

SUMMARY MINUTES

ABAG Executive Board Meeting
No. 352, November 16, 2006
MetroCenter Auditorium
101 8th Street, Oakland, CA

1. CALL TO ORDER

In the absence of President Dave Cortese, the meeting was called to order by Immediate Past President Scott Haggerty, Supervisor, County of Alameda, at approximately 7:05 p.m.

Representatives and Alternates Present

Supervisor Susan Adams
Amiee Albertson, Intergovernmental Affairs
Supervisor Chris Daly
Mayor Carole Dillon-Knutson
Mayor Jose Esteves
Vice Mayor Dan Furtado
Mayor Mark Green
Supervisor Scott Haggerty
Supervisor Mike Kerns
Supervisor Barbara Kondylis
Supervisor Mark Luce
Councilmember John Marquez
Supervisor Ross Mirkarimi
Councilmember Nancy Nadel
Vice Mayor Jean Quan
Councilmember Steve Rabinowitsh
Councilmember Gwen Regalia
Mayor Cecil Shaver

Douglas Shoemaker, Mayor's Office of
Housing
Supervisor Gail Steele
Mary C. Warren
Councilmember Forrest Williams
Mayor Shelia Young

Representatives Absent

Supervisor Blanca Alvarado
Councilmember Jane Brunner
Councilmember David D. Cortese
Supervisor Mark DeSaulnier
Supervisor John Gioia
Supervisor Rose Jacobs Gibson
Councilmember Carol L. Klatt
Councilmember Linda J. LeZotte
Supervisor Peter McHugh
Mayor James Spering
Councilmember A. Sepi Richardson
Supervisor Adrienne Tissier

Jurisdiction

County of Marin
City of San Francisco
County of San Francisco
City of Novato
City of Milpitas
City of Campbell
City of Union City
County of Alameda
County of Sonoma
County of Solano
County of Napa
City of Richmond
County of San Francisco
City of Oakland
City of Oakland
City of Santa Rosa
City of Walnut Creek
City of American
Canyon
City of San Francisco

County of Alameda
RWQCB
City of San Jose
City of San Leandro

Jurisdiction

County of Santa Clara
City of Oakland
City of San Jose
County of Contra Costa
County of Contra Costa
County of San Mateo
City of Daly City
City of San Jose
County of Santa Clara
City of Suisun City
City of Brisbane
County of San Mateo

2. PUBLIC COMMENT

There was no public comment.

3. ANNOUNCEMENTS

Immediate Past President Haggerty presented awards of recognition to outgoing members Shelia Young, Mayor, City of San Leandro, Cecil Shaver, Mayor, City of American Canyon, and Steve Rabinowitsh, Councilmember, City of Santa Rosa. He welcomed Douglas Shoemaker, Mayor's Office of Housing, City and County of San Francisco.

There were no other announcements.

4. PRESIDENT'S REPORT

The President's Report will be given at the next meeting.

5. EXECUTIVE DIRECTOR'S REPORT**

Executive Director Henry Gardner highlighted recent activities including the "Homeland Security Symposium: What Every Elected Official Should Know" held on October 12th, the Fall General Assembly on "Environmental Challenges—Local Solutions" on October 26th, and capital funding through ABAG Finance Authority. He announced that Ceil Scandone, ABAG Senior Regional Planner, was awarded the 2006 Pollution Prevention Champion of the Year Award by the Western Regional Pollution Prevention Network.

6. CONSENT CALENDAR

Immediate Past President Haggerty recognized a motion by Susan Adams, Supervisor, County of Marin, and seconded by Barbara Kondylis, Supervisor, County of Solano, to approve the consent calendar. The motion passed unanimously.

A. Approval of Executive Board Summary Minutes**

No. 351, July 20, 2006.

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 Committees

The Board approved the appointment to the following committee:

Regional Planning Committee

Pixie Hayward Schickele, California Teachers' Association

D. Authorization to Amend Contract with Lisa Owens-Viani, Consultant**

The Board authorized the Executive Director or designee to amend a contract, under terms of the San Francisco Estuary Project/ABAG agreement with the U.S. Environmental Protection Agency to provide writing and editing support for CCMP implementation publications, with the responsive consultant, Lisa Owens-Viani, to increase the contract amount from \$33,000 to \$83,000 and extend the contract term to December 31, 2007.

E. Authorization to Extend a Contract with San Francisco Estuary Institute (SFEI)**

The Board authorized extending a contract with SFEI from January 1 to December 31, 2007, to provide technical assistance for the Wetland Tracker Watershed Expansion project funded by a U.S. Environmental Protection Agency grant. This is a time extension only; the contract amount of \$87,500 remains the same. The contract assists with the implementation of the CCMP for the San Francisco Estuary.

F. Approval of Resolution No. 11-06 Supporting Bay Area Integrated Regional Water Management Plan**

The Board approved Resolution No. 11-06 supporting the Bay Area Integrated Regional Water Management Plan which outlines the region's water resources management needs and objectives and presents innovative strategies to achieve those objectives contributing to sustainable water management in the Bay Area.

7. REPORT ON MTC ACTIVITIES

Immediate Past President Haggerty recognized Pamela Torliatt, Councilmember, City of Petaluma, and ABAG's representative to the Metropolitan Transportation Commission, who reported on MTC activities, including the Bay Area's current 25-year regional transportation plan, investment plan and funding, Joint Policy Committee key priorities, intelligent technology solutions, and the Bay Area Toll Authority and its responsibilities.

8. REVISED PROJECTIONS 2007 FORECAST**

Immediate Past President Haggerty recognized Paul Fassinger, ABAG Research Director, who reported on the revised Projections 2007 Forecast including the projections process and assumptions, forecast method, consistency of regional goals and local plans, local review, and summary of changes and final results. Projections 2007 is important because it is the basis for the Regional Housing Needs Allocation process and the 2009 Regional Transportation Plan. Economic and demographic models are used to identify regional and county numbers for population, households, and jobs. Staff recommended approval of the resolution adopting Projections 2007 based on the revised staff report.

Immediate Past President Haggerty recognized a motion by Supervisor Kondylis, and seconded by Mike Kerns, Supervisor, County of Solano, to approve the resolution on the revised Projections 2007 Forecast.

Members discussed whether Projections figures match local projections for job growth; how the numbers were generated and what are all the assumptions; going through a case example to see how federal census data and other regional economic information figures into what is being projected; increases in job projections; and multi-unit developments in large and small cities.

Staff responded that Projections figures on job losses are based on historical information from 2000 Census and updated information from statistical sources from 2005; stated that some areas in unincorporated Marin County have some potential for commercial use; described difference between definitions of land use in general plans and overall job and household numbers in Projections; commented on levels of growth projected by economic forecasts at regional and county levels; and noted

expected intensification of development in many locations and recognized different patterns on growth.

Members heard the following public comments:

William Shin, Councilmember, City of Concord, noted a discrepancy between the sub-regional study areas and the jurisdictional boundaries discussion. The number of households projected in their sphere of influence appears high. There is not adequate capacity within the city or areas considered to accommodate that number. ABAG staff is requested to look at this discrepancy and potentially reduce the number of households in this sub-regional area.

Paul Kermoyan, City of Sausalito, stated that the city council suggested that the Board not adopt the report as presented. The document should represent cities' local plans. Municipalities in Marin County are relatively small and two-thirds of the county is open space. The amount of figures is miniscule compared to the greater Bay Area. The history of the Projections document always falls short of real physical counts as represented in the Census. While ABAG staff mentioned Census figures are very important in obtaining this information as well as local plans, Census figures represent a much lower population, household, and job growth than what is reflected in the Projections document. The City of Sausalito requested that this is taken into consideration and changes made.

David Wallace, City of Novato, stated a concern that the employment and housing numbers are unrealistically high for the City of Novato. He noted that the city has made significant effort to provide housing, has met housing allocation needs for the last housing cycle, has met all affordable housing needs, and is committed to providing housing. The general plan is being updated. Based on availability of land, the city is not able to provide the housing projected. He supported staff recommendation to allocate housing in spheres of influence to counties rather than local jurisdictions.

Larry Chu, Mayor, City of Larkspur, stated that the city has had a planned unit development that takes into account transit oriented development near a ferry station. The projected numbers make it impossible to barely achieve numbers for 2006 much less any allocation in 2007. The city is totally built out. He requested more information about how projected housing and job growth numbers were calculated. The anticipated number of jobs being allocated is overstated. The large sphere of influence includes areas in unincorporated areas. He recommended particular numbers be reconsidered and revised significantly downward because of limitations and specific community characteristics.

Members continued to discuss the need for more transparency in the process and formula to help members, elected officials, and staff understand; the limitations of urban growth boundaries; creating in-fill; job growth and housing in spheres of influence; cities that are small and nearly built-out; watershed land and purchased open space; agricultural land; cities that claim jobs and housing numbers are inflated as compared to what is stated in their general plans; available transit and transit oriented developments; traffic effects on jobs; opportunity to take into account comments heard and whether projections will be revised.

Staff responded that there are no plans to revise Projections. The resolution under consideration is to adopt the Projections as now revised. During the Regional Housing Needs Allocation item, staff will ask the Board to release a draft methodology which would be reviewed and adopted at the next Executive Board meeting in January.

Members discussed the need for more explanation to better understand Projections and for adjustments to make Projections reflect what has been said and noted that the projections process will be undertaken again in two years. Members continued to discuss the short-term and long-term impacts on housing; the link between Projections and housing and jobs; cities that are not expected to grow; the counter trends of housing and job growth; local restrictions; the opportunity to adjust projections each cycle; and potential penalties.

Staff responded that the household and jobs numbers from 2007 through 2014 are used for the state's implementation of housing allocation; that the projections numbers are used to allocate between jurisdictions a housing number given by the state; and that land potential for supporting residential and job growth projections are based on available information.

Executive Director Gardner stated that Projections is not a perfect science and that the draft Projections have been reviewed and revised based on comments received, acknowledging how Projections are used and their impact on jurisdictions. ABAG will negotiate with Housing and Community Development to get the housing allocation number down to where it makes sense. Projections are revisited again and again. Projections feed into the RHNA process. There is commitment on the part of all jurisdictions in the Bay Area to do what they can for affordable housing. He recognized that not all jurisdictions can be treated the same. The commitment is to develop a rational, defensible approach. He urged adoption of the Projections.

Members discussed the staff driven process and a concern that elected officials have not been briefed by staff or have not been able to direct staff or provide input. Staff responded that notices were sent to city managers and planning directors over a period of months.

Members asked about the accuracy of Projections. Staff responded that ABAG's projections were better and more accurate in job and population forecasts than other regional agencies.

Immediate Past President Haggerty recognized a motion by Mark Green, Mayor, City of Union City, and seconded by Supervisor Adams, to continue this item at the next meeting.

Staff stated that a delay in approving Projections would result in a delay in having a discussion about a draft housing methodology. ABAG negotiated with HCD to extend the RHNA process to allow for a draft methodology at this point with a 60-day comment period. To reach other landmarks in the process, action is required at this meeting.

Members discussed adopting the Projections, meeting with their respective staffs, councils and other bodies, and then making adjustments as necessary.

On the substitute motion to continue this item at the next meeting, the ayes were nine and the nays were 11. The motion failed.

On the main motion to approve the resolution on the revised Projections 2007 Forecast, the ayes were 13 and the nays were six. The motion passed.

9. HOUSING METHODOLOGY COMMITTEE RECOMMENDATIONS**

Immediate Past President Haggerty recognized Mr. Fassinger, Kenneth Kirkey, ABAG Interim Planning Director, and Christy Riviere, ABAG Senior Regional Planner, who presented a report on the Housing Methodology Committee recommendations including an overview of issues and the methodology.

Staff reported that the Board is asked to release a draft RHNA Methodology which will commence a 60-day public comment period leading to the January 18, 2007 Executive Board meeting. The state mandates that councils of governments allocate the regional housing numbers provided by the state to the region's jurisdictions. The housing numbers include the number for the entire region separated into four categories that represent the needs of households at all income levels. The RHNA statutory objectives are grouped into four primary categories: increasing housing supply, affordability, and housing types; encouraging efficient development and in-fill; promoting jobs-housing balance; and reducing concentrations of poverty. The Housing Methodology Committee (HMC) was established in May to assist staff in developing a recommended methodology. The RHNA process includes adoption of a draft allocation methodology and a 60-day comment period.

The HMC developed weighted methodology factors, calculated based upon a regional share, including household growth at 40 percent, employment growth at 20 percent, existing employment at 20 percent, household growth near transit at 10 percent, and employment growth near transit at 10 percent. The HMC concluded that this will assign more housing need to existing areas that have transit, existing employment, and anticipated employment growth, and will place housing more in urban and in-fill locations and less in rural communities.

The remaining items that go into the allocation methodology, in addition to the weighted methodology factors, are regional income allocation, spheres of influence, transfer of units, and subregions.

Executive Director Gardner reminded the Board that the Housing Methodology Committee included elected officials, city managers, planning directors, county representatives, and non-governmental organizations, and that the recommendations from the HMC were reached by consensus.

Members commented on factors such as crime, poverty, and infrastructure that occur with growth.

Members heard the following public comments:

Julie Pierce, Councilmember, City of Clayton, who served on the HMC and is a member of the Regional Planning Committee, stated a concern about addressing jurisdictions that have grown exponentially in the past but which will be growing slower in the future. While transit is planned, the amount of money for E-BART is less

than a quarter of what is needed to build the line; it will not happen during this planning period. MTC's planned transit, if not fully funded under contract, is unrealistic to include in the methodology. The methodology accomplishes the Regional Blueprint objective to shift new growth from the sprawl at the fringes and back towards transit and the center cities. She recommended that the Board adopt the policy using only existing transit.

Andrew Smith, Senior Planner, City of Walnut Creek, stated the city's support of staff's recommendation regarding housing allocations assignment within the spheres of influence to jurisdictions with actual land use control within that area. He noted concerns about calculating walking distance from transit fare gates and opportunity sites identified by each city's general plan when determining projected growth near transit.

Matt Walsh, representing the County of Solano and a HMC member, stated the county's support of the draft methodology as recommended.

Tina Wehrmeister, Community Development, City of Antioch, stated a concern about factoring planned transit in the methodology without guaranteed funding for those transit improvements and which may not be built during the next RHNA cycle. She stated support for the equal share allocation of units based on affordability. She encouraged the Board and staff to work with the state to acknowledge market realities to obtain a realistic regional need.

William Shinn, Councilmember, City of Concord, stated general support for the methodology and concern about the 10 percent factor for housing near transit, particularly for land near the northern BART station adjacent to the Concord Weapons Naval Station. He asked staff to confirm that this property is not included in the calculation.

Paul Kermoyan, City of Sausalito, stated the city's support for the proposal and recognized the county's position about sharing between the numbers generated within the unincorporated spheres of influence (SOI) and the incorporated areas. The incorporated areas have reached consensus among electeds that that area generated within the unincorporated SOIs should be assigned back to the county.

Paul Cohen, Councilmember, City of San Rafael, stated agreement with the recommendation and endorsed the HMC recommendation that Marin join Alameda and Contra Costa Counties in retaining the housing allocation for unincorporated areas as the county's responsibility.

L. B. "Kyle" Keilman, resident of San Rafael, stated that very few people in the general public of the Bay Area know what was going on in the room. He read from an article in the *Twin Cities Times* about impacts of establishing a train station in Larkspur. He commented on state mandated development.

Alex Hinds, Community Development Agency Director, County of Marin, commented on spheres of influence and the current distribution of 75 percent to cities and 25 percent to the county. He commented on the Board of Supervisors and LAFCO agreement to continue that approach. He stated that Marin County has a long history of city-centered development, and suggested a shared responsibility and a third category.

Brad Nix, Mayor, City of Oakley, commented on working with HCD and stated a concern about using transit that is planned but unfunded.

Jeffrey Levin, Housing Policy and Programs Coordinator, City of Oakland, stated agreement with the overall goals of the RHNA exercise and concerns about the use of formulas shifting need figures to the three large core cities in the region. He commented on whether the market will build these units, the adequacy of the income allocation, and the statutory requirement to assign lower proportions of need in areas with disproportionately higher concentrations of low income.

Larry Chu, Mayor, City of Larkspur, stated the city's support of the county taking 100 percent of the sphere of influence numbers. He noted that in-fill will take longer than the period projected. He requested better understanding of calculations.

Immediate Past President Haggerty noted that the Board would be releasing the methodology for comments and that the issue of planned transit should be revisited based on current funding for transit.

Supervisor Adams commented on spheres of influence, shared responsibility between the county and cities, and the process in Marin County called dual annexation. She stated that Marin LAFCO has gone through a very deliberative process to remove those areas from the sphere of influence of cities and towns that don't make sense. She moved the recommendation from staff to start the 60-day process with an amendment to add a number three on page 13, on sphere of influence, that Marin County be allowed to continue its shared allocation.

Immediate Past President Haggerty recognized a motion by Supervisor Adams, and seconded by Mayor Green, to approve the resolution on the RHNA Methodology with the amendment adding a number three on page 13 to allow Marin County to continue its shared allocation.

Forrest Williams, Councilmember, City of San Jose, commented on historic jobs/housing imbalance and adjustments in San Jose.

Deputy Director Shoemaker commented on the regional fair share housing process, smart growth, the relationship between the regional transportation plan process and the allocation methodology, and zoning.

Immediate Past President Haggerty recognized a substitute motion by Deputy Director Shoemaker, and seconded by Chris Daly, Supervisor, City and County of San Francisco, to adopt a methodology that strikes the last two factors related to transit weighted criteria which adjust the percentage distribution to 50 percent, 25 percent, and 25 percent.

Members discussed testing formulas and shifting units between jurisdictions; the concentration of poverty; urban growth boundaries; funding needed to build housing units; the HMC process; general plans; the 60-day public comment period and the final methodology; a need for a reasonable allocation from HCD; urban sprawl; capping allocations to unincorporated areas; the Joint Policy Committee and the relationship between transportation and housing; developing agricultural lands; and household and job growth near transit.

Supervisor Adams requested that the substitute motion be amended to include the amendment in the original motion. The amendment was accepted as part of the substitute motion.

On the substitute motion to adopt a methodology that strikes the last two factors related to transit weighted criteria which adjust the percentage distribution to 50 percent, 25 percent, and 25 percent – the substitute motion failed.

On the main motion to approve the resolution on the RHNA Methodology with the amendment adding a number three on page 13 to allow Marin County to continue its shared allocation, the ayes were 14 and the nays were six. The motion passed.

10. UPDATE ON FOCUSING OUR VISION PLANNING ACTIVITIES**

Immediate Past President Haggerty recognized Mr. Kirkey who presented an update on Focusing Our Vision (FOV) planning activities including outreach plans involving elected officials around FOV, Projections, RHNA, and the Regional Transportation Plan.

Members commented on smart growth, recreational amenities, and the visioning process.

11. LEGISLATION AND GOVERNMENTAL ORGANIZATION COMMITTEE (L&GO) REPORT**

Immediate Past President Haggerty recognized Chair Shelia Young, who reported on the activities of the Legislation and Governmental Organization Committee. Chair Young reported that the Committee reviewed a legislative report examining voting records on bills ABAG supported or opposed, discussed 2007 legislative trends and issues, and heard a report on hosting a Sacramento legislative reception or other legislative day event.

Immediate Past President Haggerty recognized a motion by Chair Young, and seconded by Supervisor Adams, to approve the Legislation and Governmental Organization Committee report.

Members discussed the report examining legislators voting record.

The motion passed unanimously.

Immediate Past President Haggerty thanked Mayor Young for her report.

12. FINANCE AND PERSONNEL COMMITTEE (F&P) REPORT**

Immediate Past President Haggerty recognized Vice-Chair Mark Green, who reported on the activities of the Finance and Personnel Committee. Vice-Chair Green reported that, though the Committee did not have a quorum, it discussed the Executive Director's performance evaluation process and heard a report on audited financial reports and financial reports for September and October.

Immediate Past President Haggerty recognized a motion by Vice-Chair Green, and seconded by Supervisor Kerns, to approve the Finance and Personnel Committee report on the Executive Director performance evaluation process and the financial reports.

The motion passed unanimously.

Vice-Chair Green reported that the Committee considered a recommendation on changes in membership dues assessment rates.

Immediate Past President Haggerty recognized a motion by Vice-Chair Green, and seconded by Supervisor Kerns, to recommend a change in membership dues assessment that the fixed membership fee per jurisdiction be increased from \$300 to \$600 annually and a Consumer Price Index 12-month averaging on fees for members.

The motion passed unanimously.

Immediate Past President Haggerty thanked Mayor Green for his report.

13. ADJOURNMENT

Before adjourning, Supervisor Adams congratulated the nine Bay Area counties that unanimously opposed Proposition 90 on eminent domain.

Meeting adjourned at about 10:00 PM.



Henry L. Gardner, Secretary-Treasurer

** Indicates attachments.

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.