

FEBRUARY 3, 2016

**ABAG**  
Regional Planning Committee

AGENDA, MINUTES AND ATTACHMENTS

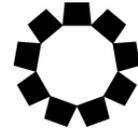
**ASSOCIATION OF BAY AREA GOVERNMENTS**

REPRESENTING CITY AND COUNTY GOVERNMENTS OF THE SAN FRANCISCO BAY AREA



# ASSOCIATION OF BAY AREA GOVERNMENTS

Representing City and County Governments of the San Francisco Bay Area



ABAG

## AGENDA

### REGIONAL PLANNING COMMITTEE

Wednesday, February 03, 2016, 12:30 PM-3:00 PM (Lunch 12:00 PM)

Location:

Lawrence D. Dahms Auditorium

Joseph P. Bort MetroCenter

101 8<sup>th</sup> Street

Oakland, California

*The ABAG Regional Planning Committee may act on any item on this agenda.*

*Agenda and attachments available at [abag.ca.gov](http://abag.ca.gov)*

*For information, contact Wally Charles, ABAG Planning and Research, at (510) 464 7993.*

#### 1. CALL TO ORDER / CONFIRM QUORUM

#### 2. PUBLIC COMMENT

Information

#### 3. APPROVAL OF SUMMARY MINUTES OF DECEMBER 2, 2015

ACTION

*Attachment: Summary Minutes December 2, 2015*

#### 4. ANNOUNCEMENTS

Information

#### 5. SESSION OVERVIEW

Information

Miriam Chion, ABAG Planning and Research Director

*Attachment: Staff memo*

**6. ELECTION OF REGIONAL PLANNING COMMITTEE CHAIR AND VICE-CHAIR, AND POSSIBLE APPOINTMENT TO ADMINISTRATIVE COMMITTEE**

Action

Pradeep Gupta, Vice-Chair, will call for nominations for chair and vice-chair. Committee will vote on nominated candidates. If the ABAG president, vice-president or past immediate president is elected chair, then the Committee would need to appoint another representative to the ABAG Administrative Committee.

**7. HOUSING PRODUCTION PERFORMANCE**

Information

Duane Bay, Assistant Planning Director, and Gillian Adams, Senior Regional Planner at ABAG, will provide an overview of housing sites and production and the implications for future trends.

*Attachment: Staff memo*

**8. EQUITY FRAMEWORK FOR PLAN BAY AREA 2040**

Information

Pedro Galvao, Regional Planner at ABAG, and Vikrant Sood, Senior Planner at MTC will provide an overview of the Equity Framework for Plan Bay Area 2040. This was developed with input from the Regional Equity Working Group. The Framework includes two components: 1) equity measures to analyze Plan Bay Area 2040 scenarios; and 2) the Communities of Concern that defines disadvantaged communities for scenario analysis and the Plan.

*Attachment: Staff memo*

**9. UPDATE ON REGIONAL AGENCIES MERGER STUDY**

Information

Julie Pierce, ABAG President, will provide an update on the potential paths for further collaboration and integration of ABAG and MTC and the work of Management Partners, the consultant team hired to prepare a study.

ABAG Regional Planning Committee  
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## 10. ADJOURNMENT

Next meeting: Wednesday, April 6, 2016

Submitted:

A handwritten signature in black ink that reads "Miriam Chion". The signature is written in a cursive style with a long horizontal line extending from the end of the name.

Miriam Chion  
Planning and Research Director

Date: 1/26/2016



# SUMMARY MINUTES (DRAFT)

ABAG Regional Planning Committee Meeting  
Wednesday, December 2, 2015  
Joseph P. Bort MetroCenter  
101 8<sup>th</sup> Street, Oakland, California

## 1. CALL TO ORDER

Pradeep Gupta, Vice Chair and Councilmember, City of South San Francisco, called the meeting of the Regional Planning Committee of the Association of Bay Area Governments to order at 12:32 PM

A quorum of the committee was not present.

<b>Committee Members Present</b>	<b>Jurisdiction</b>
Susan L. Adams	Public Health
Desley Brooks	Councilmember, City of Oakland
Diane Burgis	East Bay Regional Park District
Paul Campos	Senior Vice President, Government Affairs, Building Industry Association
Pat Eklund	Mayor, City of Novato
Martin Engelmann	Deputy Executive Director of Planning, Contra Costa Transportation Agency
Pradeep Gupta	Councilmember, City of South San Francisco (Vice Chair)
Scott Haggerty	Supervisor, County of Alameda
Russell Hancock	President & CEO, Joint Venture Silicon Valley
Nancy Ianni	League of Women Voters Bay Area
Jeremy Madsen	Executive Director, Greenbelt Alliance
Nate Miley	Supervisor, County of Alameda
Karen Mitchoff	Supervisor, County of Contra Costa
Carmen Montano	Vice Mayor, City of Milpitas
Anu Natarajan	Director of Policy and Advocacy, MidPen Housing
Julie Pierce	Councilmember, City of Clayton (ABAG President)
Harry Price	Mayor, City of Fairfield
Matt Regan	Senior Vice President of Public Policy, Bay Area Council
Katie Rice	Supervisor, County of Marin
Carlos Romero	Urban Ecology
Pixie Hayward Schickele	California Teachers Association

Egon Terplan	Planning Director, SPUR
Dyan Whyte	Assist. Exc. Officer, San Francisco Regional Waterboard
Monica E. Wilson	Councilmember, City of Antioch

**Members Absent**

Tilly Chang

Julie Combs

Dave Cortese

Diane Dillon

Erin Hannigan

John Holtzclaw

Michael Lane

Mark Luce

Eric Mar

Laurel Prevetti

David Rabbitt

Mark Ross

Warren Slocum

James P. Sperring

Jill Techel

**Jurisdiction**

Executive Director, SFCTA

County of San Francisco

Councilmember, City of Santa Rosa

Supervisor, County of Santa Clara (RPC Chair)

Supervisor, County of Napa

Supervisor, County of Solano

Sierra Club

Policy Director, Non-Profit Housing Association of Northern California

Supervisor, County of Napa

Supervisor, City and County of San Francisco

Assistant Town Manager, Town of Los Gatos

Supervisor, County of Sonoma (ABAG Vice President)

Councilmember, City of Martinez

Supervisor, County of San Mateo

Supervisor, County of Solano

Mayor, City of Napa

**2. PUBLIC COMMENT**

There were public comments from Ken Bukowski.

**Member Adams** asked if there will be information about the new location of ABAG in January.

**Ms. Chion** answered that they are working on that information and it will be sent out in a timely manner.

Vice Chair Gupta moved the committee to Item 4

**3. APROVAL OF REGIONAL PLANNING COMMITTEE MEETING MINUTES OF OCTOBER 7, 2015**

**Vice Chair Gupta** recognized a motion by **Pat Eklund**, Mayor, City of Novato and seconded by **Harry Price** Mayor, City of Fairfield, to approve the committee minutes of October 7, 2015.

There was no discussion.

The motion passed unanimously.

**Vice Chair Gupta** moved the meeting back to Item 6 discussion.

**4. ANNOUNCEMENTS**

There were no announcements.

**5. SESSION OVERVIEW BY MIRIAM CHION, ABAG PLANNING AND RESEARCH DIRECTOR**

**Ms. Chion** said to recap their last meeting, they had a discussion about Plan Bay Area scenarios; staff is taking all of the input from last meeting and are preparing more detailed scenarios which they will be discussing with all the local jurisdiction planning directors and planning staff. ABAG is planning to have presentations at the local City Council and Board of Supervisor meetings.

Julie Pierce, ABAG President, gave the following update about the ABAG/MTC reorganizing proposal.

**Member Pierce** said MTC and ABAG have agreed to work together to hire a third party consultant to help them look at all options for how to work better together up to and including full merger. They are in the process of hiring a consultant and hope to have this process done by 12/6/2015. They really would like to have everyone involved and the community to attend the meetings to have their voices heard.

**Ms. Chion** said the Air District is working on a report "Planning Healthy Places" which provides guidance about how to address air quality issues in local plans and project

approvals. She said that today's session will give them a solid understanding of the economic prospective of Plan Bay Area. Ms. Chion gave an overview of both Items in the agenda packet. She also pointed out an upcoming event "Getting Ready For El Nino", and mentioned that Michael Germeraad, Resilience Planner at ABAG, is available for questions.

**Vice Chair Gupta** guided the Committee to Item 6.

## 6. PRELIMINARY REGIONAL FORECAST

Cynthia Kroll, ABAG Chief Economist, provided an overview of the regional forecast numbers for Plan Bay Area 2040, including context and methods, and preliminary projections for households, jobs, and population.

**Member Eklund** said they have here the Department of Finance (DOF) estimated amount and the Department of Finance projection, she asked to please explain the difference.

**Ms. Kroll** responded that the DOF puts out a couple of different series. They do their own projections and that's where the yellow column comes from. They do an estimate when the year arrives. The estimate for 2015 is done but they did their projections earlier and they ended up with a lower household size number for the Bay Area in their projections than they had in their actual estimate. She didn't think anybody was expecting quite the strength of growth that happened here over the last five years.

**Member Eklund** said DOF projections in 2015 were higher than ABAG's projections for *Plan Bay Area 2013*, could they please explain.

**Ms. Kroll** explained that DOF were projecting more households than actually happened, not anticipating higher household size. Because of the lack of building and high prices, they saw fewer households with more people per household. The point of the chart (Table 4 in the Memo) is that the DOF projection is now above the ABAG 2017 projection.

**Member Eklund** asked how the regional control total affects the regional housing need allocation (RHNA).

**Ms. Chion** said the RHNA number is defined by the California Department of Housing and Community Development (HCD). It is based on the household population within the region, as far as we have assessed these different calculations, the regional housing control total is for Plan Bay Area. They will have further discussion and conversation with HCD at the beginning of the next RHNA process.

**Member Terplan** would like the charts to be consistent in going up to 2040 instead of ending at 2010. He asked for clarity about how ABAG determined that there would be 600,000 jobs added between now and 2040.

**Ms. Kroll** said to look at the 1990 to 2010 number for employment; this is a region with very volatile employment sectors. At the same time, it's quite possible that they could go up another 300,000 jobs in the next twenty or twenty five years. It depends on whether they are forecasting for the peak of the cycle or for the middle or for the bottom; they try to forecast for the middle. Those numbers are particularly open for discussion. A number of those industries are already talking about being at capacity in the Bay Area and looking for other locations elsewhere in the US, out of California, or elsewhere in the world to expand now. They think there is a really good chance that expansion will slow and, at some point, there may be a downturn. Our Technical Advisory Committee had a split number and was concerned about housing constraints.

**Member Terplan** said with the ageing of the population, being a big piece of the population growth, would generate new types of service employment to serve that population. He asked for more information about how that affects the job growth.

**Ms. Kroll** said health and social services is growing very strongly. A significant part of that job growth is related to serving the older population.

**Member Madsen** asked whether the housing number on this presentation slide was the same that they built or some combination of building permitting between 2010 and 2015.

**Ms. Kroll** said that is the difference between the DOF estimate of housing units in 2015 and the estimate of housing units in 2010. That would be built minus whatever was demolished.

**Member Madsen** said theoretically that would mean, there is 808,000 units that are needed between 2010 and 2040 and they have around 60,000 that have already been built. He said he would like the number be clearer for the public to understand. He also asked why the forecast says that in-commuting is going down.

**Ms. Kroll** explained they were being very transparent in what they did. They used REMI to make these estimates and they had two different ways of making them. One estimate gave them a really reasonable commute number for 2010 but a decrease by 2040. The other estimate provided a more accurate reflection of what was likely to happen in the growth of in-commuting.

**Vice Chair Gupta** led the committee back to Item 3 to approve the minutes.

**Member Romero** asked to clarify the household numbers in the in-commute, are they living inside of the nine counties?

**Ms. Kroll** answered that those are households outside of the nine counties.

**Ms. Chion** clarified that the numbers for households, population jobs are not changing. The only adjustment is made to the housing number.

**Member Romero** said the increase in household size, anecdotally, is not due to household formation but it is due to overcrowding.

**Ms. Kroll** said overcrowding is a different concept than household formation. You could have larger households because people decide to live together in a multi-generational household. They might do that because of cost, or cultural reasons. Overcrowding is a very specific definition related to how many people per room, they have not entered that area. We would need more houses if we reduced our household size or household formation even more in 2040. That would be another possible discussion point. Other things that affect household size are the age of the population.

**Member Romero** wanted to make two points on household size. One, the increase in household size may be due to more people living in one home. Two, more people are having two or three babies.

**Ms. Kroll** replied, yes and that's exactly what happened between 2010 and 2015.

**Member Romero** explained that he thought he heard Ms. Kroll say that they don't have that information to say that that is what is happening—that people are either doubling up or that more seniors are moving in together because they can't afford the housing prices.

**Ms. Kroll** said they have not done an analysis to say that that is what is happening.

**Member Romero** asked whether the expected job growth is in more middle income jobs, lower income jobs, or more service sector jobs? That is a valuable piece of information that they really need to make sure they understand because the type of housing need it creates and who creates that housing will depend on the split. The market is not going to provide housing for low and moderate income.

**Ms. Kroll** agrees that this is one of the hardest things to do in a regional forecast. What many regions do is take the distribution they have and they move it forward so they assume it doesn't change proportionately. There were efforts last time and this time to take what was happening to the economy into account. It's certainly one of the areas where frequent updates will be very important.

**Member Campos** asked about cities and counties where the population estimates are consistently higher than actual population growth, and yet from an economist's point of view the area in which that city or county is located is experiencing significant increases in jobs and population. Is it fair to say that it is a policy choice that that community has taken in order to maintain a low population? In other words, there is no evidence that the economic forecasters were wrong or way off base by continually going back and saying, DOF or ABAG or someone keeps projecting more people in our community than they have. Is it not just as likely that that community has made the decision not to allow more

housing to be built and that were market forces allowed to function, the community would in fact have the projected population that most of the economists made?

**Ms. Kroll** said there is definitely a policy element to this. There is also clearly a lot of noise in any of these models. Certainly that's one element. Those decisions are made at the local level. DOF on the one hand says, "We can do our projections based on what we think those communities will really do." ABAG makes those projections partly based on an aspirational idea of what the region will be. That's one difference between what our two agencies are doing.

**Member Engelmann** said he is the unfortunate person that has to incorporate the forecast into their CMA models. The last time there was big discussion about annual housing production. Have they gone back and looked at what was the annual housing production in the Bay Area between 1990 and 2010 and how does this new forecast of 808,000 compare as far as annual productions between 2010 and 2040? Is it sustainable?

**Ms. Kroll** said she looked at those numbers; she does not have them in front of her. One of their requirements is not to do their projection based on past production levels. The argument that Member Campos was making is really why they pushed for that—to avoid simply forecasting a continuation of what has been. At the same time they want to be realistic.

**Member Eklund** asked how does the fact that the Bay Area economy is stronger than much of the rest of the state factor into what we are seeing with regards to our population growth and household growth.

**Ms. Kroll** answered that it certainly has influenced the last five years and in terms of the projections going forward they see an increase in the Bay Area share of employment and population going forward. That's a short answer. The longer answer is how long will people continue to flock here? As long as the jobs, opportunities, and vitality is here. If one of those leaves, we could see net out migration again very quickly.

**Member Terplan** asked for an overview of what happens from here till these numbers are finalized.

**Ms. Kroll** said they hope to have final numbers that will really be the base of the regional distribution numbers in January. They are definitely reviewing the employment level. They are reviewing the relationship between employment and population. They have pushed the household relationship as far as they can push it in terms of saying household growth will adjust to the number of people and what is available. It is really coming down to where they end up with employment and population goals.

**Member Terplan** said there are a lot of people saying that the Bay Area's inability to produce housing is having an impact on the national economy. If this region produced more housing there would be greater economic growth which would then have benefits.

**Vice Chair Gupta** summarized three issues from the discussion here. One, interest in the impact of the control totals on RHNA numbers. Two, regarding the employment growth, half of that employment growth forecasted has taken place. Third, regarding Member Romero's point, there is an economists' definition of household size which is basically family unit in terms of their birth rate et cetera which goes up and down depending on where the birth rates go up, household size goes up or down. Building housing units which have higher density than normal or higher than in the past. Those are some of the debates. We do this plan update every four years because we know it is not the perfect plan for the next twenty five years. He led the committee to Item 7.

## **7. A ROAD MAP FOR ECONOMIC RESILIENCE REPORT**

Miriam Chion, ABAG Planning and Research Director introduced Micah Weinberg, Bay Area Council Economic Institute President, who presented a report on regional economic strategies.

**Member Eklund** said creating incentives for states and local governments to achieve goals that are national or statewide are really important; but taking away the legislative authority of governments, whether it's state or locals, goes counter to what our communities want. I was surprised that the Bay Area Council Institute didn't talk about Prop 13 where, change of ownership of houses, leads to increase in property tax and commensurate with the actual sale. That's not true for commercial developments. Local governments have the need to raise fees in order to process applications throughout because they do not get the property tax that is really needed. Why didn't the Bay Area Council Economic Institute take that issue head on?

**Mr. Weinberg** replied the problem is the relative advantage of permitting and building commercial property versus residential property. Right now, it's in the interest of all cities to build all the commercial property and have their neighbor build all the housing. This is the opposite of what a tax system is supposed to do. Our taxes, our regulations, our fees, you name it, all work against the economic well-being of the people in California.

**Member Eklund** said there are other concerns she has in some of their recommendations like taking away local approval authority if they do not achieve the RHNA. According to Mr. Weinberg's recommendations, cities and counties are going to be penalized for the fact that the building industry may not want to build that particular housing in that location where it was rezoned.

**Mr. Weinberg** said point well taken. Cities that demonstrate significant commitment towards trying to get the housing built in their communities are not the types of cities that would need to be held accountable.

**Member Eklund** said she is concerned about a lot of the recommendations and policy statements in here that really impinge on local control. This document will inform us as we go forward with Plan Bay Area 2040, but we're not necessarily going to be adopting this report's recommendations, correct?

**Ms. Chion** replied no. As Micah explained, this is input from the business community. This is an independent document meant to convey the perspective of the business community.

**Mr. Weinberg** said this is all designed to support the Plan Bay Area process. He does not necessarily personally agree with all of this. His job is to be a spokesperson for this particular process.

**Member Eklund** said *People, Places, and Prosperity*, on page 22, talks about this report and the fact that it will help inform the development of Plan Bay Area. She wanted to make sure that they say on the record very clearly that they are not approving the recommendations that are in Mr. Weinberg's report when they adopted the *People, Places, and Prosperity*.

**Ms. Chion** replied that is correct.

**Member Terplan** said the main recommendation that is being made is to tie regional funding to local action; they should not be rewarding communities that are not approving housing in line with regional goals. There is some new information that is coming out from analysis in San Jose that new residential development may, in fact, be fiscally positive. Cities may not or should not be making the fiscal argument against housing as much as they have been historically. They need to look at all housing together and how much revenue they get from it as opposed to just looking at new housing independent of existing housing stock.

**Mr. Weinberg** said not all new housing is negative. The higher density housing, the higher price point housing is not negative. The problem is the value of that housing erodes over time. Over time, even the very high density housing ends up being negative. He agrees that there are different considerations around density and price.

**Member Terplan** said they could design some kind of a tax sharing scheme where the money would go to a certain place and then could get redistributed based on some set of performance. When he looks at Mr. Weinberg's numbers and the numbers they just heard from Ms. Kroll from ABAG, Mr. Weinberg's numbers are assuming growth of 1.2 million jobs between 2015 and 2040, as opposed to 600,000 for ABAG. Job growth, on page 31 in Mr. Weinberg's report, 3.7 million in 2015 up to 4.9 million. Is that 1.2 million? That is double the number of job growth compared to the ABAG numbers. He asked what are your thoughts on the ABAG projection. Are they too low? Are they under assuming the Bay Area's ongoing economic performance?

**Mr. Weinberg** said UCSF is the most amazing medical research facility in the world. It's driving a tremendous amount of the regional economic activity. You would think that its major threat would be competitors or cost of health care. The number one threat to UCSF is housing. They cannot attract and retain the talent because of the cost of housing. If they do not build the housing, they will not get the economic growth. If you leave the series of policies in place, it becomes a self-fulfilling prophecy. He would not say that there is any technical difference or disagreement between the ABAG numbers

and the numbers that the business community is putting forward. It is based on a different policy environment.

**Ms. Kroll** mentioned that she did not want to leave the impression that their housing numbers are keeping them from getting 1.2 million more jobs. The 2015 number of jobs in the Bay Area is 4 million, not 3.7. They do have a difference of opinion with some of these other projections of 300,000 jobs, not 600,000. Theirs is not just a housing constraint issue at that point but it is also a question of the overall long-term competitiveness or long-term growth patterns of these industries. Let us not argue about whether it is 800,000 or 1.2 million housing units. Let's just get started building them.

**Member Romero** said it was interesting that BACEI led with poverty alleviation and income and equality as your frame, and then couched it within a neoliberal framework that if you want to have housing, you must remove the very constraints that many of us see actually producing the low income housing that is necessary, whether it is in lieu fees, inclusionary ordinances, impact fees, jobs, housing, or linkage fees. He wished that they would have had this conversation within these Sustainable Communities Grant process because they would have come up with a document that probably would have had some more conflicting pieces in it but probably there would have been some areas where both groups could have agreed. If they cannot generate housing at the price points for people who are working at UCSF, a medical brain trust, they are not going to be able with the sole use of the market—even if it's completely unrestricted—to generate the housing that they need for low income, working class, even middle income people. Some of the regional taxation measure is important. They have to figure out where that money might go.

**Mr. Weinberg** said it is a fundamental disagreement about economics and they do not have time to go into all of it. When you tax something, you get less of it. They have not had a market economy for the production of housing in California. Since the 1970s, there has been enormous market distorting policies and principles on the books. What they have been doing has gotten them a million units less in the Bay Area alone since 1980. They need to make housing affordable across the income spectrum.

**Member Romero** said there is no such thing as a perfect, rational market that will bring equilibrium. There is a reason you regulate the market because they do tend to go in the wrong direction. We disagree.

**Mr. Weinberg** replied it is not a disagreement.

**Member Adams** said she was unelected because she was trying to get some housing built in a derelict strip mall for redevelopment. Mr. Weinberg made a compelling statement that California has the highest rate of poverty. Is that really true?

**Mr. Weinberg** said yes. They have the highest rate of poverty in the nation, the highest rate, about 25.3%. This is not due to the absolute income. The thing that drives the cost of living in the state up more than anything else is lack of supply of housing.

**Member Adams** said these are my own comments, how do they look at issues like using housing for marijuana grow-houses or Airbnb for people to make money off of their houses that could be residences for people? She wanted to bring in the overarching picture of climate change because they are creating big problems related to how they use energy and resources. She would hope that the business community is looking at our planet 20, 30 years down the road.

**Mr. Weinberg** said climate change and sea level rise certainly part of that conversation.

**Member Natarajan** said one of the takeaways from what Ms. Kroll said was these are just numbers that can be tweaked around but what we need to get out of it is the policy discussions and analysis. She thanked Mr. Weinberg for giving them the business community perspective. Everybody raises a huge housing crisis and yet when the City of Fremont is looking at a project that's 70 units to an acre on a PDA site right next to BART, the community comes in and talks about how it's way too dense and they need to be at 30 units to an acre. Palo Alto talks about Manhattanization of their community because every house is becoming two stories. How will they translate this kind of conversation at a community level, otherwise, it is a complete disconnect.

**Mr. Weinberg** said for the most part communities in the Bay Area support the building of more housing. Many of them support the building of housing in their neighborhood, and many think it should all happen in San Francisco.

**Member Regan** said what the report says to him is that they have the absolute authority over zoning, planning, and permitting within their local community. They should not expect then to be rewarded by ABAG, MTC, or the merged body and receive regional planning dollars, transportation dollars that are meant to accomplish the objectives of Plan Bay Area. They should be using whatever carrots are at their disposal, maybe the occasional hammer to focus on growth, to build sufficient housing. If they want to remain a leafy suburb, fine. They should know that with that comes an expectation that they pay for their own roads. He is very happy Member Montano is here today because in the last RHNA cycle, Milpitas to the best of his knowledge, built 212% of its RHNA obligation. No?

**Member Montana** replied they are building 7,000 new homes in Milpitas and that's moving forward. One of the reasons is BART is going through there. She thinks the biggest problem is traffic congestion

**Member Campos** said what this region does not want is housing that is built on a par with job growth and market demand comparable to most other places in the United States. They are very much an outlier in terms of how few housing units they have constructed. The notion that the market has ever been allowed to try to satisfy the demand for housing in the Bay Area has been tried. Right now we have one policy that supplies most of the affordable housing in the Bay Area and that's inclusionary zoning. They disagree on whether it's effective, whether it's fair, whether it's legal. There is a shared interest between the advocates of inclusionary zoning and market rate builders to build the heck out of housing and have a certain percentage of the units affordable.

What would that coalition run into, headlong into Pat and local control and people that do not want more housing? The only way this region is ever going to get to do anything is if at the state level or the federal level someone says, if a housing project includes 20% affordable, it has to be approved because affordable housing is such an important societal goal.

**Member Mitchoff** has a community in her county with sixteen homeowners associations. If one homeowners association doesn't like a project in their community, the agreement is that the 15 others will come out against it. When they are saying that people want housing infill, at least in Contra Costa County, they do not. They do not mind having infill housing. They just do not want it in their neighborhood. People think they are paying way too much in taxes and they are not getting enough. They just see more people coming in and it is taking more away from them. I do not agree with them, I have 100% record on voting on housing. Maybe elected officials do not get what business they are dealing with. Business does not understand what they are dealing with. She has Concord Naval Weapons Station in her district. They are going to have a wonderful development. They are going to try and do it right but it is the last place in their county. East Contra Costa Fire District is a victim of Prop 13 because cities out there incorporated after Prop 13 passed. They have more people paying in a tax space but she cannot provide them fire services because they are not receiving enough money. There has to be some revolution. Until that happens, she, as an elected official, cannot justify more housing when she cannot provide fire protection.

**Member Eklund** said two years ago, she indicated at the ABAG General Assembly that the Bay Area really needs to have a region-wide discussion about carrying capacity. She wanted to call everybody's attention to a recent report that ABAG issued on the Bay Area's progress in meeting the 2007-2014 RHNA. You could see why it's a 5-0 vote to approve inclusionary zoning; building very low and low income housing units is really difficult. Milpitas, as the Bay Area Council said, built 200% of their RHNA. They built 49% very low income housing, 26% low, 60% moderate and 688% above moderate. How is that going to work for the health care workers who are paid \$9 an hour to take care of somebody who is 80, 90, or in their community 107 years old. The business community has to help build that very low and low. She called upon the building industry in the Bay Area, to start building housing units for their employees where they work. These discussions would be very helpful for the region; the missing people on this table are people from the public who really want to maintain a quality of life.

## 8. ADJOURNMENT

**Vice Chair Gupta** adjourned the Regional Planning Committee at 2:44 PM

The next meeting of the Regional Planning Committee will be on February 3, 2016.

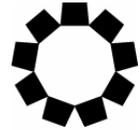
Submitted:

Wally Charles

Date: January 10, 2016

*For information or to review audio recordings of ABAG Regional Planning Committee meetings, contact Wally Charles at (510) 464 7993 or [info@abag.ca.gov](mailto:info@abag.ca.gov).*





Date: January 27, 2016  
To: Regional Planning Committee  
From: Miriam Chion, ABAG Planning & Research Director  
Subject: Overview Session February 3, 2016

Welcome to the first meeting of 2016. This is the beginning of a two-year cycle 2016-2018 for the ABAG president, vice-president and committees chairs. We will elect the Regional Planning Committee new chair and vice-chair at this meeting. We also have new committee members, who were approved by the ABAG Executive Board at the January meeting:

- Cindy Chavez, Supervisor, County of Santa Clara
- Mark Boucher, Contra Costa Flood Control and Water Conservation District
- Al Savay, Bay Area Planning Directors Association
- Melissa Jones, Executive Director, Bay Area Regional Health Inequities Initiative
- Kirsten Spalding, Executive Director, San Mateo Union Community Alliance
- Karen Engel, Director of Economic and Workforce Development, Peralta Community College

Chair Dave Cortese has stepped out of the Regional Planning Committee. We would like to thank him for his leadership and contributions to the multiple planning processes we carried through the Committee. He will continue to serve on the ABAG Executive Board and Administrative Committee. For a complete list of new committee members, please see attachment 1.

At our last meeting in December, we had a substantial discussion on the preliminary **Regional Forecast**. Input from this Committee, in addition to the comments from experts and stakeholders, contributed to the development of the final forecast, which was accepted by the ABAG Executive Board in January. (See memo <http://abag.ca.gov/abag/events/agendas/e012116a-Item%2007A,%20Final%20Regional%20Forecast.pdf>) Staff will prepare a Final Regional Forecast report that summarizes growth numbers, key assumptions and methodology.

For our February meeting, Julie Pierce, ABAG President, will provide an overview of the **regional agencies merger study**. Management Partners, the consultant team hired to prepared the study, has been interviewing elected officials, staff and stakeholders. On Friday, January 22, they facilitated a workshop to discuss objectives and principles.

The two other items for the February meeting include the Equity Framework and Housing Production. Both items will contribute to the development of Plan Bay Area 2040. The **Equity Framework** for Plan Bay Area was developed in collaboration with MTC to meet the SB375 and federal requirements of the Regional Transportation Plan. This framework will guide our planning efforts and investments to address the needs of disadvantaged populations. It is intended to recognize Communities of Concern and highlight the housing, transportation, economic development and health needs therein. The **housing production** report provides an overview of housing production trends in relation to local plans and Plan Bay Area. This detailed data on housing production should inform the selection of housing strategies to not only increase production levels but also address type, location and affordability levels.

#### Ongoing efforts:

- Change in Plan Bay Area schedule: The release of the scenarios and public workshops have been postponed from March to May/June 2016. The adoption of the Preferred Scenario has been moved from July to September 2016.
- Plan Bay Area local engagement: local jurisdiction staff and stakeholders are providing feedback on the three scenarios under discussion. ABAG planners are also working with local planners to provide overview presentations of Plan Bay Area at local council and planning commission meetings.
- ABAG Legislative Workshop, Wednesday, February 10, 2016, 2:00 to 7:00 pm, Capitol Event Center/CSAC Conference Center 1020 11<sup>th</sup> Street, Sacramento. Legislators and agency leaders will provide an overview of bills and initiatives related to local governments, land use, housing, transportation, resilience and environmental challenges.
- San Francisco Bay Clean Water, Pollution Prevention and Habit Restoration Measure to Raise \$25 Million Annually: the San Francisco Bay Restoration Authority's Board unanimously voted to place a funding measure on the June 7, 2016 ballot in the nine-county Bay Area to generate funds to protect and restore the San Francisco Bay. This includes a parcel tax of \$12 per year to raise approximately \$25 million annually for twenty years.

## ABAG Regional Planning Committee members

January 2016

<b>1 Supervisor from each County</b>	
Alameda	Supervisor Scott Haggerty Supervisor Nate Miley
Contra Costa	Supervisor Karen Mitchoff
Marin	Supervisor Katie Rice
Napa	Supervisor Mark Luce Supervisor Diane Dillon
San Francisco	Supervisor Eric Mar
San Mateo	To be Appointed
Santa Clara	Supervisor Cindy Chavez
Solano	Supervisor Erin Hannigan
Sonoma	Supervisor David Rabbitt
<b>1 City rep from each County</b>	
Alameda	Councilmember Desley Brooks
Contra Costa	Councilmember Julie Pierce Councilmember Monica E. Wilson
Marin	Mayor Pro Tem Pat Eklund
Napa	Mayor Jill Techel
San Francisco	Executive Director Tilly Chang
South San Francisco	Councilmember Pradeep Gupta
Santa Clara	Vice Mayor Carmen Montano
Solano	Mayor Harry Price
Sonoma	Councilmember Julie Combs

<b>Specified Representatives</b>	
BAPDA Chair	Al Savay
BAAQMD	Councilmember Mark Ross
BCDC	To be Appointed
MTC	Supervisor James Spring
CMA	Deputy Ex. Dir. Martin Engelmann
(RWQCB) BAWSCA	Deputy Ex. Officer Dyan Whyte
<b>At least 10 citizens representing public interest</b>	
Business	Matt Regan, Bay Area Council Russ Hancock, Joint Venture Silicon Valley
Economic Development	Egon Terplan, SPUR Anu Natarajan, MidPen Housing
Education	Karen Engel, Peralta Community College District
Environment	John Holtzclaw, Sierra Club Jeremy Madsen, Greenbelt Alliance
Housing	Michael Lane, Non-Profit Housing Association of Northern California Paul Campos, Building Industry Association Bay Area
Labor	Kirsten Spalding, San Mateo County Unity Community Affiliation
Minorities	Carlos Romero, Urban Ecology
Public Interest	Nancy Ianni, League of Women Voters – Bay Area
Recreation/Open Space	Diane Burgis, East Bay Regional Park District
Public Health	Melissa Jones, Bay Area Regional Health Inequity Initiative
Special Districts	Mark Boucher, Contra Costa Flood Control Water Conservation District
<b>Specified Ex-Officio Representatives</b>	
President	Councilmember Julie Pierce
Vice President	Supervisor David Rabbitt
Immediate Past President	Supervisor Mark Luce



**Date:** February 4, 2015  
**To:** Regional Planning Committee  
**From:** Gillian Adams, Senior Regional Planner, ABAG  
**Subject:** Analysis of Bay Area Housing Sites and Permitting Activity

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## Summary

This report provides an overview of local efforts to plan for and approve new housing, and how these efforts align with the vision articulated in Plan Bay Area. It also announces public availability of five important new datasets related to local housing planning and production, and includes a summary of findings from an initial analysis of the data and a brief discussion of implications and data limitations. The primary purpose of the report is to invite policy makers and interested members of the public to explore the data and consider its implications.

ABAG's initial analysis reveals that:

- Between 2007 and 2014, the Bay Area did not permit enough housing to meet its housing need, especially for very low-, low- and moderate- income households.<sup>1</sup>
- In 2013 and 2014, nearly half of the region's permitted housing units were located in Priority Development Areas (PDAs).<sup>2</sup>
- In 2013 and 2014, over two thirds of the region's permitted housing affordable to very low-, low-, and moderate-income households was located on sites identified in local jurisdictions' Housing Elements, whereas most of the region's housing units affordable to above-moderate income households were not.

## Introduction

For over 25 years, ABAG has compiled datasets pertaining to residential development patterns in the Bay Area. To date, most of these datasets have been focused on the progress jurisdictions have made toward meeting their Regional Housing Need Allocation (RHNA). With adoption of the region's Sustainable Communities Strategy, *Plan Bay Area*, ABAG is sharpening the focus of the housing data it collects in order to advance understanding of the relation of land use planning and policy tools to actual housing production.

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<sup>1</sup> The California Department of Housing and Community Development (HCD) classifies housing units by the income needed to afford those units. These income levels are measured against the Area Median Income (AMI) which is defined by groupings of counties known as Metropolitan Statistical Areas (MSAs). Very low-income refers to housing affordable to households making between 0-50% of AMI, low-income refers to housing affordable to households making between 50-80% AMI, moderate-income refers to housing affordable to households making between 80-120% AMI, and above moderate-income refers to housing affordable to households making 120%+ AMI.

<sup>2</sup> Please note that analysis of the locations of permits issued in 2013/2014 refers to mapped units. Of the 37,871 housing units permitted in the Bay Area in 2013 and 2014, ABAG was able to map 34,031—representing 90% of the permitted units.

ABAG is now releasing a compilation of the parcel/address location of housing permits issued in 2013 and 2014, and designated housing opportunity sites identified in local General Plan Housing Elements for 2007-2014 and 2015-2022, as well as a summary report of the Bay Area's housing permitting activity during the 2007-2014 period. A general description of each dataset along with technical information about the data format and data definitions is available at <http://www.abag.ca.gov/planning/housing/datasets.html>.

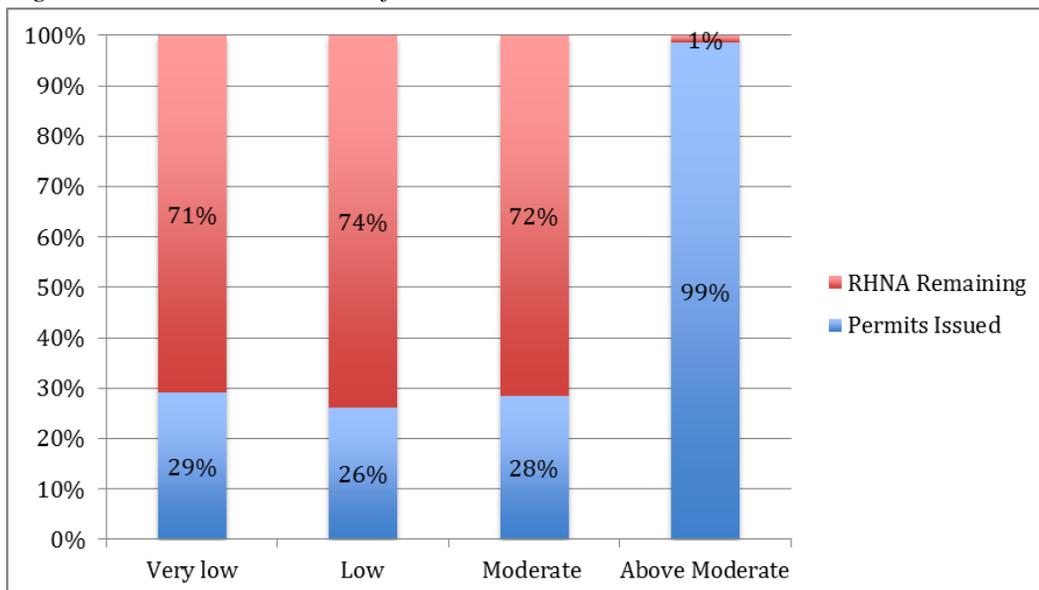
These datasets enable analysis at a greater resolution than previously possible. They also encourage further analysis of any question for which regional geocoded datasets are available for comparison. For example, these datasets can help show the extent to which designated housing opportunity sites and/or actual housing developments are in PDAs, Transit Priority Areas (TPAs) or high opportunity areas. Finally, these datasets will stimulate consideration of how housing planning and policy processes, such as the requirement to designate particular housing opportunity sites, interacts with actual housing permitting activity. These datasets will become increasingly valuable for trend analysis as each additional year's worth of data is added to the compilation.

## Preliminary Findings

### *What Progress was Made Toward Meeting the 2007-2014 RHNA?*

RHNA is the state-mandated process to identify the total number of housing units (by affordability level) that each jurisdiction must accommodate. In the period between 2007 and 2014, Bay Area jurisdictions issued permits for 57% of the overall RHNA. However, production was skewed toward units for higher income consumers, meeting 99% of the RHNA for above-moderate income housing, but only 28% for moderate-income households, 26% for low-income households, and 29% for very-low income households.

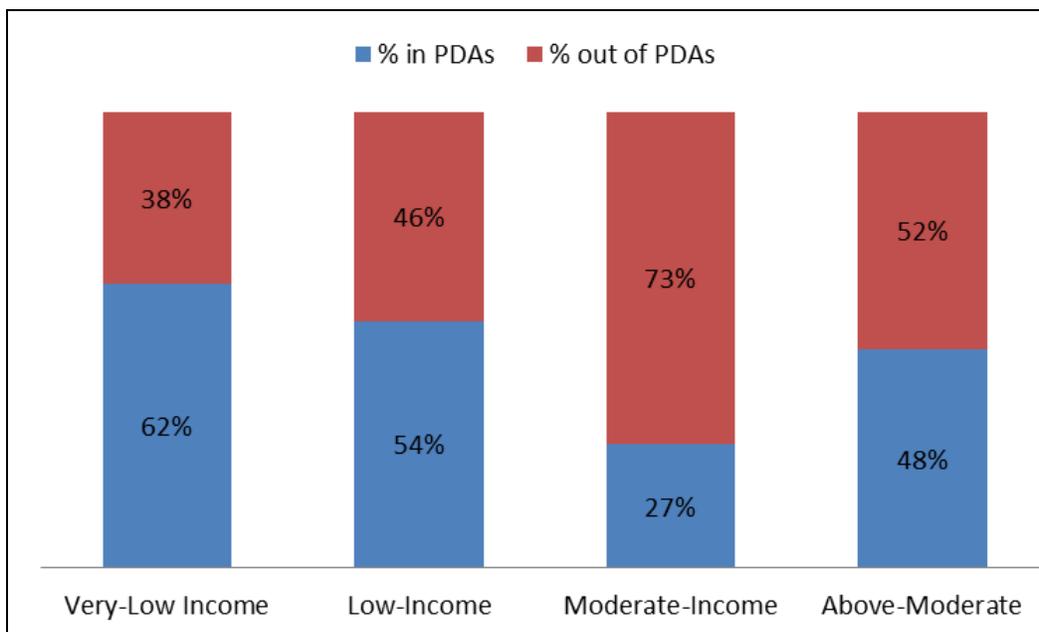
*Figure 1. 2007-2014 Percent of RHNA Met at Each Income Level*



***Were Housing Permits in 2013 and 2014 Concentrated in Priority Development Areas (PDAs)?***

PDAs are locally nominated areas where housing, employment, amenities and services can be developed to meet the day-to-day needs of residents and workers in a pedestrian-friendly environment served by transit. In 2013 and 2014 combined, 48% of all units for which permits were issued were in PDAs. Broken out by income category, the share was 48% in PDAs for above-moderate income housing, 27% for moderate-income housing, 54% for low-income housing, and 62% for very low-income housing. For that same time period, PDAs were home to 59% of the region’s permitted multi-family housing units.

*Figure 2. Proportion of Bay Area Housing Units Permitted in PDAs by Income Level—2013 and 2014*



***Were the Opportunity Sites Identified in Local Housing Elements Located in PDAs?***

Each jurisdiction must identify an inventory of specific parcels zoned such that, collectively, enough housing could be permitted to accommodate the local RHNA. These are commonly known as housing opportunity sites. ABAG has compiled a complete inventory comprising all jurisdictions’ housing opportunity sites for the 2007-2014 and the 2015-2022 housing element cycles. These compilations and their public “open-data” release are a first for any multi-county region in California.

For the current (2015-2022) housing element cycle, 38% of housing opportunity sites are located in PDAs, up slightly relative to 34% for the previous cycle (2007-2014). Unfortunately, the proportion of future housing capacity on opportunity sites located in PDAs is unknown, since not all jurisdictions provided a clear estimate of housing unit capacity for each site in their inventory. Given these limitations, this analysis is not possible at this time.

***Were Permits Issued for Housing Development on Housing Opportunity Sites or Elsewhere?***

In 2013, only 26% of the housing permits issued in the Bay Area were on parcels jurisdictions had identified in their 2007-2014 housing site inventories; in 2014, this increased to 29%. In terms of units, as distinct from sites, for 2013, 11% (1,850 units) were on housing opportunity sites; for 2014 the proportion increased to 26% (5,287 units). In 2013 and 2014, 19% of all multifamily units and 70% of all units affordable to very low-, low-, and moderate-income households were located on housing opportunity sites identified by jurisdictions for their 2007-2014 and 2015-2022 housing elements.

***In Summary, What Was the Location of Housing Units Relative to PDAs and RHNA Sites?***

*Figure 3. Location of Permitted Housing Units in the Bay Area (2013 and 2014)*

	<b>On Housing Sites</b>	<b>NOT on Housing Sites</b>	<b>Total</b>
<b>In PDAs</b>	12%	41%	54%
<b>NOT in PDAs</b>	9%	37%	46%
<b>Total</b>	21%	79%	100%

**Discussion**

***What Progress was Made Toward Meeting the 2007-2014 RHNA?***

Between 2007 and 2014, jurisdictions in the region issued permits for only 57% of the total housing need, compared to 92% between 1999 and 2006<sup>3</sup>. The drop in permitting activity between 2007 and 2014 may be largely attributed to the Great Recession whose effects have only recently started to fully reverse. The majority of units permitted were affordable to above-moderate income households with the Bay Area only permitting about a third of the units needed to accommodate its very low-, low-, and moderate-income residents, which is in line with historical development patterns for the region.

***Were Housing Permits in 2013 and 2014 Concentrated in Priority Development Areas (PDAs)?***

In the first two years since adoption of *Plan Bay Area*, nearly half of the region’s housing was permitted in locations within PDAs. While the region appears to be moving towards more infill, transit-oriented development consistent with the vision outlined in the SCS, additional incentives and policies will likely be required to meet *Plan Bay Area*’s long-term goal of accommodating 78% of housing in PDAs. Continued monitoring of permits by location will help show whether the policies and incentives adopted as part of *Plan Bay Area* will lead to an increase in the proportion of housing permitted in PDAs over time.

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<sup>3</sup> The region’s total housing need, as determined by HCD, varies with each RHNA cycle. For 1999-2006 it was 230,743, for 2007-2014 it was 214,500 units and for 2015-2022 it is 187,990 units.

***Were the Opportunity Sites Identified in Local Housing Elements Located in PDAs?***

The findings of an increase from the previous planning cycle to the current are in line with expectations. In 2007, at the time of adoption for housing elements in the 2007-2014 planning cycle, the PDA construct was not yet formalized, although many of the areas that became PDAs were in locally designated redevelopment areas. As more attention was put on PDAs as a local indication of areas targeted for more intense developments, naturally more designated housing opportunity sites would be in PDAs. However, given that housing opportunity sites for 2015-2022 were identified after completion of *Plan Bay Area*, it is somewhat surprising that the share in PDAs is not higher.

***Were Permits Issued for Housing Development on Housing Opportunity Sites or Elsewhere?***

The findings are provocative, calling for further research and analysis. In 2013 and 2014, over two-thirds of the region's permitted housing affordable to very low-, low-, and moderate-income households was located on sites identified in local jurisdictions' Housing Elements, whereas almost three-quarters of the region's total housing units were not.

It is important to note that for purposes of compliance with State law, the requirement is simply that jurisdictions demonstrate that there is adequate zoned capacity by listing one possible set of parcels on which an adequate number of housing units could be built. In other words, these sites are markers for where jurisdictions assure that housing development *could* go, but not necessarily where future housing *will* go. Ultimately, actual development is driven by developer interest, the availability of financing or subsidy sources (in the case of deed-restricted affordable housing), and where developers expect to maximize their investment.

The finding that housing (other than affordable units) generally is not developed on designated housing opportunity sites will bolster some of the arguments that have been advanced by some critics of the Housing Element site inventory process. Some critics assert that jurisdictions disingenuously select sites that are not likely to be developed in order to assuage slow-growth constituents. Other critics assert that site identification raises land owners' expectations of value, which drives up land costs and impedes development. Still others opine that the economics of risk capital for development dictate that savvy developers pass up already-zoned sites because their ability to generate a suitable return on capital investment encourages them to purchase options on under-zoned land for less, then successfully pursue up-zoning to create value. However, if for every home built on a designated housing element site, four homes are built elsewhere, the data may imply a far greater regional capacity for housing than previously imagined.

While it will be important to continue to monitor permit activity to see if this trend continues beyond these initial two years, given the centrality of the site designation process to Housing Element certification, and therefore by extension to General Plan conformity, a thorough examination of the efficacy of the process would appear to be in order.

### **Data Access & Limitations**

While these datasets enable new analyses, their usefulness is limited by significant constraints. First, due to a lack of specificity in the California Department of Housing and Community Development (HCD) reporting requirements, some jurisdictions do not report permit locations by a specific parcel number, which makes the process of geocoding more time consuming, expensive, and prone to error. However, the location can be determined precisely for approximately 97% all sites and 90% of units. Second, there is currently no single, public parcel-level data source that collects actual housing production by affordability level. HCD collects housing permit information by affordability level, but not actual production (not all permits result in construction). The California Department of Finance (DOF) collects housing production information, but not by affordability level and not at the parcel level. Public and private sources rely on data collection directly from jurisdictions and there is great variability in data definition, completeness, and availability. ABAG is working with cities, counties, and HCD to improve and streamline data reporting and collection and, through HCD's Housing Policy Advisory Committee, to clarify reporting requirements.

### **Implications and Next Steps**

At this time, we are seeking input from Regional Planning Committee members:

- What can be done to expand housing production in PDAs?
- What can be done to encourage local communities to identify more housing opportunity sites in PDAs?
- How can we increase the likelihood of development on RHNA sites?
- What qualities of housing opportunity sites make them more appealing to affordable housing developers than market-rate developers?

### **Attachment:**

1. *San Francisco Bay Area Progress in Meeting 2007-2014 Regional Housing Need Allocation (RHNA)*

## San Francisco Bay Area Progress in Meeting 2007-2014 Regional Housing Need Allocation (RHNA)

**About the data:** The following is a summary compiled by the Association of Bay Area Governments of housing permits issued for all San Francisco Bay Area jurisdictions for the period between 2007 and 2014. This data was compiled primarily from Annual Housing Element Progress Reports (APRs) filed by jurisdictions with the California Department of Housing and Community Development (HCD). In certain instances when APR data was not available but permitting information could be found through other sources ABAG made use of the data sources below:

- Adopted and certified housing elements for the period between 2007 and 2014
- Draft housing elements for the period between 2014-2022
- Permitting information sent to ABAG directly by local planning staff

**Note:** Given that calendar year 2014 is in-between the 2007-14 and the 2014-2022 RHNA cycles, HCD provides Bay Area jurisdictions with the option of counting the units they permitted in 2014 towards either the past (2007-2014) or the current (2014-2022) RHNA cycle. ABAG did not include 2014 permitting information in this report for jurisdictions that requested that their 2014 permits be counted towards their 2014-2022 allocation. Those jurisdictions are indicated by an asterisk (\*).

For more information and other housing datasets please visit ABAG's website at [www.abag.ca.gov/planning/housing](http://www.abag.ca.gov/planning/housing)

Bay Area	Very Low (0-50% AMI)			Low (50-80% AMI)			Moderate (80-120% AMI)			Above Moderate (120%+ AMI)			Total		
	RHNA	Permits Issued	Percent of RHNA Met	RHNA	Permits Issued	Percent of RHNA Met	RHNA	Permits Issued	Percent of RHNA Met	RHNA	Permits Issued	Percent of RHNA Met	RHNA	Permits Issued	Percent of RHNA Met
Alameda	10,017	3,095	31%	7,616	1,699	22%	9,078	1,140	13%	18,226	13,681	75%	44,937	19,615	44%
Contra Costa	6,512	1,353	21%	4,325	1,035	24%	4,996	3,654	73%	11,239	10,758	96%	27,072	16,800	62%
Marin	1,095	250	23%	754	256	34%	977	219	22%	2,056	818	40%	4,882	1,543	32%
Napa	879	135	15%	574	71	12%	713	268	38%	1,539	960	62%	3,705	1,434	39%
San Francisco	6,589	3,920	59%	5,535	1,481	27%	6,754	1,234	18%	12,315	13,468	109%	31,193	20,103	64%
San Mateo	3,588	702	20%	2,581	641	25%	3,038	746	25%	6,531	6,080	93%	15,738	8,169	52%
Santa Clara	13,878	3,798	27%	9,567	2,692	28%	11,007	2,371	22%	25,886	35,962	139%	60,338	44,823	74%
Solano	3,038	283	9%	1,996	481	24%	2,308	1,067	46%	5,643	3,141	56%	12,985	4,972	38%
Sonoma	3,244	715	22%	2,154	826	38%	2,445	1,033	42%	5,807	3,065	53%	13,650	5,639	41%
<b>Bay Area Totals</b>	<b>48,840</b>	<b>14,251</b>	<b>29%</b>	<b>35,102</b>	<b>9,182</b>	<b>26%</b>	<b>41,316</b>	<b>11,732</b>	<b>28%</b>	<b>89,242</b>	<b>87,933</b>	<b>99%</b>	<b>214,500</b>	<b>123,098</b>	<b>57%</b>

**San Francisco Bay Area Progress in Meeting 2007-2014 Regional Housing Need Allocation (RHNA)**

ALAMEDA COUNTY	Very Low (0-50% AMI)			Low (50-80% AMI)			Moderate (80-120% AMI)			Above Moderate (120%+ AMI)			Total		
	RHNA	Permits Issued	Percent of RHNA Met	RHNA	Permits Issued	Percent of RHNA Met	RHNA	Permits Issued	Percent of RHNA Met	RHNA	Permits Issued	Percent of RHNA Met	RHNA	Permits Issued	Percent of RHNA Met
Alameda	482	80	17%	329	2	1%	392	3	1%	843	80	9%	2,046	165	8%
Albany <sup>1</sup>	64	-	0%	43	6	14%	52	176	338%	117	13	11%	276	195	71%
Berkeley	328	83	25%	424	87	21%	549	23	4%	1,130	1,055	93%	2,431	1,248	51%
Dublin	1,092	189	17%	661	85	13%	653	69	11%	924	3,394	367%	3,330	3,737	112%
Emeryville*	186	110	59%	174	3	2%	219	28	13%	558	588	105%	1,137	729	64%
Fremont	1,348	198	15%	887	54	6%	876	240	27%	1,269	2,061	162%	4,380	2,553	58%
Hayward	768	246	32%	483	-	0%	569	50	9%	1,573	1,719	109%	3,393	2,015	59%
Livermore	1,038	72	7%	660	50	8%	683	196	29%	1,013	637	63%	3,394	955	28%
Newark	257	-	0%	160	-	0%	155	-	0%	291	14	5%	863	14	2%
Oakland	1,900	1,282	67%	2,098	385	18%	3,142	22	1%	7,489	2,342	31%	14,629	4,031	28%
Piedmont	13	16	123%	10	2	20%	11	15	136%	6	13	217%	40	46	115%
Pleasanton*	1,076	59	5%	728	29	4%	720	79	11%	753	794	105%	3,277	961	29%
San Leandro	368	195	53%	228	759	333%	277	19	7%	757	83	11%	1,630	1,056	65%
Union City	561	177	32%	391	50	13%	380	32	8%	612	692	113%	1,944	951	49%
Alameda County	536	388	72%	340	187	55%	400	188	47%	891	196	22%	2,167	959	44%
<b>County Totals</b>	<b>10,017</b>	<b>3,095</b>	<b>31%</b>	<b>7,616</b>	<b>1,699</b>	<b>22%</b>	<b>9,078</b>	<b>1,140</b>	<b>13%</b>	<b>18,226</b>	<b>13,681</b>	<b>75%</b>	<b>44,937</b>	<b>19,615</b>	<b>44%</b>

**San Francisco Bay Area Progress in Meeting 2007-2014 Regional Housing Need Allocation (RHNA)**

CONTRA COSTA COUNTY	Very Low (0-50% AMI)			Low (50-80% AMI)			Moderate (80-120% AMI)			Above Moderate (120%+ AMI)			Total		
	RHNA	Permits Issued	Percent of RHNA Met	RHNA	Permits Issued	Percent of RHNA Met	RHNA	Permits Issued	Percent of RHNA Met	RHNA	Permits Issued	Percent of RHNA Met	RHNA	Permits Issued	Percent of RHNA Met
Antioch	516	8	2%	339	20	6%	381	834	219%	1,046	381	36%	2,282	1,243	54%
Brentwood	717	192	27%	435	58	13%	480	175	36%	1,073	1,608	150%	2,705	2,033	75%
Clayton	49	-	0%	35	1	3%	33	2	6%	34	46	135%	151	49	32%
Concord*	639	2	0%	426	-	0%	498	8	2%	1,480	216	15%	3,043	226	7%
Danville <sup>2</sup>	196	2	1%	130	84	65%	146	101	69%	111	287	259%	583	474	81%
El Cerrito	93	142	153%	59	38	64%	80	13	16%	199	163	82%	431	356	83%
Hercules <sup>3</sup>	143	-	0%	74	-	0%	73	-	0%	163	153	94%	453	153	34%
Lafayette <sup>2</sup>	113	47	42%	77	8	10%	80	8	10%	91	170	187%	361	233	65%
Martinez	261	48	18%	166	-	0%	179	4	2%	454	148	33%	1,060	200	19%
Moraga	73	-	0%	47	-	0%	52	-	0%	62	9	15%	234	9	4%
Oakley*	219	242	111%	120	191	159%	88	874	993%	348	331	95%	775	1,638	211%
Orinda	70	72	103%	48	20	42%	55	22	40%	45	137	304%	218	251	115%
Pinole	83	2	2%	49	1	2%	48	10	21%	143	59	41%	323	72	22%
Pittsburg	322	79	25%	223	126	57%	296	666	225%	931	839	90%	1,772	1,710	97%
Pleasant Hill	160	9	6%	105	1	1%	106	8	8%	257	194	75%	628	212	34%
Richmond	391	74	19%	339	153	45%	540	243	45%	1,556	892	57%	2,826	1,362	48%
San Pablo	22	-	0%	38	1	3%	60	35	58%	178	-	0%	298	36	12%
San Ramon	1,174	196	17%	715	255	36%	740	302	41%	834	2,247	269%	3,463	3,000	87%
Walnut Creek	456	150	33%	302	25	8%	374	19	5%	826	1,206	146%	1,958	1,400	72%
Contra Costa County*	815	88	11%	598	53	9%	687	330	48%	1,408	1,672	119%	3,508	2,143	61%
<b>County Totals</b>	<b>6,512</b>	<b>1,353</b>	<b>21%</b>	<b>4,325</b>	<b>1,035</b>	<b>24%</b>	<b>4,996</b>	<b>3,654</b>	<b>73%</b>	<b>11,239</b>	<b>10,758</b>	<b>96%</b>	<b>27,072</b>	<b>16,800</b>	<b>62%</b>

**San Francisco Bay Area Progress in Meeting 2007-2014 Regional Housing Need Allocation (RHNA)**

MARIN COUNTY	Very Low (0-50% AMI)			Low (50-80% AMI)			Moderate (80-120% AMI)			Above Moderate (120%+ AMI)			Total		
	RHNA	Permits Issued	Percent of RHNA Met	RHNA	Permits Issued	Percent of RHNA Met	RHNA	Permits Issued	Percent of RHNA Met	RHNA	Permits Issued	Percent of RHNA Met	RHNA	Permits Issued	Percent of RHNA Met
Belvedere	5	2	40%	4	5	125%	4	2	50%	4	11	275%	17	20	118%
Corte Madera	68	64	94%	38	30	79%	46	4	9%	92	165	179%	244	263	108%
Fairfax	23	-	0%	12	-	0%	19	5	26%	54	8	15%	108	13	12%
Larkspur	90	25	28%	55	10	18%	75	9	12%	162	92	57%	382	136	36%
Mill Valley*	74	23	31%	54	50	93%	68	23	34%	96	67	70%	292	163	56%
Novato	275	72	26%	171	13	8%	221	118	53%	574	119	21%	1,241	322	26%
Ross	8	1	13%	6	3	50%	5	3	60%	8	1	13%	27	8	30%
San Anselmo <sup>8</sup>	26	12	46%	19	15	79%	21	1	5%	47	8	17%	113	36	32%
San Rafael	262	32	12%	207	26	13%	288	-	0%	646	109	17%	1,403	167	12%
Sausalito	45	8	18%	30	17	57%	34	3	9%	56	20	36%	165	48	29%
Tiburon*	36	-	0%	21	3	14%	27	-	0%	33	9	27%	117	12	10%
Marin County*	183	11	6%	137	84	61%	169	51	30%	284	209	74%	773	355	46%
<b>County Totals</b>	<b>1,095</b>	<b>250</b>	<b>23%</b>	<b>754</b>	<b>256</b>	<b>34%</b>	<b>977</b>	<b>219</b>	<b>22%</b>	<b>2,056</b>	<b>818</b>	<b>40%</b>	<b>4,882</b>	<b>1,543</b>	<b>32%</b>

NAPA COUNTY	Very Low (0-50% AMI)			Low (50-80% AMI)			Moderate (80-120% AMI)			Above Moderate (120%+ AMI)			Total		
	RHNA	Permits Issued	Percent of RHNA Met	RHNA	Permits Issued	Percent of RHNA Met	RHNA	Permits Issued	Percent of RHNA Met	RHNA	Permits Issued	Percent of RHNA Met	RHNA	Permits Issued	Percent of RHNA Met
American Canyon*	169	-	0%	116	-	0%	143	2	1%	300	86	29%	728	88	12%
Calistoga*	17	14	82%	11	9	82%	18	2	11%	48	8	17%	94	33	35%
Napa	466	88	19%	295	26	9%	381	162	43%	882	495	56%	2,024	771	38%
St. Helena	30	2	7%	21	8	38%	25	16	64%	45	25	56%	121	51	42%
Yountville <sup>2</sup>	16	20	125%	15	22	147%	16	12	75%	40	20	50%	87	74	85%
Napa County	181	11	6%	116	6	5%	130	74	57%	224	326	146%	651	417	64%
<b>County Totals</b>	<b>879</b>	<b>135</b>	<b>15%</b>	<b>574</b>	<b>71</b>	<b>12%</b>	<b>713</b>	<b>268</b>	<b>38%</b>	<b>1,539</b>	<b>960</b>	<b>62%</b>	<b>3,705</b>	<b>1,434</b>	<b>39%</b>

**San Francisco Bay Area Progress in Meeting 2007-2014 Regional Housing Need Allocation (RHNA)**

SAN FRANCISCO	Very Low (0-50% AMI)			Low (50-80% AMI)			Moderate (80-120% AMI)			Above Moderate (120%+ AMI)			Total		
	RHNA	Permits Issued	Percent of RHNA Met	RHNA	Permits Issued	Percent of RHNA Met	RHNA	Permits Issued	Percent of RHNA Met	RHNA	Permits Issued	Percent of RHNA Met	RHNA	Permits Issued	Percent of RHNA Met
San Francisco <sup>5</sup>	6,589	3920	59%	5,535	1481	27%	6,754	1234	18%	12,315	13468	109%	31,193	20103	64%
<b>County Totals</b>	<b>6,589</b>	<b>3,920</b>	<b>59%</b>	<b>5,535</b>	<b>1,481</b>	<b>27%</b>	<b>6,754</b>	<b>1,234</b>	<b>18%</b>	<b>12,315</b>	<b>13,468</b>	<b>109%</b>	<b>31,193</b>	<b>20,103</b>	<b>64%</b>

SAN MATEO COUNTY	Very Low (0-50% AMI)			Low (50-80% AMI)			Moderate (80-120% AMI)			Above Moderate (120%+ AMI)			Total		
	RHNA	Permits Issued	Percent of RHNA Met	RHNA	Permits Issued	Percent of RHNA Met	RHNA	Permits Issued	Percent of RHNA Met	RHNA	Permits Issued	Percent of RHNA Met	RHNA	Permits Issued	Percent of RHNA Met
Atherton	19	18	95%	14	-	0%	16	-	0%	34	(8)	-24%	83	10	12%
Belmont	91	-	0%	65	-	0%	77	4	5%	166	45	27%	399	49	12%
Brisbane <sup>5</sup>	91	-	0%	66	-	0%	77	7	9%	167	137	82%	401	144	36%
Burlingame	148	-	0%	107	-	0%	125	9	7%	270	93	34%	650	102	16%
Colma	15	-	0%	11	-	0%	13	-	0%	26	2	8%	65	2	3%
Daly City <sup>2</sup>	275	76	28%	198	51	26%	233	43	18%	501	386	77%	1,207	556	46%
East Palo Alto	144	4	3%	103	-	0%	122	74	61%	261	119	46%	630	197	31%
Foster City*	111	15	14%	80	40	50%	94	5	5%	201	248	123%	486	308	63%
Half Moon Bay <sup>8</sup>	63	-	0%	45	-	0%	53	-	0%	115	18	16%	276	18	7%
Hillsborough	20	76	380%	14	10	71%	17	8	47%	35	22	63%	86	116	135%
Menlo Park	226	66	29%	163	11	7%	192	24	13%	412	188	46%	993	289	29%
Millbrae	103	2	2%	74	3	4%	87	18	21%	188	461	245%	452	484	107%
Pacifica	63	5	8%	45	1	2%	53	44	83%	114	158	139%	275	208	76%
Portola Valley* <sup>8</sup>	17	-	0%	12	-	0%	14	-	0%	31	-	0%	74	-	0%
Redwood City	422	82	19%	304	84	28%	358	94	26%	772	2,442	316%	1,856	2,702	146%
San Bruno	222	16	7%	160	299	187%	188	281	149%	403	170	42%	973	766	79%
San Carlos	137	2	1%	98	5	5%	116	14	12%	248	121	49%	599	142	24%
San Mateo	695	163	23%	500	56	11%	589	105	18%	1,267	863	68%	3,051	1,187	39%
South San Francisco	373	108	29%	268	7	3%	315	10	3%	679	128	19%	1,635	253	15%
Woodside	10	7	70%	7	5	71%	8	5	63%	16	42	263%	41	59	144%
San Mateo County <sup>2</sup>	343	62	18%	247	69	28%	291	1	0%	625	445	71%	1,506	577	38%
<b>County Totals</b>	<b>3,588</b>	<b>702</b>	<b>20%</b>	<b>2,581</b>	<b>641</b>	<b>25%</b>	<b>3,038</b>	<b>746</b>	<b>25%</b>	<b>6,531</b>	<b>6,080</b>	<b>93%</b>	<b>15,738</b>	<b>8,169</b>	<b>52%</b>

**San Francisco Bay Area Progress in Meeting 2007-2014 Regional Housing Need Allocation (RHNA)**

SANTA CLARA COUNTY	Very Low (0-50% AMI)			Low (50-80% AMI)			Moderate (80-120% AMI)			Above Moderate (120%+ AMI)			Total		
	RHNA	Permits Issued	Percent of RHNA Met	RHNA	Permits Issued	Percent of RHNA Met	RHNA	Permits Issued	Percent of RHNA Met	RHNA	Permits Issued	Percent of RHNA Met	RHNA	Permits Issued	Percent of RHNA Met
Campbell	199	32	16%	122	300	246%	158	67	42%	413	217	53%	892	616	69%
Cupertino	341	38	11%	229	31	14%	243	58	24%	357	657	184%	1,170	784	67%
Gilroy	319	29	9%	217	70	32%	271	65	24%	808	1,262	156%	1,615	1,426	88%
Los Altos	98	23	23%	66	22	33%	79	12	15%	74	784	1059%	317	841	265%
Los Altos Hills	27	25	93%	19	10	53%	22	5	23%	13	76	585%	81	116	143%
Los Gatos*	154	2	1%	100	41	41%	122	5	4%	186	180	97%	562	228	41%
Milpitas	689	336	49%	421	109	26%	441	264	60%	936	6,442	688%	2,487	7,151	288%
Monte Sereno	13	6	46%	9	12	133%	11	3	27%	8	14	175%	41	35	85%
Morgan Hill	317	98	31%	249	100	40%	246	43	17%	500	1,286	257%	1,312	1,527	116%
Mountain View	571	237	42%	388	28	7%	488	4	1%	1,152	2,387	207%	2,599	2,656	102%
Palo Alto	690	156	23%	543	9	2%	641	128	20%	986	787	80%	2,860	1,080	38%
San Jose*	7,751	1,774	23%	5,322	1,038	20%	6,198	144	2%	15,450	13,073	85%	34,721	16,029	46%
Santa Clara	1,293	412	32%	914	111	12%	1,002	198	20%	2,664	5,952	223%	5,873	6,673	114%
Saratoga	90	-	0%	68	13	19%	77	5	6%	57	20	35%	292	38	13%
Sunnyvale	1,073	572	53%	708	402	57%	776	1,204	155%	1,869	2,403	129%	4,426	4,581	104%
Santa Clara County	253	58	23%	192	396	206%	232	166	72%	413	422	102%	1,090	1,042	96%
<b>County Totals</b>	<b>13,878</b>	<b>3,798</b>	<b>27%</b>	<b>9,567</b>	<b>2,692</b>	<b>28%</b>	<b>11,007</b>	<b>2,371</b>	<b>22%</b>	<b>25,886</b>	<b>35,962</b>	<b>139%</b>	<b>60,338</b>	<b>44,823</b>	<b>74%</b>

**San Francisco Bay Area Progress in Meeting 2007-2014 Regional Housing Need Allocation (RHNA)**

SOLANO COUNTY	Very Low (0-50% AMI)			Low (50-80% AMI)			Moderate (80-120% AMI)			Above Moderate (120%+ AMI)			Total		
	RHNA	Permits Issued	Percent of RHNA Met	RHNA	Permits Issued	Percent of RHNA Met	RHNA	Permits Issued	Percent of RHNA Met	RHNA	Permits Issued	Percent of RHNA Met	RHNA	Permits Issued	Percent of RHNA Met
Benicia*	147	-	0%	99	3	3%	108	-	0%	178	94	53%	532	97	18%
Dixon	197	117	59%	98	4	4%	123	2	2%	310	20	6%	728	143	20%
Fairfield	873	-	0%	562	-	0%	675	33	5%	1,686	1,529	91%	3,796	1,562	41%
Rio Vista	213	23	11%	176	213	121%	207	426	206%	623	427	69%	1,219	1,089	89%
Suisun City	173	112	65%	109	81	74%	94	21	22%	234	206	88%	610	420	69%
Vacaville	754	14	2%	468	150	32%	515	582	113%	1,164	644	55%	2,901	1,390	48%
Vallejo	655	16	2%	468	13	3%	568	-	0%	1,409	210	15%	3,100	239	8%
Solano County <sup>5,6,7</sup>	26	1	4%	16	17	106%	18	3	17%	39	11	28%	99	32	32%
<b>County Totals</b>	<b>3,038</b>	<b>283</b>	<b>9%</b>	<b>1,996</b>	<b>481</b>	<b>24%</b>	<b>2,308</b>	<b>1,067</b>	<b>46%</b>	<b>5,643</b>	<b>3,141</b>	<b>56%</b>	<b>12,985</b>	<b>4,972</b>	<b>38%</b>

## San Francisco Bay Area Progress in Meeting 2007-2014 Regional Housing Need Allocation (RHNA)

SONOMA COUNTY	Very Low (0-50% AMI)			Low (50-80% AMI)			Moderate (80-120% AMI)			Above Moderate (120%+ AMI)			Total		
	RHNA	Permits Issued	Percent of RHNA Met	RHNA	Permits Issued	Percent of RHNA Met	RHNA	Permits Issued	Percent of RHNA Met	RHNA	Permits Issued	Percent of RHNA Met	RHNA	Permits Issued	Percent of RHNA Met
Cloverdale	71	2	3%	61	1	2%	81	39	48%	204	-	0%	417	42	10%
Cotati	67	-	0%	36	2	6%	45	5	11%	109	11	10%	257	18	7%
Healdsburg	71	60	85%	48	23	48%	55	8	15%	157	91	58%	331	182	55%
Petaluma*	522	136	26%	352	53	15%	370	28	8%	701	645	92%	1,945	862	44%
Rohnert Park <sup>3</sup>	371	24	6%	231	-	0%	273	1	0%	679	6	1%	1,554	31	2%
Santa Rosa	1,520	323	21%	996	481	48%	1,122	646	58%	2,896	1,100	38%	6,534	2,550	39%
Sebastopol	32	37	116%	28	62	221%	29	9	31%	87	35	40%	176	143	81%
Sonoma	73	40	55%	55	32	58%	69	29	42%	156	84	54%	353	185	52%
Windsor	198	52	26%	130	36	28%	137	28	20%	254	53	21%	719	169	24%
Sonoma County	319	41	13%	217	136	63%	264	240	91%	564	1,040	184%	1,364	1,457	107%
<b>County Totals</b>	<b>3,244</b>	<b>715</b>	<b>22%</b>	<b>2,154</b>	<b>826</b>	<b>38%</b>	<b>2,445</b>	<b>1,033</b>	<b>42%</b>	<b>5,807</b>	<b>3,065</b>	<b>53%</b>	<b>13,650</b>	<b>5,639</b>	<b>41%</b>

1 No data available permits issued in 2013 or 2014

2 Data provided by local staff. Building permits finalized.

3 Data from RHNA 4 (2007-2014) Housing Element.

4 No data available for this jurisdiction

5 Data is for Certificates of Occupancy issued.

6 Jurisdiction did not specify very low income units; ABAG counted all units affordable to below 80% AMI as low income

7 Data from RHNA 5 Housing Element (2014-2022).

8 Data is available only for 2014

\* Jurisdiction opted to have 2014 permits counted towards its 2014-2022 RHNA allocation.

The logo for Plan Bay Area 2040 is a blue square with the text "Plan Bay Area 2040" in white. "Plan" is on the top line, "Bay Area" is on the second line, and "2040" is on the third line in a larger font size.

TO: Regional Planning Committee  
FR: Pedro Galvao, ABAG and Vikrant Sood, MTC  
RE: Equity Framework for Plan Bay Area 2040

DATE: February 3, 2016

### **Summary**

This memorandum presents staff recommendations for communities of concern (CoCs) and the equity measures to be used as part of the Plan Bay Area 2040 Equity Analysis. To develop these recommendations, staff has been meeting on a monthly basis since June with stakeholders and local jurisdictions through the Regional Equity Working Group (REWG). This memo provides context on the Plan's overall equity framework, discusses the Bay Area's current demographic trends, and proposes a new set of equity measures as well as an updated definition of communities of concern. This framework was adopted by the MTC Commission on January 27<sup>th</sup>, 2016.

### **Context and Overall Equity Framework**

MTC has conducted an equity analysis for the last four Regional Transportation Plans (RTPs) in compliance with federal civil rights and environmental justice laws. For each RTP, MTC used the following steps to conduct the equity analysis:

1. Identify equity measures that reflect key issues faced by vulnerable and disadvantaged communities in the region (typically a subset of the Performance Targets);
2. Define these potential disadvantaged communities based on a communities of concern (CoCs) framework that takes into account factors such as race, income, and disability, among others;
3. Conduct an assessment during the project performance analysis phase, using the equity measures, to identify potential benefits and burdens of proposed projects on CoCs;
4. Conduct an assessment during the scenario analysis phase, using the equity measures, to identify potential benefits and burdens of scenario alternatives on CoCs, and to inform the selection of a preferred alternative; and
5. Include an assessment of benefits and burdens for the preferred alternative in the final report, and conduct a supplemental analysis of minority status to comply with federal civil rights law.

For each RTP update, the equity measures are developed with input from key stakeholders. For Plan Bay Area (PBA) 2013, the combined Sustainable Communities Strategy (SCS) and RTP, MTC and ABAG formed a Regional Equity Working Group (REWG) to provide this input. MTC and ABAG created a REWG for Plan Bay Area 2040 as well which began meeting in June and will continue to meet until fall 2016.

## Overall Equity Framework

The 2013 PBA equity analysis included three components, listed below. Staff is proposing to retain this overall framework for the Plan Bay Area 2040 equity analysis. The three components include:

- A. A *Title VI* analysis of PBA investments that use federal and state funds to determine whether there are any disparate impacts of distribution of these funds on populations of different race, color or national origin;
- B. An *environmental justice* analysis of PBA investments to determine whether there are any disproportionately high and adverse impacts on low-income and minority populations or CoCs; and
- C. An *equity analysis* that assesses the distribution of benefits and burdens of PBA 2040 on CoCs in comparison to the rest of the region.

## Equity Measures

To support the project performance and scenario analysis processes, staff recommends using the six Performance Targets listed below as equity measures (see Attachment A for the most recent list of adopted/proposed Performance Targets). The equity report will include a region-wide population-based analysis of benefits and burdens of the preferred alternative on CoCs based on these equity measures.

Staff recommends using the following Performance Targets as equity measures for PBA 2040 project performance and scenario analysis:

1. *Healthy and Safe Communities* Target #3 – will measure health benefits and burdens associated with air quality, road safety and physical inactivity (will also include a sub-analysis for low-income neighborhoods<sup>1</sup>);
2. *Equitable Access* Target #5 – will measure the share of lower-income residents' household income consumed by transportation and housing;
3. *Equitable Access* Target #6 – will measure the share of affordable housing in Priority Development Areas (PDAs), Transit-Priority Areas (TPAs), or high-opportunity areas<sup>2</sup>;
4. *Equitable Access* Target #7 – will measure the share of low- and moderate-income renters in PDAs that are at an increased risk of displacement;
5. *Economic Vitality* Target # 8 – will measure the share of jobs that are accessible by auto and transit in congested conditions (will also include a sub-analysis for lower-income communities); and
6. *Economic Vitality* Target #9 – will measure the current share of middle-wage jobs in the region and project the share of jobs in predominantly middle-wage industries in 2040.

In addition to an analysis based on the equity measures listed above, the equity report will summarize key demographic and socio-economic trends, including the following topics:

- *Poverty in the Suburbs* – will measure trends in the share of lower-income households that

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<sup>1</sup> Census tracts with a concentration of households that earn less than 200% of federal poverty line

<sup>2</sup> See the Fair Housing and Equity Assessment report, ABAG, 2015, for a definition of high-opportunity areas

reside in suburban or inland jurisdictions, as defined by Plan Bay Area 2040, and offer a discussion of its implications for the region;

- *Concentration of Poverty* – will measure trends in the share of low-income households that reside in neighborhoods that have a high concentration<sup>3</sup> of poverty;
- *Proximity to Services and Amenities* – will measure trends in the share of lower-income households that live in neighborhoods with a high walk score<sup>4</sup>;
- *Proximity to Opportunity Areas* – will measure trends in the share of lower-income households that live in high-opportunity areas; and
- *Exposure to Contamination and Pollutants* – will measure trends in the share of lower-income households exposed to air contaminants (diesel particulate matter and fine particulates (PM2.5))<sup>5</sup>.

### Communities of Concern and Plan Bay Area 2013

MTC defined “communities of concern” for the RTPs adopted in 1999, 2003 and 2007 as areas with a concentration of *either 70% minority or 30% low-income households*. For PBA 2013, CoCs were defined either as census tracts with a concentration of 70% minority population AND 30% low-income households OR as census tracts that have a concentration of 4 or more of the disadvantage factors listed in Table 1 below. The concentration threshold for each disadvantage factor was based on its current share of the region’s population plus half a standard deviation above the regional mean.

**Table 1: Communities of Concern Framework for Plan Bay Area 2013**

<i>Disadvantage Factor</i>	<i>% Regional Population<sup>6</sup></i>	<i>Concentration Threshold</i>
1. Minority	54%	70%
2. Low Income (<200% Federal Poverty Level - FPL)	23%	30%
3. Limited English Proficiency	9%	20%
4. Zero-Vehicle Household	9%	10%
5. Seniors 75 Years and Over	6%	10%
6. People with Disability	18%	25%
7. Single-Parent Family	14%	20%
8. Severely Cost-Burdened Renters	10%	15%
<i>Definition</i> – census tracts that have a concentration of BOTH minority AND low-income households, OR that have a concentration of 4 or more factors listed above.		

Using the eight factors, concentration thresholds and definition in Table 1, PBA 2013 identified 305 out of a total of 1,405 census tracts in the region as CoCs. See Attachment B for a map of PBA 2013 CoCs. PBA 2013 used additional factors and a revised definition of COCs to respond

<sup>3</sup> Census tracts with more than 40% low-income households; see Effects of Exposure to Better Neighborhoods on Children: New Evidence from the Moving to Opportunity Experiment, Chetty, Hendren, and Katz, Harvard University and NBER, May 2015

<sup>4</sup> Walk score is calculated by MTC and is based on access to a range of amenities and services including parks, schools, grocery stores, primary care facilities, transit stations, jobs and libraries, among other, subject to data availability

<sup>5</sup> See Communities Air Risk Evaluation Program, Bay Area Air Quality Management District at: <http://www.baaqmd.gov/plans-and-climate/community-air-risk-evaluation-care-program>, and the California Environmental Protection Agency (CalEPA), California Communities Environmental Health Screening Tool: CalEnviroScreen at: <http://oehha.ca.gov/ej/ces2.html>

<sup>6</sup> 2005-2009 American Community Survey and 2000 Census

to the changing demographics in the Bay Area. The region is far more racially diverse than in previous decades. This trend has continued since the plan was adopted in 2013<sup>7</sup> (see updated data Table 2). Between 2000 and 2013, while the total population in the region increased by 7%, both the Asian and Latino populations increased by more than 30%, while the White population decreased by 10% and the African-American population by 8%.

**Table 2: Racial Composition of Bay Area Population 2000-2013<sup>8</sup>**

Race	2000		2013		Change	
	#	%	#	%	#	%
White	3,392,204	50%	3,047,321	42%	(344,883)	(10%)
Black or African American	497,205	7%	456,896	6%	(40,039)	(8%)
Asian	1,278,515	19%	1,704,791	23%	426,276	33%
Hispanic (any race)	1,315,175	19%	1,711,158	24%	395,983	30%
Total Population	6,783,760	-	7,257,501	-	473,741	7%

While the region became racially more diverse, it also became poorer. Between 2000 and 2013, the share of households living at 200% of Federal Poverty Level increased from 23% (or around 560,000 households) to 25% (or around 650,000 households)<sup>9</sup> an increase of over 15%. Consequently, between 2000 and 2013, the share of census tracts with a concentration of minority households (defined by PBA 2013 as 70% or more minority households per tract) increased from 23% to 32% and the share of tracts with a concentration of low-income households (defined as 30% or more low-income household per tract) increased from 23% to 35%<sup>10</sup>.

**Table 3: Census Tracts with Concentration of Low-Income and Minority Households**

Criteria	2000		2013	
	#	%	#	%
70% or more Minority Households	324	23%	498	32%
30% or more Low-Income Households	323	23%	547	35%
Both Minority and Low-Income	186	13%	311	20%
Total Census Tracts	1,405	-	1,581	-

Since the Bay Area is experiencing a rise in the share and number of both minority and low-income households, both race and income are important measures of disadvantage. Staff recommends the inclusion of all census tracts that have concentrations of both low-income and minority households as the starting point for defining CoCs for PBA 2040 Equity Analysis. Based on REWG feedback, staff also recommends retaining the remaining six disadvantage factors (#3 to #8 in Table 1) in the CoC framework, and keeping the thresholds of significance the same as in 2013. In addition to updating the data to 2009-2013 American Community Survey (Plan Bay Area 2013 used data from the 2005-2009 ACS), the REWG is proposing one change to the definition of CoCs. See Table 4 below for the proposed new definition of CoCs.

<sup>7</sup> PBA 2013 used the 2005-2009 American Community Survey

<sup>8</sup> Bay Area Census: <http://www.bayareacensus.ca.gov/> and 2009-2013 American Community Survey

<sup>9</sup> Using 200% below federal poverty line threshold, Bay Area Census and 2009-2013 American Community Survey

<sup>10</sup> 2009-2013 American Community Survey and 2000 Census

**Table 4: Proposed Communities of Concern Framework for Plan Bay Area 2040**

<i>Disadvantage Factor</i>	<i>% Regional Population</i>	<i>Concentration Threshold</i>
1. Minority	58%	70%
2. Low Income (<200% Federal Poverty Level - FPL)	25%	30%
3. Limited English Proficiency	9%	20%
4. Zero-Vehicle Household	10%	10%
5. Seniors 75 Years and Over	6%	10%
6. People with Disability	9%	25%
7. Single-Parent Family	14%	20%
8. Severely Rent-Burdened Household	11%	15%
<p><i>Definition</i> – census tracts that have a concentration of BOTH minority AND low-income households, OR that have a concentration of 3 or more of the remaining 6 factors (#3 to #8) but only IF they also have a concentration of low-income households.</p>		

**Attachments**

1. Plan Bay Area 2040 Goals and Performance Targets Plan Bay Area 2013 Communities of Concern Map
2. Plan Bay Area 2013 Communities of Concern Map
3. Plan Bay Area 2040 Proposed Communities of Concern Map
4. Comparison Map of Plan Bay Area 2013 and 2040 Proposed Communities of Concern Boundaries



Date: September 23, 2015

W.I.: 1212

Referred by: Planning Committee

Revised: 11/18/15-C

Attachment A

Resolution No. 4204

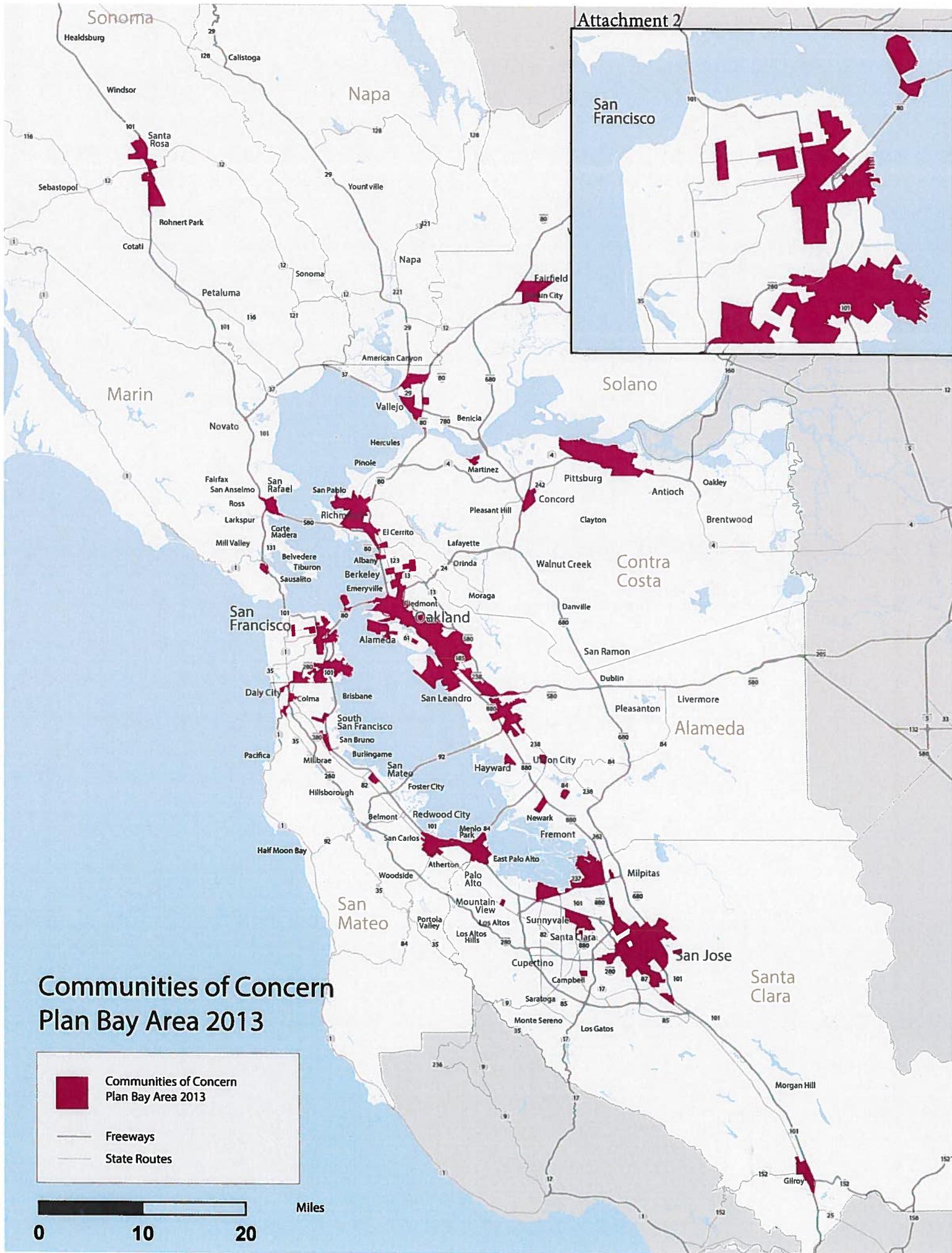
Page 1 of 1

## Goals and Performance Targets for Plan Bay Area 2040

Goal	#	Performance Target
Climate Protection	1	Reduce per-capita CO <sub>2</sub> emissions from cars and light-duty trucks by <b>15%</b>
Adequate Housing	2	House <b>100%</b> of the region's projected growth by income level without displacing current low-income residents and with no increase in in-commuters over the Plan baseline year*
Healthy and Safe Communities	3	Reduce adverse health impacts associated with air quality, road safety, and physical inactivity by <b>10%</b>
Open Space and Agricultural Preservation	4	Direct <b>all</b> non-agricultural development within the urban footprint (existing urban development and UGBs)
Equitable Access	5	Decrease the share of lower-income residents' household income consumed by transportation and housing by <b>10%</b>
	6	Increase the share of affordable housing in PDAs, TPAs, or high-opportunity areas by <b>15%</b>
	7	Do not increase the share of low- and moderate-income renter households in PDAs, TPAs, or high-opportunity areas that are at risk of displacement
Economic Vitality	8	Increase by <b>20%</b> the share of jobs accessible within 30 minutes by auto or within 45 minutes by transit in congested conditions
	9	Increase by <b>35%**</b> the number of jobs in predominantly middle-wage industries
	10	Reduce per-capita delay on the Regional Freight Network by <b>20%</b>
Transportation System Effectiveness	11	Increase non-auto mode share by <b>10%</b>
	12	Reduce vehicle operating and maintenance costs due to pavement conditions by <b>100%</b>
	13	Reduce per-rider transit delay due to aged infrastructure by <b>100%</b>

\* = The Adequate Housing target relates to the Regional Housing Control Total per the settlement agreement signed with the Building Industry Association (BIA), which increases the housing forecast by the housing equivalent to in-commute growth.

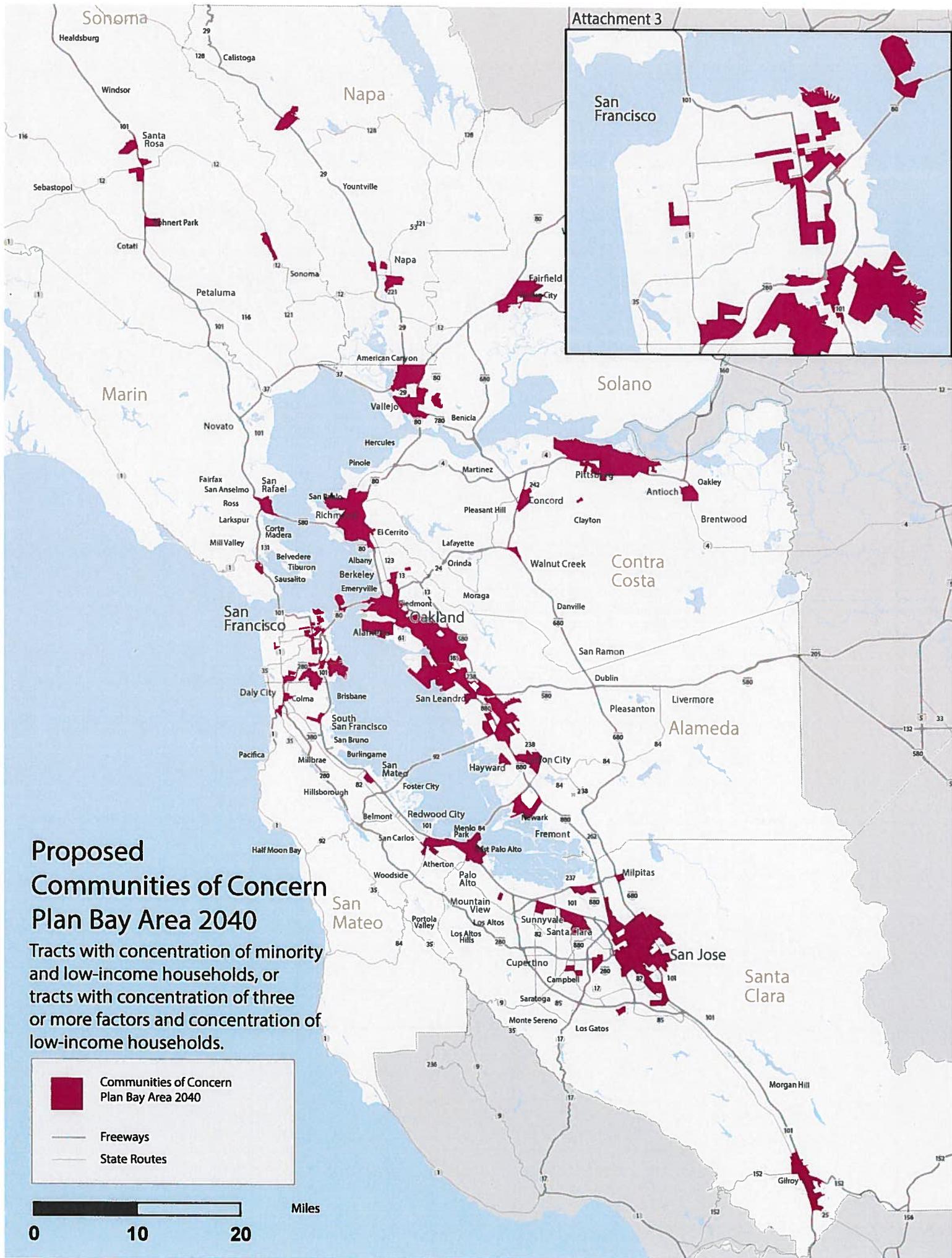
\*\* = The numeric target for #9 will be revised later based on the final ABAG forecast for overall job growth.

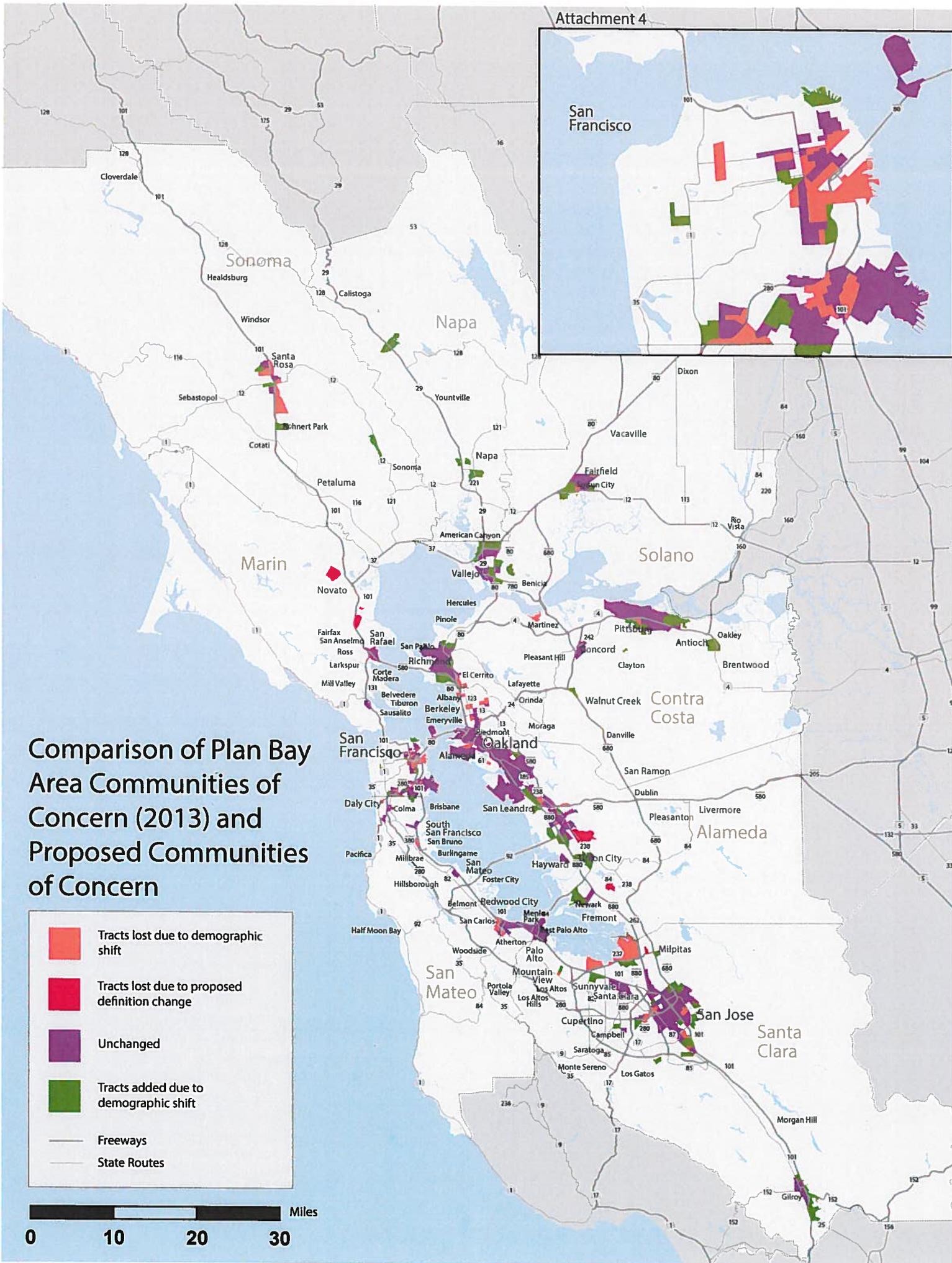


# Communities of Concern Plan Bay Area 2013

- Communities of Concern  
Plan Bay Area 2013
- Freeways
- State Routes



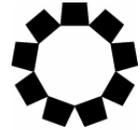




# ASSOCIATION OF BAY AREA GOVERNMENTS

Representing City and County Governments of the San Francisco Bay Area

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**ABAG**

Date: January 27, 2016  
To: Regional Planning Committee  
From: Miriam Chion, ABAG Planning & Research Director  
Subject: Regional Agencies Merger Study

Julie Pierce, ABAG President, will provide an overview of the merger study. The attached documents were prepared by Management Partners for the workshop at the Joint ABAG Administrative/MTC Planning Committee.

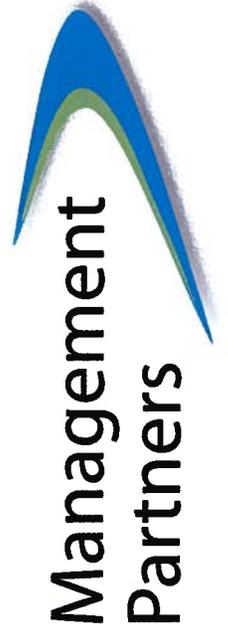


Meeting the Joint  
MTC Planning Committee and  
ABAG Administrative Committee – Merger Study

January 22, 2016  
9:00 am to 12:00 pm

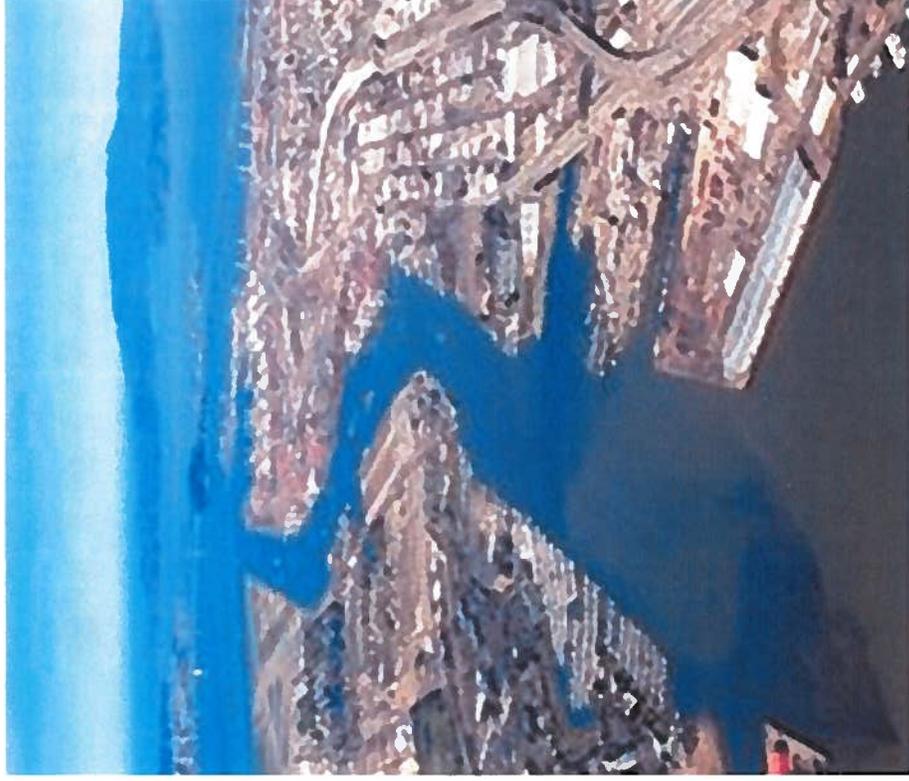


METROPOLITAN  
TRANSPORTATION  
COMMISSION



# Agenda

- Agenda Review
- Meeting Objectives
- Understanding the Problem
  - Discuss questions and report out
- Study Objectives
  - Discuss questions and report out
- Principles for Evaluating Options
  - Discuss questions and report out
- Community Engagement Strategies
  - Provide feedback
- Public Comments
- Wrap-up and Next Steps



# Meeting Objectives

- Agreement on the problem to be solved
- Consensus on statement of the objective of the study
- Consensus on principles for evaluating the options which will be identified
- Comments on proposed community engagement and stakeholder plan



# Discussion Ground Rules and Bike Rack

- Ground Rules
  - Be open to new ideas
  - Stay focused
  - Be engaged
  - Allow others to participate
  - Assume good intent
  - Take breaks as needed
- Bike Rack
  - For items to be discussed on another day

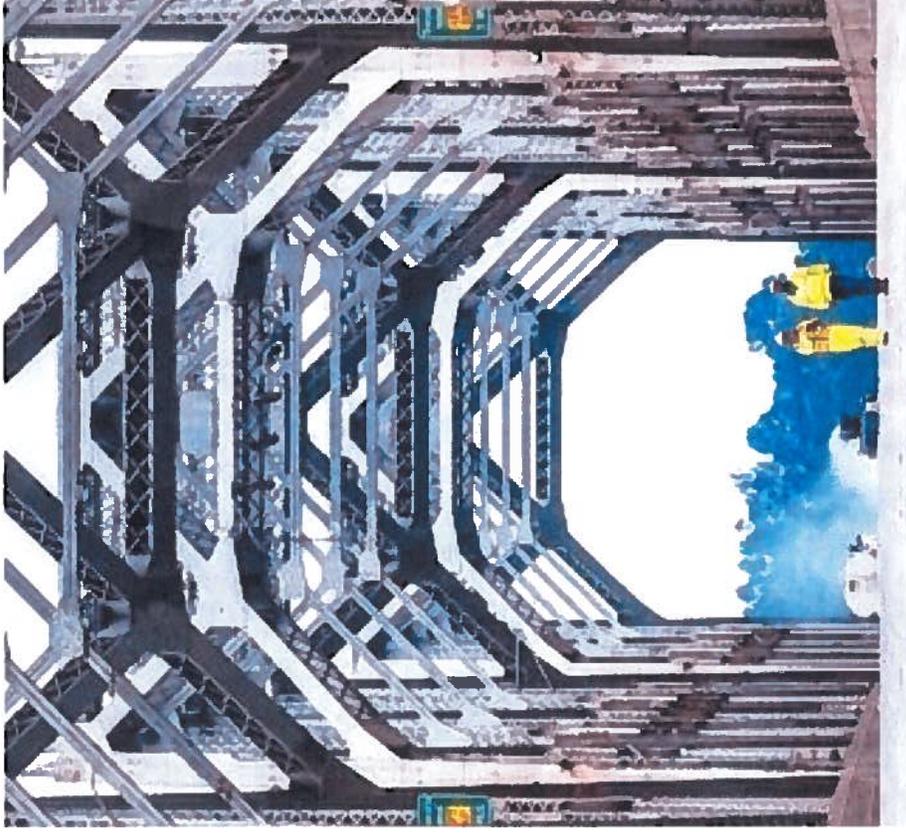


# Understanding the Problem

- Goal: Reach a shared understanding of the problem to be solved by this study.
- Discuss in your small group:
  1. What has occurred during the last 10 years that require changes in how ABAG and / or MTC operate?
  2. What are the key roles of MTC? Of ABAG?
    - Identify those that your entire table agrees upon
  3. What are the underlying problems giving rise to this study?
    - Identify those that your entire table agrees upon

# Report Out

- Each small group reports out:
  1. The table's consensus on key roles
    - ABAG Roles
    - MTC Roles
  2. The table's consensus of problems giving rise to the study
- Full group:
  - Look for commonalities



# Study Objectives

- *Explore Options for MTC and ABAG to better integrate the Bay Area's transportation and land use planning efforts.*
- *Develop options / models up to and including a merger and an appropriate implementation plan.*

# Reaching Consensus

- Goal: Confirm or modify the study objectives to reach consensus.
- Discuss and build consensus in your small group:
  1. Will the current objectives move the agencies toward solving the problem?
    - If no, what is missing from the study objectives?
  2. How should ABAG and MTC judge success at the end of the study?

# Report Out

- Each small group reports out:
  - The table's consensus on the three questions
- Large group:
  - Look for commonalities



# Draft Principles for Evaluating Options

- 1. Continue representative policy making in regional land use and transportation planning*
- 2. Maintain local land use control*
- 3. Establish efficient and effective management and oversight of the SCS planning process*
- 4. Maintain respective SB 375 agency roles and responsibilities in the near term (no legislative or regulatory changes required)*
- 5. Ensure financial sustainability of both agencies*
- 6. Provide for equity of ABAG planning staff compensation and professional status*
- 7. Continue the existing planning and programming allocation process associated with the RTP*

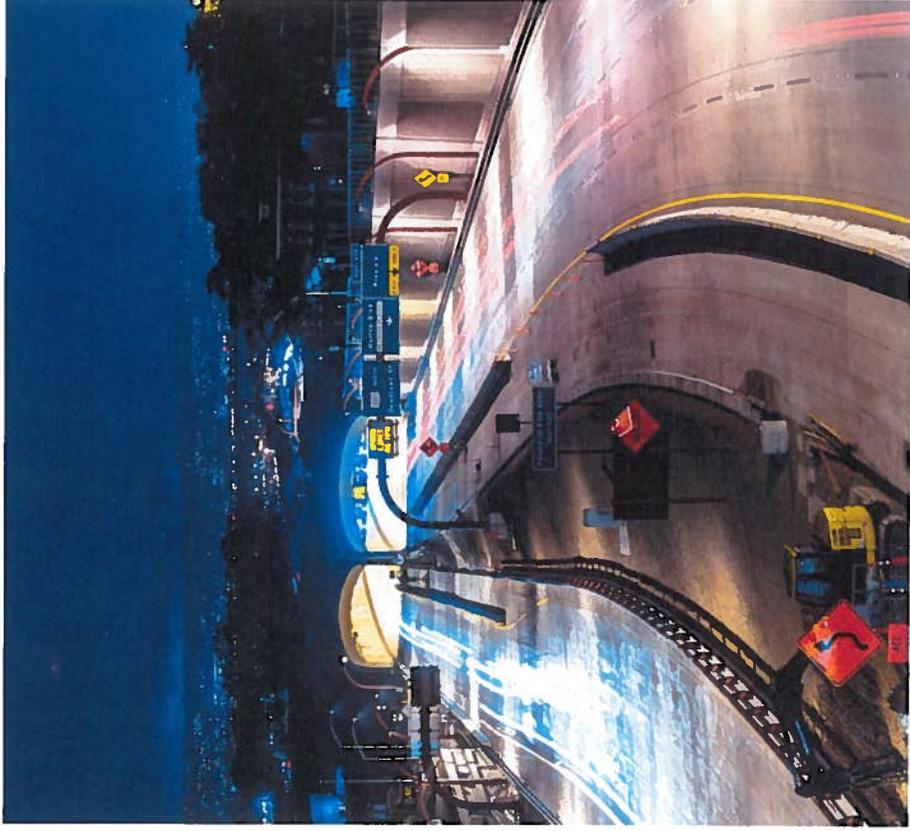
# Reaching Consensus

- Goal: Agree on the principles that ABAG and MTC will jointly use in evaluating options developed by Management Partners.
- As an individual, write down your responses:
  1. Are these the right principles for evaluating options?
  2. What key concepts are missing?
- Share with entire group
- Determine which principles everyone in your group agrees on



# Report Out

- Each small group reports out:
  - The table's consensus on the two questions
- Large group:
  - Look for commonalities



# Community Engagement Strategies

Goal: Obtain comments on the community engagement and stakeholder plan.

Elected Officials	Regional Stakeholders
<p><b>A. Survey of Local Government Elected Officials</b></p> <ul style="list-style-type: none"> <li>Electronic survey distributed to all mayors, councilmembers, and board of supervisors in all Bay Area cities, towns and counties</li> </ul> <p><b>A. Presentation at Mayors' Conferences (or equivalent)</b></p> <ul style="list-style-type: none"> <li>8 presentations total (one per County with exception of San Francisco)</li> </ul> <p><b>1 Electronic Survey and 8 Presentations</b></p>	<p><b>A. Individual Meetings:</b></p> <ul style="list-style-type: none"> <li>Bay Area Council</li> <li>Building Industry Association (BIA) Bay Area</li> <li>Greenbelt Alliance</li> <li>SPUR</li> </ul> <p><b>A. Open Regional Meetings</b></p> <ul style="list-style-type: none"> <li>(Up to) 3 open regional meetings for interested stakeholders</li> </ul> <p><b>4 Individual Meetings and (up to) 3 Regional Meetings</b></p>
Local Agency Professional Staff	General Outreach
<p><b>A. Individual Meetings:</b></p> <ul style="list-style-type: none"> <li>Nine meetings with each Bay Area Congestion Management Agency's (CMA) Technical Advisory Committee (TAC)</li> <li>One meeting with Bay Area Planning Directors Association (BAPDA)</li> </ul> <p><b>10 Individual Meetings</b></p>	<p><b>A. Website to post:</b></p> <ul style="list-style-type: none"> <li>Work plan and schedule of events</li> <li>Information sheet (or equivalent content)</li> <li>Project deliverables</li> <li>Fields for submitting stakeholder comments via email</li> <li>Notifications about open regional meetings</li> </ul> <p><b>1 Website</b></p>



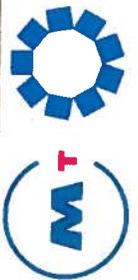
Management Partners

# Community Engagement Plan Feedback

- Questions
- Comments



# Public Comments



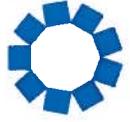
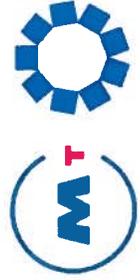
# Wrap Up and Next Steps

- Notes from today will be prepared and distributed
- Evaluation form
- Review next steps

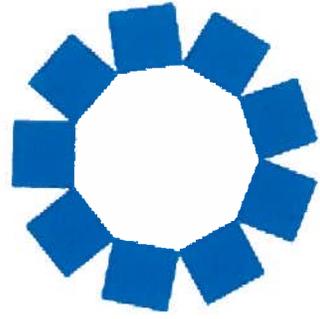


“The future is not some place we are going, but one we are creating. The paths are not to be found, but made. And the activity of making them changes both the maker and the destination.”

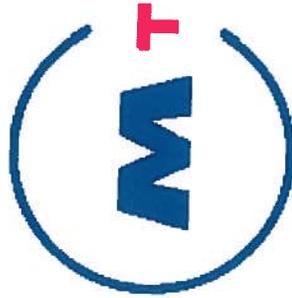
- John Schaar,  
*Loyalty In America*



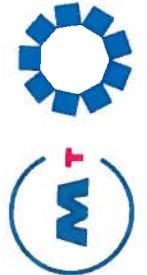
Thank You



**Association  
of Bay Area  
Governments**



**METROPOLITAN  
TRANSPORTATION  
COMMISSION**





## Study Objectives

### *Study Objectives*

1. Explore Options for MTC and ABAG to better integrate the Bay Area's transportation and land use planning efforts.
2. Develop options / models up to and including a merger and an appropriate implementation plan.

### *Study Objectives Activity*

**Goal:** Confirm or modify the study objectives to reach consensus.

- Discuss and build consensus in your small group:
  1. Will the current objectives move the agencies toward solving the problem?
    - If no, what is missing from the study objectives?
  2. How should ABAG and MTC judge success at the end of the study?



## Draft Principles for Evaluating Options

### *Draft Principles*

1. Continue representative policy making in regional land use and transportation planning
2. Maintain local land use control
3. Establish efficient and effective management and oversight of the SCS planning process
4. Maintain respective SB 375 agency roles and responsibilities in the near term (no legislative or regulatory changes required)
5. Ensure financial sustainability of both agencies
6. Provide for equity of ABAG planning staff compensation and professional status
7. Continue the existing planning and programming allocation process associated with the RTP

### *Draft Principles Activity*

**Goal:** Agree on the principles that ABAG and MTC will jointly use in evaluating options developed by Management Partners.

- As an individual, write down your responses:
  1. Are these the right principles for evaluating options?
  2. What key concepts are missing?
  3. Share with entire group
- Determine which principles everyone in your group agrees on



## Proposed Stakeholder Engagement Plan

Draft January 15, 2016

Elected Officials
<p><b>A. Survey of Local Government Elected Officials</b></p> <ul style="list-style-type: none"> <li>• Electronic survey distributed to all mayors, councilmembers, and board of supervisors in all Bay Area cities, towns and counties</li> </ul> <p><b>B. Presentation at Mayors' Conferences (or equivalent)</b></p> <ul style="list-style-type: none"> <li>• Eight presentations total (one per County with exception of San Francisco)</li> </ul>
<b>1 Electronic Survey and 8 Presentations</b>

Regional Stakeholders
<p><b>A. Individual Meetings:</b></p> <ul style="list-style-type: none"> <li>• Bay Area Council</li> <li>• Building Industry Association (BIA) Bay Area</li> <li>• Greenbelt Alliance</li> <li>• SPUR</li> </ul> <p><b>B. Open Regional Meetings</b></p> <ul style="list-style-type: none"> <li>• Up to three open regional meetings for interested stakeholder organizations and individuals</li> </ul>
<b>4 Individual Meetings and (up to) 3 Regional Meetings</b>

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<p><b>A. Individual Meetings:</b></p> <ul style="list-style-type: none"> <li>• Nine meetings with each Bay Area Congestion Management Agency's (CMA) Technical Advisory Committee (TAC)</li> <li>• One meeting with Bay Area Planning Directors Association (BAPDA)</li> </ul>
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General Outreach
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<b>1 Website</b>

*Schedule: Most outreach to occur between February and March of 2016, if possible*