund the Planning Advisory and Assistance Council (PAAC) and to fund regional planning related to SB 375 (Steinberg, Chapter 728, Statutes of 2008), for Metropolitan Planning Organizations (MPOs), Councils of Governments (COGs), and county transportation planning agencies; and revises the membership and duties of the PAAC. Would require the DMV to distribute <u>1%</u> of the net revenues from the fee increase to the Planning Advisory and Assistance Council. Remaining net revenues would be distributed to designated transportation planning agencies based on the number of vehicles registered within the jurisdiction of each agency and require that these funds be used solely to develop and implement a sustainable communities strategy or regional blueprint plan. Would change the membership of the Planning Advisory and Assistance Council to include seven representatives of regional planning organizations; one member of the State Air Resources Board, one member of the CA Transportation Commission; one member of the State Energy Resources Conservation and Development Commission; one member appointed by the Speaker of Assembly; one member appointed by the Senate Committee on Rules, in addition to representative from California Indian Tribes and Bands. Seven of the council's members shall be from the governing body of each of the following:</p> <p>(1) The Southern California Association of Governments. (2) The Metropolitan Transportation Commission or the Association of Bay Area Governments. The person appointed to the council pursuant to this paragraph shall be a member of the</p>

Bill Author	Subject	Status	Staff Recommendation	L&GO Position	Legislation Summary
SB 1454	Recycling Plastic Products	Passage refused	Support	Support	<p>governing body for both the Metropolitan Transportation Commission and the Association of Bay Area Governments.</p> <p>(3) The San Diego Association of Governments.</p> <p>(4) The Sacramento Area Council of Governments.</p> <p>(5) The San Joaquin Valley Regional Policy Council.</p> <p>(6) A metropolitan planning organization or council of governments that is not identified in paragraphs (1) to (5), inclusive.</p> <p>(7) A regional transportation planning agency, as defined in Section 65080, that is neither a metropolitan planning organization nor a council of governments.</p> <p>Amended 8/16/2010 This bill, sponsored by Californians Against Waste, would expand the scope of current labeling restrictions for plastic bags and food packaging to all plastic products. More specifically, this bill would prohibit manufacturers from claiming their plastic products are "biodegradable" and would allow a labeling claim that a plastic product was "compostable" or "marine degradable" only if it met the relevant technical standard, known as ASTM D6400. Bill intent is to address potential consumer and waste management problems that arise from the practice of some manufacturers of plastic goods in California who market their products as "compostable" or "biodegradable" when those products do not conform to the precise scientific standard the Legislature has reserved for those distinctions.</p> <p><i>According to supporters, the expansion of current labeling restrictions under this bill is justified because (1) unwarranted claims of "compostability" may jeopardize the use of compost end-product, and (2) "biodegradability" claims cannot be verified and may promote littering. This bill is opposed by Green Genius, a company that produces a plastic bag product that it claims is "biodegradable in a landfill environment."</i></p>
S. 1619 Dodd	The Livable Communities Act of 2009	Senate Committee on Banking, Housing and Urban Affairs 8/6/09	Support	Support	<p>Would establish the Office of Sustainable Housing and communities; establish the Interagency Council on Sustainable Communities; establish a comprehensive planning grant program for towns and regions, establish a sustainability challenge grant program for towns and regions.</p> <p>Intent is to help towns and regions across the country plan and implement development projects that integrate their community's needs for transportation, housing, land use and economic development: to include MPOs, regional councils of governments, rural planning organizations, consortiums of local governments, city, county, and towns.</p>

Bill Author	Subject	Status	Staff Recommendation	L&GO Position	Legislation Summary
H.R. 3525 Thompson	Tax Exempt Private Activity Bond (PAB) Use for Renewable Energy Generation and Energy and Water Efficiency Projects.	House Ways and Means Committee 7/31/09	Support	Support	To amend the Internal Revenue Code of 1986 to add additional categories of tax-exempt private activity bonds to finance renewable energy resource facilities, conservation and efficiency facilities, and other specified greenhouse gas emission technologies which would include energy efficiency, demand side management, energy storage, electric transmission, smart grid, water conservation, zero-emission vehicle projects and manufacturing facilities.
H.R. 5061 Speier	San Francisco Bay Improvement Act of 2010	House Subcommittee on Transportation and Infrastructure; Subcommittee on Water Resources; House Budget Subcommittee	Support	Support	<p>Would amend the Federal Water Pollution Control Act to provide assistance for programs and activities to protect the water quality of the San Francisco Bay, and for other purposes. The San Francisco Bay Improvement Act of 2010 would authorize up to \$1 billion (\$100 million annually for ten years) to the U.S. EPA to fund projects, programs, and studies that implement priority objectives of the San Francisco Estuary Partnership's Comprehensive Conservation and Management Plan (CCMP). The bill also:</p> <ul style="list-style-type: none"> --establishes a San Francisco Bay Program Office within Region 9 of the U.S. Environmental Protection Agency (EPA) and authorizes the EPA Administrator to appoint a Director of that Program Office to oversee that funding. --establishes a San Francisco Bay Program Advisory Committee to provide advice to the Administrator on implementing the identified goals and objectives of the CCMP, with representation from appropriate Federal and State departments and agencies, including the Director of the SFEP. <p>This legislation would begin to bring San Francisco Bay/ Estuary in line with other large aquatic ecosystems, such as the Great Lakes, Chesapeake Bay, and Puget Sound, which receive substantial federal funding to achieve restoration objectives. Recently introduced by Representative Jackie Speier and co-sponsored by members of the Bay Area delegation.</p>

Bi-Partisan Bill Package Introduced August 17th in Response to City of Bell Financial Scandal

Highlights of the reform package include:

- **AB 1955 (De La Torre) Local Government: Compensation**

Requires the Attorney General to determine whether a charter city is an excess compensation city (any one over the existing law compensation levels for general law cities). If after a hearing the AG determines that the city is an excess compensation city then the city would be prohibited from amending an old or approving a new redevelopment plan or issuing any new debt until the issue is resolved. The bill also requires that a city council person pay 50% personal income tax on any compensation received in excess of the existing law thresholds for general law city, if the charter city is found to be an excess compensation city. These provisions only apply to charter cities and exclude any full-time city council or independently elected mayor position. The bill also amends the Brown Act to require all contracts of employees who report directly to the legislative body to be approved in open session and requires that the contents of the compensation contract be posted on the local agency's website 7 days prior to it being ratified in an open session.

- **AB 827 (De La Torre) Local Public Employees Enrolled/To Governor**

Would prevent "evergreening" clauses (no automatic renewal) in the contracts of unrepresented individuals who report directly to a legislative body of a local agency, prohibit automatic salary increases in these contracts, unless it is a cost-of-living adjustment, without the vote of a legislative body, and prohibit severance payments of greater than 12 months' salary for these non-represented employees. The measure would also require a performance review to occur prior to increasing the salary, beyond a COLA, of an unrepresented individual who reports directly to the legislative body of a local agency.

- **AB 2064 (Huber) State and Local Government—Salary Disclosure**

Requires each house of the Legislature to annually post on its official Internet Web site the annual salary for all Legislators and all Legislative employees. Requires all constitutional officers to annually post on their official Internet Web site the annual salary for the constitutional officer, any appointed or exempt deputies, and any appointed or exempt employees. Requires each general law or charter city, county, city and county, special district, school district, and JPA to annually post on its official Internet Web site the annual salary received from the local governmental entity by each elected or appointed official, and designated employees.

- **AB 192 (Gatto) Public Retirement benefits: Excess Salaries**

Would require a city, which seeks to lure a municipal employee from another city by offering an exorbitant raise, to pay for the higher pension payments that come with the raise. Under current law, the city where that employee worked for the majority of his or her career has to pay the pension at the level set by whatever city hires the employee. AB 192 would require that any city offering an employee greater than a 15% raise to pay for the associated difference in pension benefits.

- **SB 501 (Correa) Local Government: Compensation Disclosure**

Requires each officer or designated employee of a county, city, city and county, school district, special district, or joint powers agency (JPA), to annually file a compensation disclosure form that provides compensation information for the proceeding year. Defines "designated employee" and "officer" as a designated employee or an elected or appointed officer of a county, city, city and county, school district, special district, or JPA who is required to file a statement of economic interest pursuant to existing law.

- **AB 194 (Torrico) Retirement: Local Employees Enrolled/To Governor**

Notwithstanding any other law, for the purposes of determining a retirement benefit paid to a person who first becomes a member of a public retirement system on or after January 1, 2011, the maximum salary or pay rate upon which retirement benefits shall be based shall not exceed 125 percent of the salary recommended to be paid to the Governor of the State of California by the California Citizens Compensation Commission effective December 7, 2009. This amount shall be adjusted annually based on changes in the All Urban California Consumer Price Index.

NOVEMBER 2010 BALLOT: NINE PROPOSITIONS

<http://voterguide.sos.ca.gov/propositions/>

The following description of the nine November 2010 Ballot Propositions includes a summary of the Legislative Analyst's estimate of net State and Local Government Fiscal Impact (full background and discussion by the Legislative Analyst's Office, California's Nonpartisan Fiscal and Policy Advisor, can be found at www.lao.ca.gov/laoapp/ballot_source/Propositions.aspx.)

Proposition 19:

Changes California Law to Legalize Marijuana and Allow It to Be Regulated and Taxed. Initiative Statute.

Yes/No Statement

A **YES** vote on this measure means: Individuals age 21 or older could, under state law, possess and cultivate limited amounts of marijuana for personal use. In addition, the state and local governments could authorize, regulate, and tax commercial marijuana-related activities under certain conditions. These activities would remain illegal under federal law.

A **NO** vote on this measure means: The possession and cultivation of marijuana for personal use and commercial marijuana-related activities would remain illegal under state law, unless allowed under the state's existing medical marijuana law.

- **Fiscal Impact:** Depending on federal, state, and local government actions, potential increased tax and fee revenues in the hundreds of millions of dollars annually and potential correctional savings of several tens of millions of dollars annually.

Proposition 20:

Redistricting of Congressional Districts. Initiative Constitutional Amendment

A **YES** vote on this measure means: The responsibility to determine the boundaries of California's districts in the U.S. House of Representatives would be moved to the Citizens Redistricting Commission, a commission established by Proposition 11 in 2008. (Proposition 27 on this ballot also concerns redistricting issues. If both Proposition 20 and Proposition 27 are approved by voters, the proposition receiving the greater number of "yes" votes would be the only one to go into effect.)

A **NO** vote on this measure means: The responsibility to determine the boundaries of California's districts in the U.S. House of Representatives would remain with the Legislature.

This measure takes the responsibility to determine boundaries for California's congressional districts away from the State Legislature. Instead, the commission recently established by voters to draw district boundaries of state offices would determine the boundaries of congressional districts.

- **Fiscal Impact:** No significant net change in state redistricting costs.

Proposition 21:

Establishes \$18 Annual Vehicle License Surcharge to Help Fund State Parks and Wildlife Programs and Grants Free Admission to All State Parks to Surcharged Vehicles. Initiative Statute

A **YES** vote on this measure means: An \$18 annual surcharge would be added to the amount paid when a person registers a motor vehicle. The surcharge revenues would be used to provide funding for state park and wildlife conservation programs. Vehicles subject to the surcharge would have free admission and parking at all state parks.

A **NO** vote on this measure means: State park and wildlife conservation programs would continue to be funded through existing state and local funding sources. Admission and parking fees could continue to be charged for vehicles entering state parks.

- **Fiscal Impact:** Annual increase to state revenues of \$500 million from surcharge on vehicle registrations. After offsetting some existing funding sources, these revenues would provide at least \$250 million more annually for state parks and wildlife conservation.

Proposition 22:

Prohibits the State from Taking Funds Used for Transportation or Local Government Projects and Services. Initiative Constitutional Amendment

A **YES** vote on this measure means: The state's authority to use or redirect state fuel tax and local property tax revenues would be significantly restricted.

A **NO** vote on this measure means: The state's current authority over state fuel tax and local property tax revenues would not be affected.

- **Fiscal Impact:** Decreased state General Fund spending and/or increased state revenues, probably in the range of \$1 billion to several billions of dollars annually. Comparable increases in funding for state and local transportation programs and local redevelopment.

Proposition 23:

Suspends Air Pollution Control Laws Requiring Major Polluters to Report and Reduce Greenhouse Gas Emissions That Cause Global Warming Until Unemployment Drops Below Specified Level for Full Year. Initiative Statute

A **YES** vote on this measure means: Certain existing and proposed regulations authorized under state law ("Assembly Bill 32") to address global warming would be suspended. These regulations would remain suspended until the state unemployment rate drops to 5.5 percent or lower for one year.

A **NO** vote on this measure means: The state could continue to implement the measures authorized under Assembly Bill 32 to address global warming.

- **Fiscal Impact:** Likely modest net increase in overall economic activity in the state from suspension of greenhouse gases regulatory activity, resulting in a potentially significant net increase in state and local revenues.

Proposition 24:

Repeals Recent Legislation That Would Allow Businesses to Carry Back Losses, Share Tax Credits, and Use a Sales-Based Income Calculation to Lower Taxable Income. Initiative Statute

A **YES** vote on this measure means: Three business tax provisions will return to what they were before 2008 and 2009 law changes. As a result: (1) a business will be less able to deduct losses in one year against income in other years, (2) a multistate business will have its California income determined by a calculation using three factors, and (3) a business will not be able to share tax credits with related businesses.

A **NO** vote on this measure means: Three business tax provisions that were recently changed will not be affected. As a result of maintaining current law: (1) a business will be able to deduct losses in one year against income in more situations, (2) most multistate businesses could choose to have their California income determined based only on a single sales factor, and (3) a business will be able to share its tax credits with related businesses.

- **Fiscal Impact:** Increased state revenues of about \$1.3 billion each year by 2012–13 from higher taxes paid by some businesses. Smaller increases in 2010–11 and 2011–12.

Proposition 25:

Changes Legislative Vote Requirement to Pass a Budget from Two-Thirds to a Simple Majority. Retains Two-Thirds Vote Requirement for Taxes. Initiative Constitutional Amendment

A **YES** vote on this measure means: The Legislature's vote requirement to send the annual budget bill to the Governor would be lowered from two-thirds to a majority of each house of the Legislature.

A **NO** vote on this measure means: The Legislature's vote requirement to send an annual budget bill to the Governor would remain unchanged at two-thirds of each house of the Legislature.

- **Fiscal Impact:** In some years, the contents of the state budget could be changed due to the lower legislative vote requirement in this measure. The extent of changes would depend on the Legislature's future actions.

Proposition 26:

Increases Legislative Vote Requirement to Two-Thirds for State Levies and Charges. Imposes Additional Requirement for Voters to Approve Local Levies and Charges with Limited Exceptions. Initiative Constitutional Amendment

A **YES** vote on this measure means: The definition of taxes would be broadened to include many payments currently considered to be fees or charges. As a result, more state and local proposals to increase revenues would require approval by two-thirds of each house of the Legislature or by local voters.

A **NO** vote on this measure means: Current constitutional requirements regarding fees and taxes would not be changed.

- **Fiscal Impact:** Depending on decisions by governing bodies and voters, decreased state and local government revenues and spending (up to billions of dollars annually). Increased transportation spending and state General Fund costs (\$1 billion annually).

Proposition 27:

Eliminates State Commission on Redistricting. Consolidates Authority for Redistricting with Elected Representatives. Initiative Constitutional Amendment and Statute

A **YES** vote on this measure means: The responsibility to determine the boundaries of State Legislature and Board of Equalization districts would be returned to the Legislature. The Citizens Redistricting Commission, established by Proposition 11 in 2008 to perform this function, would be eliminated. (Proposition 20 on this ballot also concerns redistricting issues. If both Proposition 27 and Proposition 20 are approved by voters, the proposition receiving the greater number of “yes” votes would be the only one to go into effect.)

A **NO** vote on this measure means: The responsibility to determine the boundaries of Legislature and Board of Equalization districts would remain with the Citizens Redistricting Commission.

This measure returns the responsibility to determine district boundaries of state offices back to the Legislature. Under this measure, the commission recently established by voters to determine these district boundaries would be eliminated.

- **Fiscal Impact:** Possible reduction of state redistricting costs of around \$1 million over the next year. Likely reduction of these costs of a few million dollars once every ten years beginning in 2020.

Proposition 18: Water bond (Bond Measure (SBx7 2. (Chapter 3, 2009), Cogdill. **Safe, Clean, and Reliable Drinking Water Supply Act of 2010**

This measure which originally qualified for November 2010 Ballot was moved to the November 2012 Ballot

LEGISLATION & GOVERNMENTAL ORGANIZATION COMMITTEE

Committee Chair: Supervisor Mark Luce—Napa County

Committee Vice Chair: Councilmember Carole Dillon-Knutson—City of Novato

Staff: Patricia Jones – Assistant Executive Director 510/ 464-7933; FAX 510/464-7970; PatJ@abag.ca.gov
 Kathleen Cha – Senior Communications Officer 510/ 464-7922; KathleenC@abag.ca.gov

Thursday, September 16, 2010 – 3:30 p.m. to 5:00 p.m.

ABAG Large Conference Room B, MetroCenter, 101 Eighth Street, Oakland

AGENDA*

1.	OPEN AGENDA Committee members may raise issues for consideration; members of the public may speak.	Information/ Action
2.	APPROVAL OF MINUTES Committee will review and approve the minutes of the July 15, 2010, L&GO meeting.	Information/ Action
3.	2010 LEGISLATIVE SESSION <ul style="list-style-type: none"> • Status update on state bills tracked by Committee at close of 2010 Legislative Session, including status report of ABAG-sponsored bills SB 1205 and SB 1445 • Committee review of the Bi-partisan bill package introduced in response to City of Bell financial scandal: AB 1955—relating to city council salaries AB 827, AB 192 and AB 194—relating to the contracts of administrators and public employees AB 2064 and SB 501— relating to transparency • Budget Bill Proposals 	Information/ Action
4.	BRIEFING ON NOVEMBER BALLOT PROPOSITIONS AND POSSIBLE RECOMMENDED POSITIONS	Information/ Action
5.	ADJOURNMENT Next meeting is scheduled for November 18, 2010.	Action
	Agenda and other written materials are available at ABAG/Front Desk, 101 8th Street, Oakland, or at http://www.abag.ca.gov/meetings -- Legislation and Governmental Organization Committee	

* The Committee may take any action on any item on the agenda
 ** Full California Bill Texts and actions can be read and printed out from state website:
www.leginfo.ca.gov.

ABAG FINANCE AND PERSONNEL COMMITTEE

Summary Minutes

July 15, 2010

Members Present

Supervisor Scott Haggerty, Chair
Supervisor Susan Adams
Supervisor David Cortese
Supervisor Rose Jacobs Gibson (by phone)
Mayor Mark Green
Supervisor Mike Kerns, Vice Chair
Supervisor Barbara Kondylis (by phone)

Jurisdiction

County of Alameda
County of Marin
County of Santa Clara
County of San Mateo
City of Union City
County of Sonoma
County of Solano

Members Absent

Supervisor John Gioia
Vice Mayor Peter McHugh
Mayor A. Sepi Richardson

County of Contra Costa
City of Milpitas
City of Brisbane

Officers and Staff Present

Henry Gardner, Executive Director
Ezra Rapport, Deputy Executive Director
Patricia Jones, Assistant Executive Director
Kenneth Moy, Legal Counsel
Herbert Pike, Finance Director
Susan Hsieh, Assistant Finance Director

- 1) The meeting was called to order at 5:00 p.m.
- 2) There was no public comment.
- 3) Summary Minutes of the May 10, 2010 meeting were approved.
/M/Green/S/Kerns/C/approved.
- 4) Pike provided an overview of the April and May Financial Reports.
/M/Kondylis/S/Jacobs-Gibson/C/approved.
- 5) Gardner gave an oral, informational report on a proposed consolidated regional agencies building and studies underway.

AGENDA ITEM 3

- 6) A closed session was held regarding a Public Employee Performance Evaluation of Legal Counsel..
- 7) Meeting adjourned at 4:50 pm.

TO: Finance and Personnel Committee

DT: July 31, 2010

FM: Herbert Pike, Finance Director

Re: Financial Reports
--June 2010

The following are highlights of the financial reports for June 2010.

Cash on Hand (Figure 1)

Cash on hand decreased to \$1.09 million on June 30th from \$1.22 million on May 31st. The decrease is attributed to expedited quarter-end and year-end contractor payments which results in a decrease in cash and increase in receivables. The June balance includes approximately \$940 thousand invested in the Local Agency Investment Fund (LAIF). Currently, ABAG does not hold any other investments. The June 30th cash balance is approximately \$194 thousand more than the prior year, the latter being attributed to more timely reimbursement from granting agencies, especially the State, and the residual balance of facility renovation loan funds yet to be expensed.

Receivables (Figure 2)

Receivables from grant and service programs amounted to about \$3.59 million on June 30th, an increase of \$867 thousand from the month prior. The increase is primarily attributable to expedited processing of vendor payments and their resultant grant billings for quarter-end and year-end. Compared to June 30th of the year prior, the total receivables reflect a decrease of approximately \$600 thousand.

Actual vs. Budgeted Expenses (Figure 9)

Total expenses through June 30th amounted to about \$18.39 million, or 98.0 percent, of previously projected annual expenses of \$18.76 million for FY 09-10.

Actual vs. Budgeted Revenues (Figure 10)

As of June 30th, total revenues amounted to about \$18.35 million, or 98.0 percent, of previously projected annual revenue of \$18.44 million for FY 09-10.

As of June 30th, both revenues and expenses are below "projected" annual totals. While contracts for consultants and sub-contractors may be committed prior to the end of the fiscal year, their expense and consequent grant recovery cannot occur until after the billing received. Those expenditures and revenues not captured in FY 09-10 will be reflected in FY 10-11.

Fund Equity (Figure 5)

As of June 30th, general fund equity was approximately \$1.02 million, an increase of \$137 thousand from May 31st. The Agency's restricted fund equity, consisting of capital, self-insurance and building maintenance, remained unchanged at \$510 thousand.

Indirect Cost (Figure 6)

The Agency's actual indirect cost (overhead) rate would have been 44.58 percent, an overage of 0.63 over the budgeted amount of 43.95 percent. However, because we can treat the under-recovery of our overhead expense as a receivable, the budgeted rate for the year of 43.95 is reflected as the year-end actual. The reason the unadjusted rate exceeded the budgeted rate, even though actual overhead expense was less than budgeted, is because overhead recovery (revenue) was down more than the expense. The latter is directly correlated to personnel costs, and they were down because of a couple of key vacancies and some extended leaves.

Overall (Figures 3, 4, 7 & 8)

At June 30th, the Agency's net financial position is reasonably close to forecast with a deficit of roughly \$32 thousand, or less than 0.2 percent of year-to-date revenues. This is a substantial improvement from last month and better than the some \$100 thousand year-end projection as last month. Much of the improvement can be attributed to the contributions of the Agency-related Finance Authority and the ABAG Training Center.

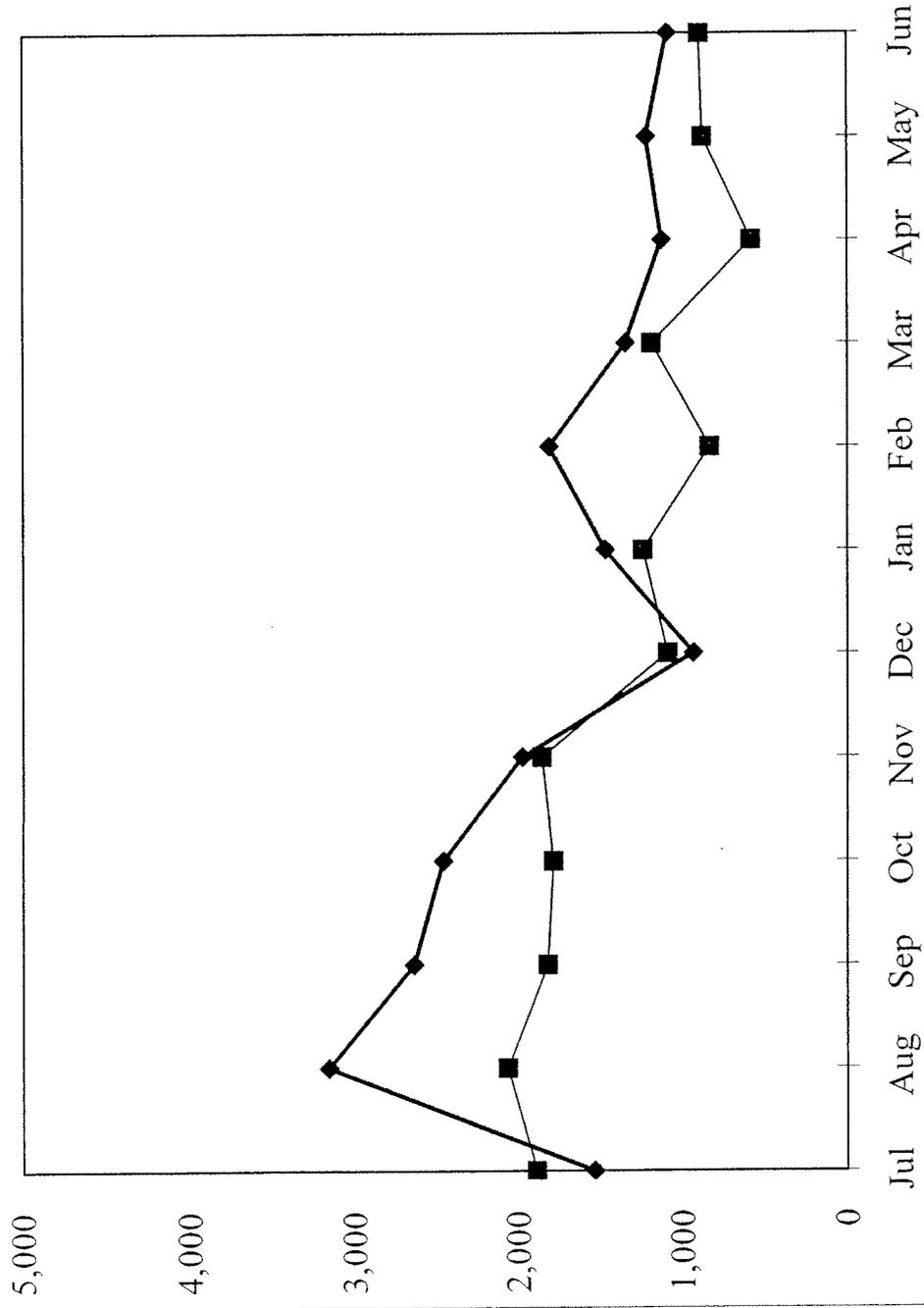
ABAG FINANCIAL REPORTS

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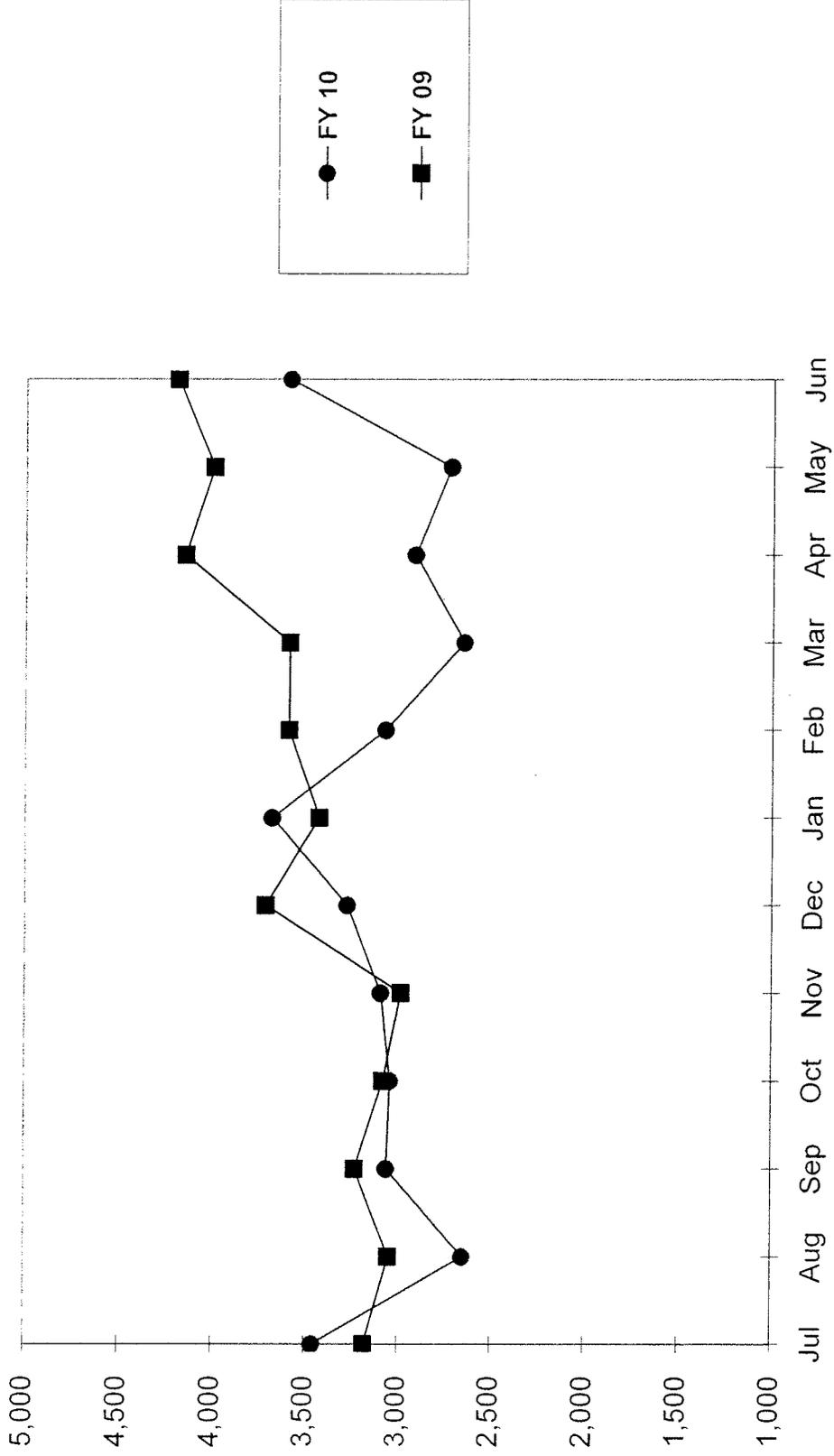
ABAG Financial Indices

Cash on Hand FY 09 and FY 10 (\$'000)



ABAG Financial Indices

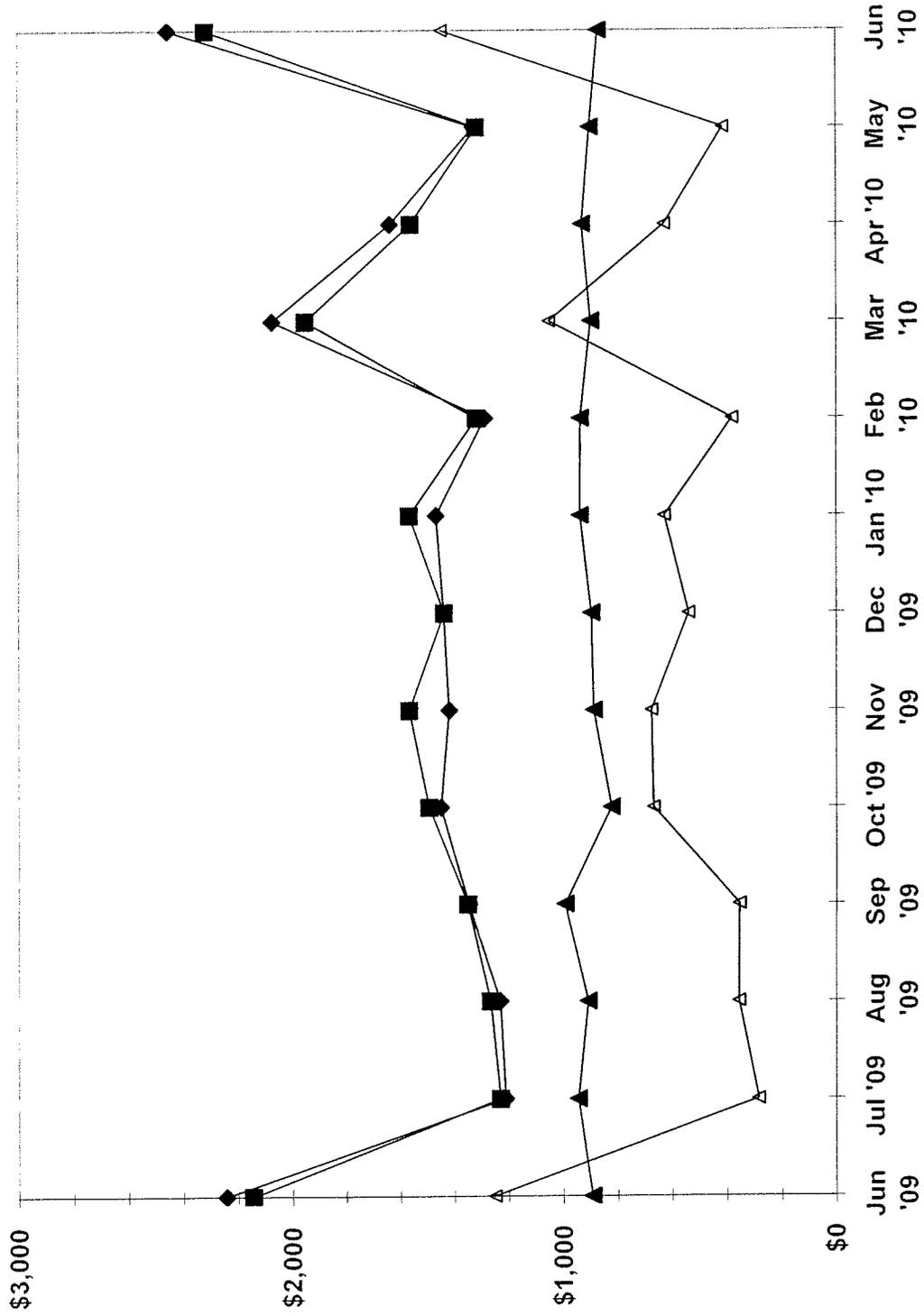
Accounts Receivable FY 09 and FY 10 (\$'000)



ABAG Financial Indices

Current Month Revenues & Expenses

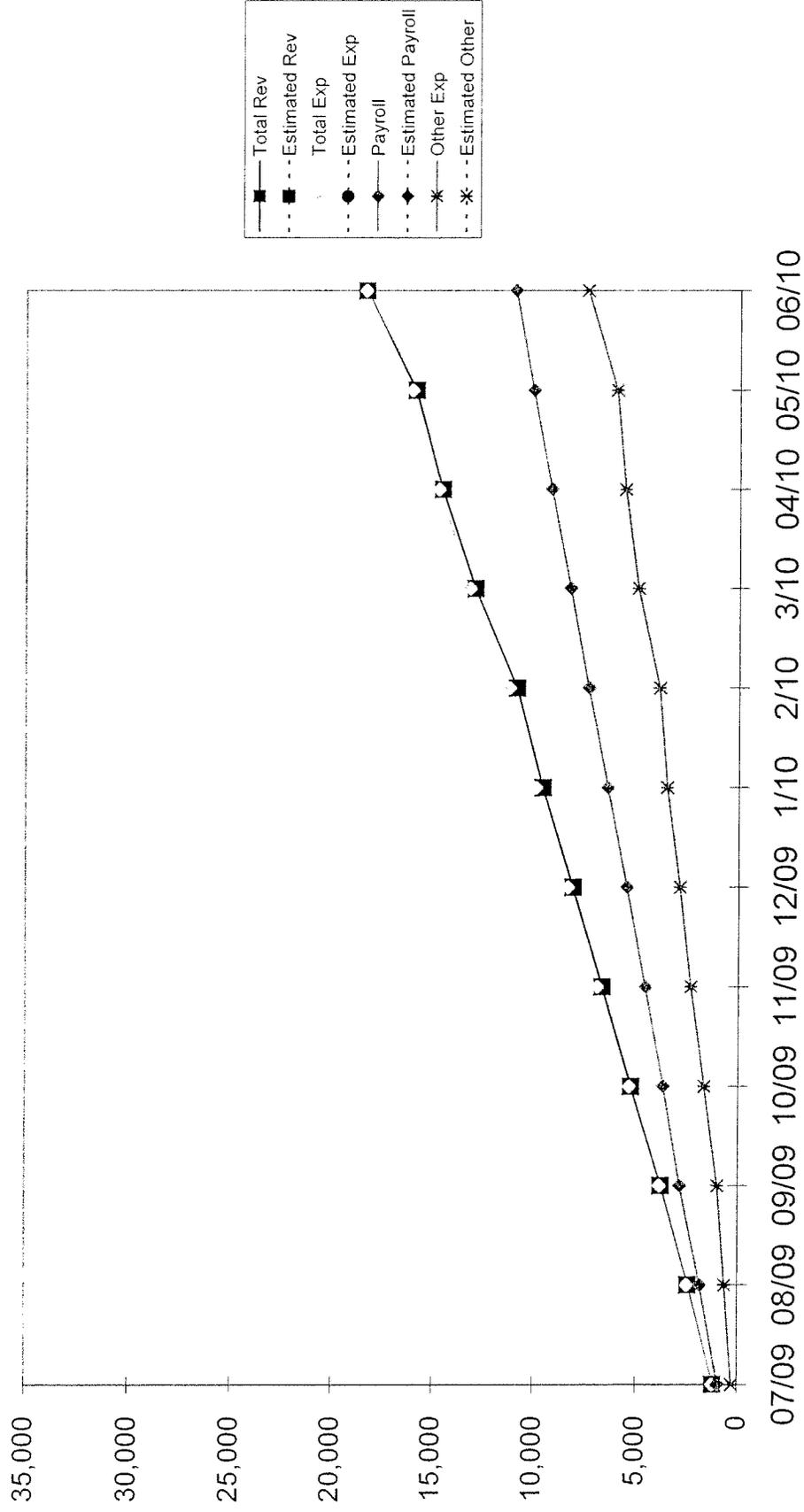
FY 09-10 (\$'000)



ABAG Financial Indices

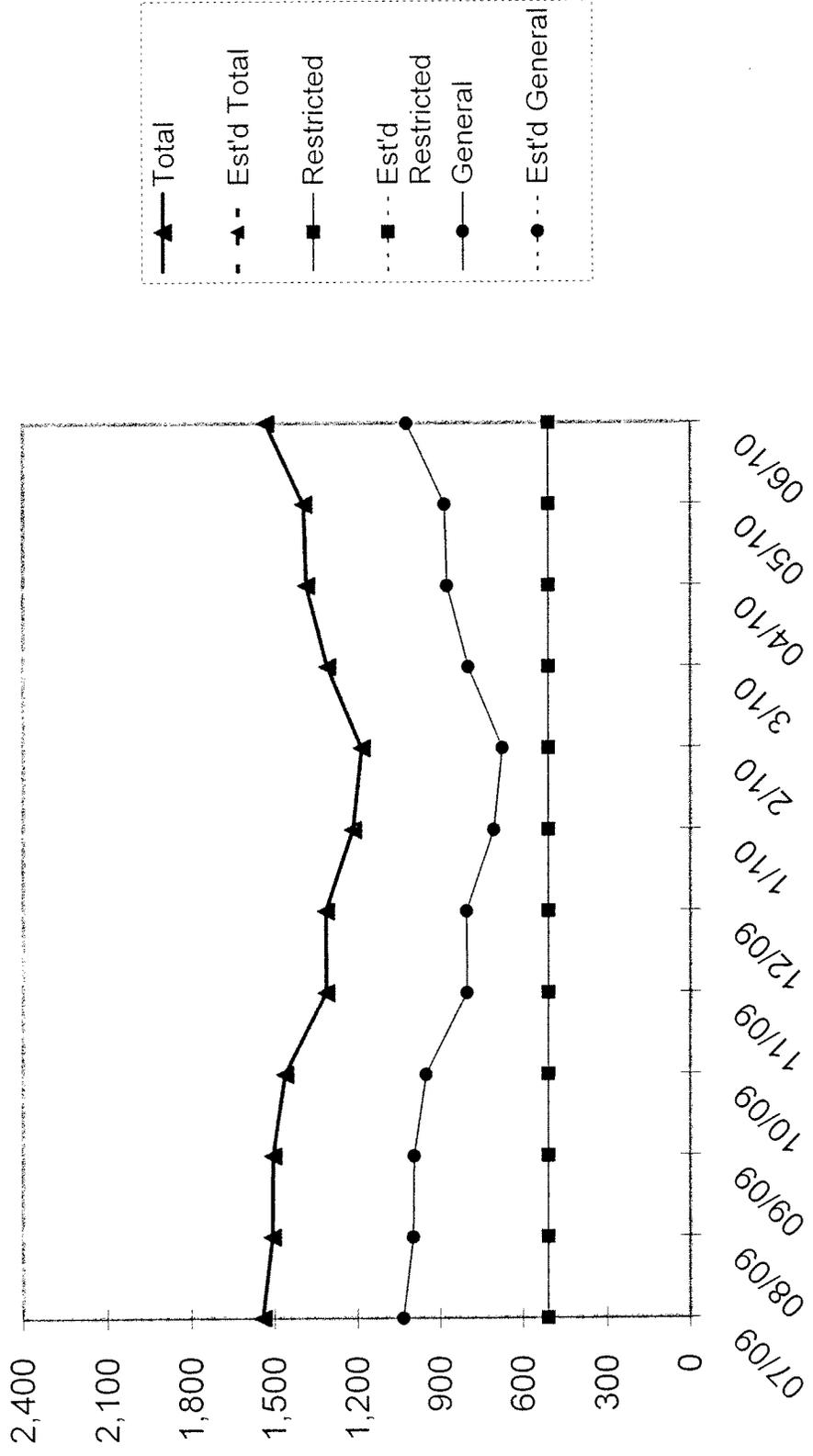
Year-to-date Revenues & Expenses

FY 09-10 (\$'000)



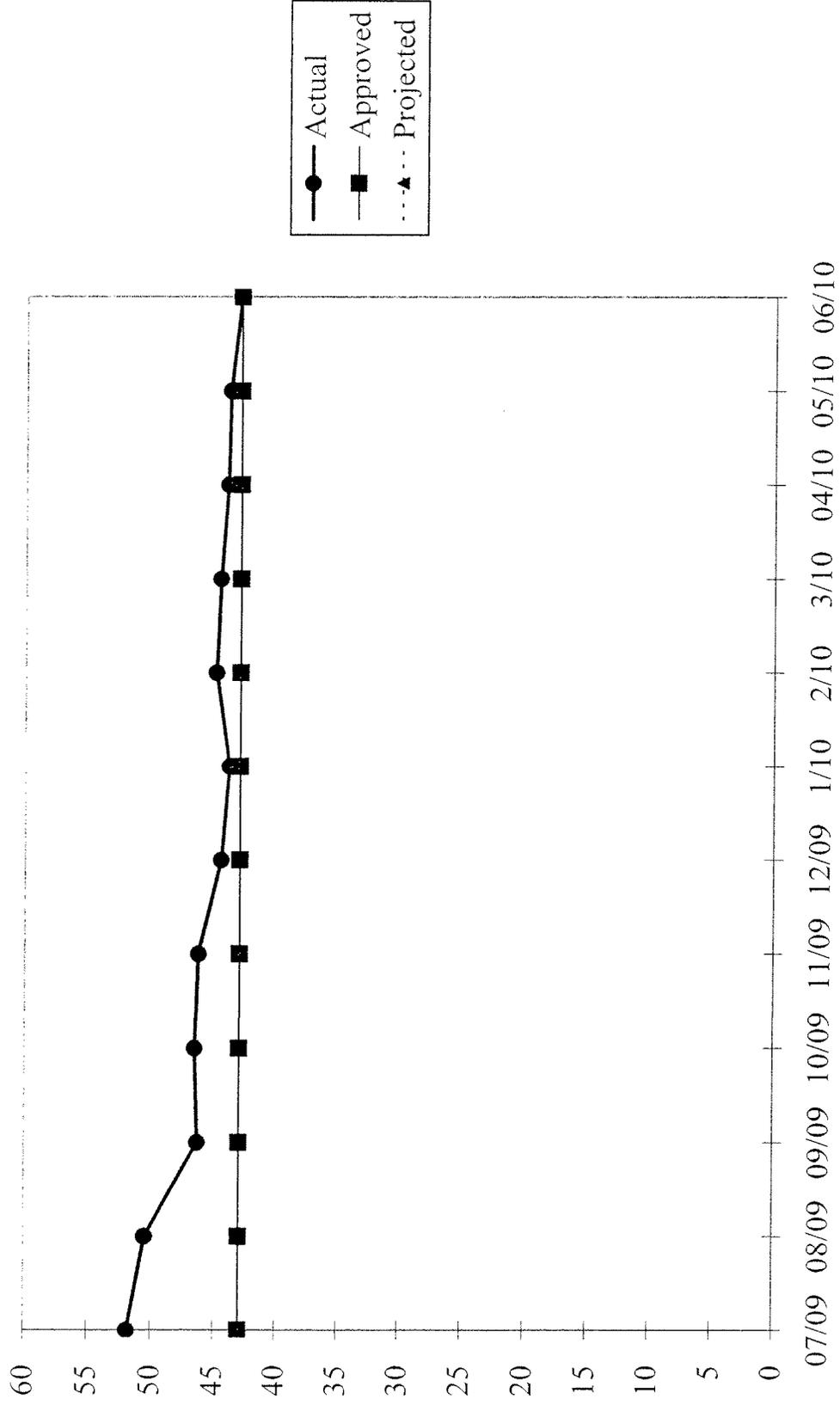
ABAG Financial Indices

Fund Equity FY 09-10 (\$'000)



ABAG Financial Indices

Indirect Cost Rate (% of Direct Labor Cost) FY 09-10

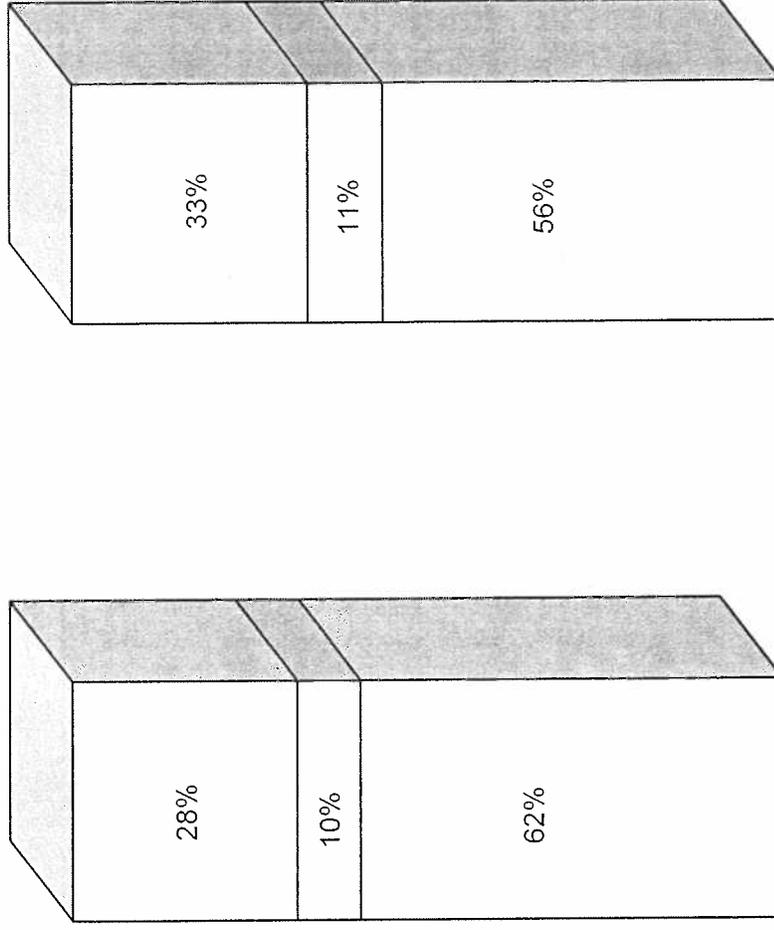


ABAG Financial Indices

Composition of Expenses FY 09--FY 10

Year to Date

(\$'000)



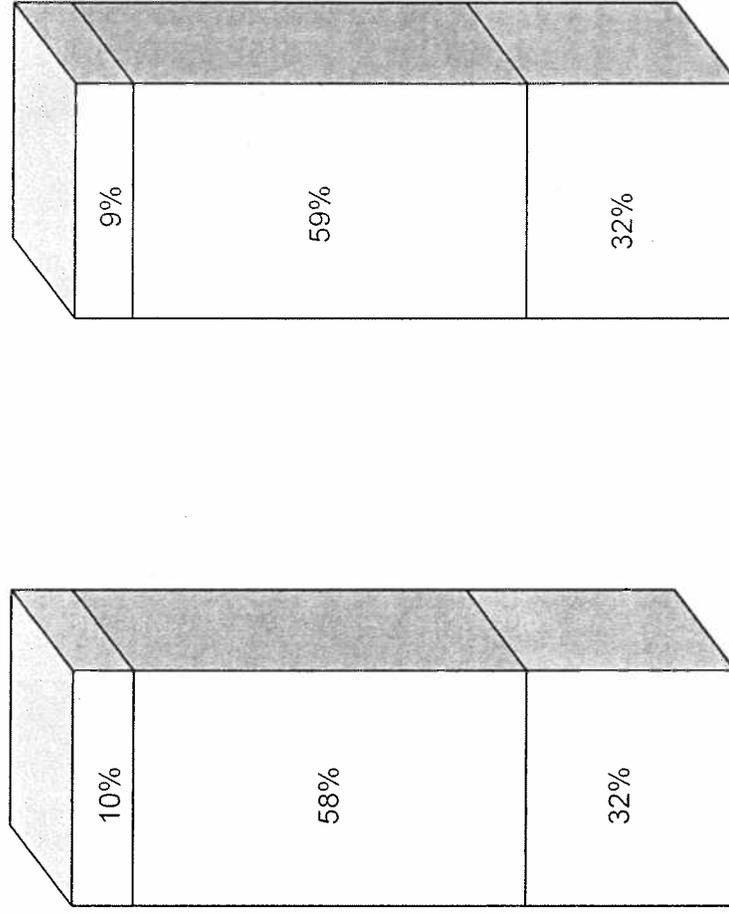
	FY09-10 Expenses (Total \$18,385)	FY08-09 Expenses (Total \$18,655)
<input type="checkbox"/> Consultants	\$5,792	\$6,170
<input type="checkbox"/> Others	\$1,646	\$1,975
<input type="checkbox"/> Payroll	\$10,947	\$10,510

ABAG Financial Indices

Composition of Revenues FY 09--FY 10

Year to Date

(\$'000)

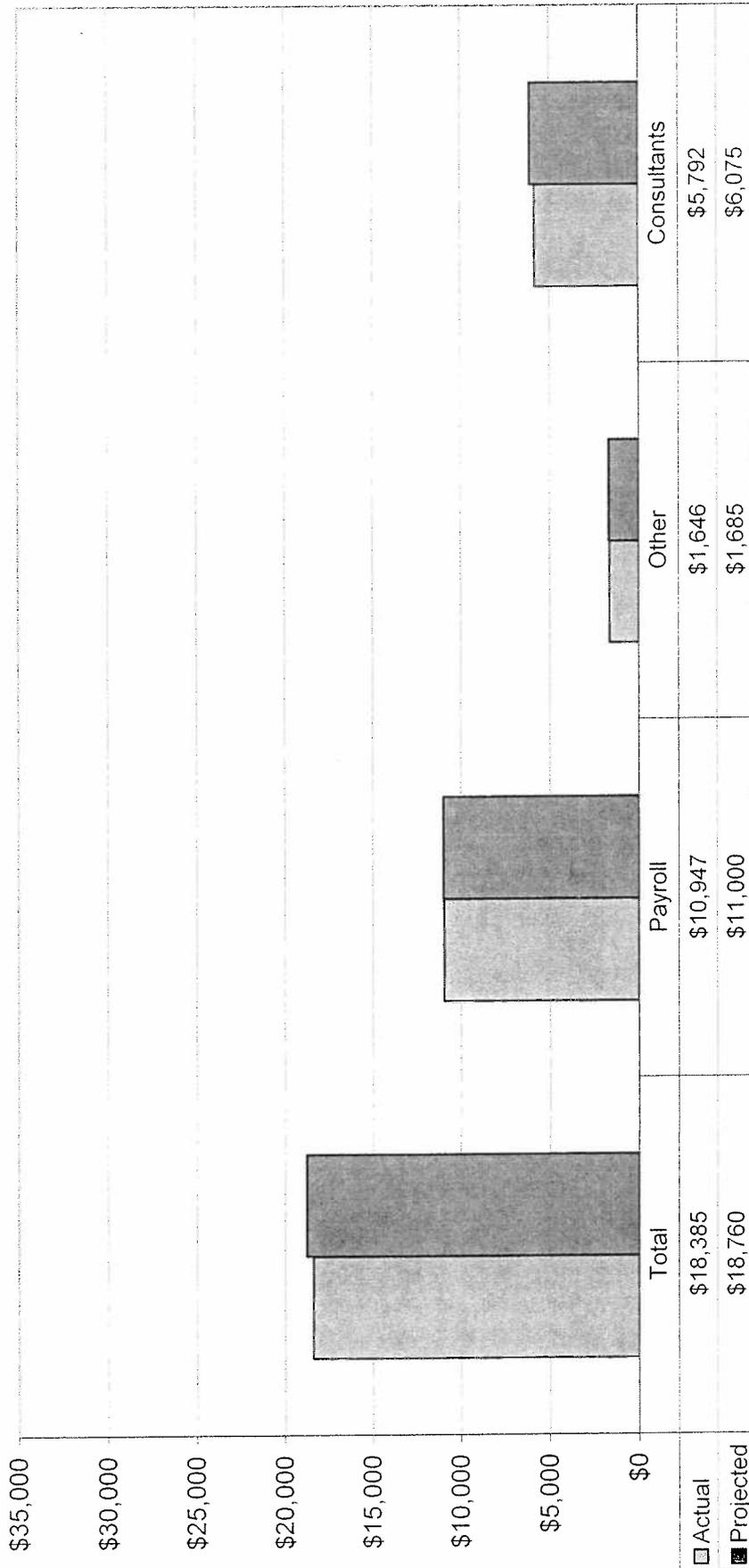


	FY 09-10 Revenue (Total \$18,353)	FY 08-09 Revenue (Total \$18,591)
<input type="checkbox"/> Membership	\$1,661	\$1,602
<input type="checkbox"/> Grants	\$10,951	\$11,107
<input type="checkbox"/> Services & Others	\$5,741	\$5,882

ABAG Financial Indices

Actual vs Projected Expenses--FY 09-10

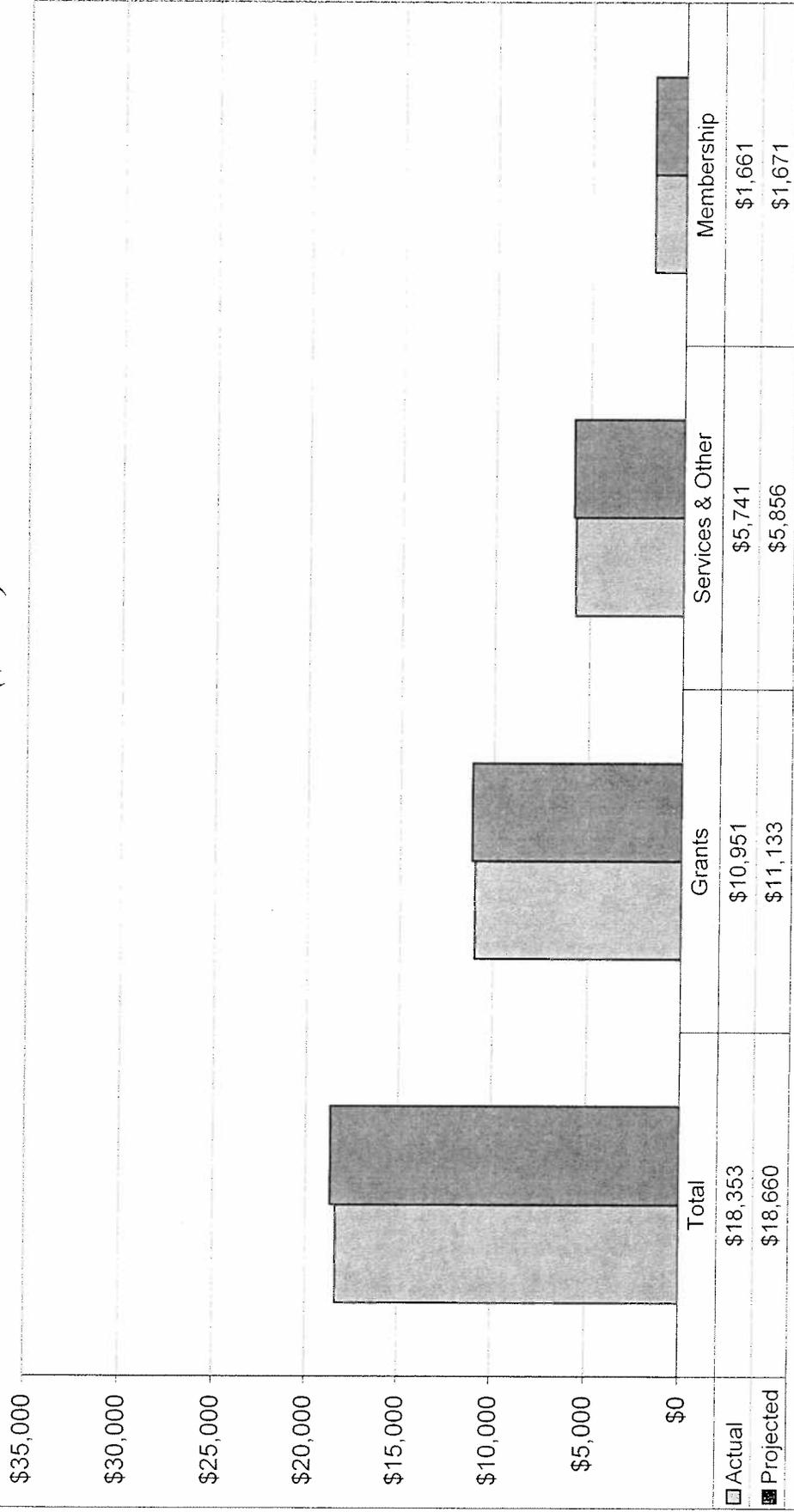
Year to Date (\$'000)



ABAG Financial Indices

Actual vs Projected Revenues--FY 09-10

Year to Date (\$'000)



Description of Charts

Figure 1 -- Cash on Hand

Cash on hand represents the sum total of cash deposited at our bank and the Local Agency Investment Fund (LAIF). This chart shows fluctuation patterns of cash on hand for the current and last fiscal years.

Figure 2 -- Accounts Receivable

Accounts receivable tracked by this chart include receivables generated by grants and service programs over two fiscal years. This chart reflects the reasonableness of our receivable levels. We usually have about six weeks' worth of our annual revenues in receivables.

Figure 3 -- Current Month Revenues and Expenses

Presents month by month total revenues, total expenses, payroll and other expenses for the current fiscal year. The difference between total revenues and total expenses lines represents the overall current month net surplus (or deficit) for the agency.

Figure 4 -- Year-to-date Revenues and Expenses

Presents year-to-date total revenues, total expenses, payroll and other expenses for the current fiscal year. The difference between total revenues and total expenses lines represents the overall year-to-date net surplus (or Deficit) for the agency.

Figure 5 --Fund Equity

Presents general, restricted and total fund equities for the current fiscal year. General fund equity represents unrestricted equity. Restricted equities include building bond interest, building maintenance, self-insurance and capital. These restricted equities represent the agency's equities set aside for specific purposes as approved by the Finance and Personnel Committee. Total equity is the sum total of general and restricted equities.

Figure 6 -- Indirect Cost Rate (% of Direct Labor Cost)

This chart shows a comparison between the actual indirect cost rate and the approved rate. The approved indirect cost rate is computed by dividing total estimated overhead expenses by total projected direct labor cost for a fiscal year. This rate is used as a standard overhead cost rate to allocate indirect costs to all projects. This process is performed in accordance with an indirect cost plan, which is prepared annually in accordance with OMB A-87.

Figure 7 -- Composition of Expenses

This chart compares expenses for current and last fiscal years. It groups expenses into two broad categories -- payroll costs and other expenses.

Figure 8 -- Composition of Revenues

Presents a break down of total revenues into four main sources -- membership, grants, services and others. This chart compares revenue sources between current and last fiscal years.

Figure 9 -- Actual vs. Budgeted Expenses

Presents a comparison of actual and budgeted total expenses as well as component categories: payroll costs, consultants and other expenses.

Figure 10 -- Actual vs. Budgeted Revenues)

Presents a comparison of actual and budgeted total revenues as well as component categories: membership dues, grants, services and other.

TO: Finance and Personnel Committee

DT: August 31, 2010

FM: Herbert Pike, Finance Director

Re: Financial Reports
--July 2010

The following are highlights of the financial reports for July 2010.

Cash on Hand (Figure 1)

Cash on hand increased to \$1.96 million on July 31st from \$1.09 million on June 30th. The increase is attributed primarily to the annual influx of dues. The July balance includes approximately \$1.26 million invested in the Local Agency Investment Fund (LAIF). Currently, ABAG does not hold any other investments. The July 31st cash balance is approximately \$425 thousand more than the prior year, the latter being attributed to more timely reimbursement from granting agencies, especially the State.

Receivables (Figure 2)

Receivables from grant and service programs amounted to about \$3.18 million on July 31st, a decrease of \$410 thousand from the month prior. The decrease is primarily attributable to delay of billing for new fiscal year expense in deference to concentrating on prior fiscal year (June) billing activity and the delayed billing by contractors until the end of the quarter. July receivables are about \$272 thousand less than the year prior.

Actual vs. Budgeted Expenses (Figure 9)

Total expenses through July 31st amounted to about \$1.16 million, or 5.0 percent, of the budgeted annual expense of \$23.09 million for FY 10-11.

Actual vs. Budgeted Revenues (Figure 10)

As of July 31st, total revenues amounted to about \$1.03 million, or 4.5 percent, of the budgeted annual revenue of \$23.09 million for FY 10-11.

As of July 31st, both revenues and expenses are below pro rated (8.3 percent) "projected" annual totals. While revenues and expenditures might be expected to be 8 percent after the first month of the new fiscal year, they are less than projections, largely due to the timing of consultant and sub-contractor expenses that lag in getting the billings in for the work performed and, consequently, getting billed and reimbursed for completed work. Consultant and sub-contractor expenses may be expected to accelerate during the balance of the fiscal year.

Fund Equity (Figure 5)

As of July 31st, general fund equity was approximately \$889 thousand, a decrease of \$132 thousand from June 30th. The decrease is primarily attributed to the extensive use of accrued leave; when staff is working on a project, leave accrual costs are charged, while the actual use of leave is charged against the leave accrued. The Agency's restricted fund equity, consisting of capital, self-insurance and building maintenance, remained unchanged at \$510 thousand.

AGENDA ITEM 4-B

Indirect Cost (Figure 6)

The Agency's actual indirect cost (overhead) rate was 47.38 percent of direct labor cost as of July 31st, or about 4.43% above the budgeted rate of 42.95 percent for FY 10-11. Much of the overage is attributed to the high percentage of non-chargeable personnel expense (leave usage) and the concentration of various administrative activities necessary in transitioning between fiscal years. For the same month in the prior year, the rate was 51.81 percent but ended at 42.95 percent for the year. Likewise, the current rate is expected to converge toward the budgeted rate as the year progresses.

Overall (Figures 3, 4, 7 & 8)

At July 31st, the Agency's net financial position is somewhat askew from the forecast with a deficit of roughly \$132 thousand, or about 12.8 percent of year-to-date revenues. This is attributed primarily to the draw down of leave accruals and some one-time annual expenditures. The variance will need to be closely monitored. If the anticipated convergence of revenues and expenditures is not realized over the next several months, corrective actions will be needed.

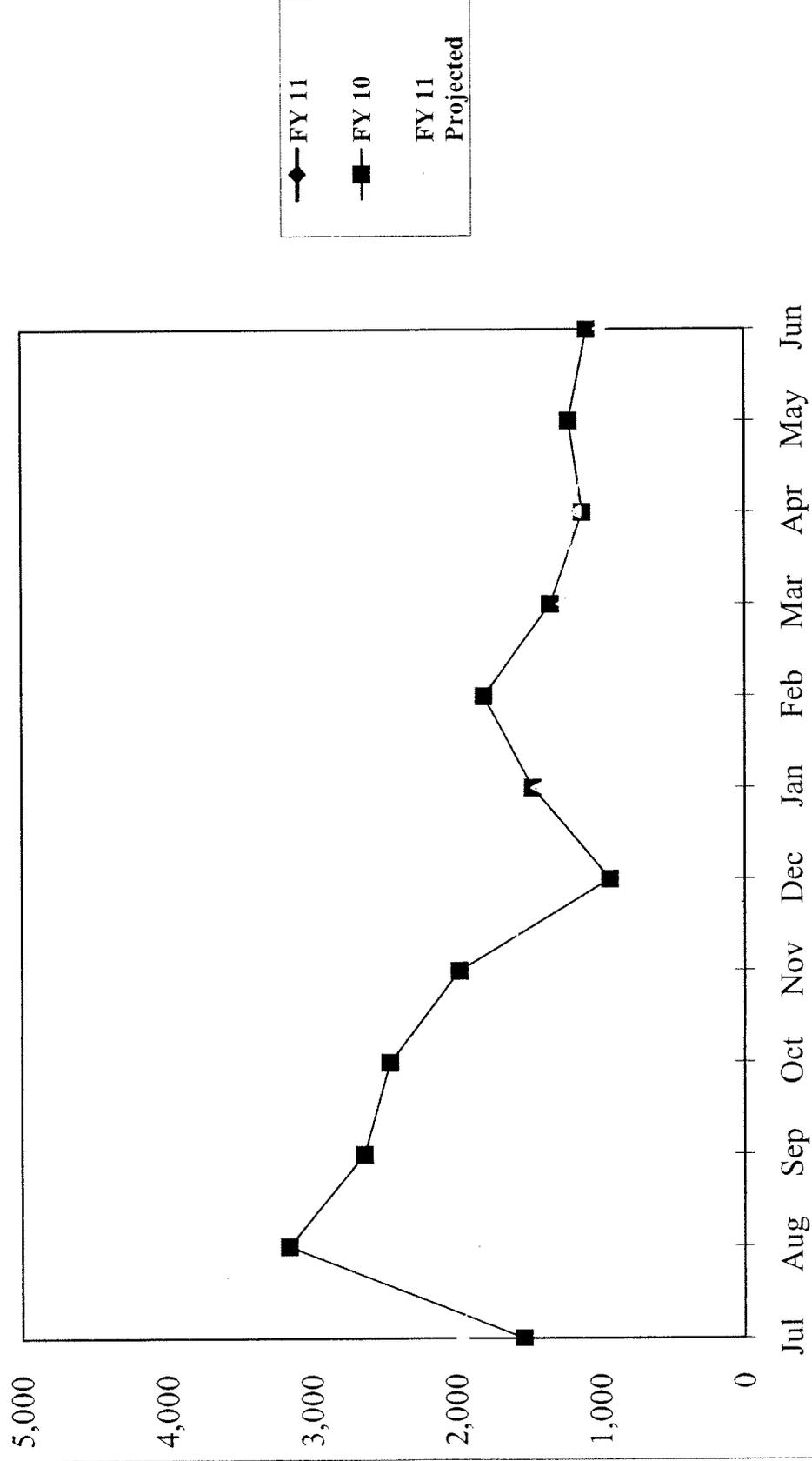
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* Indirect Cost Rate (% of Direct Labor Cost)	Figure 6
* Composition of Expenses	Figure 7
* Composition of Revenues	Figure 8
* Actual vs. Budgeted Expenses	Figure 9
* Actual vs. Budgeted Revenues	Figure 10
* Description of Charts	

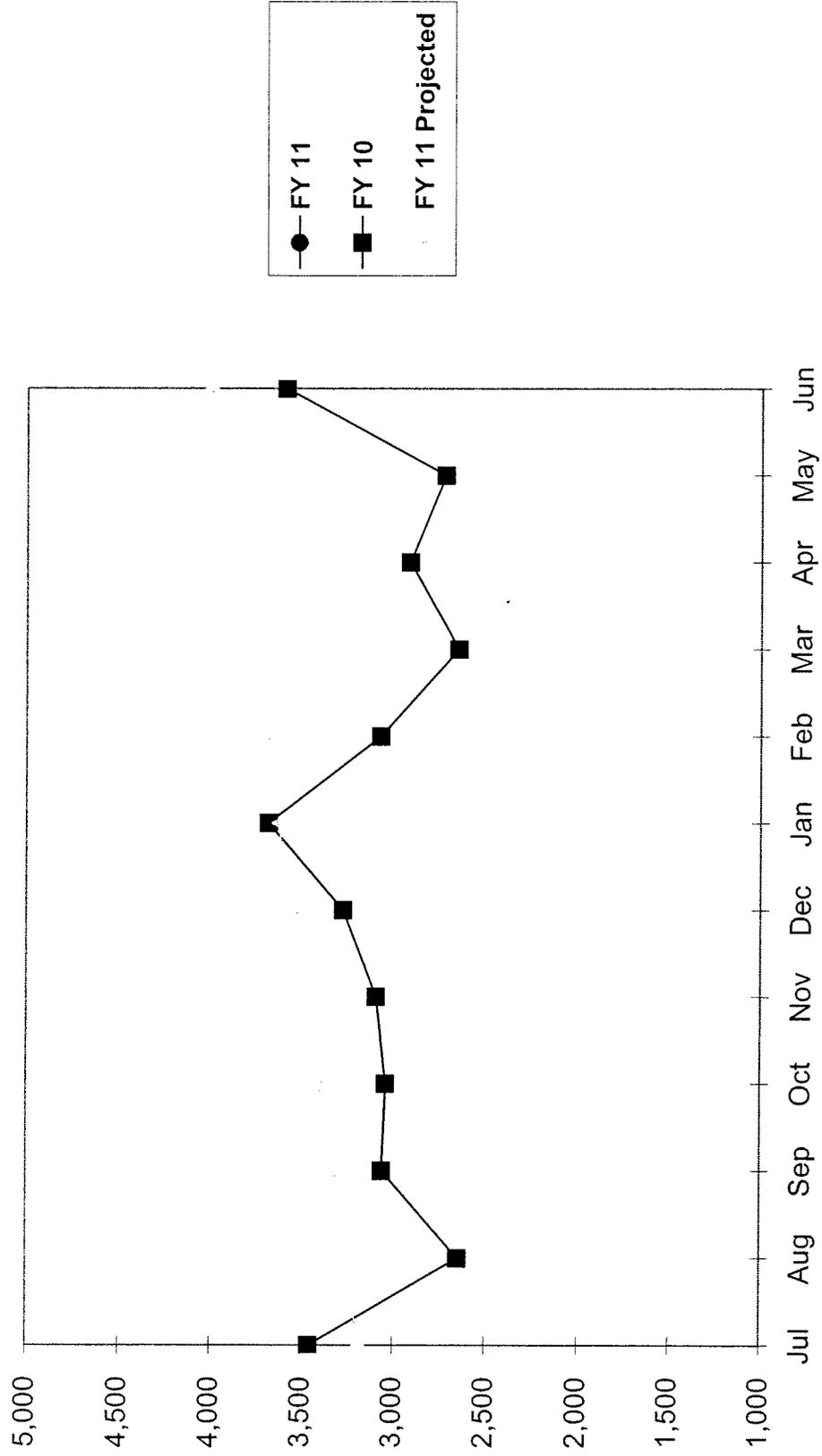
ABAG Financial Indices

Cash on Hand FY 10 and FY 11 (\$'000)



ABAG Financial Indices

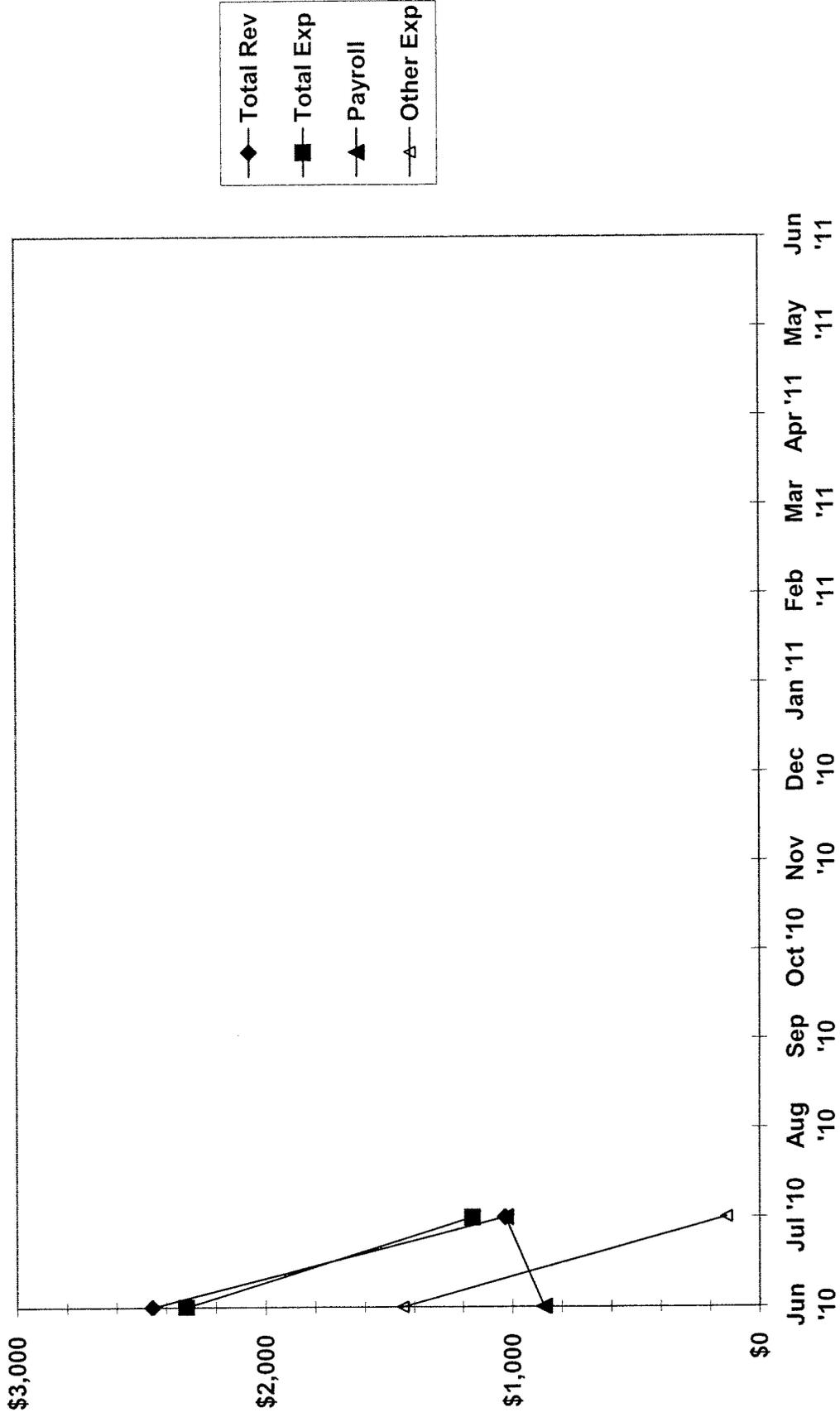
Accounts Receivable FY 10 and FY 11 (\$'000)



ABAG Financial Indices

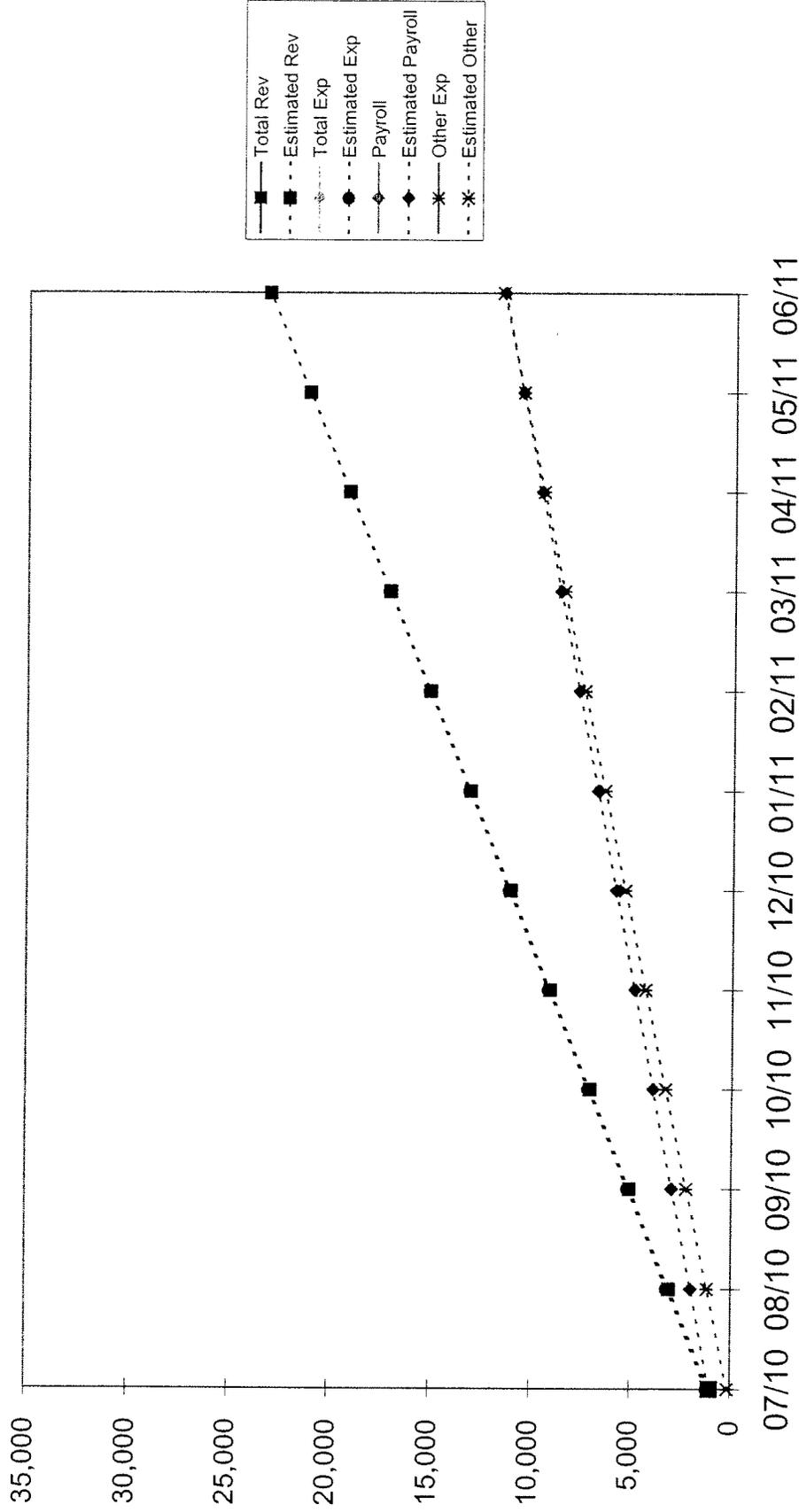
Current Month Revenues & Expenses

FY 10-11 (\$'000)



ABAG Financial Indices

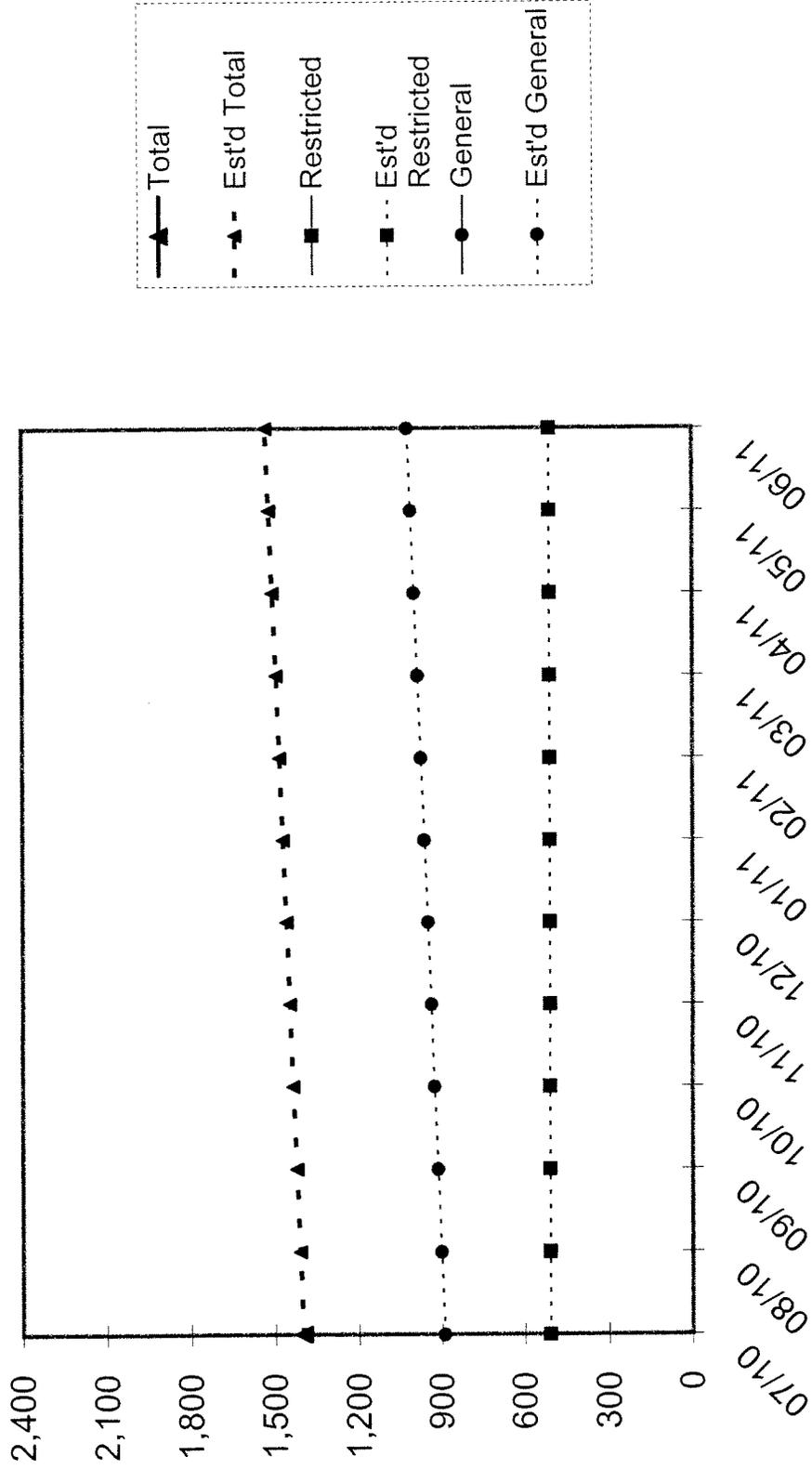
Year-to-date Revenues & Expenses FY 10-11 (\$'000)



ABAG Financial Indices

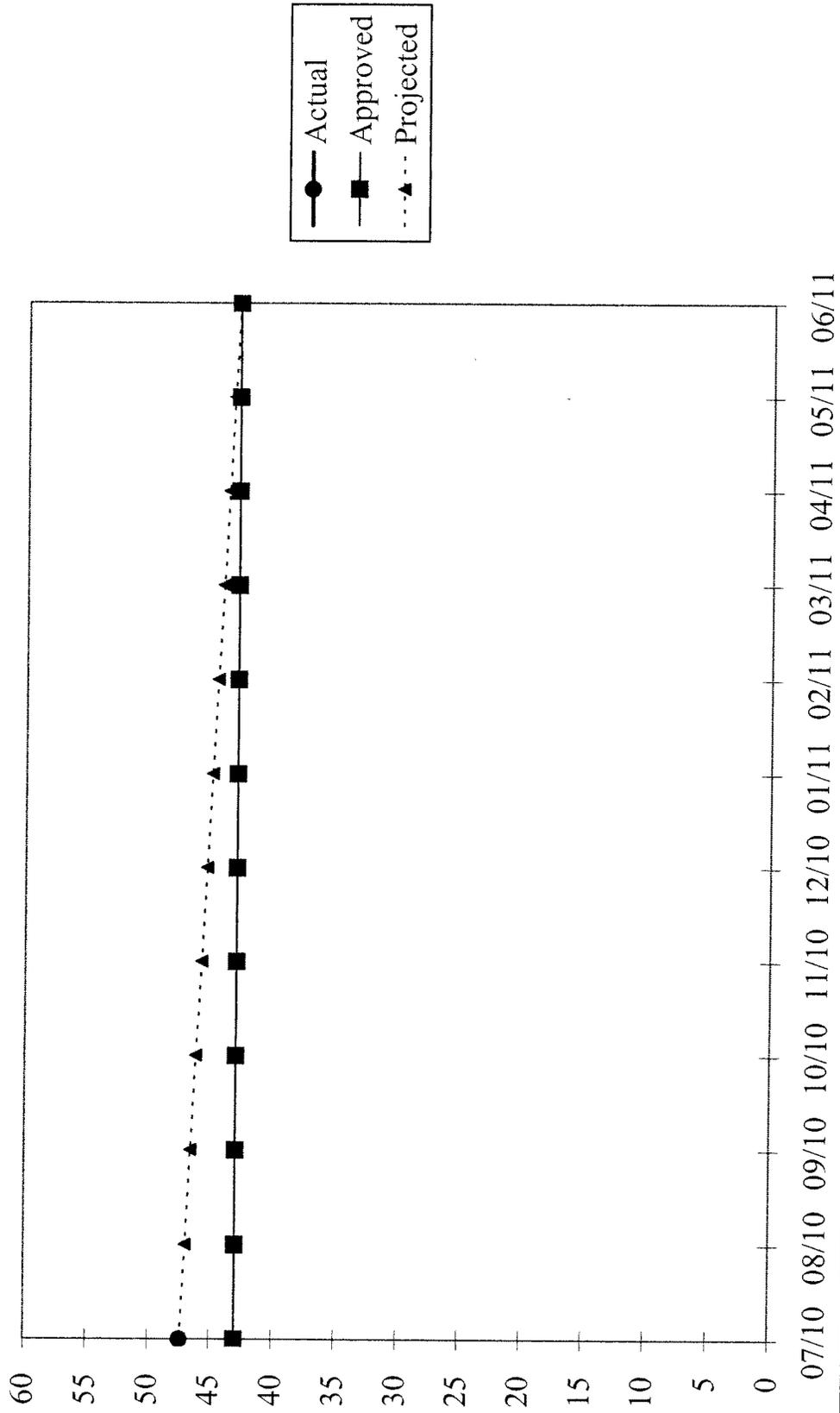
Fund Equity

FY 10-11 (\$'000)



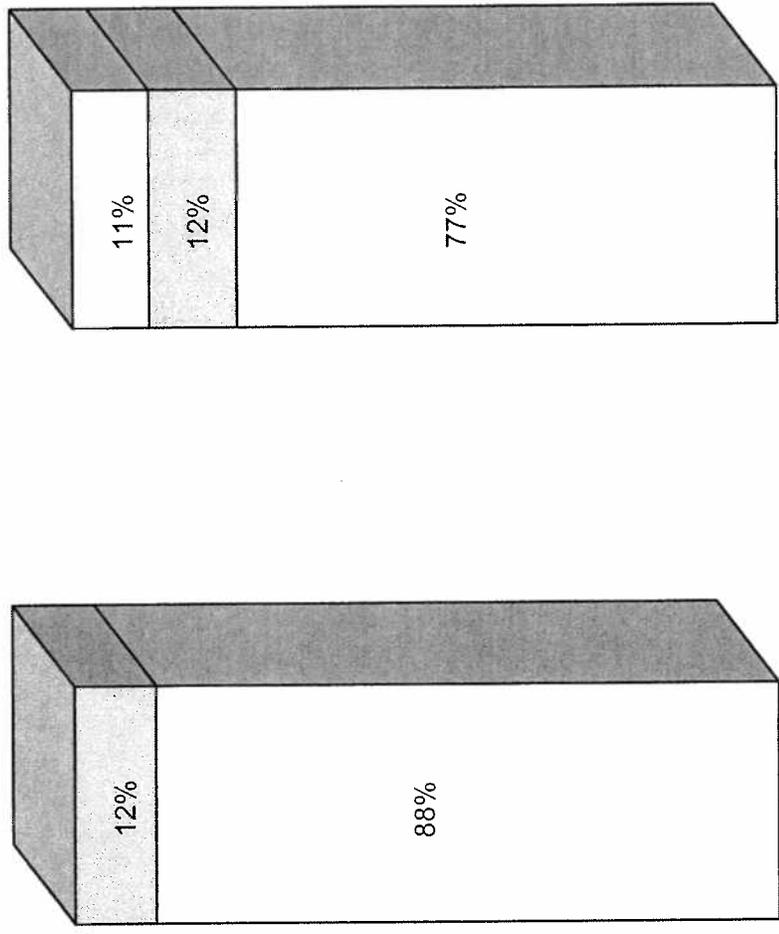
ABAG Financial Indices

Indirect Cost Rate (% of Direct Labor Cost) FY 10-11



ABAG Financial Indices

Composition of Expenses FY 10--FY 11 Year to Date (\$'000)



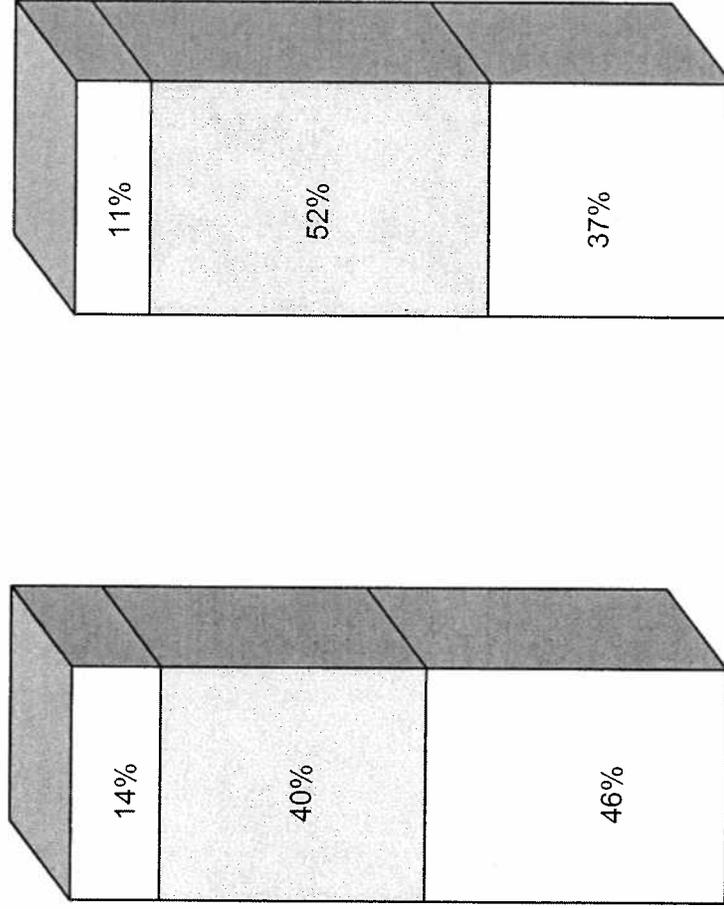
	FY10-11 Expenses (Total \$1,162)	FY09-10 Expenses (Total \$1,231)
<input type="checkbox"/> Consultants	\$-	\$134
<input type="checkbox"/> Others	\$134	\$151
<input type="checkbox"/> Payroll	\$1,028	\$946

ABAG Financial Indices

Composition of Revenues FY 10--FY 11

Year to Date

(\$'000)

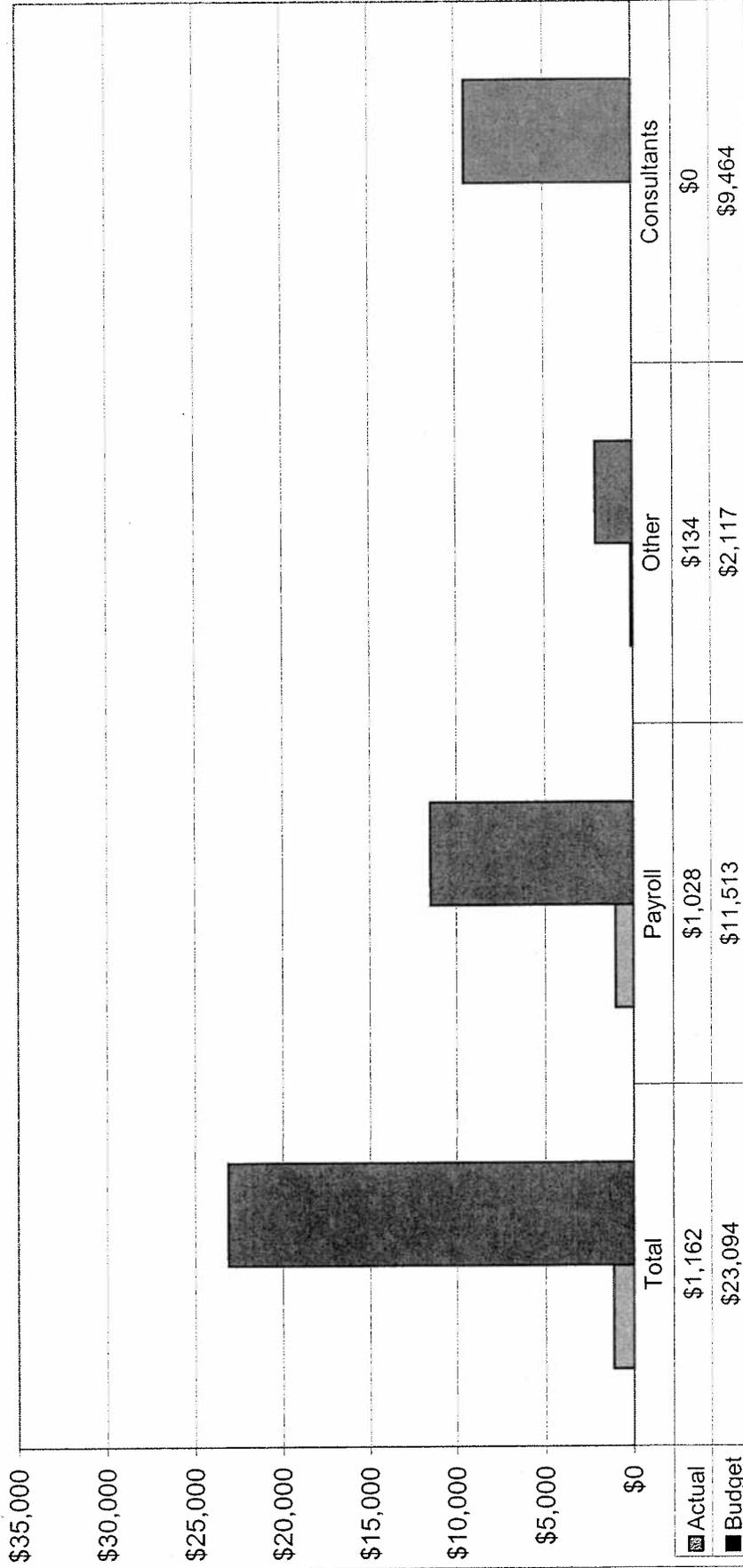


	FY 10-11 Revenue (Total \$1,030)	FY 09-10 Revenue (Total \$1,211)
<input type="checkbox"/> Membership	\$141	\$139
<input type="checkbox"/> Grants	\$415	\$624
<input type="checkbox"/> Services & Others	\$474	\$448

ABAG Financial Indices

Actual vs Budgeted Expenses--FY 10-11

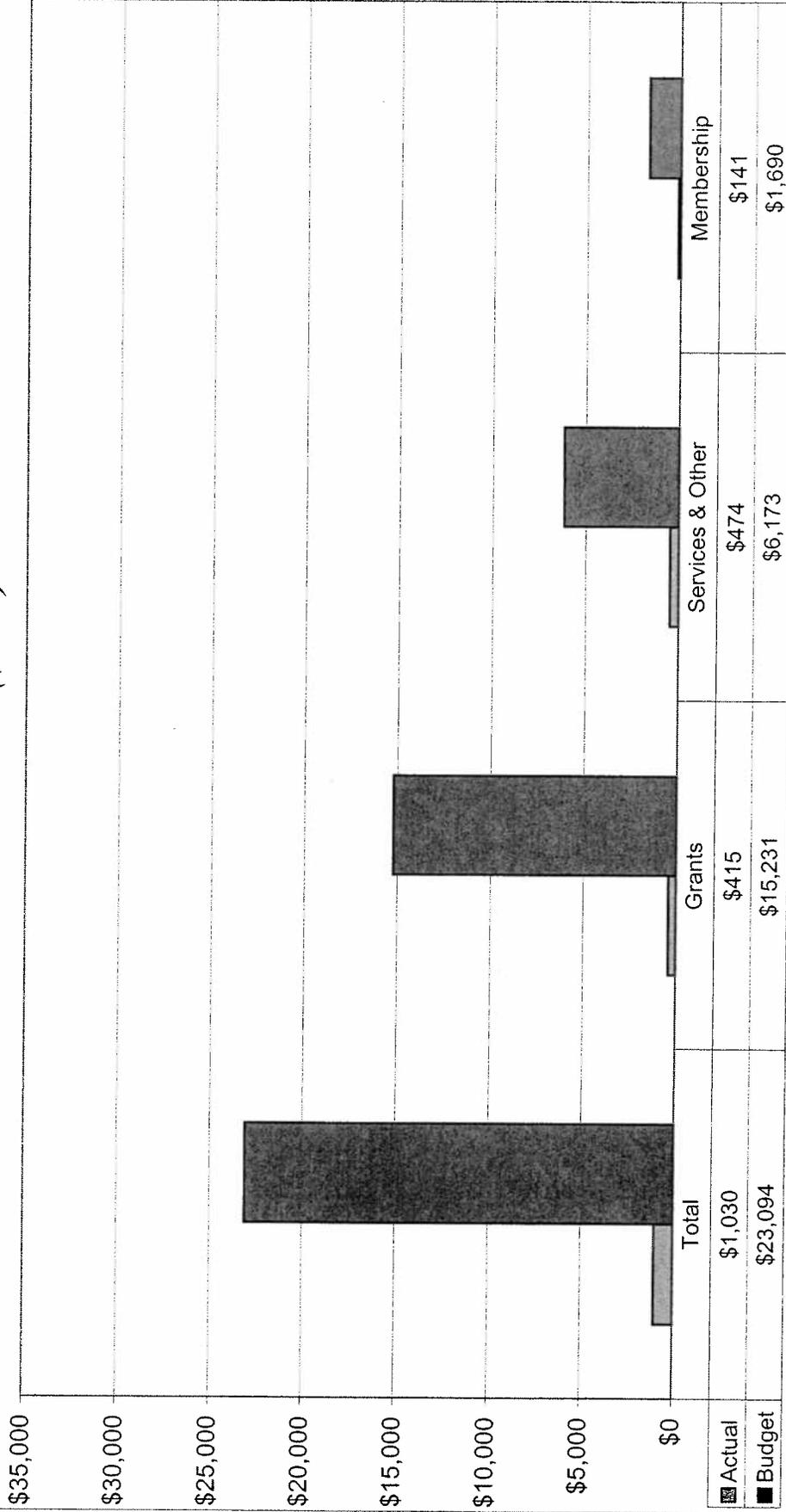
Year to Date (\$'000)



ABAG Financial Indices

Actual vs Budgeted Revenues--FY 10-11

Year to Date (\$'000)



Description of Charts

Figure 1 -- Cash on Hand

Cash on hand represents the sum total of cash deposited at our bank and the Local Agency Investment Fund (LAIF). This chart shows fluctuation patterns of cash on hand for the current and last fiscal years.

Figure 2 -- Accounts Receivable

Accounts receivable tracked by this chart include receivables generated by grants and service programs over two fiscal years. This chart reflects the reasonableness of our receivable levels. We usually have about six weeks' worth of our annual revenues in receivables.

Figure 3 -- Current Month Revenues and Expenses

Presents month by month total revenues, total expenses, payroll and other expenses for the current fiscal year. The difference between total revenues and total expenses lines represents the overall current month net surplus (or deficit) for the agency.

Figure 4 -- Year-to-date Revenues and Expenses

Presents year-to-date total revenues, total expenses, payroll and other expenses for the current fiscal year. The difference between total revenues and total expenses lines represents the overall year-to-date net surplus (or Deficit) for the agency.

Figure 5 --Fund Equity

Presents general, restricted and total fund equities for the current fiscal year. General fund equity represents unrestricted equity. Restricted equities include building bond interest, building maintenance, self-insurance and capital. These restricted equities represent the agency's equities set aside for specific purposes as approved by the Finance and Personnel Committee. Total equity is the sum total of general and restricted equities.

Figure 6 -- Indirect Cost Rate (% of Direct Labor Cost)

This chart shows a comparison between the actual indirect cost rate and the approved rate. The approved indirect cost rate is computed by dividing total estimated overhead expenses by total projected direct labor cost for a fiscal year. This rate is used as a standard overhead cost rate to allocate indirect costs to all projects. This process is performed in accordance with an indirect cost plan, which is prepared annually in accordance with OMB A-87.

Figure 7 – Composition of Expenses

This chart compares expenses for current and last fiscal years. It groups expenses into two broad categories -- payroll costs and other expenses.

Figure 8 -- Composition of Revenues

Presents a break down of total revenues into four main sources -- membership, grants, services and others. This chart compares revenue sources between current and last fiscal years.

Figure 9 -- Actual vs. Budgeted Expenses

Presents a comparison of actual and budgeted total expenses as well as component categories: payroll costs, consultants and other expenses.

Figure 10 -- Actual vs. Budgeted Revenues)

Presents a comparison of actual and budgeted total revenues as well as component categories: membership dues, grants, services and other.

M E M O

Date: September 7, 2010

To: Ezra Rapport, Executive Director

From: Patricia M. Jones, Assistant Executive Director
Herbert L. Pike, Finance Director

Subject: **Report on Diversity and Business Opportunities - FY 2009/10**

This status report summarizes ABAG's business opportunities, recruitment, promotion and training activities during FY 2009-2010 (ending June 30, 2010) and recommends programs that will continue our record toward improving the Agency's diversity.

Executive Summary

ABAG has limited opportunities for employment and promotion due to our size and funding. The fiscal year ended with 77 employees. However, during this past fiscal year, ABAG was able to add two males to our professional staff. We promoted one Black female and three White females all within the professional level.

ABAG's Diversity Program has three goals:

- To achieve in major job classifications (Management, Professional, Support) the same proportion of under-represented group members as exists in the nine-county San Francisco Bay Area labor force;
- To provide opportunities for all under-represented group members employed by ABAG to participate in training and education programs that will improve their personal advancement and contributions to the work of the Agency; and
- To ensure that the promotion of under-represented group members employed by ABAG be consistent with relevant skills, experience and background of the employees, performance requirements of higher job classifications and the needs for particular skills and positions in the Agency's work program.

This policy is consistent with the requirements and objectives set forth in Title VII of the Civil Rights Act of 1964 (42 U.S.C. § 2000e); the Age Discrimination in Employment Act of 1967 (29 U.S.C. § 621 et seq); Section 504 of the Rehabilitation

Act of 1973 (29 U.S.C. § 793); the Americans With Disabilities Act (ADA) of 1990 (42 U.S.C. § 12101 et seq); and California Government Code Sections 12940 et seq. The following table shows the racial make-up of the total population and the labor force in the nine Bay Area counties. This reflects 2000 census information.

BAY AREA NINE COUNTIES	TOTAL POPULATION	18 & Older (Labor Force)
RACIAL MAKE-UP	6,783,760	5,181,902
Amer. Indian, Eskimo & Aleut	0.6%	0.6%
Asian & Pacific Islander	19.5%	19.8%
Black	7.5%	7.1%
Hispanic*	19.4%	16.9%
Others	9.2%	8.1%
White	58.1%	60.6%
Two or More Races	4.9%	3.8%

The racial make-up of the three counties (Alameda, Contra Costa and San Francisco) from which ABAG staff is primarily drawn differs from the nine-county Bay Area as shown below.

ALAMEDA, CONTRA COSTA AND SAN FRANCISCO COUNTIES	TOTAL POPULATION	18 & OLDER (Labor Force)
RACIAL MAKE-UP	3,169,290	2,450,122
Amer. Indian, Eskimo & Aleut	0.6%	0.6%
Asian & Pacific Islander	20.7%	20.9%
Black	11.5%	10.7%
Hispanic*	17.4%	15.2%
Others	8.1%	7.1%
White	54.0%	56.6%
Two or More Races	5.1%	4.0%

*Persons of Hispanic origin may be of any race. Percents of White, Black, Asian and Pacific Islander, American Indian, Eskimo and Aleut, Others and Two or More Races may not total 100 percent due to rounding of decimals. Persons who identified themselves in the 2000 census as of Hispanic origin are also included in the racial categories.

Current Composition of Staff

The table below shows the composition of the ABAG staff as of June 30, 2010. Of 77 employees, 48 are White (62 percent); 12 are Asian (16 percent); 10 are Black (13 percent); 5 are Hispanic (6 percent); and 2 are Other (3 percent). On June 30, 2009, ABAG had 80 employees; the composition was 62.5 percent White, 16 percent Asian, 12.5 percent Black, 6 percent Hispanic and 3 percent Other. Because of the relatively small size of the staff, the addition or loss of one or two employees appears significant in percentages.

Progress towards diversity shows some variations for different under-represented members when examined by classification. Hispanics are not currently represented in the management and support classifications. As opportunities become available additional effort will be made to recruit this group.

ETHNIC BREAKDOWN BY CLASSIFICATION							
Race	Management		Professional		Support		Total
Amer. Indian	--		--		--		--
Asian	--		10	17%	2	20%	12 16%
Black	1	11%	4	7%	5	50%	10 13%
Hispanic	--		5	9%	--		5 6%
Others	1	11%	1	2%	--		2 3%
White	7	78%	38	65%	3	30%	48 62%
Total	9	100%	58	100%	10	100%	77 100%

An examination of the composition of staff by classification and sex in the following table shows a need for more females in management and more males in professional and support classifications.

STAFF COMPOSITION BY CLASSIFICATION & GENDER							
Management (9)		Professional (58)		Support (10)		Total (77)	
Male	(7) 78%	Male	(22) 38%	Male	(3) 30%	Total	(32) 42%
Female	(2) 22%	Female	(36) 62%	Female	(7) 70%	Total	(45) 58%

During FY 2009-2010, three staff members left the Agency. Two resigned and one was laid off. All three were women.

	White*	Black	Asian	Hispanic	Male	Female
Management	--	--	--	--	--	--
Professional	3	--	--	--	--	3
Support	--	--	--	--	--	--
Totals	3	--	--	--	--	3

*White includes American Indian and Other

Recruitment

During FY 2009-2010, the Agency added two staff members, both of whom were male.

	White*	Black	Asian	Hispanic	Male	Female
Management	--	--	--	--	--	--
Professional	2	--	--	--	2	--
Support	--	--	--	--	--	--
Totals	2	--	--	--	2	--

*White includes American Indian and Other

Job openings were advertised in the Sunday issue of the San Francisco Chronicle, with other regional councils of governments, and other professional and non-profit organizations. Agency job openings were also posted on the Internet and the application was available online.

Interview Panels have, whenever possible, included under-represented group members as well as both genders. This policy will continue. The Human Resources Manager and hiring manager select applicants for interview without knowledge of their ethnic status. If, however, this process does not produce representatives of under-represented groups, they are asked to re-examine the credentials of under-represented candidates. Whenever possible, qualified under-represented applicants are invited to interview.

The following table presents the salary breakdown for classified staff by race and sex as of June 30, 2010.

ASSOCIATION OF BAY AREA GOVERNMENTS
COMPOSITION OF CLASSIFIED STAFF BY SEX, RACE AND SALARY RANGE
(As of June 30, 2010)

SALARY RANGE	WHITE*		BLACK		ASIAN		HISPANIC		SUB-TOTAL		TOTAL
	M	F	M	F	M	F	M	F	M	F	
MANAGEMENT											
\$115,008-\$174,996	7	1	--	1	--	--	--	--	7	2	
SUBTOTAL	7	1	--	1	--	--	--	--	7	2	9
PROFESSIONAL											
\$94,932-\$115,380	2	3	--	--	--	1	--	2	2	6	
\$75,024-\$100,548	2	5	1	1	1	--	--	1	4	7	
\$68,280-\$83,004	7	9	--	--	4	--	--	1	11	10	
\$56,820-\$69,060	3	5	--	1	--	2	1	--	4	8	
\$49,512-\$60,180	1	2	--	1	--	2	--	--	1	5	
SUBTOTAL	15	24	1	3	5	5	1	4	22	36	58
SUPPORT											
\$44,832-\$54,660	--	2	--	1	--	--	--	--	--	3	
\$38,952-\$47,352	--	--	--	4	2	--	--	--	2	4	
\$35,304-\$42,948	--	--	--	--	--	--	--	--	--	--	
\$30,360-\$37,080	1	--	--	--	--	--	--	--	1	--	
SUBTOTAL	1	2	--	5	2	--	--	--	3	7	10
	WHITE*	BLACK	ASIAN	HISPANIC	SUB-TOTAL	TOTAL					
	M F	M F	M F	M F	M F						
TOTAL	23	27	1	9	7	5	1	4	32	45	77

*White includes American Indian and Other

Internship Program

Due to our financial situation, we did not hire interns for our traditional summer intern program. However, the Tranter-Leong Graduate Student Intern Program, which allows students to receive experience in their field of study and provides valuable practical experience for those planning a career in public administration,

filled two slots this summer. One unpaid intern worked for the Agency for a total of 6 weeks. The Internship Program consistently attracts a high caliber of applicants. The Agency received a total of thirty-eight applications and hired one high school intern and three college interns who were continuing or had just completed their education. Of the 4 interns, 2 were White (50 percent) and 2 were Asian (50 percent).

Training

It is the Agency's policy to encourage staff to participate in training to enhance their performance and develop skills for future growth. Thirty-eight employees participated in 125 classes with the assistance of our training and development program. The Agency's expenditure was \$27,404.70 which compares to \$33,727.19 invested in FY 08/09 and \$29,797 invested in FY 07/08. The participants were from every classification and represented all races and genders. Although not represented in these numbers, the Agency encourages and supports managers and professionals to participate in workshops and associations related to their field. The expenditures for these on-going professional development programs are included in individual program and project budgets.

All program managers are encouraged to promote the professional growth of their staff. Since funds are limited, we encourage focus on those efforts that enhance the position-related qualifications of regular staff members. A special effort will be made to identify under-represented group members who need guidance and encouragement, as well as financial help, to further their careers. This is especially true for those interested in completing their college education.

Promotions

There were four promotions during this fiscal year. All four promotions were for women and one was from an underrepresented group. All of the members were promoted within the professional level.

Business Opportunities - FY 09/10

Our adopted diversity policy states in part that:

“ABAG will, in its contracts with third parties for technical, consulting or other professional and non-professional services, comply with Federal rules regarding third-party relationships. ABAG will solicit proposals: from consultants with the required expertise who have protected group representatives among their employees, and from protected group consultants with the required expertise.”

In this spirit during FY 2009-10, ABAG used – and in most cases continues to use – the MBE/WBE firms, organizations or companies presented on Tables I and II.

In the past year, the agency consulting/service contracts with MBE/WBE organizations totaled \$1.16 million representing a decrease of 15.3 percent from FY 2008-09. However, this is largely because our total consulting/service contract decreased 22.7 percent. Our MBE/WBE contracts as a percentage of total business increased from 22.1 percent in FY 2008-09 to 24.2 percent in FY 2009-10. Table I — List of Firms/Contracts by Name and Table II — List of Firms/Contracts by Type are attached and provide additional detail.

Conclusion

Progress toward achieving and maintaining a diverse workforce continues to be a challenge. As in previous years, we continue to seek Hispanic applicants in the professional and support classifications to round out ABAG's diverse workforce. We will also continue to reach out and provide contracting opportunities to as many under-represented groups as possible, while maintaining our requirements of excellence.

ABAG FINANCE AND PERSONNEL COMMITTEE

Thursday, September 16, 2010, 5:00 p.m.
ABAG Conference Room B
MetroCenter—8th and Oak Streets
Oakland, CA

<u>Est. Time in Minutes</u>		<u>Recommendation</u>
	1. Call to Order	
2	2. Public Comments	Information
3	*3. Minutes of the July 15, 2010 Meeting	Action
5	*4. Financial Reports – ABAG <i>The June and July 2010 Financial reports are enclosed with the agenda packet.</i>	Action
5	5. Membership Dues Not Yet Received <i>The list of members and the FY 2010-11 dues amount not yet received by ABAG will be distributed at the meeting for review and discussion.</i>	Information
10	*6. Report on Diversity and Business Opportunity—FY 2009-10 <i>The Executive Director will present the annual Diversity and Business Opportunity Report.</i>	Action
	7. Adjournment	Action
	* Attachments enclosed with packet.	
	** The Committee may take action on any item on the agenda, which action may be the recommended action, any other action or no action.	

ABAG CALENDAR – September & October 2010

ASSOCIATION OF BAY AREA GOVERNMENTS [ABAG]

Joseph P. Bort MetroCenter, 101 Eighth Street, Oakland, CA 94607-4756

ABAG Receptionist: 510/464-7900

ABAG FAX: 510/464-7985

E-mail: info@abag.ca.gov

URL: <http://www.abag.ca.gov>

SEPTEMBER

Regional Advisory Working Group

9/7 @ 9:30 am, MetroCenter, Auditorium

ABAG / BAAQMD / MTC Joint Policy Committee

9/10 @ 10:00 am, MetroCenter, Auditorium

Legislation & Governmental Organization

9/16 @ 3:30 pm, MetroCenter, ABAG Conference Room B

Finance & Personnel Committee

9/16 @ 5:00 pm, MetroCenter, ABAG Conference Room B

EXECUTIVE BOARD

9/16 @ 7:00 pm, MetroCenter, Auditorium

Urban Pesticides Committee

9/21 @ 9:00 am, MetroCenter, Room 171

Regional Airport Planning Committee (RAPC)

9/24 @ 9:30 am, MetroCenter, Auditorium

6th Biennial Bay-Delta Science Conference 2010

9/27 @ 8:30 am, Sacramento Convention Center, 1400 J Street, Sacramento, CA

OCTOBER

Regional Planning Committee (RPC)

10/6 @ 1:00 p.m., MetroCenter, Auditorium

Bay Trail Steering Committee

10/14 @ 1:30 pm, MetroCenter, ABAG Conference Room B

ABAG FALL GENERAL ASSEMBLY

10/21 @ 8:00 am., TBD, San Jose, CA

PLAN – Risk Management Committee

10/26 @ 1:30 pm, MetroCenter, ABAG Conference Room B

San Francisco Restoration Authority Governing Board

10/27 @ 12 Noon, California State Coastal Conservancy, 1330 Broadway, Oakland

ABAG Power Annual Board Meeting

10/28 @ 10:00 am., MetroCenter, Auditorium

** ABAG programs for which a fee is charged and pre-registration is required. To register or for further information, contact ABAG Receptionist at 510/464-7900.

For ABAG Training Center information contact Chanell Gumbs at 510/464-7964.

PRESIDENT Mayor Mark Green, City of Union City
 VICE PRESIDENT Supervisor Susan L. Adams, County of Marin
 IMMEDIATE PAST PRESIDENT Supervisor Rose Jacobs Gibson, County of San Mateo
 SECRETARY-TREASURER Ezra Rapport
 LEGAL COUNSEL Kenneth K. Moy

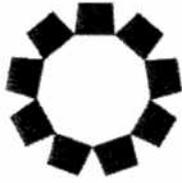
County of	Representative	Alternate
ALAMEDA	** Supervisor Gail Steele	Supervisor Alice Lai-Bitker
ALAMEDA	** Supervisor Scott Haggerty	Supervisor Nathan Miley
CONTRA COSTA	* Supervisor Gayle B. Uilkema	Supervisor Susan Bonilla
CONTRA COSTA	* Supervisor John Gioia	Supervisor Mary Piepho
MARIN	** Supervisor Susan L. Adams	Supervisor Judy Arnold
NAPA	** Supervisor Mark Luce	Supervisor Bill Dodd
SAN FRANCISCO	** Supervisor John Avalos	Supervisor Chris Daly
SAN FRANCISCO	** Supervisor Ross Mirkarimi	To Be Appointed
SAN FRANCISCO	** To Be Appointed	To Be Appointed
SAN MATEO	* Supervisor Rose Jacobs Gibson	Supervisor Mark Church
SAN MATEO	* Supervisor Carole Groom	Supervisor Rich Gordon
SANTA CLARA	** Supervisor Ken Yeager	Supervisor Donald Gage
SANTA CLARA	** Supervisor Dave Cortese	Supervisor George Shirakawa
SOLANO	* Supervisor Barbara Kondylis	Supervisor James Spring
SONOMA	* Supervisor Mike Kerns	Supervisor Shirlee Zane

Cities in the County of	Representative	Alternate
ALAMEDA	* Mayor Beverly Johnson (Alameda)	Mayor Tony Santos (San Leandro)
ALAMEDA	* Mayor Mark Green (Union City)	Mayor Michael Sweeney (Hayward)
CONTRA COSTA	** Councilmember Julie Pierce (Clayton)	Councilmember Dave Hudson (San Ramon)
CONTRA COSTA	** Councilmember Joanne Ward (Hercules)	Councilmember Ben Johnson (Pittsburg)
MARIN	* Mayor Pro Tem Carole Dillon-Knutson (Novato)	To Be Appointed
NAPA	* Mayor Jack Gingles (Calistoga)	Mayor Leon Garcia (American Canyon)
CITY OF SAN FRANCISCO	* Mayor Gavin Newsom	Jason Elliott, Policy Advisor
CITY OF SAN FRANCISCO	* Nancy Kirshner Rodriguez, Governmental Affairs	Joaquin Torres, Liaison, Neighborhood Services
SAN MATEO	** Councilmember A. Sepi Richardson (Brisbane)	Councilmember Pedro Gonzalez (S San Francisco)
SAN MATEO	** Councilmember Richard Garbarino (S San Francisco)	Vice Mayor John Boyle (Menlo Park)
SANTA CLARA	* Mayor Ronit Bryant (Mountain View)	Mayor David Casas (Los Altos)
SANTA CLARA	* Vice Mayor Joe Pirzynski (Los Gatos)	Vice Mayor Gilbert Wong (Cupertino)
SOLANO	** Mayor Len Augustine (Vacaville)	Mayor Harry Price (Fairfield)
SONOMA	** Mayor Pamela Torliatt (Petaluma)	Mayor Susan Gorin (Santa Rosa)
CITY OF OAKLAND	* Vice Mayor Jean Quan	To Be Appointed
CITY OF OAKLAND	* Councilmember Jane Brunner	To Be Appointed
CITY OF OAKLAND	* Councilmember Nancy Nadel	To Be Appointed
CITY OF SAN JOSE	* Councilmember Sam Liccardo	Councilmember Rose Herrera
CITY OF SAN JOSE	* Councilmember Kansen Chu	Councilmember Nancy Pyle
CITY OF SAN JOSE	* Councilmember Ash Kalra	Mayor Chuck Reed

Advisory Members	Representative	Alternate
RWQCB	Terry Young	Bill Peacock

* Term of Appointment: July 1, 2010 - June 30, 2012

** Term of Appointment: July 1, 2009 - June 30, 2011



ABAG

Meeting Schedule **2010**

Executive Board Meetings

January 21
March 18
May 20
July 15
September 16
November 18

START TIME
7:00 PM

LOCATION
Joseph P. Bort MetroCenter Auditorium
101 Eighth Street
Oakland, California 94607
Across from the Lake Merritt BART Station

Spring General Assembly

April 22
Oakland Marriott City Center

Fall General Assembly

October 21
San Jose Hilton