

OCTOBER 5, 2016

ABAG
Regional Planning Committee

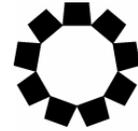
AGENDA, MINUTES AND ATTACHMENTS

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 October 5, 2016, 1:00-3:00 PM (Lunch 12:45)

Location:

Bay Area Metro Center

375 Beale Street, Yerba Buena Conference Room
San Francisco CA 94105

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

Agenda and attachments available at 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 SEPTEMBER 14, 2016

ACTION

Attachment: Summary Minutes of September 14, 2016

4. ANNOUNCEMENTS

Information

5. SESSION OVERVIEW

Information

Miriam Chion, ABAG Planning and Research Director at ABAG, will give an overview of the meeting, future plans and schedules.

Attachment: Memo

6. PRIORITY PRODUCTION AREAS

Information/Action

Cynthia Kroll, Chief Economist at ABAG and Johnny Jaramillo, Senior Regional Planner at ABAG will be joined by Karen Chapple, UC Berkeley, to present the study of industrial land and businesses in the Bay Area. Cynthia will also present the Priority Production Areas proposal for the Committee consideration.

Attachments: Memo

1. Industrial Land and Jobs Study
2. Industrial Land Study Technical Advisory Committee
3. Priority Industrial Area Concept

7. PLAN BAY AREA 2040 DRAFT PREFERRED SCENARIO

Information

Miriam Chion will summarize the responses to the questions from the last meeting as well as additional input. The intent is to continue the discussion of the previous meeting with a focus on the Implementation Actions.

Attachments: Memo

1. Response to comments and questions on Draft Preferred Scenario
2. ABAG Planning and Research Director Memo on Draft Preferred Scenario
3. MTC/ABAG Executive Director Memo on Plan Bay Area 2040 Draft Preferred Scenario
4. Plan Bay Area 2040 Draft Transportation Investment Strategy
5. Draft Preferred Scenario Preliminary Results for Performance Targets and Equity Measures
6. Plan Bay Area 2040 Draft Implementation Actions

8. ABAG STAFF CONSOLIDATION UNDER MTC

Brad Paul, Deputy Executive Director at ABAG will be joined by Courtney Ruby, Interim Director of Administrative Services and Finance and Ken Moy, Legal Counsel, to provide an overview of current tasks and outline the contract for services.

Attachments: Memo

9. ADJOURNMENT

Submitted:

Miriam Chion
Planning and Research Director

9/21/2016

SUMMARY MINUTES (DRAFT)

ABAG Regional Planning Committee Meeting
Wednesday, September 14, 2016

375 Beale Street, Yerba Buena Room, San Francisco, California 94105

1. CALL TO ORDER

Pradeep Gupta, Chair and Vice Mayor, City of South San Francisco, called the meeting of the Regional Planning Committee of the Association of Bay Area Governments to order at 1:03 PM

A quorum of the committee was present.

Members Present

Mark Boucher
Desley Brooks
Diane Burgis
Paul Campos

Tilly Chang

Cindy Chavez
Julie Combs
Diane Dillon
Pat Eklund
Karen Engel

Martin Engelmann

Pradeep Gupta
Scott Haggerty
Russell Hancock
Erin Hannigan
John Holtzclaw
Melissa Jones
Mark Luce
Eric Mar
Karen Mitchoff
Julie Pierce
Katie Rice
Carlos Romero
Al Savay

Kirsten Spalding
James P. Spering
Egon Terplan
Monica E. Wilson

Jurisdiction

BAFPAA
Councilmember, City of Oakland
East Bay Regional Park District
Senior Vice President, Government Affairs, Building Industry Association
Executive Director, SFCTA
County of San Francisco
Supervisor, County of Santa Clara
Councilmember, City of Santa Rosa (Vice Chair)
Supervisor, County of Napa
Mayor, City of Novato
Director of Economic and Workforce Development, Peralta Community College
Deputy Executive Director of Planning, Contra Costa Transportation Agency
Vice Mayor, City of South San Francisco (Chair)
Supervisor, County of Alameda
President & CEO, Joint Venture Silicon Valley
Supervisor, County of Solano
Sierra Club
Executive Director BARHII, Public Health
Supervisor, County of Napa
Supervisor, City and County of San Francisco
Supervisor, County of Contra Costa
Councilmember, City of Clayton (ABAG President)
Supervisor, County of Marin
Urban Ecology
Community & Economic Dev. Director, City of San Carlos (BAPDA)
Executive Director SMCUCA
Supervisor, County of Solano
Planning Director, SPUR
Councilmember, City of Antioch

Members Absent

Nancy Ianni
Michael Lane

Jeremy Madsen
Nate Miley
Carmen Montano
Anu Natarajan
Harry Price
David Rabbitt
Matt Regan
Mark Ross
Jill Techel
Dyan Whyte

Jurisdiction

League of Women Voters--Bay Area
Policy Director, Non-Profit Housing Association of
Northern California
Executive Director, Greenbelt Alliance
Supervisor, County of Alameda
Vice Mayor, City of Milpitas
Director of Policy and Advocacy, MidPen Housing
Mayor, City of Fairfield
Supervisor, County of Sonoma (ABAG Vice President)
Senior Vice President of Public Policy, Bay Area Council
Councilmember, City of Martinez
Mayor, City of Napa
Assist. Exc. Officer, San Francisco Regional Waterboard

2. PUBLIC COMMENT

There was public comment by Jerry Grace from People First, San Pablo, CA.

3. APROVAL OF REGIONAL PLANNING COMMITTEE MEETING MINUTES OF JUNE 1, 2016

Chair Gupta recognized a motion by **Member Mitchoff**, Supervisor, County of Contra Costa, and seconded by **Member Holtzclaw**, Sierra Club, to approve the Regional Planning Committee (RPC) minutes of June 1, 2016.

There was no discussion.

The motion passed unanimously.

4. ANNOUNCEMENTS

Member Combs announced the Housing Subcommittee Meeting at 3:00 PM following the RPC Meeting.

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

Ms. Chion, Director of Planning and Research at ABAG, gave an overview of the meeting and future plans and schedules.

Chair Gupta asked Committee Members to introduce the three RPC Subcommittees.

Chair Gupta said the Economic Strategy Subcommittee had two meetings. He noticed between meeting one and meeting two that there was an increase of interest and strong attendance that enabled a great conversation about long-term and short-term issues related to economic development for the whole region. It was a very productive meeting

with diverse perspectives from business, economists, housing, and workers. It will be very beneficial for the RPC, and for future regional planning at MTC and ABAG.

Member Chang expressed appreciation for staff and Chair Gupta for having a very well-rounded conversation. All of the right people were at the table at these meetings, a lot of those interests were represented. There was a definite interest to engage local jurisdictions at a later stage.

Chair Gupta said staff from the U.S. Economic Development Department said the discussion was the best they ever heard from a group preparing that kind of study.

Member Spalding said this is going to be a useful process not simply for creating an economic development district, but it is also a forum for robust conversation about our priorities and our vision around economic development for the region.

Chair Gupta asked **Member Mitchoff** to give a brief synopsis of the activities in the infrastructure subcommittee.

Member Mitchoff said there were two meetings, one in July and again this morning. The focus of these meetings has been around the resilience of water delivery and the removal of wastewater in the event of a catastrophe. They have a lot of the stakeholders at the table from water districts and sanitation districts, as well as participation from the U.S. Department of Homeland. **Member Boucher** from Contra Costa has been to both meetings as well.

Member Mitchoff went on to described the discussion as eye-opening, as the committee has explored the disconnect between local government staff and their utility partners. If the region experiences an earthquake, water districts will be triaging badly damaged water systems while cities try to provide temporary water. This could go on for weeks in many communities. In our day-to-day maintenance, more could be done to coordinate. It is a really fascinating conversation; and the committee wants to come back to you with some recommendations. The next meeting will be on October 12th to discuss the possible recommendation to be brought back to the RPC in December of a San Francisco Regional Lifelines Council.

On November 10th, ABAG will host the Bay Area Confluence, and **Member Mitchoff** encouraged RPC Committee Members, as elected officials, to attend.

Member Combs said the second housing subcommittee meeting will be after the RPC meeting. The committee is pursuing the three P's of housing: protection from displacement, preservation of existing housing units that are affordable, and production of new housing units and committee members are looking for high-impact, high-consensus items they can bring forward to help solve our regional housing crisis.

6. REGIONAL TRAILS AND OPEN SPACE

Information/ACTION

Laura Thompson, Bay Trail Project Manager at ABAG, reported on significant regional trail progress and highlighted gap closure projects that are well-positioned to receive funding from several sources.

Member Eklund asked to clarify whether approval for this item is of the list of projects or the process whereby each of the lead agencies would apply for the grants.

Ms. Thompson replied we are asking you to approve the strategy. The list will change over time as projects are completed or funded. We are looking for your feedback and support on this approach as a regional agency working with local jurisdictions to ensure that projects move forward.

Member Eklund asked for a definition of “lead agencies” and asked whether these lead agencies identify this segment of the Bay Trail that needs to be completed or is this what ABAG has identified.

Ms. Thompson answered that the lead agency is the land manager that would be responsible for applying for the grant and also as the agency that raises an interest in seeing the project completed.

Member Eklund asked if committee members want to work with the lead agency, can they ask for contact information from ABAG.

Ms. Thompson answered yes.

Member Rice said the strategy is to position all those projects around potential funding sources and identify those potential funding sources. It does not speak to prioritization, she asked is that a next step. Identifying criteria for prioritizing projects may help the region attract additional funding if the Bay Area can show there is agreement about regional priorities.

Ms. Thompson replied that could be a next step. Certainly there are some sections of the Bay Trail that would see a lot more use than others, and some sections of the Bay Trail where a lot of work has already been done and they are almost ready to go. Identifying criteria is a task that we could put some thought into. However, it is important to recognize that every gap is an important gap. Some projects will be ready to go quicker than you imagine. If we can frame it in a way that identifies how it might benefit the entire region, then we are not saying that the others are not important or are not eligible.

Member Rice agreed and said a prioritization list that is not static would be a good idea, and also recognizing when there are multiple projects of value applying for the Measure AA funds.

Member Burgis was really happy to see a lot of East Bay Regional Park District Projects listed. These water, hiking, and biking trails are very popular, not only for recreation, but they help create healthier communities. They are routes people use to get to work, for services that they need and recreation. East Bay Regional Park District is committed to helping find funding and they are really excited about Measure AA.

Member Pierce thanked Ms. Thompson for her guidance of this project and suggested adding an extra column for “potential resources” to the chart. Several counties have transportation measures on the ballot and local funding can be added as well. Almost all of them have trails as a category in their transportation measures. Together with East Bay Regional Parks they can get the trail approved in difficult places. There are other sources of funding; an "other" category would be helpful.

Member Spring said as future funding starts to become available he would like Bay Trail staff to consider a matching fund program for local jurisdictions. For certain segments, if the jurisdictions puts up fifty percent, Bay Trail puts up fifty percent. That will get twice as many projects done. It is something to be consider as it might stimulate some of the interest in the local jurisdictions.

Ms. Thompson took a moment to mention that Save the Bay is launching a new holiday about San Francisco Bay on October 1, 2016, called “Bay Day.” You can look at the website, www.bayday.org to find a list of events going on that day. She is working to get resolutions of support passed by all 109 cities and counties recognizing Bay Day and requested committee members’ help to make that happen.

Chair Gupta recognized a motion by **Member Mitchoff**, Supervisor, County of Contra Costa, and seconded by **Member Dillon**, Supervisor, County of Napa, to approve staff’s request for action for RPC feedback and support on this strategic approach to positioning key Bay and Water Trail projects for funding from multiple sources.

The motion passed unanimously.

7. PLAN BAY AREA 2040, DRAFT PREFERRED SCENARIO

Information

Miriam Chion, Planning and Research Director at ABAG, was joined by Ken Kirkey, Planning Director at MTC, to present the Draft Preferred Scenario, which includes the land use growth allocation, transportation investments, performance targets, and implementation policies and strategies.

After the presentation, **Chair Gupta** took public comments:

David Zisser of Public Advocates asked whether the Draft Preferred Scenario focuses growth in high opportunity cities or allocates it to places already vulnerable to gentrification, especially low-income African-American and Latino communities. He also asked how many households are likely to be displaced. He stated that inclusionary zoning is a strange, aspirational choice as a housing policy because of the Palmer decision, which makes this policy illegal for rental developments. Rent control and impact fees are more appropriate policies, and the upcoming Countywide housing bonds

could also be taken into account. He asked if there would be a meeting between the October 14 feedback deadline and the November 17 adoption target. He also asked for clarification about whether the implementation actions included in the packet would be part of the Plan, or just a supplement.

Josh Switsky of the San Francisco Planning Department indicated that he would like to provide an informed response to the Draft Preferred Scenario, but has not received information that has already been requested that would allow him to do that, including PDA-level allocations as well as sectoral breakdowns for jobs. He stated that October 14 is a very constrained deadline given that he has not received this material. He stated that San Francisco's housing numbers are ambitious and that the city does not want to be penalized for this if it does not reach these targets. He suggested financial support to provide front-end infrastructure for major projects such as Hunter's Point that are expected to take on a large share of San Francisco's growth, and that the implementation actions could reflect this need.

Chair Gupta then asked for comments from Committee Members:

Member Savay thanked ABAG and MTC staff for their hard work. He recognized the importance of reality checks based on specialized knowledge in our communities. There is a significant difference in the regional plan versus San Carlos' local land use plan. There is about 65 percent reduction in housing in the regional plan compared to our general plan and about a 40 percent reduction in jobs. He just heard from the public speaker that there is a 40 percent increase of housing in San Francisco. How did the model capture the local plans?

Mr. Kirkey said that in their regional plan and regional model, there is a lot of art, not just science. Looking at employment growth, most of the jurisdictions in the region are heavily zoned for employment growth. If the plan went with the local plans for employment it would go way beyond the regional control total. The model attempts to look at where growth has happened and how likely it is to happen in the future based upon the local plans and trends. We are not saying that the distribution is absolutely correct. We already found an error. We want input from local jurisdictions.

Member Savay asked how the model chooses housing over office development in a mixed use zone.

Mr. Kirkey replied that he cannot speak to that specifically. In general they try to look at local plans and projects approved in a given community.

Member Romero said that the presentation gave the perception that there is a machine back there that is turning out these numbers. In the previous plan there was significantly more conversation with local communities and plans. Still, one of the criticisms we had was that we failed in our public engagement. It is a concern that UrbanSim is producing and analyzing this scenario, prior to the local input. Menlo Park is considering approximately 6 million square feet in new development, 6,500 units of housing. This probably has not been calculated by UrbanSim because it is in a General Plan that has not been adopted yet. It is a concern that relying this deeply on UrbanSim is going to lead us to the same path that we wound up in last time. Local input is important. The other issue is the equity piece. It is very sad to see that we are moving backward on

housing plus transportation. What we are doing is not good enough. We have to figure out a way where communities of color can move up over these next 20 years. Displacement is a major issue even in communities that are producing 40 units of housing over 20 years.

Member Regan said the presentation was very informative and very sobering at the same time. He indicated that there is a good description of the problem: it is a critical supply problem in the Bay Area. There have been voices in the very recent past, whose solution to this problem is to stop economic growth. Groups like the RPC, that are tasked with regional planning, ought to take those messages and theology very seriously and be concerned about it. The reason for having regular revisions to Plan Bay Area is to look at lessons learned. With PDAs we should meet the targets by 80%, in 2035 we only met 53%.

Mr. Kirkey said this was a limited and focused update to Plan Bay Area. He indicated that UrbanSim output is based on inputs that people are putting into it, including input from local jurisdictions. He indicated that whether it is a regional plan or a local plan, it is only as good as the policies and the implementation actions that exist. The plan needs to be based on reality. Even with a higher level of growth, even with the changes you have identified, we still do poorly. Particularly for lower income households in this region. The Implementation Actions would require a lot more work.

Chair Gupta asked staff to take notes and respond to questions in writing after the meeting due to time.

Member Campos said the presentations were very informative. He asked for a breakdown of housing by ownership and rental.

Member Combs is concerned about how housing and job numbers will impact future RHNA numbers and how this is built on or not built on past planning. Even within this document there is a disconnect between employment and housing numbers and a disconnect between the projected salaries and the RHNA housing affordability requirements. She wanted to know the relationship between the salaries and housing cost. She also wanted to know how this plan either informs or affects grant funding and eligibility criteria, and how does the plan differ in those criteria with regard to big cities, key nodes, and small cities. There are substantial differences between Santa Rosa's plan and this plan but we do not have parcel-level data yet. It would be nice to receive parcel-level data in a timely manner so we can make comments about how the two plans interact. As another pitch for coming to the housing subcommittee meeting, looking at the equity issues and talking about an aggressive housing policy, we are trying to juggle an aggressive housing policy with high consensus, and that is often a very difficult thing to juggle. She is looking forward to the committee's help in the following meeting.

Mr. Kirkey mentioned that on Thursday September 15, 2016 there will be a meeting in Santa Rosa about the Plan Bay Area 2040 Draft Preferred Scenario.

Member Pierce thanked staff for working together on this presentation and for the openness to look at our housing numbers regionally in a slightly different way. She

asked that staff double check the base data to address mistakes and the actual interpretation of local zoning. The model takes what is written down, not what everybody locally is thinking is going to happen. She indicated that this Draft Preferred Scenario is a market analysis; a reality check on our aspirational plans. We chose to use UrbanSim, instead of doing the projections the way we always have in the past. There is a benefit for us to apply that economic test of how viable our aspirational plans are in between RHNA cycles. We had this presentation at ABAG Administrative Committee and the MTC Planning Committee last Friday where members suggested another meeting to provide some more opportunities for discussion.

Member Jones asked if housing plus transportation cost is the worst possible scenario. What are the assumptions about the individual housing bonds that are currently on the ballot in that estimate? What does it assume about the attainment of our RHNA goals, considering that those goals have not been attained over time? What other considerations and assumptions are built in that may show that 67 percent number is lower than the actual housing cost for families? She also asked that staff provide more time for groups to analyze this information.

Member Holtzclaw focused on the incentives. He urged the measurement of trips rather than passenger miles to be used because in the places where transit services are very heavily used, like San Francisco and Oakland, the trips are relatively short because everything is convenient. He asked if the governor's bills on financial incentives and density bonuses for affordable housing had passed and how they would be enforced.

Member Terplan indicated that there is a difference in perspective between ABAG and MTC that needs to be worked out with consolidation of the staff. He asked for additional details about the differences between UrbanSim and ABAG's number, including which cities were affected and how substantial were the differences. Also, why did the percentage of jobs in PDAs go down so much between the first Plan Bay Area and this one; from two thirds to 55 percent? Which PDAs were affected—are they close to regional transit; close to lower frequency, local transit or not close to transit? The PDA framework is a very good one for implementation but for a modeling perspective or a projection perspective, it is harder to get your head around. What were the variables that were changed in UrbanSim to get to the land use outcome we see?

Member Spalding said on the economic vitality measures we were looking at fixed inputs to UrbanSim that were going to be the same across all scenarios. The target to increase the share of jobs accessible and congested conditions is going in the wrong direction, and that remains the same across all scenarios. On the equity measures, It looks like we are doing better in Communities of Concern even though we are going in the wrong direction across all of the measures on performance target 8, so I am not sure about that discrepancy. We said a few months ago that the way to deal with this is not really in the scenarios but in the policy measures that we are going to implement. She asked how we were going to get those policies into the plan. We need implementation measures and we may need some real incentives. For example, the OBAG program now has gone out in my county to C/CAG, the implementation agency. When they considered setting up their scoring measures, they decided not to look with any depth at either the affordability of housing or any economic development measures. We may

have to do more to make sure that the local areas really implement if we are going to see these performance targets achieved.

Member Eklund said last week at the joint MTC planning committee, she raised three questions, for which she would like to get some response in writing. She did check with the Novato Staff about an explanation for the changes in the base year and also the housing and job projections. It did not seem they had adequate information in order to analyze how they changed and what factors were adjusted. I am finding that is true of many of the cities in Marin County. It is important that the city staff and the elected officials get that information because we are also trying to bring this information to the public. She requested an explanation for why we are going down to 50 percent for the jobs in PDAs. She heard from folks that instead of just focusing the housing around transit areas, they want to do housing and jobs so you get more versatility in the movement of people. She requested more information about the assumptions and how realistic they are. For example, in Marin, not all cities have inclusionary zoning.

Ms. Chion said ABAG and MTC will be answering the questions raised in writing and would appreciate any feedback or any additional suggestions. This is an unusual schedule for the Regional Planning Committee because we wanted to hear your comments on the Draft Preferred Scenario. The next meeting is coming soon, which might be a good opportunity to continue the discussion and we will be able to provide you a more systematic summary of all of the input.

Member Eklund wanted to confirm that the next meeting will be on October 5, 2016.

Chair Gupta said as chair of this committee, he is not satisfied with the opportunity for input into the process. People around the table here have an immense amount of experience, influence, as well as knowledge that should be shared for betterment of the plan. Thank you all for spending more time than you planned for and hope to see you early in October to discuss this issue.

8. ADJOURNMENT

Vice Chair Gupta adjourned the Regional Planning Committee at 3:23 PM

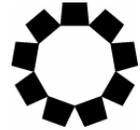
The next meeting of the Regional Planning Committee will be on October 5, 2016.

Submitted:

Wally Charles

Date: September 28, 2016

For information or to review audio recordings of ABAG Regional Planning Committee meetings, contact Wally Charles at (415) 820-7993 or info@abag.ca.gov.



Date: September 28, 2016
To: Regional Planning Committee
From: Miriam Chion, ABAG Planning and Research Director
Subject: Session Overview - October 5, 2016

At our last meeting, we had a substantial discussion on the Bay Trail and Water Trail and the Committee took action supporting the funding strategies. We also received substantial input on the Plan Bay Area – Draft Preferred Scenario, but we ran out of time to address the many comments and questions or to focus on the Implementation Actions. Thus, we are continuing the discussion of Plan Bay Area to ensure we get Committee guidance on the Plan update before approval of the Final Preferred Scenario in November. **We will be accepting comments through October 14, 2016.**

Our agenda includes two other items: Priority Production Areas and ABAG/MTC staff consolidation. The Priority Production Areas item addresses the economic vitality component of our regional strategies. The purpose of ABAG/MTC staff consolidation is to brief you on progress to date, get your input and address any questions.

At our ABAG Executive Board meeting in September, the board approved the execution of the Joint Powers Agreement for the San Francisco Bay Restoration Authority. “The Authority will use this regional revenue -estimated to be \$25 million per year - to leverage Federal and State efforts to restore wetlands in San Francisco Bay with significant co-benefits for the region.” (ABAG EB Memo August 29, 2016). This board meeting also featured substantial presentations of two ABAG’s local collaboration programs, energy conservation and resilience. (Additional information <http://abag.ca.gov/abag/events/agendas/e091516a.htm>)

Ezra Rapport, our ABAG Executive Director, has resigned from ABAG, effective September 30. Ezra has worked very hard to support our Council of Governments by expanding our service programs, sharpening our planning efforts and constantly exploring new ideas and possibilities. He supported an organization that embraces innovation, communication and engagement with multiple stakeholders. We were very fortunate to have his leadership over the past years. Brad Paul will be assuming Ezra’s major responsibilities. He will be joined by Ken Moy, Courtney Ruby and Miriam Chion, the executive management team, to

ensure that all executive responsibilities are covered, including the ABAG/MTC staff consolidation.

Regional Planning Committee Subcommittee Meetings

- **Housing Subcommittee:**
Wednesday, October 5th 10:30 am – 12:30 pm (Metro Center, 375 Beale Street) Continue review of current housing tasks, recent housing data and discussion of priorities for 2016-2017.

- *Infrastructure Subcommittee:*
 - October 12th, 2:00 - 4:00 (Metro Center, 375 Beale Street)
Recap findings from July and September meetings and develop specific findings and recommendations for ABAG's RPC and Executive Board in December 2016 and January 2017.
 - November 10th, 1:00 - 6:30 **Bay Area Confluence**
http://www.abag.ca.gov/resilience/bay_area_confluence_2016.html
(Oakland Museum, 1000 Oak Street) Join decision makers from cities, counties, special districts, and utilities in responding to the call to action to address the region's 21st century water infrastructure challenges. The event continues the work of the [Association of Bay Area Governments' Regional Planning Subcommittee on Infrastructure](#) in strengthening collaboration around critical infrastructure solutions. This half-day conference brings together elected officials, utility managers, and interested stakeholders in three key panel discussions, with a reception to follow.

Date: September 20, 2016
From: Cynthia Kroll, Chief Economist
Johnny Jaramillio, Senior Regional Planner
Subject: Adoption of Priority Production Areas as a Plan Bay Area 2040
Implementation Action

Introduction

In June 2015, the Regional Planning Committee took action to evaluate a Priority Industrial Area program as an addition to Plan Bay Area 2040 (See attachment 3). In January 2016, MTC published a Goods Movement study that, among other things, emphasized the importance of maintaining adequate land for warehousing and distribution close to urban areas and transportation infrastructure. Throughout 2015 and 2016, a University of California team led by Dr. Karen Chapple produced a series of memos funded by CalTrans on the region's industrial land inventory, capacity for future growth, occupancy and expected demand (See summary in attachment 1). These memos conclude that although at the regional level the supply of industrial land exceeds projected demand, a closer look at location shows a mismatch between available land supply and expected growth in demand in the urban core. The region's 600,000 plus jobs on industrial land are projected to grow to almost 750,000, but particularly in the urban core, these jobs are at risk from pressure for housing and mixed use construction. Industrial lands have a high share relative to the region of jobs that provide middle wage opportunities for workers without a college degree, while many of the businesses provide services to business activities and individuals more broadly located in the Bay Area.

Priority Production Areas

The technical advisory committee (See attachment 2) for the study of industrial land has recognized the value of businesses and economic vitality in these areas. They advised that a targeted land use policy will be needed to retain adequate land and facilities for manufacturing, warehousing and distribution activities in the urban areas where infill development is occurring, as well as in some suburban areas where incompatibilities are resulting from mixed use or residential development. The research also shows that industrial lands in the Bay Area include a wide range of economic activities. Thus the Priority Production Areas program would need to be flexible to meet the needs of all jurisdictions. Based on conversations with businesses and economic development experts the name was modified from Priority Industrial Area to Priority Production Areas.

Priority Production Areas would be locally designated zones where manufacturing, warehousing, distribution and repair services would be a priority consideration in determining future land use. The UC Berkeley Industrial Land Study suggests

characteristics for consideration in determining where a Priority Production Area is needed to retain industrial land and where conversion would be appropriate, including existing and neighboring uses, proximity to transportation and suppliers, the quality and type of jobs and business opportunities, and projected industrial land demand and availability.

Action

Action: Recommend to the ABAG Executive Board that ABAG staff develop a Priority Production Area program for inclusion in Plan Bay Area, by refining criteria and identifying supportive resources and implementation actions.

Attachments:

1. Industrial Land and Jobs Study
2. Industrial Land Study Technical Advisory Committee
3. Priority Industrial Area Concept

Industrial Land and Jobs Study

Executive Summary

Prof. Karen Chapple

With Evelyne St-Louis, Sarah Ritter, Angel Ross, Elizabeth Mattiuzzi, Mitchell Crispell, Erin Lapeyrolierie, and Abby Cochran

UC-Berkeley

September 2016 - DRAFT

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- III. The Conversion of Industrially Zoned Land
- IV. Future Demand for and Supply of Industrially Zoned Land
- V. Impacts of changes in industrial employment on job quality
- VI. What do businesses want? Results of business voice survey and interviews
- VII. Potential considerations for the retention and conversion of industrial land

I. INTRODUCTION

The Industrial Land and Jobs Study complements the 2015 MTC Goods Movement Needs Assessment with an analysis of the demand for and supply of industrially zoned land in the nine-county region, both now and in the future. The study was conducted by UC-Berkeley and funded by Caltrans, via the University of California Transportation Center. Throughout the course of the study, UC-Berkeley researchers coordinated closely with the staff of the Association of Bay Area Governments, as well as a Technical Advisory Committee consisting of city officials in economic development and planning, as well as business associations focused on industrial businesses or real estate.

II. CHARACTERIZING THE DEMAND FOR AND SUPPLY OF INDUSTRIAL LAND

The demand for industrial land

Interviews with 12 experts in real estate and logistics, and a review of earlier studies provided an overview of existing demand for industrial space and how it may change. The overall demand for warehousing space is increasing dramatically due to the rise of just-in-time delivery. This has led in two divergent directions. Closer to dense urban centers, the trend in warehousing is toward demand for smaller spaces. Yet large warehouses generally located further away from the urban core are still in demand for e-commerce giants. Manufacturing

employment demand is growing more gradually, but the need for space continues with existing, expanding or new firms, in varied location types. Trends in the maker movement, sustainability, technology, and productivity create a demand for smaller spaces, particularly in the urban core. More centralized locations close to customers are also an advantage for businesses that service other industries (e.g., repair shops, machining). To the extent that manufacturing firms are starting to in-source employment that had been headed offshore, demand would be for land in the less built-out parts of the region. Finally, for many businesses, transport and shipping needs are generally demanding more space in more urbanized areas, for both loading and parking.

The supply of industrial land

Another goal of the study was to determine the *supply of industrially zoned land* in the nine-county Bay Area. The nine-county region has almost 98,000 acres of industrially zoned land, of which we estimate 6,780 acres is vacant (Table 1 and Figure 1). The study categorizes industrially zoned land as either mixed-use (allowing office, commercial, or residential as of right), or exclusive industrial (allowing only light, medium, heavy, or transportation uses). Notable differences among sub-regions are the concentration of heavy industrial land in the East Bay, the reliance on mixed-use commercial zones in the Peninsula, and in general, the mixture of industrial and office uses (hereafter called industrial-office) in both the Peninsula and the South Bay. Alameda County has the most industrial land, followed by Contra Costa, Santa Clara, and Solano. Yet, despite this concentration, market activity is largely concentrated in San Francisco and Santa Clara counties.

Table 1. Amount and distribution of industrial land in the Bay Area*

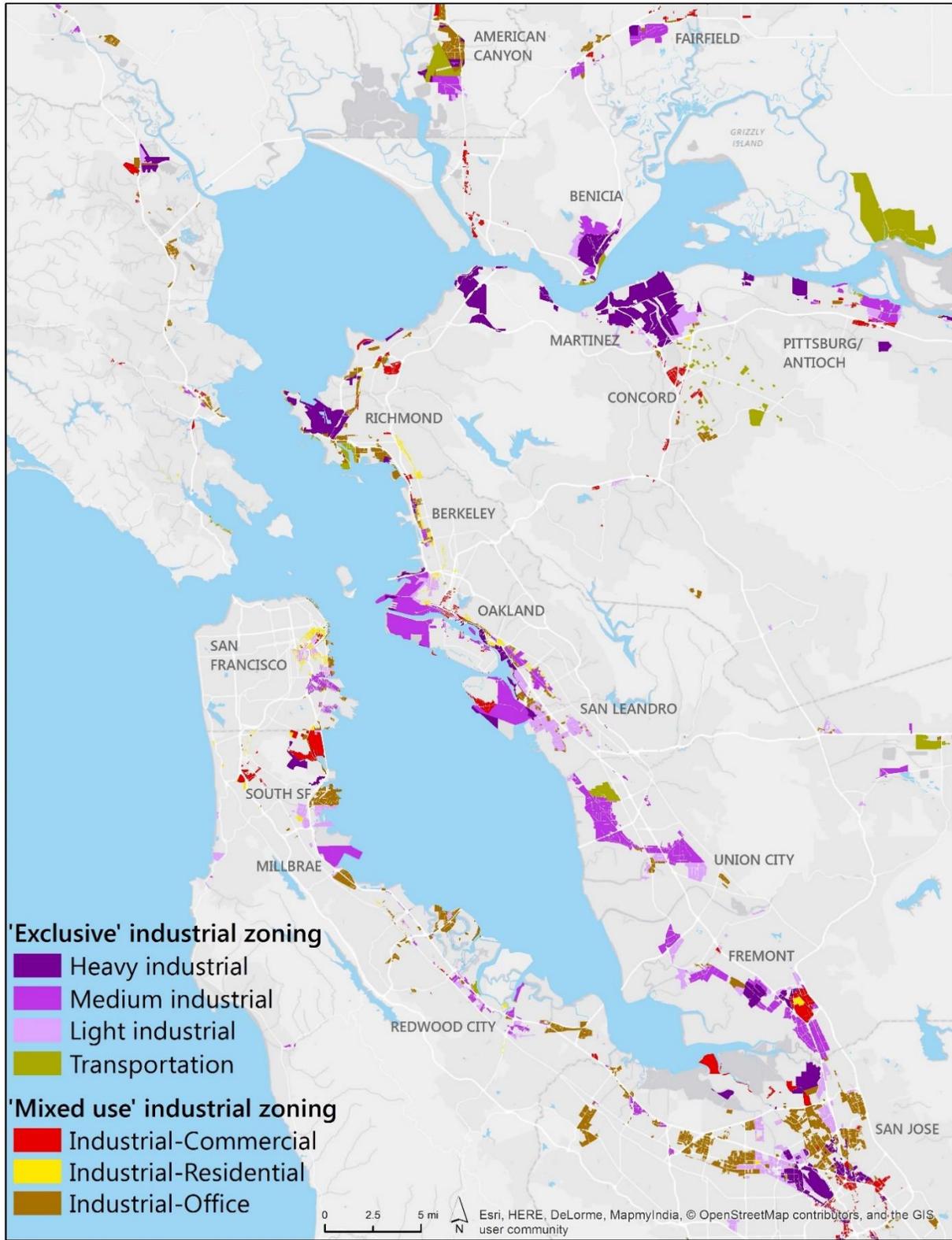
	Total Land in County (acres)	Total Industrial Land (acres)	Exclusive Industrial Land (acres)	Vacant Industrial Land (acres)+	Percent Industrial Land of Total Land
East Bay					
Alameda	476,064	24,192	20,656	578	5.10%
Contra Costa	477,745	20,206	16,237	2,012	4.20%
West Bay					
San Mateo	291,520	10,845	646	0	3.70%
San Francisco	30,427	1,971	972	0	6.50%
South Bay					
Santa Clara	830,787	18,501	2,395	145	2.20%
North Bay					
Solano	543,426	14,432	986	2764	2.70%
Napa	504,137	3,931	6,240	997	0.80%
Sonoma	1,016,546	1,996	8,662	170	0.20%
Marin	337,158	1,750	9,975	115	0.50%
Total	4,507,811	97,823	66,769	6,781	2.20%

Source: County Assessors' DataQuick Database; See Technical Memo #1: Industrial Land Supply and Demand for notes on how total acreage was calculated

* Calculations based on gross regional land area.

+ Estimated based on use code VIND (vacant industrial) in county tax assessor database.

Figure 1. Industrial land by zoning classification.

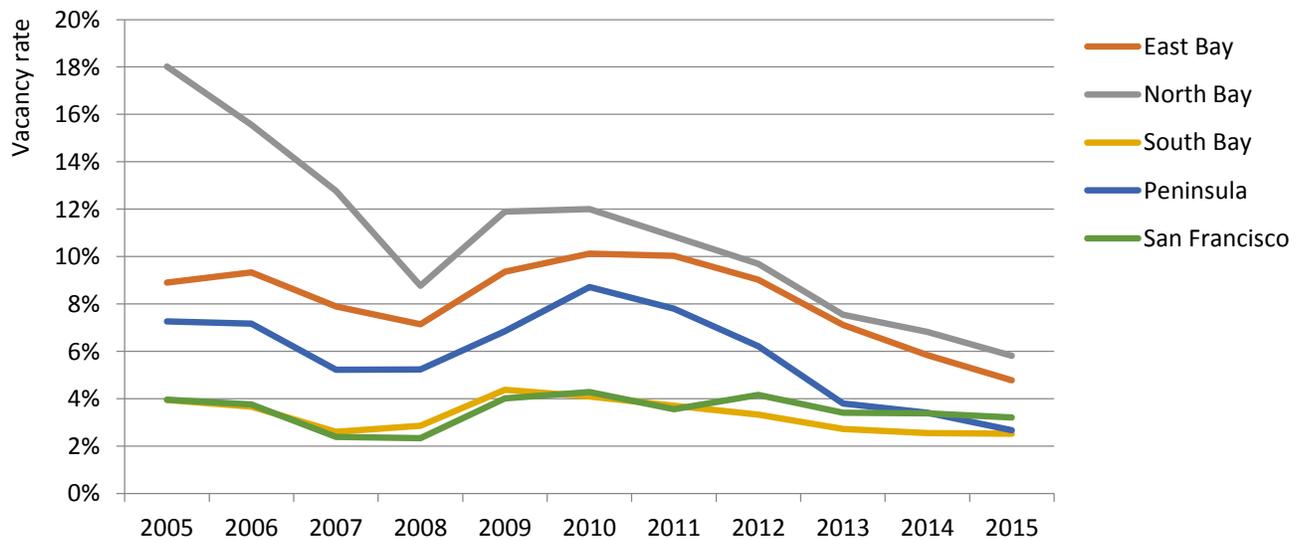


Source: See Technical Memo #1: Industrial Land Supply and Demand.

Buildings on industrial land

Statistics on industrial space marketed through commercial brokers provide indicators of how industrial land is used and space availability. Outside of San Francisco, much of the Bay Area’s industrial land is occupied at very low densities, perhaps to accommodate parking, loading, and other surface uses. Warehouses comprise half of the region’s leased stock tracked by CB Richard Ellis, with R&D comprising another 30%. Warehouse development dominates in every sub-region except the South Bay, where R&D is concentrated. New construction is occurring mostly in the East and North Bay. There is a significant amount of older stock, particularly in San Francisco, Alameda, San Mateo, and Marin counties, some of which may be appropriate for demolition and reuse. Rents are generally high and have recovered from the recession, particularly in San Francisco and the Peninsula, and for R&D. Vacancy rates are now reaching historic lows; the exception is R&D in the East and North Bay, which continues to experience vacancy rates of about 10% (Figure 2).

Figure 2. Vacancy rates for industrial buildings, 2005 -2015

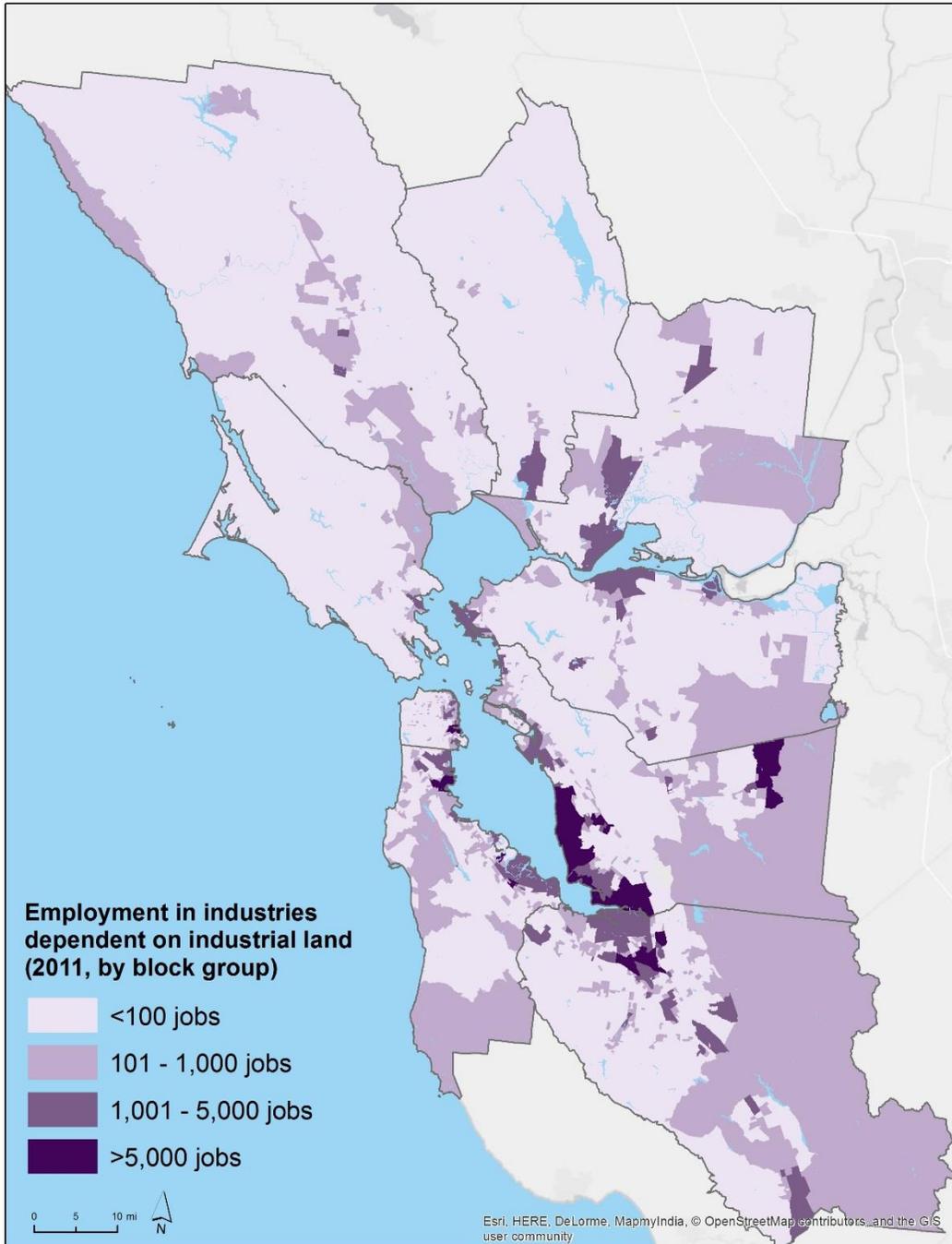


Source: CBRE; See Technical Memo #1: Industrial Land Supply and Demand.

Business trends on industrially zoned land

We defined industries as highly dependent on exclusive industrial zoning based on the location quotient, which measures the concentration of industries in a particular area relative to the larger reference region within which it sits (in this case, California). Figure 3 maps the sum of Dun & Bradstreet/NETS employment (for 2011) by block group. The greatest concentrations of employment dependent on industrial land occur in southern Alameda County (from San Leandro to Fremont) and northern Santa Clara County (primarily San Jose). Other concentrations occur near the San Francisco Airport, along the Northern Waterfront, and near Livermore. These concentrations suggest where the region might want to consider more stringent protections or proactive policies for industrial land and firms in the future, in order to support regional economic growth.

Figure 3. Employment in industries dependent on exclusive industrial land.



Source: See Technical Memo #1: Industrial Land Supply and Demand.

*Note: Block groups vary in size based on population density: smaller in dense areas, larger in less dense areas, which may distort the map.

The demand for industrially zoned land varies by sub-region. In general, mixed-use industrial land is in demand from businesses that are compatible with other users, while exclusive industrially zoned areas are required for businesses with externalities of noise and traffic. In the South Bay, high-tech manufacturers, as well as building

contractors, are concentrated on mixed-use land (typically permitting office as well as industrial uses). On exclusive industrial land is where heavier users such as machine shops and other manufacturers, often suppliers to high-tech, are found. In the East Bay, the industrial clusters are quite different. Light manufacturing, contractors, and solid waste collection are concentrated on mixed-use land, while heavy manufacturing, trucking and logistics tend towards exclusive industrial zones. The North Bay hosts light manufacturing like quick printing or metalworking, as well as wholesaling, on its mixed-use industrial land, while businesses such as contractors and industrial suppliers tend to locate on the exclusive industrial land. San Francisco is quite unique, with service industries such as software, publishing, and advertising on mixed-use land, while sectors such as construction, communications, and auto repair tend to locate on exclusive industrial land.

III. THE CONVERSION OF INDUSTRIALLY ZONED LAND

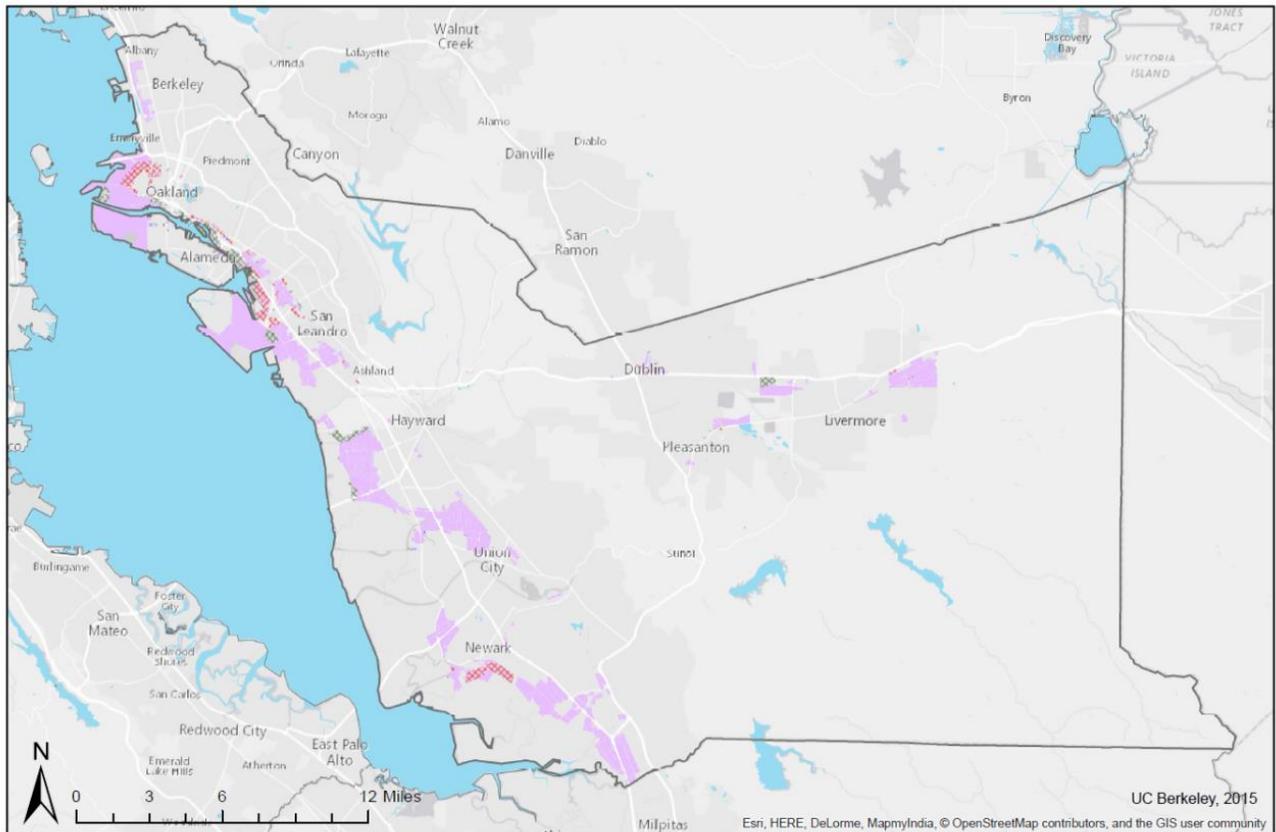
Next, the study assessed how much industrially zoned land has already been converted, how much is likely to be converted in the near future, and whether there is likely to be sufficient industrial land to accommodate demand in 2040.

Overall, a small but significant share of exclusive industrial land (i.e. industrial land that does not allow mixed-use or office) has been converted to other uses. Our fieldwork estimated that 10% of industrial land had been converted, but an analysis of assessor data suggested a lower conversion rate, about 1% over a six year period. There has been little encroachment of new housing on exclusive industrial land: in the cities where it is most likely, San Jose and Oakland, about 1-3% of units have been built on industrial land.

Overall, about 7% of the industrially zoned land in the region is vacant. However, vacancy varies throughout the region, with very little vacant acreage in the urban core, and large reservoirs of industrial land in the North Bay.

This analysis also examines the extent to which industrially zoned land is designated for other uses according to the general plan, or overlaps with Priority Development Area (PDA) designation. This land would be more easily converted to other uses. In the nine-County Bay Area region, a total of 15,084 acres of industrial land are in categories that would allow conversion to non-industrial uses, comprising about 17% of current industrial zones. The percentage of industrial land susceptible to conversion varies significantly across the different counties. In Napa County, which has a small share of the region's industrial land, only 1% is susceptible to conversion, most likely because much of its stock has already been designated to allow mixed-use office and commercial development. On the other extreme, almost half of all industrial land in San Francisco is susceptible to conversion due to widespread introduction of mixed-use zones throughout the city. In Alameda County, which has the highest share of industrial land in the region, a more moderate 14% of industrial land is susceptible to conversion (Figure 4).

Figure 4. Industrial land susceptible to conversion in Alameda County



Non-Industrial General Plan Designations

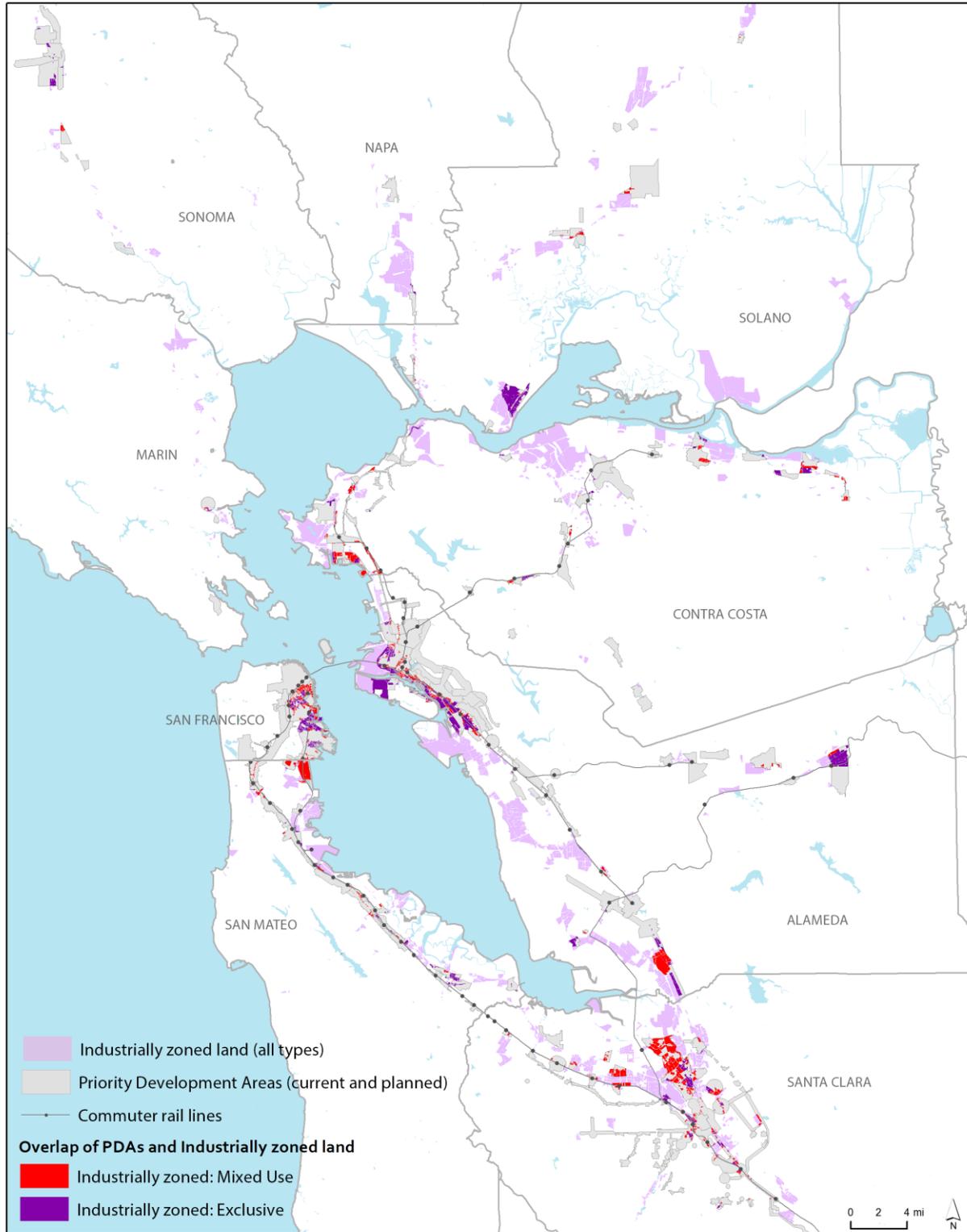
-  Residential
-  Commercial
-  Other
-  Industrial and Mixed-Industrial Zones

Source: See Technical Memo #2: Understanding the Conversion of Industrially Zoned Land.

Across all nine counties, about 16,700 acres out of approximately 97,600 acres of industrially zoned land overlap with PDAs – about 17% (Figure 5). Nearly half of this overlap is exclusive industrial land, and half is mixed-use industrial land.

Based on this analysis, we estimate in the next section the amount of industrially zoned land available in the future, after accounting for land that is already converted and/or susceptible to conversion. Comparing the available land to the employment projections for 2040, we can evaluate whether there is sufficient land to meet future demand.

Figure 5. Overlap of PDA designation and industrial land.



CCI at UC Berkeley, 2016. Data source: MTC/ABAG and UC Berkeley

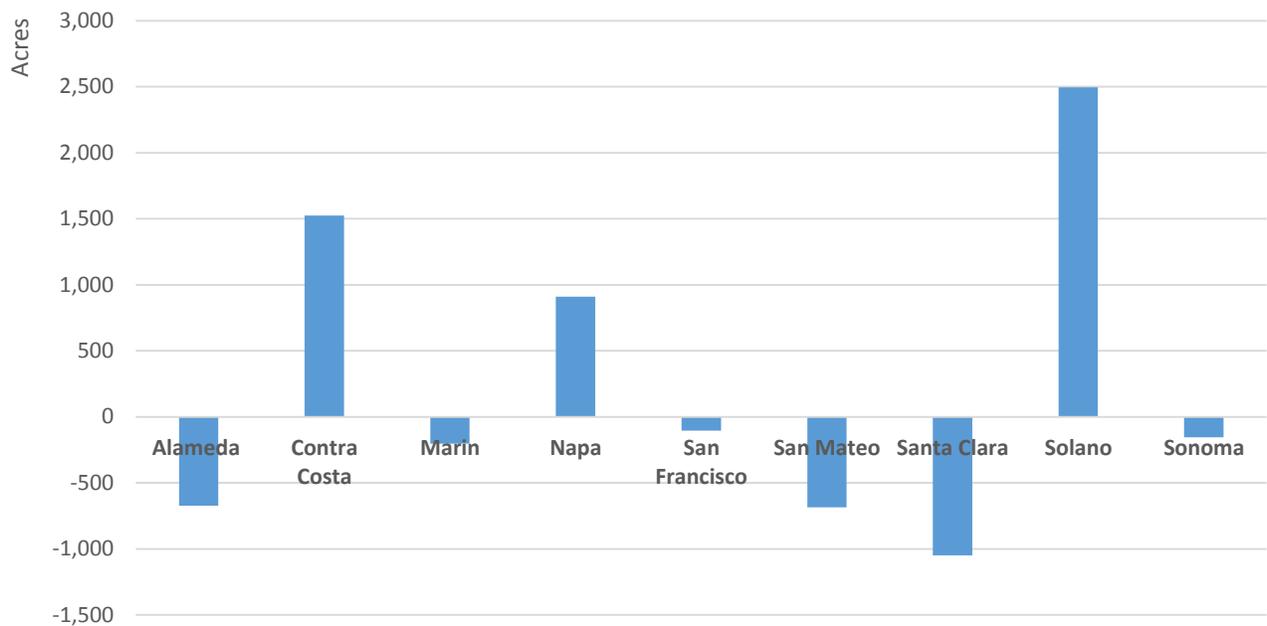
Source: See Technical Memo #2: Understanding the Conversion of Industrially Zoned Land.

IV. FUTURE DEMAND FOR AND SUPPLY OF INDUSTRIALLY ZONED LAND

Based on our definition of industrial land-dependent employment, the estimate for industrial jobs located on exclusive and mixed-use industrial land in 2011 for the Bay Area is 600,824 jobs (based on the NETS data).¹ Projecting out to 2040 – assuming existing patterns of distribution remain constant -- a 24% growth is expected, resulting in about 747,301 jobs. Zooming in from the county-level to the block group level, we anticipate that areas of growth will be found throughout the Bay Area. Although there are a few pockets throughout the region that show a net job loss, overall, there are no distinct areas of very concentrated decline.

With about 4,700 acres of industrial land needed to accommodate new growth between 2011 and 2040, the majority of counties – particularly Santa Clara, San Mateo, and Alameda – could experience a significant shortage of industrially zoned land, offset by considerable surpluses in Contra Costa, Napa, and Solano counties. Altogether, a surplus of 2,060 acres of industrially zoned land is anticipated in 2040, but much is located far from the greatest demand for industrial land, in the urban core (Figure 6).

Figure 6. Projected industrial land surpluses and deficits by county, 2040.



Source: See Technical Memo #2: Understanding the Conversion of Industrially Zoned Land.

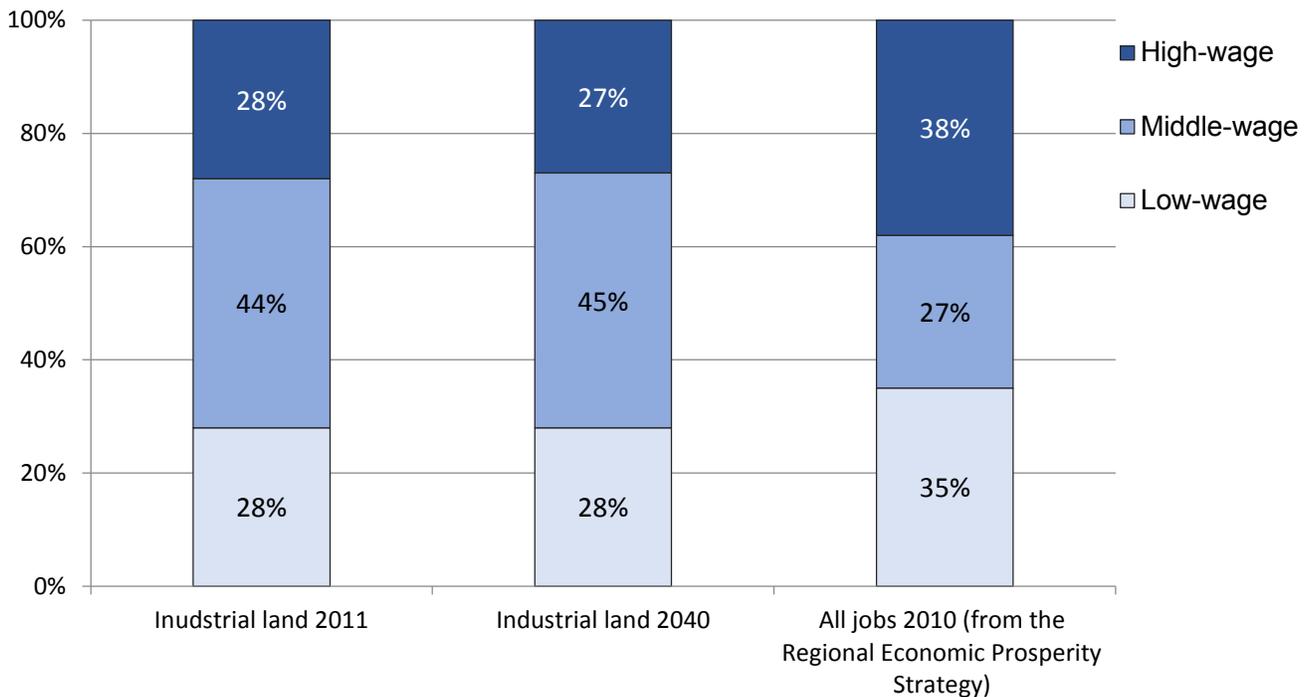
¹ 2011 was the most recent year for which NETS data was available when we began the study.

V. IMPACTS OF CHANGES IN INDUSTRIAL EMPLOYMENT ON JOB QUALITY

In 2011, middle-wage jobs counted for a near-majority (44%) of jobs on exclusive industrial land, while low-wage jobs counted for 28%, and high-wage jobs for 28% of jobs (Figure 7). This is a favorable distribution considering that only about a quarter (27%) of total jobs in the Bay Area offer middle wages, while a third (36%) offer low wages, and 38% offer high wages, according to the Regional Economic Prosperity Strategy (2014). In other words, middle-wage jobs are sixty percent more concentrated on industrial land as in the region generally.

If we apply employment growth rates for 2040 proportionately to the existing jobs estimated to be on industrial land, the distribution of low-, medium-, and high-wage employment remains surprisingly similar. The share of middle-wage jobs is projected to increase only slightly to 45%, at the expense of a one-percentage point decrease in the share of high-wage jobs. Furthermore, in 2040, the share of jobs that pay more than \$18/hour and that require less than a bachelor’s degree or five years’ experience increases slightly from 57% to 60% of total industrial jobs.

Figure 7. Wage distribution of jobs on industrial land in 2011 and 2040, compared to the wage distribution for all jobs in the Bay area in 2010



Source: See Technical Memo #3: Assessing the impacts of changes in industrial employment on job quality and commuter patterns.

VI. WHAT DO BUSINESSES WANT? RESULTS OF BUSINESS VOICE SURVEY AND INTERVIEWS

To better understand why businesses want to locate on industrial land, as well as the challenges they experience, we conducted a survey and interviews of local businesses. Several themes emerged from these conversations.

One major theme was the lack of industrial space, the inability to find suitable expansion space, or the inappropriateness of available space for business needs. *"We need to be by major highway entrances. We need enough warehouse space to store pallets of refrigerated fruits and vegetables. We need dock space to back 48' trailers into. This is a challenge in an urban center, especially where PDR spaces are limited."* (San Francisco business).

Businesses also reported concerns with the ineffectiveness of zoning to protect against encroachment by other uses. Market pressure from residential demand was a particular concern: *"Once an industrial property goes to residential, it will never produce even one good job. It is like building homes on fertile cropland--- you will never get another harvest"*(Oakland business owner), and: *"We need to preserve our city's PDR space. More and more residential and mixed-use facilities are encroaching on these areas."* (San Francisco business).

Some respondents championed zoning that permits concentrations of production-related businesses: *"We know that even with suburban office parks, these spaces can create community and energy."* (Fremont business), and: *"Due to the lower concentration of industrial businesses there is less synergy between companies in our area, higher transportation costs, and shortage of workers."* (West Berkeley business).

A further theme is the importance of retaining industrial land in order to facilitate goods movement: *"Ports-related waterborne commerce and rail-borne commerce, and related industrial companies, need to be kept in place in order to keep product prices low and minimize truck trips on the freeways."* (Peninsula business).

Businesses mentioned many other infrastructure needs, from electrical supply in Berkeley, to traffic congestion in San Leandro, to storm water infrastructure in Fremont.

Above all, businesses spoke of the need to deal with land use conflicts, through buffer zones, exclusive zoning, or more effective mixed-use zones: *"We are in an industrial zone, but all around this zone are residences that built up after we were here, and this poses problems for noise and light in the area,"* (Oakland business), and: *"We have industrial uses adjacent to our complex, and we have parkland. There have been lots of fights between the parkland users and the industrial users. The commercial users didn't feel impacted and supported the industrial uses continuing where they are."* (Petaluma business).

Special advantages and complications came with mixed-use locations: *"The opportunity to work, reach suppliers and materials and live where we work is unmatched."* (Vallejo business). *"We need a MIX of truck access, large production space AND office/R&D in ONE location. Zoning rules and development trends mean it is becoming very hard to operate a small high tech manufacturing and R&D company like ours in the Bay Area which also depends on proximity to retail, transit, restaurants, food markets and other amenities in order to attract and retain highly educated and talented staff."* (Berkeley business). *"Incursion of residential to our*

mixed-use area discourages trucking, which we rely on for our business. The big opportunity is that our location puts us centrally located to our prime market area.” (Oakland business). “It’s good that we have the downtown and the BART coming up, but how is the cost, developers going to play out. My neighbor is moving out this month because the landlord raised the rent fifty percent, the next move may be to Nevada, because the market pressure is coming up, and he is a solar innovator.” (Fremont business)

VII. POTENTIAL CONSIDERATIONS FOR THE RETENTION AND CONVERSION OF INDUSTRIAL LAND

Overall, this analysis suggests that the conversion of industrial land is proceeding at a slow pace, but is likely to accelerate in coming years due to the visions put forward in general plan and PDA designations. Several considerations can guide city decision-making about where to retain industrial land and where to convert it. Below are potential characteristics in terms of transportation, economy, equity, zoning, environment, and location that could enter into the decision. These may contribute to the process of designating Priority Production Areas in the future.

Table 2. Suggested characteristics for industrial land retention and conversion.

	Retain as industrial	Convert to residential or mixed-use
		
Transportation	Proximity to freight and/or port facilities	Proximity to transit
	Production or related employment	High-density non-production employment
Economy	Proximity to business clusters/suppliers/markets	Proximity to markets/customers
	Critical supplier to local businesses	Limited linkages to local economy
	Industry stable or growing	Industry in decline
Equity	Offers middle-wage jobs for less-skilled workers	Potential for affordable housing
Land use/zoning compatibility	Surrounded by medium/heavy industrial zoning	Adjacent to residential
Environment	Brownfield site, remediation infeasible	Environmental health hazard for surrounding communities (especially if historically disadvantaged)
Adequacy of supply	In areas with projected deficit of industrial land	In areas with projected surplus of industrial land
	Low vacancy rates for industrial buildings	High vacancy rates for industrial buildings

Other characteristics may warrant further consideration. For instance, projected sea level rise may interplay with decisions regarding industrial, residential or mixed-use development. Additionally, different characteristics may be appropriate depending on location, type of industry, and special concerns such as when designating buffer zones.

Industrial Land Study Technical Advisory Committee

The Industrial Land & Jobs Study is a joint partnership between UC Berkeley, ABAG and MTC that complements the Goods Movement Study. Beginning in July 2015, the Industrial Land and Jobs TAC provided feedback on preliminary findings.

Roles

UC Berkeley has conducted the core research. ABAG has contributed staff time to help coordinate and support compatibility with the Goods Movement study.

Technical Advisory Committee

Members were selected for their expertise on industrial land, goods movement.

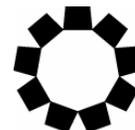
- Micah Weinberg, Vice President, BACEI
- Cynthia Murray, President & CEO, North Bay Leadership Council
- Egon Terplan, Regional Planning Director, SPUR
- Steve Levy Ph.D, Director and Senior Economist, CCSCE
- Greg Greenway, Executive Director, Seaport Industrial Association
- Rich Seithel, Chief of Annexations & Economic Stimulus Contra Costa County, Northern Waterfront Initiative
- Laurel Prevetti, Community Development Director, Los Gatos
- Kelly Kline, Economic Development Director, Fremont
- Steve Wertheim, City Planner, San Francisco Planning
- Mathew Davis, Port of Oakland
- Rick Auerbach, Staff, WEBAIC
- Patrick Tyner, Caltrans
- Joan Malloy, Union City
- Carmela Cambell, Union City
- Alexandra Endress, Pittsburg
- Steven Durant, Antioch City Manager
- John Montag, Concord Economic Development & Housing

UC Berkeley, ABAG, MTC Staff

- Karen Chapple Ph.D, Professor, UC Berkeley
- Miriam Chion Ph.D, Planning & Research Director, ABAG
- Cynthia Kroll, Chief Economist, ABAG
- Johnny Jaramillo, Senior Planner, ABAG
- Matt Maloney, Principal Planner, MTC

ASSOCIATION OF BAY AREA GOVERNMENTS

Representing City and County Governments of the San Francisco Bay Area



ABAG

Date: June 3, 2015

To: Regional Planning Committee

From: Miriam Chion, Planning and Research Director
Johnny Jaramillo, Senior Planner

Subject: **Priority Industrial Area Concept**

A. Introduction

Staff is proposing that the RPC consider studying the concept of “Priority Industrial Areas” for inclusion in the next *Plan Bay Area*. Priority Industrial Areas could help ensure the long term viability for thousands of vital businesses that support our local residents in terms of both services and employment opportunities, and thus strengthen and diversify our economy. They support high-growth industries, tend to pay better wages for less skilled workers, and when located in central locations, may decrease overall vehicle miles traveled and costs to consumers. By explicitly acknowledging places for employment as part of the regional planning framework Priority Industrial Areas would also complement PDAs and PCAs, and cities have requested greater regional coordination to ensure enough land is available for housing and other critical uses that support the regional economy.

This memo first discusses the value and vitality of industrial areas. Next, it reviews both *why* Priority Industrial Areas might be needed and *how* we might study them. It then concludes with a draft schedule and action item to allow staff to evaluate a Priority Industrial Area program.

B. Why Are Industrial Areas Valuable?

The region’s industrial areas are home to thousands of businesses providing a wide range of products and services that support all aspects of our economy. These businesses include production-oriented “maker” and artisanal goods firms that gain productivity benefits from clustering near their customers and whose exports bring wealth to the region. These businesses also include our distributors, whose location near major trading ports and city centers provides access to key local markets and helps ensure the efficient movement and lower price of goods for local consumers (Hausrath Economics Group and Cambridge Systematics 2008). Finally, these business include those that provide repair and rehabilitation

Priority Industrial Area Concept

June 3, 2015

services for the local residential population (like auto repair) or to other businesses that cannot be “off-shored.”

Retaining these industries in central locations has positive economic impacts. These businesses provide tens of thousands of jobs and billions in tax revenue for local jurisdictions. For example, 32% of jobs in the region are involved in the flow of over \$600 billion worth of goods annually. A high percentage of jobs located on industrial land and involved in production and distribution are available to the 57% of Bay Area residents without a four-year college degree.¹ These jobs pay up to twice as much as those in the service sector that also employs a high percentage of people without a four-year college degree.

Retaining these industries in central locations has positive environmental impacts. Seventy percent (70%) of goods movement industries support local residents – meaning they are moving within the region. If these businesses had to move outside the region, it would significantly increase vehicle miles traveled from trucks, increasing carbon emissions and road congestion from both the goods movement, and the movement of workers to reach those jobs.

C. Why Might Priority Industrial Areas Be Necessary?

Our region’s industrial businesses need centrally located space that is stable and affordable. The amount of land in the Bay Area is limited for housing and other critical uses that support the regional economy. Some vital firms on industrial land may be more compatible with other uses, but may not be able to afford to compete on rent with office, housing or large-volume retail, or build new space that meets their space requirements. This is particularly the case for small firms that represent the majority of business growth and employment. Advanced manufacturing, green-tech and other “businesses of tomorrow,” may be able to better compete on rent with other uses, but they require dedicated space to function in close proximity to similar firms to gain the productivity benefits of an industrial cluster. Goods movement and related activities are an integral part of the region's economy, yet they may require separation from other uses because they may impact public health and quality-of-life in nearby neighborhoods. Goods movement industries are also heavily reliant on the transportation system including ports, airports, rail, highways, major corridors, and local streets and roads.

Local jurisdictions have requested more regional coordination of industrial land preservation efforts. For example, at the April 1, 2015 RPC hearing, the committee heard about the need to better preserve Contra Costa County’s Northern Waterfront, a 50 square

¹ 2013 Five-Year ACS estimate, US Census Bureau.

Priority Industrial Area Concept

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mile area, is vital to Contra Costa's economy, contains 60 percent of the county's industrially zoned land and 26,000 jobs, 7,300 of which are in the manufacturing sector that generates \$9.3 billion in economic output. At that same hearing, the committee heard about efforts in San Francisco to protect industrial land, and how a regional industrial strategy is critical for the wellbeing of San Francisco's industrial sector (which employs about 10% of the city's 600,000 jobs).

D. How Could We Evaluate Priority Industrial Areas?

Priority Industrial Areas could be developed similarly to how we developed Priority Development Areas and Priority Conservation Areas. PDAs and PCAs are an integral part of *Plan Bay Area*, working together to support local communities in an integrated land use and transportation plan for the region. Based on the definition of PDAs and PCAs, Priority Industrial Areas could be defined as "places of local or regional significance that are nominated by local jurisdictions, have broad community support, and support vital businesses and jobs. These areas should support infrastructure investments and other area improvements to foster innovation and collaboration among business clusters to strengthen existing firms and attract new ones, support the leading industries within the region, and should provide important economic and employment diversity."

Based on this conceptual definition we could consider three criteria:

1. **Like PDAs and PCAs, Priority Industrial Areas should be locally nominated.** Local jurisdictions would assess the role of their industrial businesses and land in identifying Priority Industrial Areas.
2. **A Priority Industrial Area should recognize the value of critical industrially zoned land that provides clear benefits to the local and regional economy.** The existing industrial zoning should support the retention and expansion of existing businesses while accommodating new, particularly small, firms that provide the most jobs.
3. **Priority Industrial Areas should be linked to essential clusters of industrial activities.** Firms in these areas should contribute to the local, regional, national or global economy and connect to the goods movement and other industrial networks.

Priority Industrial Areas should be based on extensive study and analysis. To inform the concept of Priority Industrial Areas, understand the needs of firms on industrial land, *and better understand the potential tradeoffs involved as land is needed for other critical uses like housing*, a joint partnership between UC Berkeley, ABAG and MTC is developing an Industrial Land and Jobs Study. This study will complement the ongoing MTC / ACTC Goods Movement Study. As findings from the Industrial Land & Jobs and Goods Movement studies become

Priority Industrial Area Concept

June 3, 2015

available, staff will further develop Priority Industrial Area criteria and bring this information to the RPC for discussion. Staff will also review approaches from other regions that might inform a Priority Industrial Area program. Once we have more information we can consider adopting a Priority Industrial Area program and further refine the criteria.

The upcoming findings and analysis from the Industrial Land & Jobs and Goods Movement studies are anticipated to provide the following:

- Analysis of the function of and demand for industrial land in the economy of today and tomorrow
- The current supply and location of industrial land, and creating a typology of businesses located on industrial land that includes their projected growth trends and location
- Analysis of the economic, employment and transportation impacts of land conversion on job quality and accessibility, other industry sectors, and vehicle miles traveled
- An estimate of the future need for industrially zoned land, and as needed, strategies for retaining this land to support the policy and planning approaches under development by MTC to support sustainable goods movement in the region
- Employment characteristics of area industries such as median wage paid, opportunities for advancement, and available transportation options for workers
- Strategies to support the efficient movement of goods within and outside the region

E. Draft Schedule

- June 2015: Discussion of Priority Industrial Areas Concept
- December 2015: Industrial Land & Jobs and Goods Movement Study Findings
- Spring 2016: Coordination with Local Jurisdictions and Other Efforts
- Fall 2016: Draft Priority Industrial Area Guidelines to the RPC and Executive Board

F. Action

Continue to evaluate a Priority Industrial Area program for potential adoption next year according to the schedule above.

Attachments

Attachment 1: Links to local and sub-regional efforts to support industrial land and businesses

Attachment 1

Links to local and sub-regional efforts to support industrial land and businesses

Design Build It Ship It

<http://designitbuilditshipit.com/about/>

East Bay Green Corridor

<http://ebgreencorridor.org/start.php>

SF Made

<http://www.sfmade.org/>

Northern Waterfront FAQ Sheet

<http://www.cccounty.us/DocumentCenter/View/35676>

Industrial Land and Job Study – Summary Scope of Work

<http://abag.ca.gov/planning/economic.html#industrial>

Regional Goods Movement Plan Update - Preliminary Findings

http://apps.mtc.ca.gov/meeting_packet_documents/agenda_2341/5_Freight_Memo_and_PowerPoint.pdf

Economic Prosperity Strategy

<http://www.spur.org/publications/spur-report/2014-10-01/economic-prosperity-strategy>

***Urban Manufacturing Alliance**

<http://prattcenter.net/projects/urban-manufacturing/urban-manufacturing-alliance-uma>

**The Urban Manufacturing Alliance co-founded in 2011 by the Pratt Center, is a collaboration of more than 20 major US cities and Toronto and Montreal in Canada working to develop their respective urban manufacturing clusters. California members include Emeryville, Fremont, Hayward, Los Angeles, Oakland, San Francisco, San Jose, San Leandro, San Ramon and Union City.*

To: Regional Planning Committee
From: Miriam Chion, ABAG Planning and Research Director
Re: Plan Bay Area 2040 – Draft Preferred Scenario
Comments and Implementation Actions

The main focus of this Regional Planning Committee meeting will be an overview of the comments and questions (Attachment 1) and a discussion of the Implementation Actions (Attachment 6).

We have received substantial input from stakeholders, city staff and elected officials. Attachment 1 includes the response to the questions and comments we were unable to address at the September ABAG Regional Planning Committee and Executive Board meetings as well as the input from cities and stakeholders.

For your reference, we are including again the complete Draft Preferred Scenario packet you received in September (Attachments 2 to 6). The packet includes the following attachments:

1. Response to comments and questions on Draft Preferred Scenario (New memo)
2. ABAG Planning and Research Director Memo on Draft Preferred Scenario
3. MTC/ABAG Executive Director Memo on Plan Bay Area 2040 Draft Preferred Scenario
4. Plan Bay Area 2040 Draft Transportation Investment Strategy
5. Draft Preferred Scenario Preliminary Results for Performance Targets and Equity Measures
6. Plan Bay Area 2040 Draft Implementation Actions



To: Regional Planning Committee

From: Miriam Chion, ABAG Planning and Research Director

Re: Plan Bay Area 2040 – Draft Preferred Scenario
Response to comments and questions from ABAG Regional Planning Committee and
ABAG Executive Board September Meetings, local jurisdictions, and stakeholders

This memo addresses the various comments and questions we have received at the September ABAG Regional Planning Committee and ABAG Executive Board meetings as well as from letters and messages from cities and stakeholders. Given the time constraints at the ABAG meetings, staff was only able to take comments and questions and committed to provide responses in writing. In preparing those responses, we added input from cities and stakeholders. They are organized into seven major groups:

1. Approach to Plan Bay Area 2040
2. Housing Production and Policies
3. Land Use Strategies
4. Land Use Growth Patterns
5. Implementation Actions
6. Engagement Process
7. Land Use Modeling

Questions/comments are in ***bold/italics***, answers are plain text.

1. Approach to Plan Bay Area 2040

1.1 Addressing local and regional aspirations in Plan Bay Area 2040, creating a better future, providing realistic and feasible steps

Plan Bay Area is our collective agreement on how we want to grow as a region addressing sustainability, resilience, and equity. Through it diverse communities come together to make key decisions for the future of our region rooted in their local aspirations. Cities identify the places where we want to accommodate new residents and jobs as well as areas that we want to preserve for open space and farms. Priority Development Areas and Priority Conservation Areas provide a land use framework for this substantial dialogue.

The Plan supports some of the existing trends for infill development, water conservation, and increasing use of transit and bikes. At the same time, the Plan needs to identify the areas where major efforts to adjust current trends are needed in order to meet our collective goals, such as access to housing and jobs or resilience to earthquakes and sea level rise.

The Plan needs to lay out a path for achieving long term goals for a 30-year horizon while implementing doable tasks in the short term. (See Implementation Actions) The Plan needs to discuss how to bring more jobs close to transit and housing in areas such as San Jose, Oakland or the East Bay Corridor. The Plan needs to identify the strategies for producing housing affordable to our future workforce as well as jobs that match the cost of living in the region. It also needs to chart how to redesign and regulate infrastructure and buildings to be prepared for a major earthquake and flooding. These are problems that require not only funding but strong political will to refine the allocation of resources as well as new policies and strategies.

We know the implementation of some of these strategies will take more than a decade of work. While we address the long term strategies, we are acting on several immediate concrete steps to address our most pressing housing, jobs, and congestion challenges today. The designation of the Economic Development District in the region to expand middle-wage jobs, the Regional Housing Trust Fund to support housing production and rehabilitation, the accessory dwelling units strategies to expand the housing stock in existing units, the soft-story ordinances to improve seismic resilience, and the Green Infrastructure Program in the East Bay Corridor to address drought and water quality are some of the concrete actions to address our current challenges.

1.2 *Lessons from previous Plan Bay Area*

Three major lessons can be highlighted for this Plan update:

1. Our first Plan Bay Area approved in 2013 showed regional agencies the importance of engaging local jurisdictions and stakeholders from the beginning. It was a major challenge to ensure local participation after the limited success of our first workshops. For this Plan update, we started with more resources and support on the design and production of public workshops, social media, and small meetings from the beginning.
2. On housing challenges, while the share of housing production in PDAs has increased compared to previous decades, additional incentives would be required to pursue more infill development. We conducted a broad PDA

feasibility study to understand specific challenges and strategies that informed this update. In this update, we also recognized the exponential growth of displacement and homelessness, which demands sharper strategies to support housing production and retention.

3. Two major needs were flagged in our first Plan: addressing economic prosperity and resilience. In order to support our regional economic vitality, this Plan is linked to a Comprehensive Economic Development Strategy report supported by cities, economic development organizations, and various stakeholders. Similarly, a resilience report addressing seismic events and climate change is being prepared by BCDC, MTC, and ABAG.

2. Housing Production and Policies

2.1 Plan impact on future RHNA numbers

Plan Bay Area 2040 will not be an input into the next RHNA. The next RHNA will be based on the job and household forecast that is done for the iteration of Plan Bay Area to be adopted in 2021. However, Plan Bay Area 2040 and Plan Bay Area 2013 will likely provide points of reference for the forecasted development pattern of the next Plan Bay Area.

Also, while the forecasted development pattern from the next iteration of Plan Bay Area will be an input into the RHNA methodology, the total amount of housing need for which the Bay Area must plan is determined by the California Department of Housing and Community Development. As the Council of Governments, ABAG is responsible for developing a methodology for allocating this total need to each jurisdiction in the region. The allocation methodology can (and usually does) change for each RHNA cycle.

2.2 Attainment of our RHNA goals

For the past several decades, the Bay Area has not produced enough housing to meet residents' housing needs, particularly for low- and moderate-income households. The challenges of building affordable housing have been exacerbated by the continuing decline of federal and state funding sources, including the dissolution of local Redevelopment Agencies. The proposed local housing bonds will help provide badly-needed funding for housing, but additional steps will be needed to address the region's housing needs. ABAG is working with local governments and other stakeholders to pursue policies to produce housing for the full range of workers within

every community, preserve existing affordable homes, and protect existing residents from displacement.

2.3 Increase of job and housing costs without the housing policies included in the Draft Preferred Scenario

Increasing the supply of housing in the Bay Area is an essential strategy to reduce housing costs in the region. However, increasing supply will not be sufficient to provide affordable homes to low- and moderate-income households. The economic growth projected for the Bay Area is expected to lead to continued growth in both high- and low-wage jobs. As a result there will continue to be strong demand for subsidized housing units. ABAG will continue to work with local governments and other stakeholders to increase the funding sources for developing and preserving affordable homes as well as identifying policies and strategies to provide more affordable homes without subsidy.

2.4 What are the cities with PDAs that already have an inclusionary zoning ordinance?

The list of policy assumptions for the Draft Preferred Scenario says that the model applied inclusionary zoning in all cities with PDAs and that for-profit housing developments would make 10 percent of units deed-restricted in perpetuity.

According to ABAG's most recent compilation, there are 85 jurisdictions in the Bay Area that have inclusionary housing policies. There are currently 10 jurisdictions that have PDAs that do not have an inclusionary housing policy.

2.5 Governor's proposal for by-right approval of affordable housing

Proposal was not passed.

2.6 Issues that need additional attention

There are several comments that will require further attention in the land use growth allocation as well as in the implementation actions. They include:

- There is a need to address housing production in relation to needed public investments in safety and infrastructure. Local governments are very limited to support housing without those resources.
- If the Plan indicates that housing and transportation cost could increase to 67 percent of household income, we need to discuss what are the consequences for families, neighborhoods, and cities.
- The displacement of low- and middle-income population is a major issue that needs more substantial attention, especially in the case of minority groups.

- A substantial share of housing production will be handled by private developers. This private sector needs greater access to financing tools as well as incentives to expand housing construction.
- Unless we develop strong strategies to build more housing close to jobs and bring more jobs close to housing, we will not be able to address issues of congestion and long commutes. It would be very difficult to get local support for new housing without addressing congestion.

3. Land Use Strategies

3.1 How Plan affects OBAG criteria, in particular with respect to land use framework

The methodology for allocating OBAG funding to each county takes into account the RHNA allocation and number of housing permits issued by the jurisdictions in that county. The growth distribution from Plan Bay Area is not a factor in the allocation formula.

PDAs are prioritized in having access to planning and technical assistance grants. The role of cities in housing production varies by regional center, corridors, key nodes and small cities. These roles are recognized in PDA Investment and Growth Strategy reports prepared by Congestion Management Agencies (CMAs) for OBAG.

3.2 Why percentage of jobs in PDAs is so much lower than in Plan Bay Area 2013

This Plan relies more on the existing pattern of job growth but more job growth concentration close to transit. It also takes into account the substantial growth that has taken place between 2010 and 2015. The previous Plan relied more on local and regional aspirations with jobs closer to transit and housing.

3.3 Why San Ramon is not included in Tri-Valley Key Node

San Ramon was not included in the key node with Pleasanton and Livermore because it is located in Contra Costa County. We can integrate San Ramon into future representations of the Tri-Valley

4. Land Use Growth Patterns

4.1 Key comments and concerns

A number of comments and concerns expressed by local jurisdictions can be categorized into five groups:

- Inconsistency with local zoning, general plans, and/or housing elements
- Appreciation for the transparency of the Draft Preferred Scenario relative to the affordability and equity challenges faced by the region and its communities
- Strong interest in developing an actionable implementation framework for Plan Bay Area 2040 for increasing the supply of housing, particularly housing proximate to employment centers and affordable to low- and moderate-income households
- Interest in developing a framework for job growth in areas of the region with relatively affordable housing
- Significant difference in growth rates between neighboring cities

4.2 Snapshot of local feedback on growth distribution

The feedback outlined below reflects input gathered from jurisdiction and CMA staff, elected officials, community-based organizations, and advocacy groups. This input was gathered via emails, formal letters, staff conversations, and county-wide scenario review meetings.

ABAG and MTC staff has been meeting with jurisdictions that have expressed concerns about their proposed growth distribution numbers for housing and jobs. Many had written letters prior to our meeting raising questions and concerns and we expect some will follow up in writing with additional questions.

We have received comments from the following cities asking for clarification and expressing concerns that their housing and/or jobs forecasts are too high or too low.

List of Cities and Counties:

Brentwood	Marin County	San Francisco
Brisbane	Mill Valley	San Jose
Colma	Mountain View	San Mateo
Cupertino	Newark	San Pablo
Dublin	Oakland	San Rafael
El Cerrito	Palo Alto	Santa Rosa
Foster City	Redwood City	Solano County
Hillsborough	Rio Vista	South San Francisco
Lafayette	San Carlos	Vacaville

In addition, a number of stakeholders and community advocacy groups have submitted comments questioning the growth projections in the Draft Preferred Scenario and suggesting that jobs or housing forecast numbers for certain cities were too high or too low.

5. Implementation Actions

5.1 Integration of Implementation Actions into the plan

The Implementation Actions will support the overall growth pattern and goals of the Plan. Specific strategies will be elaborated in individual reports linked to the main Plan Bay Area 2040 document.

5.2 Actions that will help us address displacement

Displacement is addressed in the ABAG Housing Action Agenda. Specific actions include promoting Acquisition/Rehabilitation/Conservation (ARC), leveraging regional funds to expand affordable housing, and developing long-term regional housing and infrastructure funding mechanisms. (See Implementation Actions for more detail.)

5.3 Supporting job growth

The Economic Development Action Agenda aims to help support job growth by establishing a regional economic development district, creating a Priority Production Areas designation to support areas critical to creating middle-wage jobs, and expanding partnerships between ABAG/MTC and regional economic, business, and workforce organizations.

6. Engagement Process

6.1 Additional time for feedback and discussion

Given the time required for the EIR and the need to complete the Regional Transportation Plan on schedule, there is no extension for comments at this point. We scheduled several meetings to make it as easy as possible for cities and stakeholders to provide input. ABAG and MTC staff have met with planning directors in each county and have hosted individual meetings at the Metro Center. We also have three public meetings at the Metro Center in October:

- Wednesday October 5, 1:00 pm - Regional Planning Committee
- Friday October 14, 9:30 am - Joint ABAG Administrative / MTC Planning Committee
- Thursday October 20, 7:00 pm - ABAG Executive Board (Time to be confirmed)

6.2 Briefing on UrbanSim

A special UrbanSim User Meeting is scheduled at the Metro Center on November 3-4 led by Professor Paul Wadell. If interested please register at <http://www.urbansim.com/meeting>

We could schedule a basic UrbanSim introduction for committee members if there is enough interest.

7. Land use modeling

The responses for this section will be addressed in a separate document.

Can PDA-specific data and UrbanSim parcel-level data be provided?

What variables were changed in UrbanSim to get to the results in the Draft Preferred Scenario?

What explains the discrepancy between improvements in Communities of Concern and more negative results across all measures for performance target 8?

How did the model capture local plans? How are the comments flowing into the model? How would you take a number from a city and incorporate that into UrbanSim?

Is the measurement of transit use based upon trips or passenger miles? Urge that trips be used.

Relationship between salary of new jobs relative to housing costs

Breakdown of Ownership vs. Rental building type in Draft Preferred Scenario

Does the model assume inclusion of money from housing bonds on the ballot?

Increase of job and housing costs without the housing policies included in the Draft Preferred Scenario

Is the reference to 10 percent explaining how inclusionary zoning is applied in PDAs? Or does this 10 percent requirement apply to all for-profit developments in all jurisdictions?

Where in PDAs are jobs going up or down? Why are jobs in PDAs declining and how does that address the goals of the Plan?



To: Regional Planning Committee
From: Miriam Chion, Planning and Research Director
Subject: Plan Bay Area – Draft Preferred Scenario
Date: September 7, 2016

This September session opens an important discussion for the ABAG Regional Planning Committee and Executive Board on the Plan Bay Area 2040 Preferred Scenario, which is scheduled for final approval by November 2016.

This packet includes a land use growth distribution (Attachment 1, Plan Bay Area 2040 DRAFT Preferred Land Use Scenario with its related transportation investments (Attachment 2, Plan Bay Area 2040 Draft Transportation Investment Strategy), performance measures (Attachment 3, Plan Bay Area 2040: Draft Preferred Scenario - Preliminary Results for Performance Targets and Equity Measures), and a draft of the proposed supportive implementation actions for Plan Bay Area (Attachment 4, Draft Implementation Actions) prepared by ABAG staff as a Draft for comment.

The first three components have been developed by ABAG and MTC staff to be discussed by both agencies' boards. As the regional transportation agency, the MTC Commission is responsible for the final Regional Transportation Plan component of Plan Bay Area 2040. As the Council of Governments, the ABAG Executive Board is responsible for preparing the land use growth distribution and the implementation actions related to housing, resilience, economic development, Priority Development Areas (PDAs), and open space (Attachment 4). The ABAG Administrative Committee and the MTC Planning Committee jointly approved the Performance Targets. The MTC Commission and the ABAG Executive Board will approve the final Plan Bay Area 2040 and Environmental Impact Report (EIR).

1. Background on Regional Land Use Planning at ABAG

As the Council of Governments, one of ABAG's primary responsibilities has been to develop land use and economic forecasts that distribute growth to all jurisdictions in the nine county Bay Area. These long-term forecasts represent ABAG's best assessment of the type, scale, and location of land use changes throughout the region. Many towns, cities, and counties use ABAG's forecast as a critical input as they develop their own General Plans and Specific Plans that show how their communities will grow and change over time. ABAG's forecast is also used for environmental review, water management plans and as a framework for infrastructure investments. ABAG's forecast is developed using economic and demographic models as well as information from local land use plans.

Since 2003, ABAG's forecasted growth pattern has also incorporated a variety of policy assumptions related to how the Bay Area will respond to larger global, national, state or regional trends. The policy direction incorporated into Projections 2003 was developed as part of the Smart Growth Strategy/Regional Livability Footprint Project. This collaborative effort among regional agencies, local governments, and stakeholders asked whether it was possible "to change the course of current growth: to find ways for

the Bay Area to accommodate its expanding populace, provide adequate housing, improve transportation, and at the same time protect the environment and preserve open space.”¹ The Footprint Project was lauded for establishing a vision for a more sustainable pattern of growth for the Bay Area. However, local governments criticized the planning process: more and broader consultation and collaboration with local governments was needed to garner their support for a regional vision of sustainable growth.

The FOCUS Program, initiated in 2007, represented the next step in the Bay Area’s evolution toward a regional vision for a sustainable land use pattern that was developed in partnership with local governments. The process for local identification of Priority Development Areas (PDAs) and Priority Conservation Areas (PCAs) continued and expanded upon ABAG’s collaboration with local governments. PDAs and PCAs became, and continue to be, the foundation for the vision articulated in Plan Bay Area.

Over the past ten years, regional agencies’ experience with these initiatives to incentivize and support land use changes that move the region toward a more sustainable land use pattern have reinforced the importance of collaboration with jurisdictions. Throughout all of these efforts, an essential component of ABAG’s planning and forecasting process has been close consultation with local governments. Information from local plans and local insights into community needs, political support, and fiscal constraints for a given development pattern informed and supplemented the analytic geographic distribution of the forecast. This allows the regional growth distribution to incorporate some of the local knowledge that regional-level modeling efforts might not capture. This is not to say that ABAG staff simply adjusted the projections to match the feedback provided by local governments. Instead, the collaboration with local governments enabled ABAG to develop a land use distribution that recognized the region’s shared goals for a better quality of life in the future while remaining grounded in local realities. It also took into account the fact that land use changes only result from actions taken by local governments.

2. Addressing Land Use in Plan Bay Area 2040

One important purpose of Plan Bay Area 2040 is to promote a regional dialogue about the future of the region and to enable local government leaders, businesses, and residents to have a better understanding of how their community relates to the rest of the region. As part of this process, the Plan identifies the qualities and characteristics about the Bay Area to be preserved and enhanced as well as the key policies that will help make the region a better place to live and work for members of all communities—now and into the future.

The purpose of the land use portion of the Preferred Scenario is to present an aspirational yet achievable vision for growth that promotes a better quality of life for the Bay Area. The Draft Preferred Scenario growth numbers provide broad direction for the scale, type, and character of the growth to come to our neighborhoods over the next decades. More importantly, they serve as a point of reference for choosing the optimum long-term transportation investments, based on quantitative performance criteria defined in terms of health, jobs, environment, and equity.

The Preferred Scenario should highlight a path forward for how local governments can embrace this vision as they exercise their authority over land use decisions. While it is helpful to highlight the policies that will be necessary to implement the regional vision, it

is also helpful to provide local governments with specific benchmarks against which to gauge their decisions.

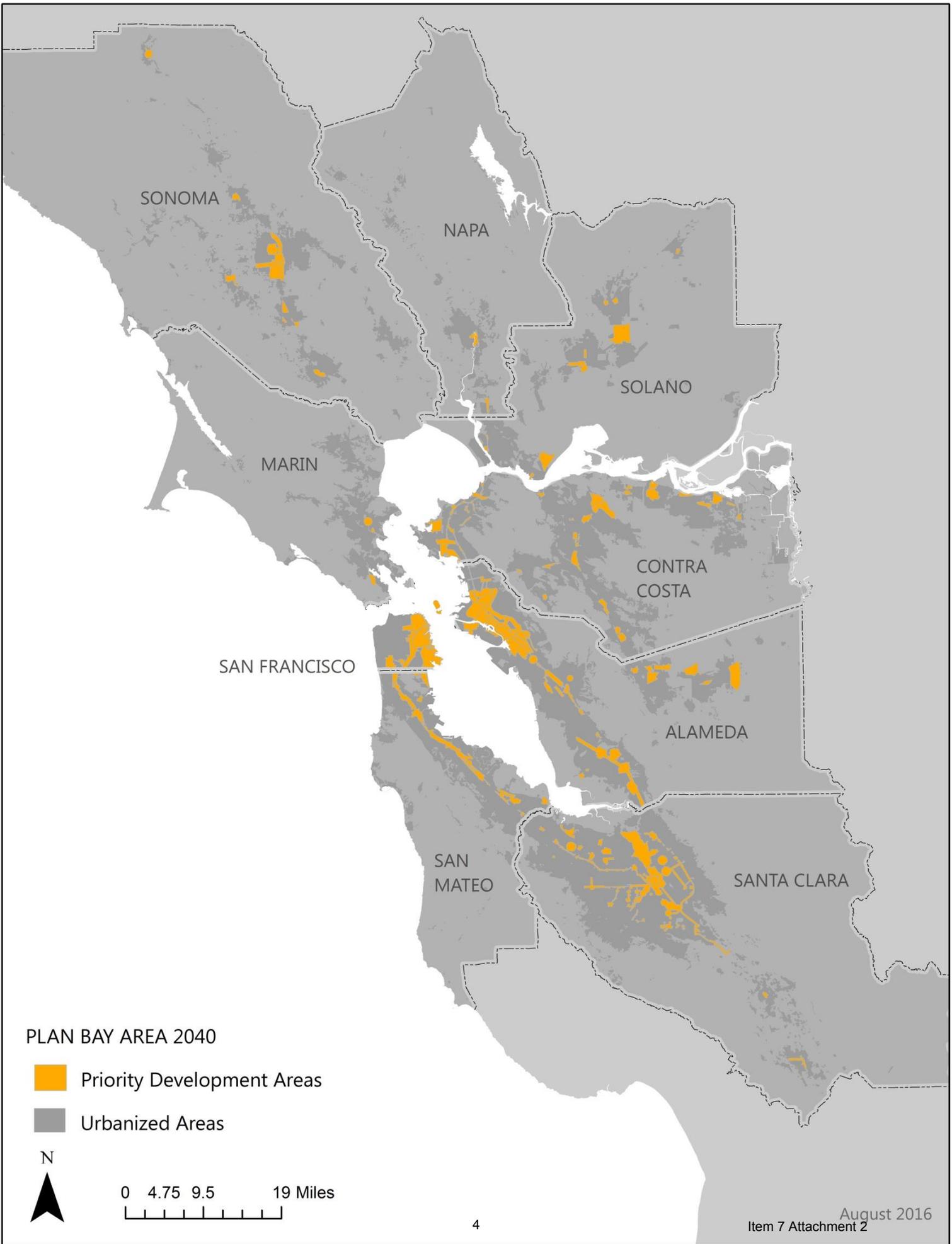
As an update to Plan Bay Area 2013, Plan Bay Area 2040 incorporates the underlying framework of the PDAs and PCAs as the foundation for the land use pattern. As a region, we have achieved consensus around PDAs as places of growth and PCAs as places that recognize our valuable natural resources. The characteristics of each locally-identified PDA and PCA vary according to the history, natural resources, and visions of each community. A PDA can convey the efforts to bring new vitality to Downtown Petaluma around the theater, new street lights, and shops; it can carry the efforts in Downtown Redwood City to bring music to Courthouse Square and address housing affordability; it can express the efforts in downtown Fremont to bring multifamily housing, offices, and shops around the BART station. A PCA can reflect local efforts to retain family farms in Solano County; it can be a section of Bay Trail in Napa; it can reflect the urban farms efforts in Oakland, or the restoration of wetlands in Santa Clara County. (For more information, visit the PDA website: <http://abag.ca.gov/priority/development/>)

Our PCAs have increased in complexity since Plan Bay Area 2013 in order to better reflect the various ways in which these areas support our natural environment. PCAs are categorized by four designations: Natural Landscapes, Agricultural Lands, Urban Greening, and Regional Recreation. These areas are identified through consensus by local jurisdictions and park/open space districts as lands in need of protection due to pressure from urban development or other factors. While most PCA land is found in rural areas and open space, we also have a number of PCAs in urban areas to support recreation and access to green space. (For more information, visit the PCA website: <http://abag.ca.gov/priority/conservation/>)

Based on this framework, most new housing and almost half of job growth are expected in PDAs in the ring around the bay defined by the three big cities—San Jose, Oakland, and San Francisco—and the two corridors on the East Bay and the West Bay. This ring allows access to major job clusters as well as a variety of services and entertainment, supported by transit, freeways, and trails. The corridors play an important role in connecting neighborhoods of different sizes and income that support the diversity of our region. Equally important are the PDAs in three other key urban nodes. Tri-Valley and Concord-Walnut Creek are major East Bay centers of job and population growth that support a wide range of smaller cities. In the North Bay, Santa Rosa is the region's fifth-largest city, providing health, education, and business services for neighboring communities. We also have PDAs in medium-sized cities that support residents as well as agricultural activities and recreation, such as those in Napa, San Rafael, Vallejo or Fairfield. This focused urban growth allows our small cities and rural communities to retain much of their character and scale—supporting the diversity of places in the Bay Area. (See Plan Bay Area, Land Use Framework on page 6)

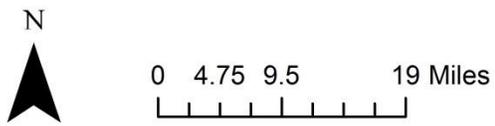
3. Preparing the Land Use Growth Distribution

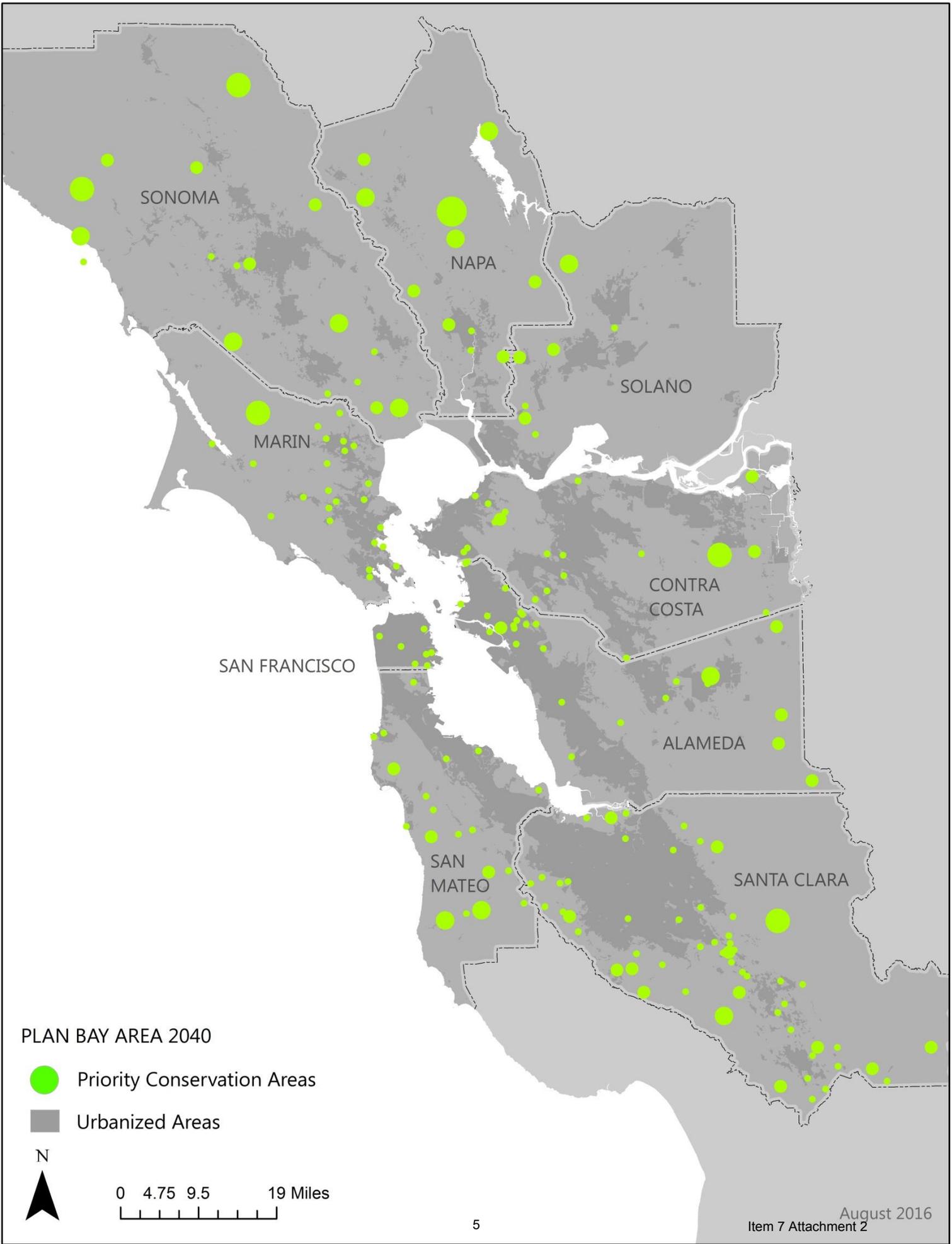
Since July 2015, ABAG staff has gathered input from jurisdictions and incorporated it into growth targets by PDA and jurisdiction. These growth targets are developed based on local plans and data, Plan Bay Area 2013, historic trends, recent development projects, and UrbanSim outputs. ABAG approached the development of the land use pattern in much the same way that it had in the past, with an emphasis on consultation and collaboration with local governments.



PLAN BAY AREA 2040

- Priority Development Areas
- Urbanized Areas



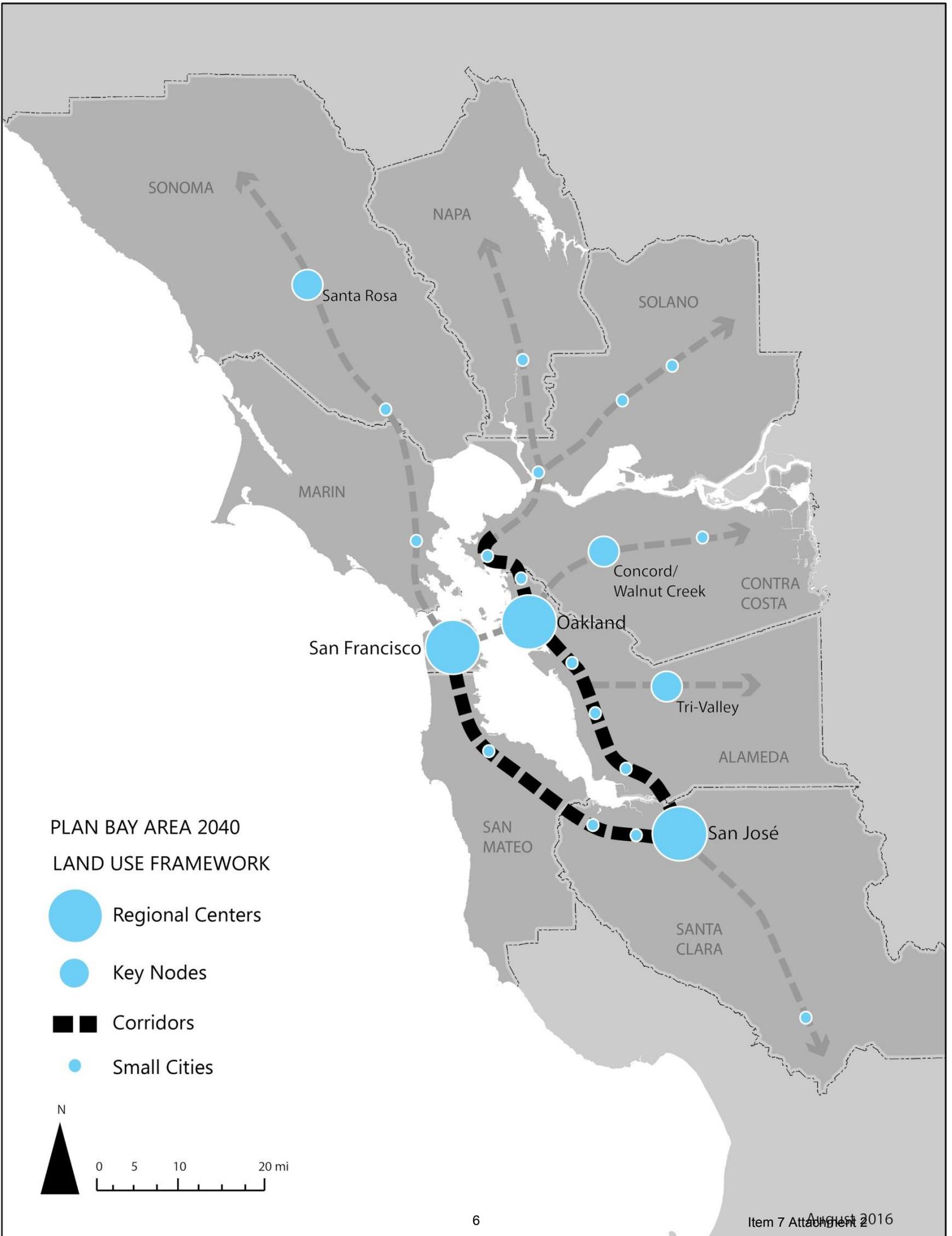


PLAN BAY AREA 2040

-  Priority Conservation Areas
-  Urbanized Areas

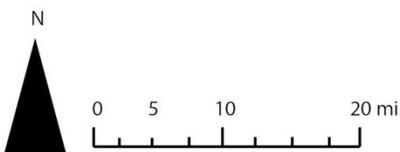


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PLAN BAY AREA 2040
LAND USE FRAMEWORK

- Regional Centers
- Key Nodes
- Corridors
- Small Cities



HOUSEHOLDS

	Plan Bay Area 2013					Plan Bay Area 2040 - Draft Preferred Scenario						
	Non-PDA	PDA	total	Non-PDA	PDA	total	Non-PDA	PDA	total			
Three Biggest Cities												
3 Cities-Oakland	4,406	54,275	58,681	8%	92%	100%	2,806	74,921	77,727	4%	96%	100%
3 Cities-San Francisco	13,309	88,225	101,534	13%	87%	100%	10,063	118,300	128,363	8%	92%	100%
3 Cities-San Jose	12,140	118,524	130,664	9%	91%	100%	8,362	134,523	142,885	6%	94%	100%
subtotal	29,855	261,024	290,879	10%	90%	100%	21,231	327,744	348,975	6%	94%	100%
Corridor Jurisdictions												
East Bay Corridor	30,547	53,244	83,791	36%	64%	100%	18,702	66,982	85,684	22%	78%	100%
West Bay Corridor	51,191	64,455	115,646	44%	56%	100%	39,098	96,073	135,171	29%	71%	100%
subtotal	81,738	117,699	199,437	41%	59%	100%	57,800	163,055	220,855	26%	74%	100%
Key Nodes Outside Corridors												
Concord-Walnut Creek	8,762	18,228	26,990	32%	68%	100%	5,915	22,842	28,757	21%	79%	100%
Dublin-Pleasanton-Livermore	6,597	18,952	25,549	26%	74%	100%	7,117	13,426	20,543	35%	65%	100%
Santa Rosa	4,403	12,582	16,985	26%	74%	100%	1,504	13,507	15,011	10%	90%	100%
subtotal	19,761	49,763	69,524	28%	72%	100%	14,536	49,775	64,311	23%	77%	100%
Other Areas												
Other Area-Alameda	3,916	8,697	12,613	31%	69%	100%	11,376	6,564	17,940	63%	37%	100%
Other Area-Contra Costa	19,213	22,124	41,337	46%	54%	100%	28,796	32,605	61,401	47%	53%	100%
Other Area-Marin	5,854	2,974	8,828	66%	34%	100%	10,374	1,647	12,021	86%	14%	100%
Other Area-Napa	4,956	2,475	7,431	67%	33%	100%	4,618	1,902	6,520	71%	29%	100%
Other Area-San Mateo	1,201	-	1,201	100%	0%	100%	1,479	-	1,479	100%	0%	100%
Other Area-Santa Clara	13,581	10,330	23,911	57%	43%	100%	18,345	10,574	28,919	63%	37%	100%
Other Area-Solano	12,245	14,698	26,943	45%	55%	100%	22,236	5,692	27,928	80%	20%	100%
Other Area-Sonoma	10,460	7,464	17,924	58%	42%	100%	15,914	13,235	29,149	55%	45%	100%
subtotal	71,425	68,763	140,188	51%	49%	100%	113,138	72,219	185,357	61%	39%	100%
Regional Total	202,780	497,248	700,028	29%	71%	100%	206,705	612,793	819,498	25%	75%	100%

EMPLOYMENT

		Plan Bay Area 2013					Plan Bay Area 2040 - Draft Preferred Scenario					
Three Biggest Cities	Non-PDA	PDA	total	Non-PDA	PDA	total	Non-PDA	PDA	total	Non-PDA	PDA	total
3 Cities-Oakland	11,114	74,150	85,264	13%	87%	100%	7,225	71,220	78,445	9%	91%	100%
3 Cities-San Francisco	29,465	161,314	190,779	15%	85%	100%	19,796	291,155	310,951	6%	94%	100%
3 Cities-San Jose	25,622	121,757	147,379	17%	83%	100%	44,669	70,267	114,936	39%	61%	100%
subtotal	66,202	357,220	423,422	16%	84%	100%	71,690	432,642	504,332	14%	86%	100%
Corridor Jurisdictions												
East Bay Corridor	54,450	69,080	123,530	44%	56%	100%	131,654	57,492	189,146	70%	30%	100%
West Bay Corridor	138,974	75,973	214,947	65%	35%	100%	264,515	79,617	344,132	77%	23%	100%
subtotal	193,424	145,053	338,477	57%	43%	100%	396,169	137,109	533,278	74%	26%	100%
Key Nodes Outside Corridors												
Concord-Walnut Creek	13,220	24,251	37,471	35%	65%	100%	11,325	33,242	44,567	25%	75%	100%
Dublin-Pleasanton-Livermore	12,245	32,658	44,903	27%	73%	100%	9,360	19,983	29,343	32%	68%	100%
Santa Rosa	10,393	18,081	28,474	37%	63%	100%	7,767	7,478	15,245	51%	49%	100%
subtotal	35,857	74,991	110,848	32%	68%	100%	28,452	60,703	89,155	32%	68%	100%
Other Areas												
Other Area-Alameda	7,109	11,827	18,936	38%	62%	100%	4,859	10,220	15,079	32%	68%	100%
Other Area-Contra Costa	32,796	32,775	65,571	50%	50%	100%	19,042	9,694	28,736	66%	34%	100%
Other Area-Marin	14,276	4,128	18,404	78%	22%	100%	15,548	1,193	16,741	93%	7%	100%
Other Area-Napa	15,458	3,430	18,888	82%	18%	100%	6,906	1,421	8,327	83%	17%	100%
Other Area-San Mateo	2,793	-	2,793	100%	0%	100%	2,116	-	2,116	100%	0%	100%
Other Area-Santa Clara	31,121	6,909	38,030	82%	18%	100%	24,071	4,890	28,961	83%	17%	100%
Other Area-Solano	31,982	15,596	47,578	67%	33%	100%	24,911	1,435	26,346	95%	5%	100%
Other Area-Sonoma	25,451	11,522	36,973	69%	31%	100%	22,042	1,372	23,414	94%	6%	100%
subtotal	160,986	86,187	247,173	65%	35%	100%	119,495	30,225	149,720	80%	20%	100%
Regional Total	456,469	663,451	1,119,920	41%	59%	100%	615,806	660,679	1,276,485	48%	52%	100%

MTC modeling staff has been working on revisions to UrbanSim since the completion of Plan Bay Area 2013. This parcel-based land use model has improved data and functionality since the last Plan. MTC and ABAG have used UrbanSim in developing the three preliminary Land Use Scenarios and this Draft Preferred Land Use Scenario.

For the development of the Draft Preferred Scenario, ABAG and MTC staff worked together in an effort to adjust the UrbanSim model to reflect policies and recent development activity at the local level. As a result, the planning process this time draws upon a land use model that can incorporate more detailed data than ever before. The agencies ran the model hundreds of times, testing the effects that different regional strategies could have on affecting the distribution of housing and employment growth. The output was measured against a set of growth targets put together by ABAG regional planners working with planners from local jurisdictions. Overall, the growth allocation results of the UrbanSim model align fairly closely with these growth targets at a summary level as well as for most localities, though, there are substantial differences for some individual localities. The extent of the differences between local plans and the UrbanSim output is a discussion for the agencies, regional stakeholders, and individual jurisdictions.

4. Implementation Actions to Support Growth Pattern

While the growth distribution is an important component of Plan Bay Area 2040, development of the implementation actions needed to meet our shared goals for a more prosperous, sustainable, and equitable future is equally important. Our transportation dollars are probably the most important financial resource to guide that growth. Attachment 2 includes a proposal for how those dollars would be allocated. In addition to transportation planning and investments, the regional land use growth pattern acquires meaning to the extent that cities and stakeholders can agree on a set of policies and strategies that have traction on the ground. The ABAG Executive Board and the Regional Planning Committee have requested that we address housing, resilience, economic development, PDAs, and open space implementation actions in this Plan. In approving *Plan Bay Area 2013*, the Executive Board recognized the importance of continuing the efforts to provide a broader range of housing choices and increased housing affordability in the region and requested that the next Plan explicitly address strategies to support good jobs and economic investment and resilience strategies to respond to the risks related to climate change and other natural events.

Since the last Plan, the region has accomplished major tasks, experienced strong investments, and encountered new challenges. In contrast to the economic downturn while we were preparing Plan Bay Area 2013, over the last five years many PDAs have flourished with new investments. Between January 2010 and December 2015, the region added over 500,000 jobs, advanced new technologies, and supported higher education. Half of the housing units for which permits were issued since 2013 went to PDAs. People are choosing housing close to schools, shops, and transit. However, during the same period of time, the region added about 70,000 units, faced population displacement and increased homelessness, reduced our middle-wage job opportunities, and experienced a severe drought and the Napa earthquake.

The draft implementation actions for Plan Bay Area 2040 (Attachment 4) will need to rely on the great human and natural resources of our region and our innovation capacity to meet these challenges. As we look to the adoption of Plan Bay Area 2040 next year, ABAG and MTC will continue to work closely with our other regional agencies, local

jurisdictions, advisory committees and stakeholders to develop a series of implementation strategies to meet our 2040 goals.



DATE: August 30, 2016

RE: Plan Bay Area 2040 DRAFT Preferred Scenario

Dear Colleagues,

The *Plan Bay Area 2040 Draft Preferred Scenario* is now ready for review and MTC and ABAG are seeking the input of local jurisdictions to inform the development of the Final Preferred Scenario slated for adoption in November 2016. As outlined in the attached Introduction, the *Draft Preferred Scenario* builds upon the current Plan Bay Area adopted in 2013 and represents a projected pattern of household and employment growth in the Bay Area through 2040. Combined with the corresponding transportation investment scenario and incorporating additional refinements based, in part, upon local jurisdictional feedback it will form the core of Plan Bay Area 2040 slated for final adoption in Summer, 2017.

For many local communities, the distribution of 2040 employment and household forecasts may be viewed as the most important output of this effort. This draft information is included in Attachment A to the introduction, organized by local jurisdiction and split into PDA and jurisdiction totals. We understand that some adjustments may be necessary as we continue to refine the *Draft Preferred Scenario's* assumptions. Regional Agency Staff are currently working with county-level Planning Director organizations and Congestion Management Agencies to schedule staff-level presentations of the *Plan Bay Area 2040 Draft Preferred Scenario* in each county. Information on the date/time and location of these meetings is available here: <http://planbayarea.org/misc/county-planning-directors-meetings.html>.

Regional agency staff will also be available during the month of September to meet with local planners from individual jurisdictions at the Bay Area Metro Center in San Francisco, via teleconference, or onsite with local jurisdictions to hear feedback as to where and how the *Draft Preferred Scenario* allocates the region's growth. This dialogue will be informed by model output, as well as local economics, pipeline projects, proposed policies, local plans and current zoning. Requests for jurisdictional meetings should be directed to Megan Espiritu, mespiritu@mtc.ca.gov. Any written comments on the *Draft Preferred Scenario* should be submitted no later than October 14, 2016. In response to this upcoming cycle of feedback, MTC and ABAG will make adjustments as appropriate during the month of September and October, with the goal of the MTC Commission and ABAG Executive Board adopting the Final Preferred Scenario on November 17, 2016.

Please do not hesitate to contact Ken Kirkey kkirkey@mtc.ca.gov or Miriam Chion miriamc@abag.ca.gov with any questions or comments. We greatly appreciate your involvement and input in the development of Plan Bay Area 2040.

Best Regards,

A blue ink signature of Steve Heminger.

Steve Heminger
MTC, Executive Director

A black ink signature of Ezra Rapport.

Ezra Rapport
ABAG, Executive Director

Introduction to the Draft Preferred Scenario for Plan Bay Area 2040

Welcome to *Plan Bay Area 2040's Draft Preferred Scenario*. This vision for the nine-county San Francisco Bay Area builds on the groundbreaking *Plan Bay Area*, adopted by the Association of Bay Area Governments (ABAG) and the Metropolitan Transportation Commission (MTC) in 2013 after extensive analysis and outreach. Plan Bay Area 2040 continues to be guided by Senate Bill 375, requiring California's metropolitan areas to adopt an integrated long range regional transportation plan (RTP) and sustainable communities strategy (SCS) — a roadmap to reduce per-capita greenhouse gas emissions and house the region's population at all income levels.

Plan Bay Area 2040's *Draft Preferred Scenario* largely reflects the foundation established by its predecessor. The Plan creates a blueprint for providing sufficient housing for current residents and newcomers alike, at all income levels. It focuses development toward Priority Development Areas (PDAs) — neighborhoods that are close to public transit and identified by local jurisdictions as being appropriate for smart, compact development. Lastly, it confines growth to established communities, and protects the Bay Area's legacy of vast and varied open spaces.

What is the Draft Preferred Scenario?

The Draft Preferred Scenario represents a projected regional pattern of household and employment growth in 2040. Together with the corresponding transportation investment strategy, it forms the core of Plan Bay Area 2040. The Preferred Scenario and transportation investment strategy are evaluated against a set of regionally-adopted performance targets to measure how well the Plan addresses regional goals including climate protection, transportation system effectiveness, economic vitality, and equitable access. Only two targets are mandatory for the region to achieve under Senate Bill 375 – Climate Protection and Adequate Housing. The remaining 11 targets are voluntary, but provide a useful reference point for policymakers and the public to consider.

For many local jurisdictions, the distribution of 2040 employment and household forecasts may be viewed as the most important output of this effort. This draft information is included in Attachment A, organized by local jurisdiction, and split into PDA totals. These numbers stem from distributing ABAG's economic and demographic forecasts through use of an advanced regional land use model. The land use model, UrbanSim, went through an iterative set of adjustments in response to expert reviews, public input, and dialogue with local officials. ABAG regional planners developed a set of targets informed by local dialogue against which the model output could be evaluated.

Simply put, the most fundamental challenge faced by MTC and ABAG when developing these forecasts is to create a Plan that supports local plans while accommodating the region's total forecasted growth and meeting the state mandated sustainability goals. Thus, the Draft Preferred Scenario must assess potential opportunities for new housing and jobs while reflecting local aspirations and numerous local, regional, and state public policy decisions that affect growth and protect our natural areas.

The Draft Preferred Scenario does not mandate any changes to local zoning rules, general plans or processes for reviewing projects, nor is it an enforceable direct or indirect cap on development locations or targets in the region. As is the case across California, the Bay Area's cities, towns

and counties maintain control of all decisions to adopt plans and permit or deny development projects. Plan Bay Area 2040 also does not establish new state-mandated Regional Housing Needs Allocation (RHNA) numbers for each jurisdiction. RHNA operates on an eight-year cycle, with the next iteration not due until the 2021 RTP/SCS. Because RHNA numbers are not at stake this cycle, this update to the region's long-range plan has been characterized as **limited and focused**.

What's new and different?

The Bay Area economy has exploded over the past four years, attracting thousands of new people and jobs. Regional growth forecasts have been revised upward as a result. ABAG forecasts an additional 1.3 million jobs and 2.4 million people and therefore the need for approximately 820,000 housing units between 2010 and 2040. This represents an increase of 15 percent in the projected employment growth and a 25 percent increase in projected household growth, relative to the last Plan.

The economic surge has been both a blessing and a challenge, offering employment opportunities unseen since the Bay Area's dot-com boom, while also clogging freeways and public transit, and triggering an unprecedented housing squeeze, particularly for lower and moderate income workers, many of whom have been displaced or are at risk for displacement. Moving forward, some cities will welcome new residents and housing with open arms, seeing the opportunity to revitalize depressed areas, or to make better use of prime land around transit nodes. For other communities, accommodating future growth may be an acute challenge, practically and/or politically. The Draft Preferred Scenario recognizes the diversity of the region's communities, and that there is no "one size fits all" in terms of the type of future development desired by our residents.

To address the challenges of planning for an increasingly complex region, MTC and ABAG have continued to evolve technical methods for creating regional scenarios. UrbanSim incorporates current zoning for 2 million individual land parcels across the Bay Area, as well as available information about current regional and local economic and real estate market trends. UrbanSim is an ambitious project which compiles a large amount of data at a very detailed geographic resolution. The detailed level of UrbanSim output is used for the analysis of performance measures.

UrbanSim builds upon the methodology used by the Agencies in the prior Plan. The prior methodology combined a land use allocation process based on observed historic growth patterns with jurisdictional expectations described in local plans. This time, UrbanSim also incorporates zoning tools, the most recent PDA assessment, and household, business, and developer choice models. The agencies ran the model hundreds of times, testing the effects that different regional strategies could have on affecting the distribution of housing and employment growth. The output was measured against a set of growth targets put together by ABAG regional planners working with planners from local jurisdictions. Overall, the growth allocation results of the UrbanSim model align fairly closely with these growth targets at a summary level as well as for most localities, though, there are substantial differences for some individual localities. The extent of the differences between local plans and the UrbanSim output is a discussion for the agencies, regional stakeholders, and individual jurisdictions.

The *Draft Preferred Scenario* accommodates 100 percent of the needed housing units, and offers a rationale that these units can be built given future market conditions and existing or expected policies to support focused growth at the local, regional or state level.

How did we get here?

In May 2016, MTC and ABAG released three alternative land use and transportation scenarios illustrating the effects that different housing, land use, and transportation strategies would have on the adopted goals and performance targets. The three scenarios represented a progression of plausible regional futures, from more intense housing and employment growth in the urban core — called the “Big Cities Scenario”; to more evenly apportioned development among PDAs in medium-sized cities with access to rail services — labeled the “Connected Neighborhoods Scenario”; to a more dispersed development pattern, with more relative growth occurring outside of PDAs — known as the “Main Streets Scenario.”

The release of the scenarios initiated a public process in May and June 2016 to garner input from the public, stakeholders, community groups, and local officials, via public open houses in each county, an online comment forum as well as an online interactive quiz (the “Build a Better Bay Area” website). By July, MTC and ABAG had received comments from more than 1,100 residents. During this time period, the agencies received direct feedback from the local jurisdictions on the scenarios.

Additionally, the results of a 2015 PDA Assessment have also directly informed our confidence in the Draft Preferred Scenario. This assessment examined 65 of the nearly 200 locally identified PDAs. The analysis evaluated the likelihood of housing actually being built in each PDA, by examining local planning and permitting processes; community support for development; market forces, including the attractiveness of the area to investors, developers and builders; the capacity of water and sewer systems and other infrastructure; and the availability of financing. The PDA Assessment was a reality check. It found that under existing conditions — meaning with current zoning laws, policies and market conditions — only about 70 percent of housing allocated to PDAs in *Plan Bay Area 2013* would get built with these results being boosted to nearly 90 percent with a range of fairly aggressive policy and investment strategies. The results of the *Draft Preferred Scenario* align with the results of the PDA Assessment, providing added confidence in the regional forecast’s consideration of both market conditions and local policy.

Strategies included in the Preferred Scenario

Beyond built-in assumptions on local planning and market conditions, the Draft Preferred Scenario also works to incorporate a number of regional land use strategies, which can affect land use patterns by changing a community’s capacity for new development or incentivizing a particular type or location of growth. This combination of strategies is necessary to create a *Draft Preferred Scenario* that can achieve or move toward the region’s adopted targets.

The land use strategies incorporated in the Draft Preferred Scenario include the following:

- Current urban growth boundaries are kept in place.
- Inclusionary zoning was applied to all cities with PDAs, meaning that these jurisdictions are assumed to allow below-market-rate or subsidized multi-family housing developments.

- All for-profit housing developments are assumed to make at least 10 percent of the units available to low-income residents, in perpetuity (via deed restrictions).
- In some cases, PDAs were assigned higher densities in the future than are currently allowed.
- The cost of building in PDAs and/or Transit Priority Areas (TPAs) is assumed to be reduced by the easing of residential parking minimums and streamlining environmental clearance.
- Subsidies are assumed to stimulate housing and commercial developments within PDAs.

These measures are not prescriptive— again, there are many potential public policy options that could help the region attain its adopted targets. Rather, these strategies should be considered as illustrations of what it would take to keep the Bay Area an economically vibrant, diverse and sustainable region in the year 2040.

Moving Forward

Although the levels of new housing and jobs may appear daunting, the challenge becomes much more achievable when viewed through the long-range lens of a 25-year plan. For instance, a medium-sized city of 50,000 residents slated to absorb 1,000 more new housing units by 2040 than previously anticipated would in actuality need to only add 40 units a year to meet the target. That yearly figure could be reached by adding two 10-unit apartment buildings (or one 20-unit building) per year, and creating another 20 accessory dwelling units associated with single-family homes each year. In other words, in nearly all cases, jurisdictions should be able to absorb their housing allotments while fully retaining the character of their communities.

It is important to keep in mind that the process of refining the Bay Area’s ideal development pattern is nearly continuous to stay synced with the four-year mandated update cycles— we will revisit all the assumptions in the adopted Preferred Scenario as we launch the next update to Plan Bay Area. We learn more with each cycle, and are able to take those lessons and apply them to the forecasting and modeling as well as our public outreach methods for the next cycle.

Such assurances aside, regional planners and policymakers understand that some adjustments may be necessary as we continue to refine the *Draft Preferred Scenario*’s assumptions. To this end, a careful balancing act regarding future growth patterns is as much an art as a science, and we look forward to working with local planners and policymakers, stakeholders and members of the public in the coming weeks to advance our mutual understanding of the development climate and capacity in various jurisdictions, and to refine and improve this *Draft Preferred Scenario*.

Attachment A: Distribution of 2040 Household and Employment Forecasts

Attachment A: Distribution of 2040 Household and Employment Forecasts
 Plan Bay Area 2040 *Draft Preferred Scenario*

County	Jurisdiction	Summary Level	Households 2010	Household Forecast 2040	Employment 2010	Employment Forecast 2040
Alameda	Alameda	Total	30,100	41,700	29,200	39,600
		PDA	1,850	6,000	6,900	15,200
	Albany	Total	7,350	7,850	4,400	5,600
		PDA	300	550	2,100	2,450
	Berkeley	Total	46,500	55,700	90,300	139,400
		PDA	6,700	13,300	28,500	42,000
	Dublin	Total	14,900	23,300	18,100	31,400
		PDA	3,100	8,500	5,000	14,000
	Emeryville	Total	5,600	14,300	15,850	20,550
		PDA	2,400	10,500	13,500	16,850
	Fremont	Total	70,000	89,900	86,200	114,500
		PDA	23,000	41,200	38,200	46,000
	Hayward	Total	45,100	53,200	60,900	92,400
		PDA	4,350	8,600	7,600	10,300
	Livermore	Total	28,600	30,900	42,600	48,800
		PDA	850	2,100	23,800	27,750
	Newark	Total	12,900	15,450	17,300	25,600
		PDA	200	2,150	200	450
	Oakland	Total	157,200	235,000	179,100	257,500
		PDA	115,500	190,500	158,200	229,400
	Piedmont	Total	3,800	3,850	1,800	1,750
	Pleasanton	Total	24,700	34,600	60,100	69,900
		PDA	1,300	8,000	12,500	19,600
San Leandro	Total	30,800	38,500	49,700	66,800	
	PDA	4,700	11,700	9,750	11,000	
Union City	Total	20,300	24,200	21,000	30,700	
	PDA	500	3,450	250	250	
Alameda County Unincorporated	Total	50,000	56,300	28,850	33,700	
	PDA	10,450	12,850	6,850	8,850	
County Total	Total	548,000	724,700	705,500	978,300	
	PDA	175,100	319,300	313,400	444,000	

County	Jurisdiction	Summary Level	Households 2010	Household Forecast 2040	Employment 2010	Employment Forecast 2040
Contra Costa	Antioch	Total	32,400	41,900	20,200	25,400
		PDA	1,400	5,200	2,050	2,300
	Brentwood	Total	16,800	29,700	11,600	12,150
	Clayton	Total	3,950	4,050	2,000	2,100
	Concord	Total	45,000	66,000	54,200	95,200
		PDA	4,000	22,200	10,200	41,400
	Danville	Total	15,300	16,550	11,800	12,450
		PDA	1,350	2,000	6,300	6,600
	El Cerrito	Total	10,300	11,950	5,300	5,750
		PDA	750	2,000	3,800	4,550
	Hercules	Total	8,300	10,600	4,850	6,050
		PDA	900	2,650	1,150	1,500
	Lafayette	Total	9,200	10,750	9,050	9,650
		PDA	1,700	2,700	6,650	7,250
	Martinez	Total	14,250	15,450	20,800	26,200
		PDA	700	850	6,800	9,650
	Moraga	Total	5,600	5,750	4,500	5,800
		PDA	30	40	1,400	1,650
	Oakley	Total	10,600	16,700	3,350	6,050
		PDA	800	6,400	1,550	4,050
	Orinda	Total	6,500	7,050	4,850	5,150
		PDA	250	550	2,650	2,800
	Pinole	Total	6,550	7,300	6,850	9,000
		PDA	350	950	5,250	6,950
	Pittsburg	Total	19,400	27,400	11,800	16,400
		PDA	5,150	8,900	4,600	6,100
	Pleasant Hill	Total	13,500	14,000	16,300	19,600
		PDA	850	950	5,750	7,100
	Richmond	Total	36,700	56,500	30,800	63,500
		PDA	8,600	22,300	13,400	37,000
San Pablo	Total	8,950	9,600	7,400	10,000	
	PDA	2,000	2,350	4,850	6,700	
San Ramon	Total	24,400	31,100	47,900	46,100	
	PDA	200	5,800	25,650	22,400	
Walnut Creek	Total	30,400	38,200	51,050	54,550	
	PDA	4,950	9,550	27,400	29,500	
Contra Costa County Unincorporated	Total	57,800	70,700	0	0	
	PDA	4,400	16,100	0	0	
County Total	Total	375,900	491,200	360,200	472,700	
	PDA	38,300	111,500	138,200	209,400	

County	Jurisdiction	Summary Level	Households 2010	Household Forecast 2040	Employment 2010	Employment Forecast 2040
Marin	Belvedere	Total	900	1,000	300	300
		PDA				
	Corte Madera	Total	3,900	4,350	6,650	7,450
		PDA				
	Fairfax	Total	3,400	3,550	1,550	1,700
		PDA				
	Larkspur	Total	5,850	6,300	7,450	8,800
		PDA				
	Mill Valley	Total	5,900	8,150	6,000	6,600
		PDA				
	Novato	Total	20,150	21,350	26,400	29,500
		PDA				
	Ross	Total	800	900	350	400
		PDA				
	San Anselmo	Total	5,200	5,450	3,300	3,650
PDA						
San Rafael	Total	22,550	25,950	43,300	49,100	
	PDA	1,650	2,750	9,000	10,100	
Sausalito	Total	4,150	4,500	5,200	5,800	
	PDA					
Tiburon	Total	3,600	3,850	2,850	2,900	
	PDA					
Marin County Unincorporated	Total	27,450	30,600	17,500	21,350	
	PDA	1,500	2,050	650	750	
County Total	Total	103,900	115,900	120,800	137,600	
	PDA	3,150	4,800	9,650	10,850	
Napa	American Canyon	Total	5,400	7,000	5,450	8,150
		PDA	400	1,500	1,350	1,700
	Calistoga	Total	2,050	2,400	2,200	2,650
		PDA				
	Napa	Total	28,100	30,250	34,000	36,500
		PDA	350	1,200	5,300	6,300
	St. Helena	Total	2,400	3,000	5,700	5,650
		PDA				
	Yountville	Total	1,100	1,200	2,750	2,750
		PDA				
Napa County Unincorporated	Total	10,200	11,850	20,550	23,250	
	PDA					
County Total	Total	49,200	55,700	70,700	79,000	
	PDA	800	2,700	6,600	8,050	
San Francisco	San Francisco	Total	347,100	475,500	576,900	887,800
		PDA	184,000	302,300	473,800	765,000

County	Jurisdiction	Summary Level	Households 2010	Household Forecast 2040	Employment 2010	Employment Forecast 2040
San Mateo	Atherton	Total	2,350	2,500	2,150	2,300
		PDA	2,500	2,850	3,500	4,450
	Belmont	Total	8,800	9,600	7,900	10,000
		PDA	2,500	2,850	3,500	4,450
	Brisbane	Total	1,800	6,300	5,200	17,600
		PDA	0	4,400	0	10,900
	Burlingame	Total	12,250	13,800	28,000	38,300
		PDA	6,950	8,300	11,500	15,700
	Colma	Total	850	1,250	3,950	4,900
		PDA	700	1,050	1,450	1,950
	Daly City	Total	30,700	37,000	18,400	23,150
		PDA	8,500	13,500	4,650	5,800
	East Palo Alto	Total	6,950	9,950	5,100	7,000
		PDA	800	2,200	950	1,750
	Foster City	Total	11,900	14,250	15,800	21,800
	Half Moon Bay	Total	4,200	4,700	4,900	5,200
	Hillsborough	Total	3,750	3,950	2,100	2,300
	Menlo Park	Total	12,300	17,800	34,600	45,000
		PDA	200	1,050	6,200	7,950
	Millbrae	Total	7,950	11,000	5,900	12,900
		PDA	600	3,350	2,800	9,100
	Pacifica	Total	13,900	14,300	5,950	7,300
	Portola Valley	Total	1,700	1,750	2,700	3,000
	Redwood City	Total	27,800	36,000	59,200	85,000
		PDA	600	6,700	20,700	27,600
	San Bruno	Total	14,600	18,300	12,900	15,350
		PDA	3,700	6,750	9,300	11,300
	San Carlos	Total	13,200	13,700	16,300	21,700
		PDA	50	100	1,200	1,650
	San Mateo	Total	37,900	49,200	51,000	67,600
PDA		11,200	19,200	25,300	34,000	
South San Francisco	Total	20,450	23,450	38,800	55,400	
	PDA	5,300	7,650	8,250	11,350	
Woodside	Total	2,050	2,500	1,950	2,150	
San Mateo County Unincorporated	Total	21,400	24,500	20,600	27,500	
	PDA	2,400	2,950	3,200	4,100	
County Total	Total	256,900	315,800	343,300	475,300	
	PDA	43,500	80,100	99,000	147,600	

County	Jurisdiction	Summary Level	Households 2010	Household Forecast 2040	Employment 2010	Employment Forecast 2040
Santa Clara	Campbell	Total	16,550	18,950	25,200	31,800
		PDA	600	1,650	5,250	6,950
	Cupertino	Total	20,900	24,450	26,800	53,100
		PDA	2,250	4,900	9,800	13,950
	Gilroy	Total	14,000	19,600	17,850	20,800
		PDA	1,400	3,350	4,500	5,300
	Los Altos	Total	10,500	12,000	14,050	16,750
		PDA	0	200	2,200	2,650
	Los Altos Hills	Total	2,850	3,050	1,550	1,750
	Los Gatos	Total	11,900	12,400	19,000	21,250
	Milpitas	Total	19,000	30,800	42,000	56,400
		PDA	800	8,800	5,700	9,900
	Monte Sereno	Total	1,250	1,350	550	550
	Morgan Hill	Total	12,550	15,500	19,250	20,700
		PDA	250	900	1,550	1,400
	Mountain View	Total	31,800	58,500	48,500	69,600
		PDA	5,800	29,300	25,200	39,000
	Palo Alto	Total	26,550	29,150	102,000	123,200
		PDA	500	950	3,850	4,800
	San Jose	Total	297,700	440,600	387,700	502,600
		PDA	67,200	201,700	229,200	299,400
	Santa Clara	Total	42,100	54,900	102,900	189,100
		PDA	300	6,200	10,200	13,100
	Saratoga	Total	10,650	11,000	8,750	9,500
	Sunnyvale	Total	52,600	80,700	65,800	116,000
		PDA	6,200	32,000	21,900	29,000
	Santa Clara County Unincorporated	Total	26,100	33,600	29,500	36,500
County Total	Total	597,100	846,600	911,500	1,269,700	
	PDA	85,300	289,800	319,200	425,500	

County	Jurisdiction	Summary Level	Households 2010	Household Forecast 2040	Employment 2010	Employment Forecast 2040
Solano	Benicia	Total	10,700	11,800	12,900	18,600
		PDA	600	900	2,050	2,050
	Dixon	Total	5,850	6,950	4,850	6,100
		PDA	450	550	300	350
	Fairfield	Total	34,200	38,700	43,100	51,600
		PDA	2,300	5,000	6,450	7,100
	Rio Vista	Total	3,700	10,400	2,350	2,450
	Suisun City	Total	9,000	9,650	2,500	3,000
		PDA	1,100	1,550	1,100	1,300
	Vacaville	Total	31,000	33,050	29,300	35,000
		PDA	850	2,250	4,900	4,950
	Vallejo	Total	40,950	45,050	30,900	35,300
		PDA	400	1,150	2,600	3,050
	Solano County Unincorporated	Total	6,900	14,700	4,250	4,400
County Total	Total	142,300	170,300	130,200	156,500	
	PDA	5,700	11,400	17,350	18,800	
Sonoma	Cloverdale	Total	3,250	5,250	1,750	1,600
		PDA	800	2,850	550	500
	Cotati	Total	3,050	3,550	2,700	3,000
		PDA	350	700	700	700
	Healdsburg	Total	4,400	4,700	8,400	9,900
	Petaluma	Total	21,800	27,100	30,000	35,700
		PDA	500	4,450	3,500	4,050
	Rohnert Park	Total	15,000	21,100	12,050	13,350
		PDA	1,300	5,300	4,250	4,900
	Santa Rosa	Total	63,800	78,800	76,400	91,700
		PDA	16,800	30,300	41,100	48,600
	Sebastopol	Total	3,300	5,000	5,000	5,050
		PDA	2,050	3,750	4,650	4,650
	Sonoma	Total	4,900	6,250	7,150	8,050
	Windsor	Total	9,050	10,550	7,600	9,200
		PDA	1,100	2,300	900	1,200
	Sonoma County Unincorporated	Total	58,300	68,600	51,700	63,900
	County Total	Total	186,800	231,000	202,700	241,400
PDA		23,000	49,700	55,800	64,600	
Regional Total	Total	2,607,000	3,427,000	3,422,000	4,698,000	
	PDA	559,000	1,172,000	1,433,000	2,094,000	

TO: Joint MTC Planning Committee with the
ABAG Administrative Committee

DATE: September 2, 2016

FR: MTC Deputy Executive Director, Policy

RE: Plan Bay Area 2040 Draft Transportation Investment Strategy

Overview

The Draft Investment Strategy comprises a 24-year fiscally constrained set of transportation projects and programs that support the region's land use and transportation goals. The following memo describes staff's process for forecasting revenues and expenditure needs, and summarizes the breakout of investments by different categories. Together with the Preferred Land Use Scenario, the Investment Strategy provides the overall foundation for Plan Bay Area 2040 (PBA 2040) — a set of regional transportation priorities that can be delivered within the planning horizon given estimates of future financial resources.

This draft strategy culminates from staff's evaluation of major transportation projects, financial needs to operate and maintain the existing system, an evaluation of land use and transportation scenarios, as well as coordination with county congestion management agencies (CMAs), transit agencies and local jurisdictions. MTC staff presented the draft strategy at the Partnership Technical Advisory Committee and Partnership Board meetings in July and released draft project lists to CMAs and transit agencies in August. Staff seeks comments on the current proposal, draft project lists and funding assumptions, and funding categories. Several comment letters received to-date are included as Attachment A. Staff anticipates further refining the proposal and projects in advance of the November 2016 meeting.

The following attachments are included for reference:

- A. Correspondence Received on Investment Strategy
- B. Draft Revenue Forecast by Source
- C. Project Performance Assessment Draft High-Performers and Low-Performers
- D. Draft Transportation Project List
- E. Letter from 6 Wins for Social Equity Network

Investment Strategy at a Glance

- The draft investment strategy for PBA 2040 largely continues the overall priorities from the previous plan – an emphasis on “fix it first,” supporting focused growth, and protecting our climate.
- Funding existing transit operations is the largest single investment for the region over the next 24 years. Through a combination of local, federal, state and regional resources, the region estimates future funding investments of \$122 billion (roughly \$5 billion per year) on transit operations, a 25% increase over Plan Bay Area 2013. Unfortunately, due to the high cost of providing transit service in our region, that 25% increase in cost only buys a 7.5% increase in vehicle hours of service.
- Transit capital maintenance and local streets and roads maintenance are the two next largest investments, and the draft strategy invests \$31 billion on improving the condition of vehicles and other fixed-guideway infrastructure as well as \$24 billion on replacing and maintaining the pavement condition of the region's local streets and roads.

Investment Strategy Process

Development of the draft investment strategy required several important activities – an estimation of funding needs, a forecast of transportation revenues, the prioritization of major projects, and a comparison of trade-offs between funding maintenance, modernization, and expansion projects.

Needs Assessment

The initial process was guided by the expertise of congestion management agencies, transit operators and public works departments submitting an estimate of their operating, maintenance, and project needs for the next 24 years, as well as a request for future regional funding for those needs. In the fall of 2016, MTC took stock of the following needs:

- \$122 billion to operate the existing transit system
- \$47 billion to improve the existing transit infrastructure (vehicles, tracks, etc) to ideal conditions
- \$36 billion to improve the region’s local streets and roads pavement to ideal conditions
- \$35 billion to improve the region’s highways and bridges to ideal conditions
- \$187 billion to fund projects and programs beyond operating and maintaining the existing system
- Total need = \$426 billion

Compared to the previous plan, the amount of funding required to achieve a state of good repair, in which all pavement is maintained at optimal levels and all transit assets are replaced at the end of their useful life, is higher on an annualized basis. The funding need increased from \$8.1 billion/year in Plan Bay Area 2013 (PBA 2013) to \$9.3 billion/year in PBA 2040, as shown in Table 1. These increases reflect escalating costs to operate the transit system (25% higher) and to replace transit assets (18% higher). Comparatively, the funding need for local streets and roads has decreased by 5% and the need for state highways has remained steady. Attachment A details the streets and road and transit needs.

Table 1. Annualized Funding Need Change Between PBA 2013 and PBA 2040

Mode	Annual Need in billions of YOE \$		% Change
	PBA 2013	PBA 2040	
Local Streets and Roads ¹	\$1.6	\$1.5	-5%
State Highways ¹	\$0.8	\$0.8	0%
Transit Capital ¹	\$1.7	\$2.0	+18%
Transit Operating ²	\$4.1	\$5.1	+25%
Total	\$8.1	\$9.3	+15%

Notes:

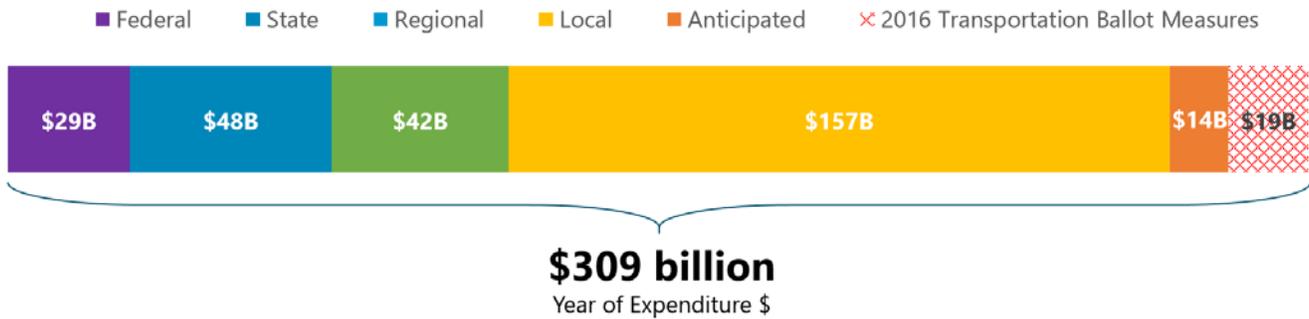
1. Amount required to reach ideal conditions for local streets and roads, state highways and transit capital
2. Amount required to sustain existing transit operations through 2040

Revenue Forecast

To prepare the revenue forecast, MTC worked with partner agencies and used financial models to estimate how much revenue will be available for transportation purposes over the next 24 years. Figure 1 illustrates Plan Bay Area 2040’s revenue forecast by source. The total forecast is \$309 billion, estimated in year of expenditure (YOE) dollars. Like other metropolitan regions, the Bay Area receives a vast array of federal, state, regional, and local sources for transportation. What differentiates the Bay Area from other regions is the preponderance of local and regional sources as a relative share of the total—approximately two-thirds of forecasted revenues are from regional and local sources, such as transit fares, dedicated sales tax programs, and bridge tolls. Making up the remainder of the pie are state and federal revenues (mainly derived from fuel taxes) and “anticipated” revenues (unspecified revenues from various sources that can reasonably be expected to become available within the plan horizon). The complete financial assumptions and amounts for the financially constrained Plan Bay Area 2040 are provided in Attachment B.

This draft investment strategy currently assumes revenues from five transportation ballot measures at stake in the upcoming November 2016 election. These include sales tax increases for Contra Costa, San Francisco and Santa Clara counties as well as San Francisco Bay Area Rapid Transit District’s (BART) bond measure and Alameda-Contra Costa Transit District’s (AC Transit) parcel tax. Together, these measures add \$19 billion to the revenue forecast, with almost half of that revenue going toward maintaining transit assets and pavement condition.

Figure 1. Total Plan Revenues by Source.



PBA 2040’s revenue envelope is larger than the preceding regional transportation plan. Key differences between this plan’s revenues and the previous plan, Plan Bay Area, are as follows:

- Local revenues have increased by 16% (or \$25 billion) since PBA 2013. Almost all of this increase is due to the anticipated passage of three county sales taxes and two transit taxes in November 2016.
- The amount of federal revenue is roughly the same, with significant differences in funding areas. Since the last plan, the Federal Transit Administration (FTA) has allowed transit agencies to compete for funding for capital replacements that enhance service through a new addition to the New Starts/Small Starts program called “Core Capacity.” The U.S. Department of Transportation has also re-packaged the existing highway program and included a larger focus on goods movement, via a new formula program and a discretionary program known as FASTLANE.
- The state’s Cap and Trade program is included, and reflects the implementation of MTC’s Cap and Trade framework (MTC Resolution No. 4130, Revised), which was adopted in 2013 and revised in 2016. In the last plan, Cap and Trade revenues were included in a reserve but not assigned to projects.

Committed Revenues and Expenditures

Only a modest share of the \$309 billion to spend on transportation purposes for the next 24 years is flexible. The vast majority of funding is either committed to specific purposes or projects by nature of the revenue source or by voter-approved county sales tax measures and past regional bridge toll increases. Further still, projects could also have prior funding commitments due to the on-going timeline of the project. Funding for these committed projects and programs is included in the plan in order to provide a complete picture of the regional investments and so that these critical efforts can continue to advance, often with additional, future regional funding.

Table 2 summarizes the committed investment levels for PBA 2040 by mode and function¹. At \$216 billion, the committed revenue and associated functions comprise 70% of the total plan. Slightly more than half of the committed revenues are related to operating and maintaining the existing transit system, with 26% of the commitments dedicated to road and bridge maintenance.

Table 2. PBA 2040 Committed Investments by Function (in billions of YOE \$)

Function	Investment	Share of Committed
Transit: Operate and Maintain	\$115	53%
Road and Bridge: Operate and Maintain	\$56	26%
Transit: Modernize	\$11	5%
Road and Bridge: Modernize	\$16	7%
Transit: Expansion	\$12	6%
Road and Bridge: Expansion	\$6	3%
Total	\$216	100%

Discretionary Revenues and Prioritization

The remaining revenues, with the exception of the November 2016 transportation measures, are considered “discretionary,” meaning they can be applied to transportation purposes within the constraints of the funding source. To realistically determine if the list of transportation projects is within the transportation budget, MTC staff generally assigned project purposes to revenue source. For example, federal transit funding for capital projects, like New/Small Starts, can only be used for transit projects. Furthermore, this fund source cannot be used to pay for existing transit operations. Table 3 presents revenues for future discretionary fund sources.

Table 3. Discretionary Revenue Sources for PBA 2040 (in billions of YOE \$)

Type	Fund Source	Amount
Federal	FTA Programs for Transit Capital ¹	\$14.0
	Surface Transportation Block Grant Program / Congestion Mitigation & Air Quality	\$4.7
	New/Small Starts/Core Capacity	\$5.0
	Federal Freight Programs	\$2.3
	FTA Bus and Bus Facilities Discretionary Program	\$0.4
State	Cap and Trade	\$4.9
	State Transit Assistance Proportional Pop-Based	\$1.8
	High Speed Rail	\$0.9
	STIP: Interregional Road/Intercity Rail	\$0.6
	Active Transportation Program	\$0.6
Regional	Regional Gas Tax	\$3.9
	New Bridge Tolls	\$5.1
	AB 1107 – Regional Share	\$2.6
	Existing Tolls	\$0.6
Other/Local	Anticipated/Unspecified	\$14.0
	Transportation Development Act	\$12.6
Total		\$74

1. Includes FTA Sections 5307, 5337, 5339, 5311, and Ferry Grant Program

¹ In the context of Plan Bay Area 2040, all locally generated revenue sources are considered “committed” even if they might be future revenue sources. This includes future state transportation improvement funding and future extensions of county sales taxes. Additionally, some FTA fund sources that are committed to specific purposes but can be influenced by MTC policy are considered future discretionary funding and are not a committed fund source. For a full description of MTC’s assumptions on committed and discretionary funding, see MTC Resolution No. 4182. Note: county shares of RTIP and TFCA funding are included in the “local/committed” funding category.

After accounting for the region’s commitments and funding needs to operate, maintain, and expand the transportation system, the additional discretionary funding needed to operate and maintain the system combined with the funding that CMAAs and transit agencies requested to fund projects totaled \$199 billion, almost three times the available discretionary amount (\$74 billion). To determine which projects to fund with the discretionary revenue, staff relied in part on the results of the project performance assessment, in which major projects were evaluated for their cost-effectiveness and support of regional targets, and county CMAAs’ prioritization of projects.

After generalizing the findings of the project performance assessment and reviewing the county submissions, staff developed the following investment principles for the draft investment strategy:

- Fund transit capital and maintenance of all infrastructure
- Fund high-performing, major transit projects
- Fund highway mobility initiatives
- Fund transit efficiency and expansions in priority development areas (PDA)
- Complete funding plans for county priorities

The list of the highest performing projects from the project performance assessment is included in Attachment C.

Draft Investment Strategy

The draft investment strategy for PBA 2040 combines county and regional priorities, as well as funding assumptions for each project. Attachment D summarizes the proposed transportation project list. Funding can either be local/committed, from an upcoming ballot measure, or from future, regional discretionary or anticipated revenue ². As shown in Table 4, just over 90% of the investments are related to operating, maintaining, and modernizing the existing transportation system. Operating and maintaining is the largest investment, including replacing transit assets, pavement for local streets and state highways, and operating the transit system. Modernization is the next highest investment category, which includes projects that improve the existing system without significantly increasing the geographical extent of the infrastructure. Electrifying Caltrain and replacing BART’s train control are two major investments within this category. Finally, projects that extend fixed-guideway or add lanes to roadways are included in the expand category. Major projects like extending Caltrain to downtown San Francisco and BART into Silicon Valley are in this category.

Table 4. PBA 2040 Draft Investment Strategy (in billions of YOE \$)

Strategy		Investment by Fund Source			
		Local/ Committed	November Measure	Regional Discretionary	Total Plan Investment
1	Operate and Maintain	\$171	\$7	\$48	\$226
2	Modernize	\$27	\$9	\$19	\$55
3	Expand	\$18	\$3	\$7	\$28
Total		\$216	\$19	\$74	\$309

² Local/committed fund sources are any locally generated transportation funding source, like county sales tax, vehicle registration fees, and impact fees. This category also includes future extensions of county sales tax measure and anticipated state regional transportation improvement program (RTIP) funds per county.

November measures include upcoming sales tax measures for Contra Costa, San Francisco and Santa Clara counties, BART’s bond measure, and AC Transit’s parcel tax measure. After a measure passes, it will be considered local/committed for the final Plan Bay Area 2040 adoption.

Regional discretionary fund sources include future STP/CMAQ, Cap and Trade, New/Small Starts, future bridge tolls, a regional gas tax, and anticipated/unspecified funding

As an update to PBA 2013, the draft strategy for PBA 2040 builds upon the priorities of the previous plan and highlights new areas where the previous plan may have fallen short. In order to successfully implement and deliver the three investment strategies, the Plan calls special attention to a number of areas where critical investments are planned over the 24-year Plan period. These include emphasizing core capacity transit, goods movement projects, increasing the performance of the region's roadway networks, continuing to facilitate focused housing and job growth, and laying a groundwork to improve mobility for the region's most underserved communities by funding transit operations.

Transit Capitol Investments: Similar to the previous plan, the draft plan invests in funding transit asset replacement, transit projects that alleviate capacity problems in the core of the region, and funding transit efficiency and expansions in the region's priority development areas. The region commits 49% of the future discretionary revenue and 22% of the total plan revenue to this investment strategy. The draft plan also dedicates more than \$30 billion to replacing and improving transit asset conditions. This includes a commitment to replacing 100% of the vehicle and fixed guideway need and reducing the percent of transit assets past their useful life from 30% in 2015 to 16% in 2040.

Additionally, the plan will replace transit infrastructure through "modernization" projects that replace existing assets with infrastructure that supports either more service or more reliable service. Two examples of this type of project are the Caltrain Electrification and BART Transbay Core Capacity projects. These projects replace vehicles and control systems with infrastructure that increases capacity and enables more frequent and reliable operations. As the draft preferred scenario increases job growth in San Francisco, the draft plan also invests in transit projects that increase capacity to downtown San Francisco. These include extending Caltrain and the future California High-Speed Rail to the Transbay Terminal in downtown San Francisco, bus rapid transit along Geary Boulevard, ferry service increases from Vallejo, Oakland, and Alameda to downtown San Francisco, and service increases of AC Transit, particularly in the Transbay routes.

Rounding out the transit vision are strategic investments in transit efficiency and expansions throughout the region. Several of these types of projects in the South Bay yielded significant benefits when considering the planned focused housing growth in PDAs along light rail corridors in Santa Clara County as part of the project performance assessment. These projects include bus rapid transit along El Camino Real, expanding light rail in the Capitol Expressway and Vasona Corridors, and expanding BART to Silicon Valley Phase 2.

Roadway Performance: The Bay Area consistently ranks as one of the most congested metropolitan areas in the nation and recent data suggest that the amount of time spent in congested conditions is now at the highest level on record. With today's mature system of roadways and increased demands on available financial resources, it is no longer possible – if it ever was – to build our way out of congestion. Instead, the draft plan invests in ways to operate our existing highways more efficiently. There is plenty of room for improvement in this area.

The draft strategy includes a discretionary funding commitment of \$4 billion over the next 24 years to support projects and programs that will boost system efficiency. These include the Columbus Day Initiative that aims to use low-cost technology upgrades to dramatically improve the speed and reliability of roadways and transit service and spot-capacity increases at interchanges to alleviate bottlenecks. In addition, efforts like San Francisco's cordon pricing program and the Regional Express Lane Network will leverage revenues generated from pricing to improve the efficiency of the existing system while expanding travel mode choice.

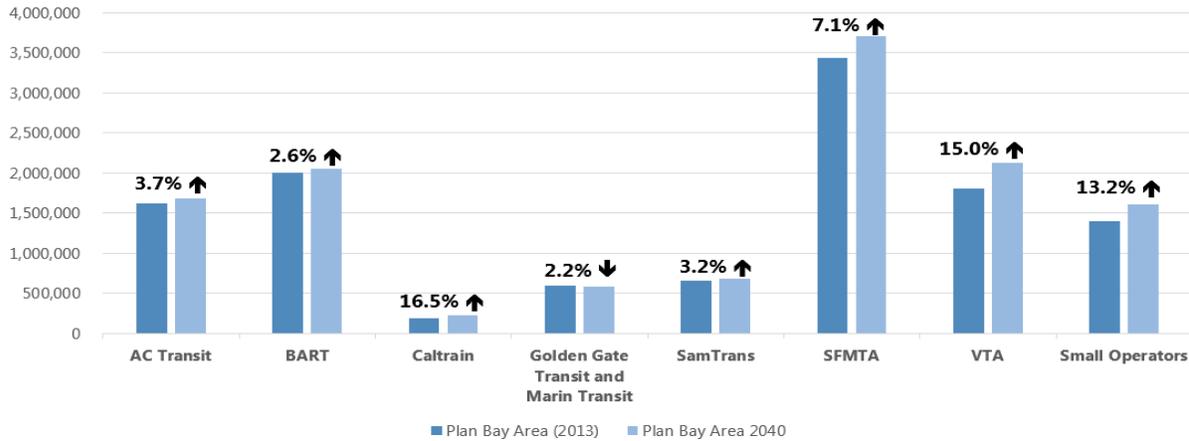
Support Focused Growth: As in the previous plan, this draft investment strategy makes a significant commitment to maintaining the pavement conditions of local streets and roads and to increasing the convenience and safety of walking and bicycling. The previous plan brought these two purposes together under the One Bay Area Grant (OBAG) program. This draft strategy continues to provide flexibility to congestion management agencies to fund any eligible OBAG program, including transportation infrastructure that supports infill development such as funding for bicycle and pedestrian improvements, local street repair, and planning activities, while also providing specific funding opportunities for Safe Routes to Schools projects and Priority Conservation Areas.

Accompanying the environmental and health objectives of this investment strategy is the Climate Initiatives Program, which was also first introduced in the previous plan and will be carried forward by this draft investment strategy. As the Bay Area's second RTP/SCS under SB 375, one of the plan's required targets is a per capita greenhouse gas (GHG) emissions reduction target of 7 percent by 2020 and 15 percent by 2035. Like the original Plan Bay Area, this new draft strategy for 2040 exceeds both GHG targets.

Goods Movement: The movement of freight is a crucial piece of our regional transportation puzzle and for the first time, the draft investment strategy includes dedicated state and federal funding for freight. This investment strategy dedicates \$5 billion to goods movement projects, as well as to programs that minimize the negative consequences of this activity. For example, the draft strategy includes a program that will implement the recommendations of the Freight Emission Reduction Action Plan, a follow-on effort from the Regional Goods Movement Plan that evaluated strategies that advance emission and near-zero emission freight movement in the Bay Area.

Equity Roadmap: The draft Plan includes an almost \$70 billion "Equity Roadmap" that makes major investments toward bus operations (\$62 billion), increases in bus service and other improvements (\$5 billion), county access initiatives (\$1 billion), and lifeline, mobility management, and means-based fare programs (\$1 billion). The draft investment strategy funds existing bus operations (including significant increases in bus service) annually through 2040 and at a higher rate than in the previous plan. Several of the region's operators have increased service since the previous plan was adopted, including AC Transit, VTA, and many of the small operators, as shown in Figure 2. Golden Gate and Marin Transit's trends differ as their service cuts trailed the other operators and such that their base service goals were higher in Plan Bay Area. Additionally, in terms of share of transportation investment benefits, we calculate that 42% of the investment strategy benefits the low-income population, which comprises a 24% share of the region's population.

Figure 2. Change in Revenue Vehicle Hours Funded in PBA 2013 vs. PBA 2040



During the Call for Projects process, staff received a request from the Six Wins for Social Equity Network (Attachment E) to include an “Underserved Community Benefits Program” totaling over \$2 billion. While staff is not recommending the creation of this new program, the draft investment strategy reaffirms the importance of addressing the mobility and accessibility needs of seniors, persons with disabilities, and residents in low-income communities throughout the region through the Equity Roadmap.

Low-Income and Minority Assessment of the Draft Investment Strategy

As noted above, staff has evaluated the draft investment strategy using a population use-based methodology to estimate the percent of investments that would likely be used by low-income and minority populations. The methodology estimates use through equating shares of trips made by low-income and minority populations to level of investment in particular categories.

Table 5 summarizes the use-based assessment. The draft strategy invests \$197 billion into transit (operations, maintenance, modernization, and expansion), of which \$89 billion is estimated to benefit low-income residents and \$113 billion is estimated to benefit minority residents. Almost 70% of the transit benefits for low-income residents is through investments in SFMTA, VTA, and BART. Similarly, the strategy invests \$107 billion in roadway projects, of which \$28 billion is estimated to benefit low-income residents and \$55 billion is estimated to benefit minority residents. Across the total draft strategy, 42% of the investments is estimated to benefit low-income residents, compared to 28% of trips, and 57% of the investments is estimated to benefit minority residents, compared to 52% of trips.

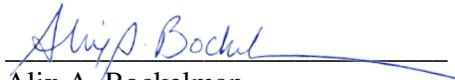
Table 5. Low-Income and Minority Assessment for the Draft Investment Strategy

	Population	Share of Population	Share of Transit Trips	Share of Transit Investment	Share of Roadway Trips	Share of Roadway Investment	Share of All Trips	Share of All Investment
Low-Income Population	1,777,132	24%	53%	45%	27%	26%	28%	42%
Minority population	4,497,334	59%	61%	58%	52%	52%	52%	57%

Cost Contingency and Debt Service

The draft investment includes a reserve for future cost increases for transportation projects. As projects move through the design, environmental, and construction phases, cost estimates tend to increase. In response to past cost increases and federal input on our planning process, this draft strategy sets aside \$1 billion of future funding as contingency.

Additionally, the draft investment strategy includes an accounting of the amount of future revenue that is required to pay for financing costs of previous projects (or already constructed projects). Financing is a common method for funding expansion projects that require future revenues, like sales tax or bridge tolls, all at once. Even though the project may be completed, the investment strategy must account for all transportation expenditures, including financing costs. This draft strategy includes \$1.1 billion for financing costs of the future bridge toll and \$2.8 billion for VTA's existing transportation sales tax, Measure A.


Alix A. Bockelman

Attachments

AB:kc

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Investment Strategy	Investment	Funding Source			Total Plan Investment	Share of Reg. Discr	Share of Total Plan	
		Local/Committed	November Measure	Regional Discretionary				
1	Operate and Maintain	Transit Operations	\$107	\$0	\$16	\$122	21%	40%
		Local Streets Preservation and Operations	\$26	\$4	\$8	\$37	11%	12%
		Transit Capital Preservation	\$5	\$4	\$22	\$31	30%	10%
		Highway and Bridge Preservation	\$30	\$0	\$0	\$30	0%	10%
		Cost Contingency and Debt Service	\$3	\$0	\$2	\$5	3%	2%
		Subtotal	\$171	\$7	\$48	\$226	65%	73%
2	Modernize	Transit Efficiency	\$6	\$3	\$8	\$18	11%	6%
		Highway Operational and Interchanges	\$4	\$1	\$3	\$7	3%	2%
		Express Lanes (Conversions) and Pricing	\$7	\$0	\$0	\$7	0%	2%
		Multimodal and Bike Ped	\$3	\$1	\$2	\$6	2%	2%
		Transit Service Increase and Other Improvements	\$2	\$2	\$1	\$5	1%	1%
		Goods Movement	\$2	\$0	\$3	\$5	4%	2%
		Planning and Programs	\$2	\$1	\$1	\$4	1%	1%
		Regional and County Access Programs	\$1	\$0	\$1	\$2	2%	1%
		Climate	\$0	\$0	\$1	\$1	1%	0%
		Subtotal	\$27	\$9	\$19	\$54	25%	17%
3	Expand	Express Lanes (Expand) and Roadway Expansion	\$6	\$1	\$1	\$8	2%	3%
		Transit Expansion	\$12	\$2	\$6	\$20	8%	7%
		Subtotal	\$18	\$3	\$8	\$29	10%	9%
Grand Total		\$216	\$19	\$74	\$309	100%	100%	



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Alix Bockelman
 Metropolitan Transportation Commission
 Bay Area Metro Center
 375 Beale Street, Suite 800
 San Francisco, CA 94105

Re: Contra Costa County’s Draft Plan Bay Area 2040 Project List and Notes

Dear Ms. Bockelman:

Thank you for your letter dated August 4, 2016 regarding Contra Costa’s project list in the Draft Plan Bay Area (PBA). We have reviewed the list and offer the following comments:

1. It is our understanding that the “Minor Roadway Expansion” program category includes projects on roadways that are classified as lower than Principal Arterial. Upon review of the project list under this program, the project titled “Widen San Ramon Valley Boulevard from 2 to 4 lanes – Jewel Terrace to Podva Road” should be listed individually as it is a Principal Arterial according to Caltrans’ latest California Road System (CRS) maps.

The revised cost for the “Minor Roadway Expansion” program should be \$527M.

2. “I-680 and SR-24 interchange improvements” (Project No. 90) should be renamed to: “Construct Additional Auxiliary Lanes on I-680 – South of I-680/SR-24 Interchange”.
3. The two projects below are missing from the list in your letter and should be added:
 - a. “Byron Highway Improvements” (Project Cost: \$29.7M), which can be included in the “County Safety, Security and Other” program category.
 - b. “I-80/SR4 interchange improvement – Replace SR4 to I-80 Ramp” (Project Cost: \$25M), which can be included in the project listing “I-80/SR4 interchange improvements”.

2999 Oak Road
 Suite 100
 Walnut Creek
 CA 94597
 PHONE: 925.256.4700
 FAX: 925.256.4701
 www.ccta.net

4. The grouped projects under "I-80/SR4 interchange improvements" should consist of the following:
 - a. Project #81: "I-80/SR4: New I-80 EB off ramp at Sycamore"
 - b. Project #87: "I-80/SR4 Interchange Improvements – New Eastbound Willow Avenue Ramps and SR-4 to I-80 Ramp"
 - c. "I-80/SR4 Interchange Improvement – Replace SR4 to I-80 Ramp" (See 3b above)

Total cost for the grouped project listing should be \$93M.

5. There are a few projects that need to be reassigned from current programmatic category to another:
 - a. From "County Safety, Security and Other" Program to "Bicycle and Pedestrian" Program:
 - "Contra Costa County Safe Routes to Schools Program"
 - "Safe Transportation for Children"
 - "San Pablo Avenue Pedestrian Overcrossing at Sycamore Avenue"
 - b. From "County Safety, Security and Other" Program to "Innovative Transportation Technology" Program:
 - "Connected Vehicle/Automated Vehicle and Other Technology Infrastructure."

The revised costs of the three programs with the changes will be as follows:

- County Safety, Security and Other (including 3a): \$139M
- Bicycle and Pedestrian: \$369M
- Connected Vehicle/Automated Vehicle & Other Technology Infrastructure: \$128M

6. We propose to combine "Express Bus Service" and "Park & Ride Lot to Support Regional Express Bus Service" into one project and list it individually instead of being under the "Minor Transit Improvements" program category. The title of the combined project would be "I-680 Transit Improvements including Express Bus Service, ITS components, and Park & Ride Lots".

The cost of the individually listed project is \$130M.

The revised cost for the "Minor Transit Improvements" program should be \$749M.

7. Though "East County Rail Extension (eBART) Phase 1" (Project #110) is nearly complete, BART would like to keep the project listed in the Plan with the project costs of \$525M to be shown as Pre-2017 funding. Please also include the "Brentwood Intermodal Transit Center" project in the Plan with a project cost of \$52M to be listed under Post 2017 Local/Committed Funding.

We appreciate the time and effort that MTC staff has spent guiding us through the RTP process. We hope this letter provides your staff with the information they need to proceed with finalizing the project list for the Plan.

Please contact Hisham Noeimi at hnoeimi@ccta.net or 925-256-4731 should you have any questions.

Sincerely,



Randell H. Iwasaki
Executive Director

cc: David Vautin, MTC
Kristen Carnarius, MTC
William Bacon, MTC

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CHAIR, CALIFORNIA DEMOCRATIC CONGRESSIONAL DELEGATION
CO-CHAIR, CONGRESSIONAL CAUCUS ON VIETNAM

June 29, 2016

Mr. Steve Heminger
Executive Director
Metropolitan Transportation Commission
375 Beale Street, Suite 800
San Francisco, CA 94105-2006

RE: Compelling Case Process and Capitol Expressway LRT-Phase 2

Dear Steve,

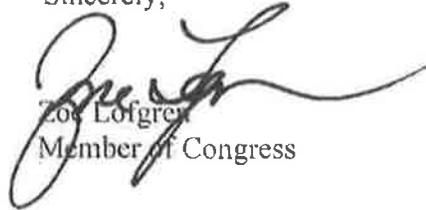
I write you to express support for the letter Supervisor Dave Cortese sent you recommending that the Commission give greater weight to projects serving Communities of Concern. Among the many benefits that public transit offers to the public, we must not overlook its social justice function. Communities of Concern often do not enjoy the same degree of transportation options and too often live farther away from employment and entertainment venues. In addition to decreasing congestion and greenhouse gases while improving safety, public transit is also a means to integrate Communities of Concern within our broader community.

I support the project to extend the Capitol Expressway LRT-Phase 2. As Supervisor Cortese notes, this project is entirely surrounded by Communities of Concern and would not just provide connections to entertainment and job centers along VTA's existing Light Rail corridor (such as downtown San Jose and Levi Stadium), but also it would provide intermodal connectivity with BART and Caltrain. It would provide a reliable means of transportation to connect one of the Bay Area's most economically disadvantaged and densely populated areas with bustling job markets in places such as Palo Alto and San Francisco.

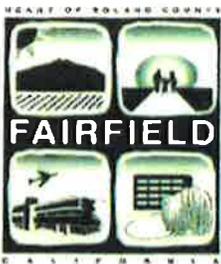
As the Bay Area continues to prosper economically, we must strive for a more inclusive community. I hope the MTC approves the Capitol Expressway LRT-Phase 2 project because it

would advance these goals. I urge MTC to include service to Communities of Concern as a base-case assessment for future projects, consistent with all applicable laws and regulations.

Sincerely,

A handwritten signature in black ink, appearing to read 'Zoe Lofgren', written in a cursive style. The signature is positioned above the printed name and title.

Zoe Lofgren
Member of Congress



CITY OF FAIRFIELD

Founded 1856

Incorporated December 12, 1903

COMMUNITY DEVELOPMENT DEPARTMENT Planning Division

Home of
Travis Air Force Base

June 27, 2016

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707 428 7395

Vice-Mayor
Chuck Timm
707 428 6298

Councilmembers
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City Manager
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707 428 7400

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City Attorney
Gregory W. Stepanicich
707 428 7419

...

City Clerk
Karen L. Rees
707 428 7384

...

City Treasurer
Oscar G. Reyes Jr.
707 428 7498

DEPARTMENTS

City Manager's Office
707 428 7400

...

Community Development
707 428 7461

...

Parks & Recreation
707 428 7465

...

Finance & Technology
707 428 7498

...

Fire
707 428 7375

...

Police
707 428 7362

...

Public Works
707 428 7485

Mr. Ken Kirkey, Planning Director
Metropolitan Transportation Commission (MTC)
Bay Area Metro Center
375 Beale Street
San Francisco, CA 94105

Re: 2016 MTC/ABAG Scenarios for Plan Bay Area 2040

Dear Mr. Kirkey:

The City of Fairfield would like to express our appreciation for the opportunity to comment on the three scenarios prepared for Plan Bay Area 2040, namely the Main Streets Scenario, Connected Neighborhoods, and Big Cities. Our understanding is that all three scenarios would enable the Bay Area to potentially meet obligations for greenhouse gas reduction (SB 375), housing production, and economic growth.

The City of Fairfield has reviewed the proposed scenarios with our neighboring cities of Vacaville and Suisun City along with Solano Transportation Authority (STA) staff. Our consensus is that we generally support the Main Streets Scenario (Scenario 1). The scenario is consistent with both our Heart of Fairfield and Train Station Specific Plans for Priority Development Areas which will be a major focus for growth in the City of Fairfield over the next 25 years. We also believe this scenario will result in a more equitable distribution of "discretionary transportation spending" and includes a realistic recognition that "traditional" suburban growth will continue.

The City of Fairfield joins STA and the Cities of Suisun City and Vacaville in expressing concern about the transportation investments proposed for the second scenario, Connected Neighborhoods.

The three cities share several proposed transportation projects in common, namely the Jepson Parkway, I-80/I-680/SR 12 Interchange, and the Solano Express Bus Service Improvements. All three of these projects are included in the transportation improvements for Scenario 1 (Main Streets), and we agree with this inclusion.

Our concern is over the exclusion of all three projects from Connected Neighborhoods. Our three cities will be taking the lion's share of future residential growth in Solano County, and we expect some of the new residents of our communities to commute to jobs in the Bay Area. A combination of the regional

express lane network with the interchange improvements and the express bus improvements create by far the greatest potential for these commuters to use some form of transit for their commute trips.

Not all of the trips through the Interchange or on Solano Express buses, or in carpools and van pools, will be residents from our cities commuting into the inner Bay Area. They will be commuting to jobs and classes in Vallejo and Benicia, just as residents of those cities will be coming to work, learn, and generally participate in life in our communities. No matter how those local trips are made – and the Solano Express Bus Service Improvements will make it much more attractive for those trips to be made by bus – they will mostly pass through the I-80/I-680/SR 12 Interchange. Many trips between our three cities can also take an alternative route if it is built – the Jepson Parkway, which links the three cities along their eastern borders, and avoids I-80. The Jepson Parkway is a bicycle- and transit-friendly corridor, with the new Fairfield/Vacaville Capitol Corridor train station at its center.

The Connected Communities scenario anticipates significant development in our three cities, although not as much as does the Main Streets scenario. The existing congestion in the I-80 corridor, from pass-through commuters, freight movement and Solano commuters, justifies the inclusion of the I-80/I-680/SR 12 Interchange, Solano Express Bus Improvements and Jepson Parkway projects in both scenarios.

The City of Fairfield does not support the Big Cities scenario. We do not believe this scenario represents a realistic framework for growth and will result in lack of investment in needed transportation infrastructure in Fairfield and Solano County. As in Scenario 2 (Connected Neighborhoods), the omission of Jepson Parkway, I-80/I-680/SR 12 and Solano Express Bus Improvements will have serious regional impacts.

The City of Fairfield looks forward to participating, along with other agencies and jurisdictions, in the discussion about Plan Bay Area 2040. If you have any questions about this letter, please feel free to contact Brian K. Miller on my staff at bkmiller@fairfield.ca.gov or 707-428-7446.

Respectfully,



KARL A. DUMAS
Director of Community Development

KAD:BKM:ccs

From: Richard Snyder
To:
Cc:
Subject: Plan Bay Area 2040
Date: Thursday, July 07, 2016 8:35:26 AM

Dear MTC & ABAG,

In my email of June 27, I stated:

Dear ABAG & MTC,

Any further planning in the Bay Area should be centered on the development of a ferry system, akin to that in Seattle and Sydney.

Such a plan was fully developed over 30 years by Bruce Spaulding, former Vice Chancellor of UCSF. He can be reached at "[REDACTED]".

Such a system would create numerous benefits, including but not limited to new transportation hubs, thus relieving stress on existing communities, reduction of automobile traffic, easing the burden on bridges, and obviating the need to expensive tunnels. As well, it would be a primary system for public safety in the event of natural catastrophe. such a system would allow the projected increase of population without disruption of existing communities, and would facilitate the seamless absorption of new population elements into existing communities.

One of the problems of existing regional planning, is that it is focussed on existing modes of transportation, exiting hubs, etc.

It would constitute of total lack of due diligence not to fully examine this possible transportation element. Any plans made without taking this into consideration would be a breach of public trust.

For the purpose of reviewing those earlier plans, and hopefully incorporating them into the Bay Area 2040 Plan, perhaps the best source of information is the Water Emergency Transportation Authority ("WETA") [www.sanfranciscobayferry.com/weta]. WETA was established by SB 976, and replaced the original Water Transit Authority ("WTA") in order to be eligible for FEMA funds when the next major earthquake[s] occurred. In addition, the Bay Area Council [www.bayareacouncil.org] was involved in creating the WTA and WETA, and has files covering the development of extensive the Bay Area ferry plan.

And yes, it would be expensive, but that is a political/finance problem which could be overcome.

Richard N. Snyder

Richard Neil Snyder
P.O. Box 989

From:
To: [MTC Info](#)
Subject: Plan Bay Area stinks
Date: Thursday, July 28, 2016 4:19:31 PM

Plan Bay Area is urbanizing out lying and peninsula cities to their detriment. Push electric/hybrid cars instead of buses, and stop stack and pack building which tears out buildings of character from various decades which end up in landfill. All this is creating increasingly worse air quality in these areas. Much worse.

We hate "The Grand Boulevard." It is a gross concept of uniformity and human activity in undesirable areas that will still be awful no matter how much money goes into the ill advised modifications. Let places people congregate develop naturally and they will be far superior. We are not Europe and should not be built like it. We have major earthquakes, they do not. We are Californians and prefer to maintain our personal freedom and flexibility in our transportation, so just let us use our electric cars on the arterial streets as they are now, without the road diets impeding us. We have plenty of sunshine to fuel these cars. Europe does not.

Just as pedestrians need to be on a path that is separate from cars, bicycles also belong on separate bikeways, not along fast major traffic, even with barriers that cars and trucks can crash through due to mechanical failure or driver error. So build bicycles their own completely safe and separate bikeways instead of modifying existing heavy traffic corridors to lull bicycle riders into thinking they are safe there. They are not.

Quit ruling over us like tyrants and forcing your pie in the sky decisions on us. Allow us to work as a democracy to preserve and better our quality of life.

Serious.

September 2, 2016

MTC Chair, Dave Cortese
Planning Committee Chair, James P. Spering
Metropolitan Transportation Commission
375 Beale Street, Suite 800
San Francisco, CA 94105

Re: Lifeline Program and Plan Bay Area Investment Strategy

Dear MTC Chair Cortese and Planning Committee Chair Spering,

Thank you for the opportunity to share our thoughts as you consider the long-term investment strategy to support the implementation of Plan Bay Area and advance MTC's goals. Our comments focus on:

- 1) significantly increasing the funding amount for the Lifeline Transportation Program, and;**
- 2) ensuring the funding sources for Lifeline allow sufficient flexibility to meet the goals of the Program: "meet(ing) mobility and accessibility needs in low-income communities across the Bay Area."**

The Lifeline Transportation Program is a key funding source for services that increase the mobility of seniors, low-income people, communities of color and those with disabilities across the Bay Area.

The program funds vital bus and train service, transit stop improvements, pedestrian and bicycle projects, senior and children's transportation, community shuttles, auto loan programs, and mobility management activities. Lifeline is administered locally by Congestion Management Agencies targeting specific service gaps identified through a needs assessment (Community Based Transportation Programs). Lifeline provides funding directly to counties to fill the gap in service needs for transit-dependent populations to reach critical destinations such as healthcare, food, jobs, and education –important to advancing health and health equity.

With the senior populations across the Bay Area growing dramatically, the increase in housing costs, as well as projections for increases in low-wage jobs, the Lifeline Transportation Program is more important than ever to sustain the future of the Bay Area.

The Lifeline Transportation Program promotes health by:

- Increasing opportunities for low-income people, people of color, and disadvantaged populations to access jobs, services, health-care, and other health-promoting destinations; by reducing injuries; and by promoting physical activity.
- Providing safe places to walk, bike, and take public transportation, which are leading strategies for preventing overweight and obesity, diabetes and heart disease.
- Reducing driving, which slows climate change, limits injuries by cars, and improves air-quality-related health issues like asthma and cancer.
- Supporting access to safe outdoor spaces for people to gather, helping build strong social connections, relieve stress, and allowing people to recover more quickly from illness.

San Mateo County, similar to other counties, relies heavily on Lifeline to provide shuttle services, expand important bus lines and provide transit vouchers to our most vulnerable populations. A recent SamTrans survey demonstrates the deep reliance of our vulnerable populations on transit

service to get them around. Between 70-75% of riders are people of color, approximately 45% are youth or seniors, and nearly 40% make less than \$25,000 per year, with 54% making less than \$50,000 per year. 72% of riders do not own a car and 82% utilize service at least 3 days/week with 63% using it at least 5 days/week. 44% of riders are traveling to and from work, and 28% to and from school. Out of 11 attributes of SamTrans including personal safety, courtesy of driver and more, the frequency of buses ranked lowest – indicating a clear need for expanded services.

In summary, the majority of riders are low-income people of color, youth and seniors, with no other transportation options who rely on public transit to get to work and school. The biggest need they have is to increase transit frequency indicating an important gap in service for those who need transit the most. Lifeline provides a critical funding source to specifically fill gaps in public transit services for the populations that need them most.

We encourage you to significantly expand the funds for the Lifeline Transportation Program in recognition of the large and growing gap between the transit needs of seniors, low-income people, people of color and those with disabilities, and current transit service, which Lifeline can help bridge. As you consider the funding sources for the program, we urge you to consider maximizing the flexibility of the funds to ensure Lifeline can focus on the highest priority needs identified in the Community Based Transportation Program. Highly restrictive funding sources limit the ability of Congestion Management Districts to appropriate the funds to address local needs.

Our economy relies on the mobility of all of our residents. When residents don't have access to key public transportation lines, they cannot get to work and must rely more heavily on social services. In addition, when residents cannot get to school, they cannot get the education needed to position themselves for well-paying jobs to support their families and serve as the future workforce for our communities. Income and educational attainment are two of the key factors that determine a person's health. The more money and education a person has, the healthier they are.

We would like to work with MTC staff to not only expand the Lifeline Transportation Program but to improve it in order to maximize the intentions of the program to best serve our most vulnerable populations.

Thank you for the opportunity to share our recommendation as you consider the long term investment strategy for Plan Bay Area.

Sincerely,



Shireen Malekafzali
Senior Manager for Policy, Planning and Equity for the San Mateo County Health System
MTC Policy Advisory Council Member

cc: Steve Heminger, Executive Director
Alix Bockelman, Deputy Executive Director
Ken Kirky, Director

PLAN BAY AREA 2040 - DRAFT REVENUE FORECAST BY SOURCE

In Billions of Year of Expenditure \$

Updated August 2016

Revenue Source	Plan Bay Area 2040 Total Revenue	Plan Bay Area 2040 Total Committed Revenue	Plan Bay Area 2040 Total Discretionary Revenue (Including 2016 Ballot Measures)
FEDERAL			
FHWA Construction of Ferry Boats & Ferry Terminal Facilities Formula Program	\$ 0.04	\$ 0.04	\$ -
FHWA/FTA Section 5303 Metropolitan Planning	\$ 0.03	\$ 0.03	\$ -
FHWA STP/CMAQ - Regional	\$ 3.26	\$ 0.40	\$ 2.86
FHWA Highway Safety Improvement Program (HSIP)	\$ 0.31	\$ 0.31	\$ -
FHWA STP/CMAQ - County	\$ 2.18	\$ 0.35	\$ 1.82
FTA Passenger Ferry Grant Program	\$ 0.10	\$ 0.10	\$ -
FTA Sections 5307 & 5340 Urbanized Area Formula (Capital)	\$ 7.08	\$ -	\$ 7.08
FTA Section 5309 Fixed-Guideway Capital Investment Grants - New Starts and Core Capacity	\$ 5.02	\$ 0.67	\$ 4.35
FTA Section 5309 Fixed-Guideway Capital Investment Grants - Small Starts	\$ 0.70	\$ 0.05	\$ 0.65
FTA Section 5310 Enhanced Mobility of Seniors & Individuals with Disabilities	\$ 0.16	\$ -	\$ 0.16
FTA Section 5311 Non-Urbanized Area Formula	\$ 0.07	\$ -	\$ 0.07
FTA Section 5337 State of Good Repair Formula	\$ 6.56	\$ -	\$ 6.56
FTA Section 5339 Bus & Bus Facilities Program	\$ 0.40	\$ -	\$ 0.40
FTA Bus and Bus Facilities Discretionary Program	\$ 0.38	\$ -	\$ 0.38
National Highway Freight Program	\$ 0.77	\$ -	\$ 0.77
National Significant Freight and Highway Projects Discretionary Program	\$ 1.53	\$ -	\$ 1.53
Federal Total	\$ 28.59	\$ 1.96	\$ 26.63
STATE			
Active Transportation Program (ATP) - State Program	\$ 0.28	\$ -	\$ 0.28
Affordable Housing & Sustainable Communities Program	\$ 1.08	\$ -	\$ 1.08
High Speed Rail	\$ 9.26	\$ 8.40	\$ 0.86
Cap & Trade Goods Movement (from 40% Uncommitted Funds)	\$ 0.50	\$ -	\$ 0.50
Gas Tax Subvention	\$ 8.29	\$ 8.29	\$ -
Low Carbon Transit Operations Program Population-Based	\$ 0.29	\$ -	\$ 0.29
Low Carbon Transit Operations Program Revenue-Based	\$ 0.80	\$ 0.80	\$ -
Proposition 1B	\$ 0.01	\$ 0.01	\$ -
State Highway Operations & Protection Program (SHOPP)	\$ 13.75	\$ 13.75	\$ -
State Transit Assistance (STA) Population-Based	\$ 1.79	\$ 0.05	\$ 1.74
State Transit Assistance (STA) Revenue-Based	\$ 5.12	\$ 5.12	\$ -
Transit and Intercity Rail Capital Program	\$ 3.00	\$ -	\$ 3.00
State Transportation Improvement Program (STIP): Regional Transportation Improvement Program (RTIP) County Shares	\$ 3.11	\$ 3.11	\$ -
STIP: Interregional Road/Intercity Rail (ITIP)	\$ 0.71	\$ 0.11	\$ 0.60
State Total	\$ 47.99	\$ 39.65	\$ 8.34
REGIONAL			
2% Toll Revenues	\$ 0.10	\$ -	\$ 0.10
5% State General Funds	\$ 0.09	\$ -	\$ 0.09
Active Transportation Program (ATP) - Regional Program	\$ 0.31	\$ -	\$ 0.31
AB 1107 ½-cent Sales Tax in three BART counties (25% MTC Administered Share)	\$ 2.61	\$ -	\$ 2.61
AB 1107 ½-cent Sales Tax in three BART Counties (75% BART Share)	\$ 7.82	\$ 7.82	\$ -
AB 1171	\$ 0.09	\$ -	\$ 0.09
AB 434 (Transportation Fund for Clean Air – Regional) – 60% of funding	\$ 0.37	\$ 0.37	\$ -
AB 664	\$ 0.38	\$ -	\$ 0.38
BATA Base Toll Revenues	\$ 3.60	\$ 3.60	\$ -
Bridge Toll Increase - \$1 in 2019; \$1 in 2024	\$ 5.10	\$ -	\$ 5.10
Regional Express Lane Network Revenues	\$ 4.50	\$ 4.50	\$ -
Regional Gas Tax Increase - 10¢ increase at 2020 election	\$ 3.94	\$ -	\$ 3.94
Regional Measure 2 (RM2)	\$ 3.18	\$ 3.18	\$ -
RM1 Rail Extension Reserve	\$ 0.05	\$ -	\$ 0.05
Service Authority for Freeway and Expressways (SAFE)	\$ 0.15	\$ 0.15	\$ -
Seismic Surcharge with Carpool	\$ 3.43	\$ 3.43	\$ -
Seismic Retrofit Account (Caltrans)	\$ 3.18	\$ 3.18	\$ -
Seismic Retrofit	\$ 3.18	\$ 3.18	\$ -
Regional Total	\$ 42.06	\$ 29.40	\$ 12.66
LOCAL			
AB 434 (Transportation Fund for Clean Air – County Program Manager) – 40% of funding	\$ 0.26	\$ 0.26	\$ -
County Sales Tax Measures	\$ 33.15	\$ 33.15	\$ -
County Sales Tax Measures - Reauthorizations	\$ 5.98	\$ 5.98	\$ -
County Vehicle Registration Fees	\$ 1.02	\$ 1.02	\$ -
County Vehicle Registration Fees - Reauthorization	\$ 0.03	\$ 0.03	\$ -
Express Lane Revenue (county managed)	\$ 2.70	\$ 2.70	\$ -
Golden Gate Bridge Toll	\$ 3.43	\$ 3.43	\$ -
Land Sales & Other Developer Revenues	\$ 1.05	\$ 1.05	\$ -
Local Funding for Streets and Roads	\$ 14.76	\$ 14.76	\$ -
Property Tax/Parcel Taxes	\$ 5.27	\$ 5.27	\$ -
San Francisco Municipal Transportation Agency (SFMTA) General Fund + Proposition B	\$ 10.10	\$ 10.10	\$ -
San Francisco Transportation Sustainability Fee	\$ 0.80	\$ 0.80	\$ -
SMART Sales Tax in Marin and Sonoma Counties	\$ 0.54	\$ 0.54	\$ -

Revenue Source	Plan Bay Area 2040 Total Revenue	Plan Bay Area 2040 Total Committed Revenue	Plan Bay Area 2040 Total Discretionary Revenue (Including 2016 Ballot Measures)
SMART Sales Tax in Marin and Sonoma Counties - Reauthorization	\$ 0.64	\$ 0.64	\$ -
Transit Fare Revenues	\$ 37.10	\$ 37.10	\$ -
Transit Non-Fare Revenues	\$ 23.50	\$ 23.50	\$ -
Transportation Development Act (TDA)	\$ 12.58	\$ 0.03	\$ 12.55
Other Local	\$ 2.90	\$ 2.90	\$ -
Local Total	\$ 155.81	\$ 143.27	\$ 12.55
ANTICIPATED/UNSPECIFIED			
Anticipated/Unspecified	\$ 14.00	\$ -	\$ 14.00
Anticipated/Unspecified Total	\$ 14.00	\$ -	\$ 14.00
OTHER			
San Francisco Treasure Island/Cordon Pricing	\$ 1.75	\$ 1.75	\$ -
2016 Bay Area County/Transit District Transportation Ballot Measures	\$ 18.77	\$ -	\$ 18.77
<i>AC Transit Parcel Tax</i>	\$ 0.60	\$ -	\$ 0.60
<i>BART General Obligation Bond</i>	\$ 3.50	\$ -	\$ 3.50
<i>Contra Costa County 1/2¢ Sales Tax Increase</i>	\$ 3.31	\$ -	\$ 3.31
<i>San Francisco County 1/2¢ Sales Tax Increase</i>	\$ 3.99	\$ -	\$ 3.99
<i>Santa Clara County 1/2¢ Sales Tax Increase</i>	\$ 7.37	\$ -	\$ 7.37
Other Total	\$ 20.52	\$ 1.75	\$ 18.77
GRAND TOTAL	\$ 308.97	\$ 216.03	\$ 92.95

Attachment C: Project Performance Assessment Draft High-Performers and Low-

Performers High-Performing Projects: High B/C (≥ 7) and Moderate Targets Score (≥ 3)

OR High Targets Score (≥ 7) and Moderate B/C (between 3 and 7)

Row #	Project ID	Project Name	Location (County)	B/C Ratio	Targets Score	Project Description
1	302	Treasure Island Congestion Pricing	San Francisco	14	4.5	Charges a toll for residents to exit Treasure Island with net revenues used to increase ferry and bus service to/from Treasure Island.
2	1301	Columbus Day Initiative	Multi-County	11	4.0	Increases capacity of freeways and arterials through adaptive ramp metering, signal coordination, and hard-shoulder running lanes for carpools and buses.
3	501	BART to Silicon Valley – Phase 2	Santa Clara	8	8.0	Extends BART from Berryessa through a new BART subway to Alum Rock, Downtown San Jose, Diridon Station, and Santa Clara.
4	306	Downtown San Francisco Congestion Pricing	San Francisco	7	7.0	Charges a toll to enter/exit the northeast quadrant of San Francisco with net revenues used to increase bus service, implement transit priority infrastructure, and pedestrian and bicycle improvements.
5	1651	Public Transit Maintenance – Rail Operators	Multi-County	7	9.5	Funds the maintenance of all assets related to providing existing rail service throughout the Bay Area.
6	301	Geary BRT	San Francisco	6	7.0	Constructs a bus rapid transit line with dedicated lanes along Geary Boulevard in San Francisco.
7	207	San Pablo BRT	Multi-County	4	7.0	Constructs a bus rapid transit line with dedicated lanes along San Pablo Avenue from San Pablo to downtown Oakland.
8	1650	Public Transit Maintenance – Bus Operators	Multi-County	6	8.0	Funds the maintenance of all assets related to providing existing bus service throughout the Bay Area.
9	1001	BART Metro Program	Multi-County	3	9.0	Increases frequency on all BART lines through infrastructure upgrades, new turnbacks and providing new express train service to SFO.
10	307	Caltrain Modernization + Caltrain to Transbay Transit Center	Multi-County	3	7.0	Electrifies the Caltrain line to support faster and more frequent high-capacity transit from San Jose to San Francisco and constructs a tunnel from the existing 4th and King terminus to the Transbay Terminal.
11	506	El Camino BRT	Santa Clara	7	6.5	Constructs a bus rapid transit line with dedicated lanes along El Camino Real in Santa Clara County.

ROW #	RTPID	County/ Sponsor	Listing Type	Project Title	Total Project Cost	Pre2017 Funding	Cost Included in the Investment Strategy
1	17-01-0001	Alameda	Program	Bicycle and Pedestrian Program	\$658	\$79	\$579
2	17-01-0002	Alameda	Program	Climate Program: TDM and Emission Reduction Technology	\$150	\$55	\$95
3	17-01-0003	Alameda	Program	County Safety, Security and Other	\$732	\$23	\$709
4	17-01-0004	Alameda	Program	Multimodal Streetscape	\$461	\$71	\$390
5	17-01-0005	Alameda	Program	PDA Planning	\$61	\$6	\$55
6	17-01-0006	Alameda	Program	Minor Roadway Expansions	\$203	\$0	\$203
7	17-01-0007	Alameda	Program	Roadway Operations	\$203	\$66	\$137
8	17-01-0008	Alameda	Program	Minor Transit Improvements	\$762	\$135	\$627
9	17-01-0009	Alameda	Project	New Alameda Point Ferry Terminal	\$177	\$0	\$177
10	17-01-0014	Alameda	Project	I-680 Southbound Express Lanes (SR-237 to SR-84) Upgrades	\$39	\$0	\$39
11	17-01-0015	Alameda	Project	7th Street Grade Separation East	\$558	\$3	\$555
12	17-01-0016	Alameda	Project	Oakland Army Base transportation infrastructure improvements	\$314	\$213	\$101
13	17-01-0017	Alameda	Project	Outer Harbor Intermodal Terminal (OHIT) Phases 2 and 3	\$205	\$0	\$205
14	17-01-0018	Alameda	Project	7th Street Grade Separation West	\$171	\$3	\$168
15	17-01-0019	Alameda	Project	I-580 Integrated Corridor Mobility (ICM)	\$146	\$0	\$146
16	17-01-0020	Alameda	Project	SR-262 Mission Boulevard Cross Connector Improvements	\$112	\$0	\$112
17	17-01-0021	Alameda	Project	I-880 Whipple Road Interchange Improvements	\$80	\$0	\$80
18	17-01-0022	Alameda	Project	Outer Harbor Turning Basin	\$65	\$0	\$65
19	17-01-0023	Alameda	Project	I-880 Industrial Parkway Interchange Reconstruction	\$57	\$0	\$57
20	17-01-0024	Alameda	Project	I-880 A Street Interchange Reconstruction	\$54	\$0	\$54
21	17-01-0025	Alameda	Project	Oakland International Airport Perimeter Dike	\$53	\$3	\$50
22	17-01-0026	Alameda	Project	Minor Freight Improvements Programmatic	\$51	\$2	\$49
23	17-01-0027	Alameda	Project	Middle Harbor Road Improvements	\$33	\$0	\$33
24	17-01-0028	Alameda	Project	I-580/I-680 Interchange Improvement Project	\$300	\$0	\$300
25	17-01-0029	Alameda	Project	SR-84/I-680 Interchange Improvements and SR-84 Widening	\$278	\$5	\$273
26	17-01-0030	Alameda	Project	I-880 Broadway/Jackson Interchange Improvements	\$244	\$2	\$242
27	17-01-0031	Alameda	Project	I-880 at 23rd/29th Avenue Interchange Improvements	\$111	\$67	\$44
28	17-01-0032	Alameda	Project	SR-84 Widening (Ruby Hill Drive_to Concannon Boulevard)	\$88	\$59	\$29
29	17-01-0033	Alameda	Project	I-580 Vasco Road Interchange Improvements	\$81	\$0	\$81
30	17-01-0034	Alameda	Project	I-580 Greenville Road Interchange Improvements	\$68	\$0	\$68
31	17-01-0035	Alameda	Project	I-580 First Street Interchange Improvements	\$62	\$0	\$62
32	17-01-0036	Alameda	Project	SR-92/Clawiter Road/Whitesell Street Interchange Improvements	\$62	\$0	\$62

ROW #	RTPID	County/ Sponsor	Listing Type	Project Title	Total Project Cost	Pre2017 Funding	Cost Included in the Investment Strategy
33	17-01-0037	Alameda	Project	Ashby I-80 Interchange with Bicycle and Pedestrian Ramps	\$60	\$0	\$60
34	17-01-0038	Alameda	Project	I-580 Interchange Improvement_at Hacienda/Fallon Road - Phase 2	\$58	\$0	\$58
35	17-01-0039	Alameda	Project	I-580 SR-84/Isabel Interchange Improvements Phase 2	\$43	\$0	\$43
36	17-01-0040	Alameda	Project	I-80 Gilman Street Interchange Improvements	\$42	\$2	\$40
37	17-01-0041	Alameda	Project	I-880 Winton Avenue Interchange Improvements	\$41	\$0	\$41
38	17-01-0042	Alameda	Project	I-680 Overcrossing Widening and Improvements (at Stoneridge Drive)	\$19	\$0	\$19
39	17-01-0043	Alameda	Project	42nd Ave & High St_Access Improvement at_I-880_On/Off Ramp	\$18	\$8	\$10
40	17-01-0044	Alameda	Project	I-680 Sunol Interchange Modification	\$18	\$0	\$18
41	17-01-0045	Alameda	Project	Santa Rita Road I-580 Overcrossing Widening	\$10	\$0	\$10
42	17-01-0046	Alameda	Project	Coliseum City Transit Hub	\$181	\$9	\$172
43	17-01-0047	Alameda	Project	I-880 to Mission Boulevard East-West Connector	\$236	\$41	\$195
44	17-01-0048	Alameda	Project	Dublin Boulevard - North Canyons Parkway Extension	\$89	\$0	\$89
45	17-01-0049	Alameda	Project	Fruitvale Avenue (Miller Sweeney) Lifeline Bridge Project	\$86	\$0	\$86
46	17-01-0050	Alameda	Project	SR-84 Mowry Avenue Widening (Peralta Blvd to Mission Blvd)	\$51	\$0	\$51
47	17-01-0051	Alameda	Project	Tassajara Road Widening from N. Dublin Ranch Drive to City Limit	\$48	\$0	\$48
48	17-01-0052	Alameda	Project	Auto Mall Parkway Widening and Improvements	\$30	\$0	\$30
49	17-01-0053	Alameda	Project	Dougherty Road Widening	\$23	\$4	\$19
50	17-01-0054	Alameda	Project	Union City Boulevard Widening (Whipple to City Limit)	\$17	\$0	\$17
51	17-01-0055	Alameda	Project	SR-84 Peralta Boulevard Widening (Fremont Blvd to Mowry Ave)	\$15	\$0	\$15
52	17-01-0056	Alameda	Project	Thornton Avenue Widening (Gateway Boulevard to Hickory Street)	\$15	\$0	\$15
53	17-01-0057	Alameda	Project	Dublin Boulevard Widening - Sierra Court_to Dublin Court	\$6	\$1	\$5
54	17-01-0058	Alameda	Project	Irvington BART Station	\$256	\$0	\$256
55	17-01-0059	Alameda	Project	Union City Intermodal Station Phase 4	\$78	\$0	\$78
56	17-01-0060	Alameda	Project	East Bay BRT	\$180	\$178	\$2
57	17-01-0061	Alameda	Project	Ralph Appezato Memorial Parkway BRT	\$10	\$0	\$10
58	17-01-0062	Alameda	Project	BART to Livermore/ACE Project Development and Construction Reserve	\$664	\$7	\$657
59	17-01-0063	Alameda	Project	Broadway Shuttle Expansion	\$37	\$0	\$37
60	17-02-0001	Contra Costa	Program	Access and Mobility Program	\$391	\$0	\$391
61	17-02-0002	Contra Costa	Program	Innovative Transportation Technology	\$75	\$0	\$75
62	17-02-0003	Contra Costa	Program	Bicycle and Pedestrian Program	\$246	\$0	\$246
63	17-02-0004	Contra Costa	Program	County Safety, Security and Other	\$285	\$0	\$285
64	17-02-0005	Contra Costa	Program	Multimodal Streetscape	\$792	\$1	\$791

ROW #	RTPID	County/ Sponsor	Listing Type	Project Title	Total Project Cost	Pre2017 Funding	Cost Included in the Investment Strategy
65	17-02-0006	Contra Costa	Program	Additional Local Road Preservation/Rehab	\$787	\$0	\$787
66	17-02-0007	Contra Costa	Program	Minor Roadway Expansions	\$528	\$4	\$524
67	17-02-0008	Contra Costa	Program	Roadway Operations	\$44	\$0	\$44
68	17-02-0009	Contra Costa	Program	Minor Transit Improvements	\$879	\$4	\$875
69	17-02-0010	Contra Costa	Project	SR4 Integrated Corridor Mobility	\$15	\$0	\$15
70	17-02-0011	Contra Costa	Project	I-80 ICM Project Operations and Maintenance	\$3	\$0	\$3
71	17-02-0012	Contra Costa	Project	I-680 Northbound Managed Lane Completion through 680/24 and Operational Improvements between N. Main and Treat Blvd	\$99	\$0	\$99
72	17-02-0013	Contra Costa	Project	I-680 Northbound HOV lane extension between N. Main and SR-242	\$54	\$0	\$54
73	17-02-0014	Contra Costa	Project	Kirker Pass Road Northbound Truck Climbing Lane, Clearbrook Drive to Crest of Kirker Pass Road	\$19	\$0	\$19
74	17-02-0015	Contra Costa	Project	Vasco Road _ Byron Highway Connector Road (Formerly named: SR-239: Airport Connector)	\$89	\$0	\$89
75	17-02-0016	Contra Costa	Project	Construct SR 242/Clayton Road on and off-ramps	\$56	\$0	\$56
76	17-02-0017	Contra Costa	Project	SR-239 Feasibility Studies and Project Development	\$42	\$0	\$42
77	17-02-0018	Contra Costa	Project	I-80/SR4: New I-80 EB off-ramp at Sycamore	\$15	\$0	\$15
78	17-02-0019	Contra Costa	Project	I-680/SR4 Interchange Improvements - All Phases	\$599	\$0	\$599
79	17-02-0020	Contra Costa	Project	SR-4 Operational Improvements - All Phases	\$303	\$0	\$303
80	17-02-0021	Contra Costa	Project	Reconstruct I-80/San Pablo Dam Road Interchange	\$120	\$0	\$120
81	17-02-0022	Contra Costa	Project	I-680 Southbound HOV Lane between N. Main and Livorna	\$83	\$0	\$83
82	17-02-0023	Contra Costa	Project	State Route 4 Widening and Balfour Road IC Construction	\$69	\$0	\$69
83	17-02-0024	Contra Costa	Project	I-80/SR-4 Interchange Improvements - New Eastbound Willow Avenue Ramps and SR-4 to -I80 Ramp	\$53	\$0	\$53
84	17-02-0025	Contra Costa	Project	SR-24/Brookwood Ramp Modifications	\$48	\$0	\$48
85	17-02-0026	Contra Costa	Project	I-80/Central Avenue Interchange Modification - Phases 1 & 2	\$26	\$0	\$26
86	17-02-0027	Contra Costa	Project	I-680 and SR-24 Interchange Improvements	\$20	\$0	\$20
87	17-02-0028	Contra Costa	Project	I-80 Eastbound and Westbound Pinole Valley Road On-ramp Improvement	\$10	\$0	\$10
88	17-02-0029	Contra Costa	Project	Eastbound SR-24: Construct Auxiliary Lane, Wilder Road to Camino Pablo	\$7	\$0	\$7
89	17-02-0030	Contra Costa	Project	Widen Brentwood Boulevard - Havenwood Way to north city limit; and Chestnut to Fir	\$34	\$0	\$34
90	17-02-0031	Contra Costa	Project	Widen Willow Pass Road, Lynwood Drive to SR 4	\$20	\$0	\$20
91	17-02-0032	Contra Costa	Project	Widen Ygnacio Valley Road-Kirker Pass Road, Cowell to Michigan	\$20	\$0	\$20
92	17-02-0033	Contra Costa	Project	Widen Camino Tassajara Road, Windemere to County Line	\$17	\$0	\$17
93	17-02-0034	Contra Costa	Project	West Leland Road Extension	\$16	\$0	\$16
94	17-02-0035	Contra Costa	Project	Lone Tree Way Widening	\$16	\$0	\$16
95	17-02-0036	Contra Costa	Project	Pittsburg-Antioch Highway Widening	\$15	\$0	\$15
96	17-02-0037	Contra Costa	Project	Widen Main St, SR 160 to Big Break Rd	\$13	\$0	\$13

ROW #	RTPID	County/ Sponsor	Listing Type	Project Title	Total Project Cost	Pre2017 Funding	Cost Included in the Investment Strategy
97	17-02-0038	Contra Costa	Project	Main Street Bypass	\$4	\$0	\$4
98	17-02-0039	Contra Costa	Project	Hercules Train Station - All Phases	\$97	\$0	\$97
99	17-02-0040	Contra Costa	Project	Martinez Intermodal Project: Phase 3	\$7	\$0	\$7
100	17-02-0041	Contra Costa	Project	Privately Run Ferry Service including Small-Scale (non-WETA complying) Landside Improvements from Antioch, Martinez, and Hercules to San Francisco	\$73	\$0	\$73
101	17-02-0042	Contra Costa	Project	Richmond-San Francisco Ferry Service	\$53	\$0	\$53
102	17-02-0043	Contra Costa	Project	BART Capacity, Access and Parking Improvements - non vehicles	\$46	\$0	\$46
103	17-02-0044	Contra Costa	Project	Landside Improvements for Richmond Ferry Service	\$25	\$0	\$25
104	17-02-0045	Contra Costa	Project	El Cerrito del Norte BART Station Modernization, Phase 1	\$22	\$0	\$22
105	17-02-0046	Contra Costa	Project	Civic Center Railroad Platform Park & Ride Complex	\$8	\$0	\$8
106	17-02-0047	Contra Costa	Project	East County Rail Extension (eBART), Phase 1	\$525	\$525	\$0
107	17-02-0048	Contra Costa	Project	East County Rail Extension (eBART), Phase 2 - environmental and reserve	\$111	\$0	\$111
108	17-02-0049	Contra Costa	Project	West County High Capacity Transit Investment Study Implementation - Phase 1	\$15	\$0	\$15
109	17-02-0050	Contra Costa	Project	Brentwood Intermodal Transit Center	\$52	\$0	\$52
110	17-03-0001	Marin	Program	Bicycle and Pedestrian Program	\$30	\$0	\$30
111	17-03-0002	Marin	Program	Climate Program: TDM and Emission Reduction Technology	\$1	\$0	\$1
112	17-03-0003	Marin	Program	County Safety, Security and Other	\$4	\$0	\$4
113	17-03-0004	Marin	Program	Roadway Operations	\$20	\$0	\$20
114	17-03-0005	Marin	Program	Minor Transit Improvements	\$45	\$0	\$45
115	17-03-0006	Marin	Project	Implement Marin Sonoma Narrows HOV Lane and corridor improvements Phase 2 (Marin County)	\$136	\$0	\$136
116	17-03-0007	Marin	Project	US 101/580 Interchange Direct Connector - PAED	\$15	\$0	\$15
117	17-03-0008	Marin	Project	Tiburon East Blithedale Interchange - PAED	\$12	\$0	\$12
118	17-03-0009	Marin	Project	Access Improvements to Richmond San Rafael Bridge	\$7	\$0	\$7
119	17-03-0010	Marin	Project	Highway Improvement Studies	\$5	\$0	\$5
120	17-03-0011	Marin	Project	Widen Novato Boulevard between Diablo Avenue and Grant Avenue	\$17	\$0	\$17
121	17-03-0012	Marin	Project	Sir Francis Drake Boulevard/Red Hill Avenue/Center Boulevard (known as "The Hub") - project development	\$6	\$0	\$6
122	17-03-0013	Marin	Project	San Rafael Transit Center (SRTC) Relocation Project	\$36	\$0	\$36
123	17-03-0014	Marin	Project	Larkspur Ferry Terminal Parking Garage - Planning Study	\$1	\$0	\$1
124	17-03-0015	Marin	Project	SMART Downtown San Rafael to Larkspur Rail Extension	\$42	\$2	\$40
125	17-04-0001	Napa	Program	Bicycle and Pedestrian Program	\$100	\$0	\$100
126	17-04-0002	Napa	Program	County Safety, Security and Other	\$7	\$0	\$7
127	17-04-0003	Napa	Program	Multimodal Streetscape	\$9	\$0	\$9
128	17-04-0004	Napa	Program	Minor Roadway Expansions	\$16	\$0	\$16

ROW #	RTPID	County/ Sponsor	Listing Type	Project Title	Total Project Cost	Pre2017 Funding	Cost Included in the Investment Strategy
129	17-04-0005	Napa	Program	Roadway Operations	\$54	\$4	\$50
130	17-04-0006	Napa	Program	Minor Transit Improvements	\$246	\$0	\$246
131	17-04-0007	Napa	Project	Countywide Intelligent Transportation Systems Program	\$9	\$0	\$9
132	17-04-0008	Napa	Project	State Route 29 Improvements	\$32	\$0	\$32
133	17-04-0009	Napa	Project	Soscol Junction	\$61	\$0	\$61
134	17-04-0010	Napa	Project	SR29 Gateway	\$32	\$0	\$32
135	17-05-0001	San Francisco	Program	Bicycle and Pedestrian Program	\$844	\$16	\$828
136	17-05-0002	San Francisco	Program	Climate Program: TDM and Emission Reduction Technology	\$118	\$0	\$118
137	17-05-0003	San Francisco	Program	County Safety, Security and Other	\$418	\$0	\$418
138	17-05-0004	San Francisco	Program	Multimodal Streetscape	\$383	\$0	\$383
139	17-05-0005	San Francisco	Program	PDA Planning	\$51	\$2	\$49
140	17-05-0006	San Francisco	Program	Additional Local Road Preservation/Rehab	\$1,348	\$0	\$1,348
141	17-05-0007	San Francisco	Program	Transit Preservation/Rehabilitation	\$2,256	\$0	\$2,256
142	17-05-0008	San Francisco	Program	Minor Roadway Expansions	\$906	\$43	\$863
143	17-05-0009	San Francisco	Program	Roadway Operations	\$182	\$0	\$182
144	17-05-0010	San Francisco	Program	Minor Transit Improvements	\$1,146	\$110	\$1,036
145	17-05-0011	San Francisco	Project	San Francisco Late Night Transportation Improvements	\$91	\$0	\$91
146	17-05-0012	San Francisco	Project	SFGO Integrated Transportation Management System	\$89	\$48	\$41
147	17-05-0013	San Francisco	Project	Expand SFMTA Transit Fleet	\$1,488	\$0	\$1,488
148	17-05-0014	San Francisco	Project	Muni Forward (Transit Effectiveness Project)	\$612	\$208	\$404
149	17-05-0015	San Francisco	Project	Rail Capacity Long Term Planning and Conceptual Design - All	\$450	\$0	\$450
150	17-05-0016	San Francisco	Project	Better Market Street - Transportation Elements	\$415	\$10	\$405
151	17-05-0017	San Francisco	Project	Core Capacity Implementation - Planning and Conceptual Engineering	\$335	\$0	\$335
152	17-05-0018	San Francisco	Project	Downtown San Francisco Ferry Terminal Expansion - Phase II	\$43	\$0	\$43
153	17-05-0019	San Francisco	Project	Establish new ferry terminal at Mission Bay 16th Street	\$17	\$0	\$17
154	17-05-0020	San Francisco	Project	HOV/HOT Lanes on U.S. 101 and I-280 in San Francisco	\$90	\$0	\$90
155	17-05-0021	San Francisco	Project	Geary Boulevard Bus Rapid Transit	\$300	\$0	\$300
156	17-05-0022	San Francisco	Project	Presidio Parkway	\$1,595	\$859	\$736
157	17-05-0023	San Francisco	Project	Yerba Buena Island (YBI) I-80 Interchange Improvement	\$168	\$105	\$63
158	17-05-0024	San Francisco	Project	Balboa Park Station Area - Southbound I-280 Off-Ramp Realignment at Ocean Avenue	\$11	\$1	\$10
159	17-05-0025	San Francisco	Project	Balboa Park Station Area - Closure of Northbound I-280 On-Ramp from Geneva Avenue	\$6	\$0	\$6
160	17-05-0026	San Francisco	Project	Bayshore Station Multimodal Planning and Design	\$13	\$0	\$13

ROW #	RTPID	County/ Sponsor	Listing Type	Project Title	Total Project Cost	Pre2017 Funding	Cost Included in the Investment Strategy
161	17-05-0027	San Francisco	Project	Hunters Point Shipyard and Candlestick Point Local Roads Phase 1	\$501	\$14	\$487
162	17-05-0028	San Francisco	Project	Southeast San Francisco Caltrain Station - Environmental	\$11	\$1	\$10
163	17-05-0029	San Francisco	Project	Downtown Value Pricing/Incentives - Pilot, Transit Service, Supportive Infrastructure	\$876	\$0	\$876
164	17-05-0030	San Francisco	Project	Treasure Island Mobility Management Program: Intermodal Terminal, Congestion Toll, Transit Service, Transit Capital	\$974	\$0	\$974
165	17-05-0031	San Francisco	Project	Southeast Waterfront Transportation Improvements - Phase 1	\$406	\$0	\$406
166	17-05-0032	San Francisco	Project	Geneva-Harney Bus Rapid Transit	\$256	\$0	\$256
167	17-05-0033	San Francisco	Project	Van Ness Avenue Bus Rapid Transit	\$215	\$0	\$215
168	17-05-0034	San Francisco	Project	Arena Transit Capacity Improvements	\$137	\$0	\$137
169	17-05-0035	San Francisco	Project	EN Trips: All Components	\$122	\$0	\$122
170	17-05-0036	San Francisco	Project	Regional/Local Express Bus to Support Express Lanes in SF	\$82	\$0	\$82
171	17-05-0037	San Francisco	Project	Parkmerced Transportation Improvements	\$76	\$0	\$76
172	17-05-0039	San Francisco	Project	Geneva Light Rail Phase I: Operational Improvements, Planning and Environmental	\$18	\$0	\$18
173	17-05-0040	San Francisco	Project	T-Third Mission Bay Loop	\$7	\$7	\$0
174	17-05-0041	San Francisco	Project	T-Third Phase II: Central Subway	\$1,578	\$1,578	\$0
175	17-05-0042	San Francisco	Project	Historic Streetcar Extension - Fort Mason to 4th & King	\$87	\$0	\$87
176	17-06-0001	San Mateo	Program	Bicycle and Pedestrian Program	\$247	\$22	\$225
177	17-06-0002	San Mateo	Program	County Safety, Security and Other	\$41	\$1	\$40
178	17-06-0003	San Mateo	Program	Multimodal Streetscape	\$289	\$14	\$275
179	17-06-0004	San Mateo	Program	Minor Roadway Expansions	\$64	\$19	\$45
180	17-06-0005	San Mateo	Program	Roadway Operations	\$64	\$0	\$64
181	17-06-0006	San Mateo	Project	County-wide Intelligent Transportation System (ITS) and Traffic Operation System Improvements	\$93	\$0	\$93
182	17-06-0007	San Mateo	Project	Modify existing lanes on U.S. 101 to accommodate a managed lane	\$365	\$15	\$350
183	17-06-0008	San Mateo	Project	Add northbound and southbound modified auxiliary lanes and/ or implementation of managed lanes on U.S. 101 from I-380 to San Francisco County line	\$222	\$5	\$217
184	17-06-0009	San Mateo	Project	Improve operations at U.S. 101 near Route 92 - Phased	\$258	\$2	\$256
185	17-06-0010	San Mateo	Project	Improve U.S. 101/Woodside Road interchange	\$171	\$7	\$164
186	17-06-0011	San Mateo	Project	US 101 Produce Avenue Interchange	\$146	\$11	\$135
187	17-06-0012	San Mateo	Project	U.S. 101 Interchange at Peninsula Avenue	\$89	\$9	\$80
188	17-06-0013	San Mateo	Project	Reconstruct U.S. 101/Broadway interchange	\$83	\$83	\$0
189	17-06-0014	San Mateo	Project	Reconstruct U.S. 101/Willow Road interchange	\$80	\$60	\$20
190	17-06-0015	San Mateo	Project	Construct auxiliary lanes (one in each direction) on U.S. 101 from Marsh Road to Embarcadero Road	\$79	\$79	\$0
191	17-06-0016	San Mateo	Project	Improve access to and from the west side of Dumbarton Bridge on Route 84 connecting to U.S. 101 per Gateway 2020 Study - Phased	\$39	\$3	\$36
192	17-06-0017	San Mateo	Project	Route 101/Holly St Interchange Access Improvements	\$34	\$1	\$33

ROW #	RTPID	County/ Sponsor	Listing Type	Project Title	Total Project Cost	Pre2017 Funding	Cost Included in the Investment Strategy
193	17-06-0018	San Mateo	Project	Improve local access at I-280/I-380 from Sneath Lane to San Bruno Avenue to I-380 - Environmental only	\$32	\$0	\$32
194	17-06-0019	San Mateo	Project	State Route 92-82 (El Camino) Interchange Improvement	\$30	\$25	\$5
195	17-06-0020	San Mateo	Project	Hwy 1 operational & safety improvements in County Midcoast (acceleration/deceleration lanes; turn lanes; bike lanes; pedestrian crossings; and trails)	\$29	\$5	\$24
196	17-06-0021	San Mateo	Project	Environmental Studies for 101/Candlestick Interchange	\$25	\$5	\$20
197	17-06-0022	San Mateo	Project	Westbound slow vehicle lane on Route 92 between Route 35 and I-280 - Environmental Phase	\$25	\$0	\$25
198	17-06-0023	San Mateo	Project	Route 1 Improvements in Half Moon Bay	\$19	\$10	\$9
199	17-06-0024	San Mateo	Project	Reconstruct U.S. 101/Sierra Point Parkway interchange (includes extension of Lagoon Way to U.S. 101)	\$17	\$8	\$9
200	17-06-0025	San Mateo	Project	US 101/University Ave. Interchange Improvements	\$11	\$0	\$11
201	17-06-0026	San Mateo	Project	Implement incentive programs to support transit-oriented development	\$106	\$0	\$106
202	17-06-0027	San Mateo	Project	Implement supporting infrastructure and Automated Transit Signal Priority to support SamTrans express rapid bus service along El Camino Real	\$1	\$0	\$1
203	17-06-0028	San Mateo	Project	Make incremental increase in SamTrans paratransit service - Phase	\$377	\$0	\$377
204	17-06-0029	San Mateo	Project	Add new rolling stock and infrastructure to support SamTrans bus rapid transit along El Camino Real- Phase	\$228	\$0	\$228
205	17-06-0030	San Mateo	Project	Environmental Clearance and Design of the Redwood City Ferry Terminal and Service	\$8	\$0	\$8
206	17-06-0031	San Mateo	Project	Implement Redwood City Street Car - Planning Phase	\$1	\$0	\$1
207	17-06-0032	San Mateo	Project	Route 1 San Pedro Creek Bridge Replacement and Creek Widening Project	\$14	\$14	\$0
208	17-06-0033	San Mateo	Project	Widen Route 92 between SR 1 and Pilarcitos Creek alignment, includes widening of travel lanes and shoulders	\$8	\$1	\$7
209	17-06-0034	San Mateo	Project	Construct Route 1 (Calera Parkway) northbound and southbound lanes from Fassler Avenue to Westport Drive in Pacifica	\$58	\$10	\$48
210	17-06-0035	San Mateo	Project	I-280 improvements near D Street exit	\$1	\$0	\$1
211	17-06-0036	San Mateo	Project	Widen Skyline Boulevard (Route 35) to 4-lane roadway from I-280 to Sneath Lane - Phased	\$25	\$0	\$25
212	17-06-0037	San Mateo	Project	Widen Millbrae Avenue between Rollins Road and U.S. 101 southbound on-ramp and resurface intersection of Millbrae Avenue and Rollins Road	\$11	\$0	\$11
213	17-06-0038	San Mateo	Project	Construct a 6-lane arterial from Geneva Avenue/Baysmore Boulevard intersection to U.S. 101/Candlestick Point interchange - Environmental phase	\$17	\$1	\$16
214	17-06-0039	San Mateo	Program	Grade Separations	\$265	\$5	\$260
215	17-07-0001	Santa Clara	Program	Bicycle and Pedestrian Program	\$641	\$0	\$641
216	17-07-0002	Santa Clara	Program	Caltrain Grade Separations	\$800	\$0	\$800
217	17-07-0003	Santa Clara	Program	Multimodal Streetscape	\$446	\$0	\$446
218	17-07-0004	Santa Clara	Program	Additional Local Road Preservation/Rehab	\$1,405	\$0	\$1,405
219	17-07-0005	Santa Clara	Program	Minor Roadway Expansions	\$918	\$0	\$918
220	17-07-0006	Santa Clara	Program	Roadway Operations	\$59	\$0	\$59
221	17-07-0007	Santa Clara	Project	Affordable Fare Program	\$44	\$0	\$44
222	17-07-0008	Santa Clara	Project	Implement System Operations and Management Program for Santa Clara County	\$899	\$0	\$899
223	17-07-0009	Santa Clara	Project	SR 87 Technology-based Corridor Improvements	\$52	\$0	\$52
224	17-07-0010	Santa Clara	Project	Hwy. Transportation Operations System/Freeway Performance Initiative Phase 1 & 2	\$20	\$0	\$20

ROW #	RTPID	County/ Sponsor	Listing Type	Project Title	Total Project Cost	Pre2017 Funding	Cost Included in the Investment Strategy
225	17-07-0011	Santa Clara	Project	Expressway ITS/Signal System (Tier 1 Exp Plan 2040)	\$18	\$0	\$18
226	17-07-0012	Santa Clara	Project	BART Silicon Valley Extension - San Jose (Berryessa) to Santa Clara (capital cost is \$4.9 billion)	\$5,175	\$0	\$5,175
227	17-07-0013	Santa Clara	Project	Implement El Camino Rapid Transit Project	\$272	\$0	\$272
228	17-07-0021	Santa Clara	Project	Alviso Wetlands Doubletrack	\$196	\$0	\$196
229	17-07-0022	Santa Clara	Project	Environmental Studies for SR-152 New Alignment	\$30	\$0	\$30
230	17-07-0023	Santa Clara	Project	US 101/Zanker Rd./Skyport Dr./Fourth St. Interchange Improvements	\$161	\$0	\$161
231	17-07-0024	Santa Clara	Project	Lawrence/Stevens Creek/I_280 Interchange	\$140	\$0	\$140
232	17-07-0025	Santa Clara	Project	I-280/Winchester Blvd Interchange Improvements	\$100	\$0	\$100
233	17-07-0026	Santa Clara	Project	I-280/Wolfe Road Interchange Improvements	\$97	\$0	\$97
234	17-07-0027	Santa Clara	Project	US 101/Mabury Rd./Taylor St. Interchange Improvements	\$82	\$0	\$82
235	17-07-0028	Santa Clara	Project	I-280 Mainline Improvements from County line to Sunnyvale	\$60	\$0	\$60
236	17-07-0029	Santa Clara	Project	I-280/Saratoga Avenue Interchange Improvements	\$60	\$0	\$60
237	17-07-0030	Santa Clara	Project	I-280 Northbound Braided Ramps between Foothill Expressway and SR 85	\$54	\$0	\$54
238	17-07-0031	Santa Clara	Project	US 101 Southbound/Trimble Rd./De La Cruz Blvd./Central Expressway Interchange Improvements	\$53	\$0	\$53
239	17-07-0032	Santa Clara	Project	I-680/ Alum Rock/ McKee Road Interchange Improvements	\$47	\$0	\$47
240	17-07-0033	Santa Clara	Project	SR 237/Mathilda Ave. and US 101/Mathilda Ave. Interchange Improvement	\$42	\$0	\$42
241	17-07-0034	Santa Clara	Project	US 101 Interchanges Improvements: San Antonio Rd. to Charleston Rd./Rengstorff Ave.	\$40	\$0	\$40
242	17-07-0035	Santa Clara	Project	US 101/Buena Vista Ave. Interchange Improvements	\$40	\$0	\$40
243	17-07-0036	Santa Clara	Project	SR 85 Northbound to Eastbound SR 237 Connector Ramp and Northbound SR 85 Auxiliary Lane	\$39	\$0	\$39
244	17-07-0037	Santa Clara	Project	SR 85/El Camino Real Interchange Improvements	\$28	\$0	\$28
245	17-07-0038	Santa Clara	Project	US 101/Blossom Hill Rd. Interchange Improvements	\$28	\$0	\$28
246	17-07-0039	Santa Clara	Project	US 101/Old Oakland Rd. Interchange Improvements	\$28	\$0	\$28
247	17-07-0040	Santa Clara	Project	US 101/Shoreline Blvd. Interchange Improvements	\$20	\$0	\$20
248	17-07-0042	Santa Clara	Project	SR 237/Great America Parkway WB Off- Ramps Improvements	\$15	\$0	\$15
249	17-07-0043	Santa Clara	Project	SR 237/El Camino Real/Grant Rd. Intersection Improvements	\$6	\$0	\$6
250	17-07-0044	Santa Clara	Project	Double Lane Southbound US 101 off-ramp to Southbound SR 87	\$3	\$0	\$3
251	17-07-0046	Santa Clara	Project	Lawrence Expressway at Homestead Road Interim Improvements (Tier 1 Exp Plan 2040)	\$3	\$0	\$3
252	17-07-0047	Santa Clara	Project	Foothill Expressway widening between El Monte and San Antonio (Tier 1 Exp Plan 2040)	\$2	\$0	\$2
253	17-07-0048	Santa Clara	Project	Montague Expressway widening between Trade Zone and Main/Oakland (Tier 1 Exp Plan 2040)	\$2	\$0	\$2
254	17-07-0049	Santa Clara	Project	Lawrence Expressway from Reed/Monroe to Arques Grade Separation (Tier 1 Exp Plan 2040)	\$524	\$0	\$524
255	17-07-0050	Santa Clara	Project	Lawrence Expressway at Homestead Road Grade Separation (Tier 1 Exp Plan 2040)	\$119	\$0	\$119
256	17-07-0051	Santa Clara	Project	Widen Calaveras Boulevard overpass from 4-lanes to 6-lanes	\$85	\$0	\$85

ROW #	RTPID	County/ Sponsor	Listing Type	Project Title	Total Project Cost	Pre2017 Funding	Cost Included in the Investment Strategy
257	17-07-0052	Santa Clara	Project	San Tomas Expressway Widening between Homestead and Stevens Creek (Tier 1 Exp Plan 2040)	\$47	\$0	\$47
258	17-07-0053	Santa Clara	Project	Oregon-Page Mill widening between I-280 and Foothill Expressway (Tier 1 Exp Plan 2040)	\$25	\$0	\$25
259	17-07-0054	Santa Clara	Project	Capitol Expressway Widening from I-680 to Capitol Avenue (Tier 1 Exp Plan 2040)	\$13	\$0	\$13
260	17-07-0055	Santa Clara	Project	Montague Expressway Widening Between Great Mall to Trade Zone (Tier 1 Exp Plan 2040)	\$7	\$0	\$7
261	17-07-0056	Santa Clara	Project	Bus Stop Improvements	\$47	\$0	\$47
262	17-07-0057	Santa Clara	Project	Frequent Core Bus Network - 15 minutes	\$769	\$0	\$769
263	17-07-0058	Santa Clara	Project	SR 85 Corridor Improvements - reserve amount	\$450	\$0	\$450
264	17-07-0059	Santa Clara	Project	Implement Stevens Creek Rapid Transit Project	\$254	\$0	\$254
265	17-07-0060	Santa Clara	Project	North First Street light rail speed Improvements	\$12	\$0	\$12
266	17-07-0061	Santa Clara	Project	Extend Capitol Expressway light rail to Eastridge Transit Center - Phase II	\$386	\$0	\$386
267	17-07-0062	Santa Clara	Project	Extend light-rail transit from Winchester Station to Route 85 (Vasona Junction)	\$256	\$0	\$256
268	17-07-0063	Santa Clara	Project	Mineta San Jose International Airport APM connector - planning and environmental	\$50	\$0	\$50
269	17-07-0064	Santa Clara	Program	Other County Program: Safety, Security, Other	\$25	\$0	\$25
270	17-07-0065	Santa Clara	Project	Caltrain Station and Service Enhancements	\$722	\$0	\$722
271	17-07-0066	Santa Clara	Project	Future Transit Corridor Studies	\$5	\$0	\$5
272	17-07-0067	Santa Clara	Project	SR 17 Corridor Congestion Relief in Los Gatos	\$30	\$0	\$30
273	17-07-0068	Santa Clara	Project	237 WB Additional Lane from McCarthy to North First	\$52	\$0	\$52
274	17-07-0069	Santa Clara	Project	US 101/SR 25 Interchange	\$185	\$0	\$185
275	17-07-0070	Santa Clara	Project	SR 237 Express Lanes: North First St. to Mathilda Ave.	\$27	\$0	\$27
276	17-07-0071	Santa Clara	Project	US 101 Express Lanes: 10th St. to SR 25	\$69	\$0	\$69
277	17-07-0072	Santa Clara	Project	US 101 Express Lanes: Cochrane Rd. to Masten Ave.	\$135	\$0	\$135
278	17-07-0073	Santa Clara	Project	US 101 Express Lanes: Masten Ave. to 10th St.	\$89	\$0	\$89
279	17-07-0074	Santa Clara	Project	SR 85 Express Lanes: US 101 (South San Jose) to Mountain View	\$198	\$0	\$198
280	17-07-0075	Santa Clara	Project	US 101 Express Lanes: Whipple Ave. in San Mateo County to Cochrane Road in Morgan Hill	\$507	\$0	\$507
281	17-07-0076	Santa Clara	Project	VTA Express Lanes Operations and Maintenance	\$678	\$0	\$678
282	17-08-0001	Solano	Program	Access and Mobility Program	\$113	\$0	\$113
283	17-08-0002	Solano	Program	Bicycle and Pedestrian Program	\$20	\$0	\$20
284	17-08-0003	Solano	Program	Climate Program: TDM and Emission Reduction Technology	\$23	\$0	\$23
285	17-08-0004	Solano	Program	County Safety, Security and Other	\$17	\$2	\$15
286	17-08-0005	Solano	Program	Multimodal Streetscape	\$2	\$0	\$2
287	17-08-0006	Solano	Program	PDA Planning	\$17	\$0	\$17
288	17-08-0007	Solano	Program	Minor Roadway Expansions	\$10	\$0	\$10

ROW #	RTPID	County/ Sponsor	Listing Type	Project Title	Total Project Cost	Pre2017 Funding	Cost Included in the Investment Strategy
289	17-08-0008	Solano	Program	Roadway Operations	\$59	\$0	\$59
290	17-08-0009	Solano	Project	I-80/I-680/SR12 Interchange (Packages 2-7)	\$380	\$6	\$374
291	17-08-0010	Solano	Project	Improve interchanges and widen roadways serving Solano County Fairgrounds, including Redwood Parkway	\$100	\$0	\$100
292	17-08-0011	Solano	Project	Provide auxiliary lanes on I-80 in eastbound and westbound directions from I-680 to Airbase Parkway	\$57	\$0	\$57
293	17-08-0012	Solano	Project	Construct 4-lane Jepson Parkway from Route 12 to Leisure Town Road at I-80	\$85	\$59	\$26
294	17-08-0013	Solano	Project	Conduct planning and design studies along SR-12 corridor in Solano County	\$58	\$0	\$58
295	17-08-0014	Solano	Project	Construct train station building and support facilities at the new Fairfield / Vacaville multimodal station	\$81	\$63	\$18
296	17-08-0015	Solano	Project	Solano MLIP Support Projects	\$115	\$0	\$115
297	17-08-0016	Solano	Project	Vallejo Station Parking Structure Phase B	\$30	\$0	\$30
298	17-08-0017	Solano	Project	I-80 WB Truck Scales	\$170	\$0	\$170
299	17-09-0001	Sonoma	Program	Bicycle and Pedestrian Program	\$173	\$0	\$173
300	17-09-0002	Sonoma	Program	SMART Rail Freight Improvements	\$10	\$0	\$10
301	17-09-0003	Sonoma	Program	Multimodal Streetscape	\$28	\$0	\$28
302	17-09-0004	Sonoma	Program	Minor Roadway Expansions	\$176	\$19	\$157
303	17-09-0005	Sonoma	Program	Roadway Operations	\$272	\$0	\$272
304	17-09-0006	Sonoma	Project	Implement Marin Sonoma Narrows Phase 2 (Sonoma County)	\$243	\$0	\$243
305	17-09-0008	Sonoma	Project	Arata Lane Interchange	\$4	\$0	\$4
306	17-09-0009	Sonoma	Project	Cotati US 101/Railroad Avenue Improvements (incl. Penngrove)	\$56	\$0	\$56
307	17-09-0010	Sonoma	Project	Hearn Avenue Interchange	\$36	\$0	\$36
308	17-09-0011	Sonoma	Project	Shiloh Road Interchange Reconstruction	\$27	\$0	\$27
309	17-09-0012	Sonoma	Project	Cotati Highway 116 Cotati Corridor Improvements	\$20	\$0	\$20
310	17-09-0013	Sonoma	Project	Petaluma Crosstown Connector and Rainier Interchange	\$123	\$0	\$123
311	17-09-0014	Sonoma	Project	Farmers Lane extension between Bennett Valley Rd and Yolanda Avenue	\$72	\$5	\$67
312	17-09-0015	Sonoma	Project	Road Diet Extension - Petaluma Boulevard South	\$3	\$0	\$3
313	17-09-0016	Sonoma	Project	SMART Petaluma Infill Station	\$11	\$0	\$11
314	17-09-0017	Sonoma	Project	Enhance bus service frequencies in Sonoma County	\$409	\$0	\$409
315	17-09-0018	Sonoma	Project	SMART Rail Extension to Windsor + Environmental to Cloverdale + Bike Path	\$49	\$0	\$49
316	17-10-0001	AC Transit	Project	AC Transit Fleet Expansion and Major Corridors	\$340	\$0	\$340
317	17-10-0003	AC Transit	Project	San Pablo Avenue BRT	\$390	\$0	\$390
318	17-10-0004	AC Transit	Project	Environmental Studies for Bay Bridge Contraflow Lane	\$20	\$0	\$20
319	17-10-0005	BART	Project	BART Metro Program + Bay Fair Connector	\$1,055	\$0	\$1,055
320	17-10-0006	BART	Project	BART Transbay Core Capacity Project	\$3,132	\$0	\$3,132

ROW #	RTPID	County/ Sponsor	Listing Type	Project Title	Total Project Cost	Pre2017 Funding	Cost Included in the Investment Strategy
321	17-10-0007	CAHSR	Project	California HSR in the Bay Area	\$8,400	\$0	\$8,400
322	17-10-0008	Caltrain	Project	Caltrain Electrification Phase 1 + CBOSS	\$2,360	\$0	\$2,360
323	17-10-0009	GGBHTD	Program	Golden Gate Bridge Capital and Operations	\$2,031	\$0	\$2,031
324	17-10-0010	GGBHTD	Project	Bus and Ferry Service Expansion	\$199	\$0	\$199
325	17-10-0011	Multi-County	Program	Lifeline, Community Based Transportation Program, and Mobility Management	\$890	\$0	\$890
326	17-10-0012	Multi-County	Program	Means-Based Fare Study Implementation	\$150	\$0	\$150
327	17-10-0013	Multi-County	Program	Transportation Management Systems	\$500	\$0	\$500
328	17-10-0014	Multi-County	Program	Bay Trail - non toll bridge segments	\$220	\$0	\$220
329	17-10-0015	Multi-County	Program	Climate Program: TDM and Emission Reduction Technology	\$535	\$9	\$526
330	17-10-0016	Multi-County	Program	Cost Contingency	\$1,000	\$0	\$1,000
331	17-10-0017	Multi-County	Program	Capital Projects Debt Service	\$4,100	\$0	\$4,100
332	17-10-0018	Multi-County	Program	Goods Movement Clean Fuels and Impact Reduction Program	\$350	\$0	\$350
333	17-10-0019	Multi-County	Program	Goods Movement Technology Program	\$300	\$0	\$300
334	17-10-0020	Multi-County	Program	New/Small Starts Reserve	\$680	\$0	\$680
335	17-10-0021	Multi-County	Program	Priority Development Area (PDA) Planning Grants	\$200	\$0	\$200
336	17-10-0022	Multi-County	Program	Local and Streets and Roads - Existing Conditions	\$20,970	\$0	\$20,970
337	17-10-0023	Multi-County	Program	Local Streets and Roads - Operations	\$12,850	\$0	\$12,850
338	17-10-0024	Multi-County	Program	Regional and Local Bridges - Existing Conditions	\$14,500	\$0	\$14,500
339	17-10-0025	Multi-County	Program	Regional State Highways - Existing Conditions	\$13,750	\$0	\$13,750
340	17-10-0026	Multi-County	Program	Regional Transit Capital - Existing Conditions	\$28,616	\$0	\$28,616
341	17-10-0027	Multi-County	Program	Regional Transit Operations	\$122,470	\$0	\$122,470
342	17-10-0028	Multi-County	Program	Clipper	\$1,735	\$0	\$1,735
343	17-10-0029	Multi-County	Program	511 Traveler Information Program	\$280	\$0	\$280
344	17-10-0030	Multi-County	Program	SAFE Freeway Patrol	\$150	\$0	\$150
345	17-10-0031	Multi-County	Program	Regional Transportation Emergency Management Program	\$25	\$0	\$25
346	17-10-0032	Multi-County	Program	Regional Rail Station Modernization and Access Improvements	\$370	\$0	\$370
347	17-10-0033	Multi-County	Program	Bay Area Forward - Active Traffic Management, Arterial Operations , Connected Vehicles, Shared Mobility, Transbay Operations, Managed Lanes Implementation Plan Operations, Transit and Commuter Parking	\$995	\$0	\$995
348	17-10-0034	Multi-County	Project	San Francisco-Oakland Bay Bridge West Span Bicycle, Pedestrian, and Maintenance Path - Environmental Only	\$30	\$10	\$20
349	17-10-0036	Multi-County	Project	I-580 Access Improvements Project	\$74	\$74	\$0
350	17-10-0037	Multi-County	Project	Highway 37 Improvements and Sea Level Rise Mitigation PSR	\$24	\$0	\$24
351	17-10-0043	Multi-County	Program	Regional Carpool Program	\$60	\$3	\$57

ROW #	RTPID	County/ Sponsor	Listing Type	Project Title	Total Project Cost	Pre2017 Funding	Cost Included in the Investment Strategy
352	17-10-0044	Multi-County	Project	I-80 Express Lanes: Airbase Parkway to Red Top Road	\$44	\$0	\$44
353	17-10-0045	Multi-County	Project	I-80 Express Lanes: Bay Bridge Approaches	\$18	\$0	\$18
354	17-10-0046	Multi-County	Project	I-680 Express Lanes: Benicia Bridge	\$0	\$0	\$0
355	17-10-0047	Multi-County	Project	I-680 Express Lanes: Marina Vista to SR 242	\$15	\$0	\$15
356	17-10-0048	Multi-County	Project	I-680 Express Lanes: Marina Vista to Rudgear	\$36	\$0	\$36
357	17-10-0049	Multi-County	Project	I-680 Express Lanes: Livorna/Rudgear to Alcosta	\$56	\$0	\$56
358	17-10-0050	Multi-County	Project	SR-84 Express Lanes: I-880 to Dumbarton Bridge Toll Plaza	\$6	\$0	\$6
359	17-10-0051	Multi-County	Project	SR-92 Express Lanes: Hesperian to San Mateo Bridge Toll Plaza	\$7	\$0	\$7
360	17-10-0052	Multi-County	Project	I-880 Express Lanes: Hegenberger/Lewelling to SR-237	\$81	\$0	\$81
361	17-10-0053	Multi-County	Project	I-80 Express Lanes: Carquinez Bridge to Bay Bridge	\$78	\$0	\$78
362	17-10-0054	Multi-County	Project	MTC Express Lane Program Cost	\$113	\$0	\$113
363	17-10-0055	Multi-County	Project	MTC Express Lanes Operations and Maintenance	\$1,278	\$0	\$1,278
364	17-10-0056	Multi-County	Project	MTC Express Lanes Reserve	\$3,258	\$0	\$3,258
365	17-10-0038	TJPA	Project	Caltrain/HSR Downtown San Francisco Extension	\$4,250	\$109	\$4,141
366	17-10-0039	TJPA	Project	Implement Transbay Transit Center/Caltrain Downtown Extension (Phase 1 - Transbay Transit Center)	\$1,741	\$1,682	\$59
367	17-10-0040	WETA	Project	North Bay Ferry Service Enhancement	\$220	\$0	\$220
368	17-10-0041	WETA	Project	Central Bay Ferry Service Enhancement	\$212	\$0	\$212
369	17-10-0042	WETA	Project	Albany/Berkeley Ferry Terminal	\$143	\$0	\$143

September 28, 2015

Steve Heminger, Executive Director
Metropolitan Transportation Commission
101 Eighth Street
Oakland, CA 94607

Re: Response of the 6 Wins Network to the Plan Bay Area 2040 Call for Projects

Dear Mr. Heminger:

The 6 Wins for Social Equity Network, a regional coalition of over 20 organizations working to promote social, racial, economic and environmental justice in the Bay Area, is pleased to respond to the Call for Projects for Plan Bay Area 2040.

The members of the 6 Wins Network include community-based and grassroots groups with low-income members in many of the underserved communities within Priority Development Areas designated in Plan Bay Area. (A list of some of those organizations, with contact information, is attached.) We believe that if the region proposes to rebuild those neighborhoods for the greater good, existing at-risk residents should have a say in ensuring that their highest priority needs are met with a meaningful portion of new public investment.

We therefore request that MTC sponsor the Underserved Community Benefits Program, and evaluate it alongside other proposed priorities for the \$60 billion in “discretionary” revenues in the new Plan. The Underserved Community Benefits Program we propose (see Attachment A) consists of two phases: (1) **an ongoing planning phase** (first round to be completed during 2016) and funded with \$2 million in planning grants annually to community-based organizations with low-income and minority members in Communities of Concern, and (2) **an implementation phase**, to be funded with \$2 billion in discretionary funds during the first four fiscal years of Plan Bay Area 2040, for transportation projects and programs, and sustainable communities infrastructure, identified as priorities in the planning phase.

The Call for Projects memo of March 31, 2015, “encourages” the submission of projects that meet “one or more” of the following criteria: (1) Supports Plan Bay Area’s performance targets; (2) Supports Plan Bay Area’s adopted forecasted land use, include Priority Development Areas (PDA) and Priority Conservation Areas (PCA); or (3) Derives from an adopted plan, corridor study, or project study report. This project meets all three criteria, as discussed below. First, it will strongly support most, if not all, of Plan Bay Area’s performance targets. Second, it will support Plan Bay Area’s land use pattern, especially the PDAs that the regional agencies have referred to as the “centerpiece” of the Sustainable Communities Strategy. Finally, it is consistent with a community-adopted plan brought forward by the 6 Wins Network, and studied by MTC and ABAG as an alternative to Plan Bay Area 2013.

The Greenest and Most Effective Solutions Come from Underserved Communities Themselves

That community-adopted plan is known as the Equity, Environment and Jobs (EEJ) scenario for Plan Bay Area. The 6 Wins Network developed it through a community-driven process in 2011. When MTC and ABAG evaluated the EEJ scenario as an alternative in the Environmental Impact Report for Plan Bay Area, they found it was “environmentally superior” to the other alternatives. They also

found that the EEJ Alternative performed better than the plan developed by professional staff on a range of important regional goals: It would reduce daily VMT by 3.5 million miles and annual GHG emissions by over 500,000 tons a year more than the adopted Plan Bay Area. It would put tens of thousands fewer families at risk of flooding from sea-level rise and billions of dollars more into filling potholes on local streets and roads. It would do all this while also providing the greatest benefits to disadvantaged families and better protecting them from displacement.¹

The EEJ Alternative showed that, when residents of underserved communities make decisions for themselves, they can identify priorities and solutions that bring benefits not only to their immediate community, but to the greater region as a whole.² The lessons of direct community engagement were taken further under the Bay Area’s HUD “Sustainable Communities Initiative” grant. MTC sub-granted a portion of its HUD funds to community-based organizations. This led to inclusive and successful community engagement processes in underserved communities around the region, resulting in wise policy and investment recommendations informed by a depth and breadth of community voices.

Those lessons continue in California’s expenditure of Cap and Trade auction revenues. A growing consensus, reflected in significant part in the Air Resources Board’s guidance on SB 535 (de León), holds that the mere fact that an investment is made “within” a disadvantaged community is not by itself enough to ensure that it will benefit the low-income residents of that community. Instead, the determination of whether investments provide meaningful benefits to disadvantaged communities depends on the answers to four questions:

1. Does the investment meet an important community need identified by low-income residents?
2. Are the benefits of the investment significant?
3. Are the benefits targeted to lower-income residents and households?
4. Does the investment avoid harms to the community, like displacement?

The expertise in answering these questions lies not within public agencies, or in a computer-simulated “equity analysis” of the distant future, but in the community itself. This project would support residents in answering these questions in a manner that will meet their priority needs while strengthening the very neighborhoods so critical to Plan Bay Area’s success: the Priority Development Areas, or PDAs.

Creating Successful PDAs That Protect Against Displacement

Investments that serve the highest priority needs of low-income residents in Communities of Concern (COCs) will also support Plan Bay Area’s focus on PDAs because they overlap substantially.³ PDAs

¹ See UC Davis analysis of the Plan Bay Area EIR available at http://www.publicadvocates.org/sites/default/files/library/uc_davis_comparison_of_draft_pba_with_eej_alternative_summary.pdf.

² See Donald L. Kirp, “What do the Poor Need? Try Asking Them” (New York Times, Aug. 8, 2015), available at http://www.nytimes.com/2015/08/09/opinion/sunday/david-l-kirp-what-do-the-poor-need-try-asking-them.html?_r=1.

³ A map overlaying COCs with PDAs is available at <http://geocommons.com/maps/199657>.

are intended to focus growth and investment in a subset of the region's transit-served neighborhoods that local governments have self-nominated.

Community-driven investments that answer "yes" to the four questions above are essential both to achieving equity and to realizing the GHG reduction goals in SB 375 and Plan Bay Area. Low-income people of color in COCs face a very high risk of displacement, fueled in significant part by local, regional, and state policies that encourage transit-oriented development. Coupled with private market interest, these policies are contributing to severe upward pressures on housing costs in these neighborhoods.⁴ This, in turn, is forcing out many vulnerable residents, disrupting communities and causing substantial negative health impacts.

Displacement of low-income families from neighborhoods near transit also has GHG impacts: It robs the transit system of the "high-propensity transit riders" who use it the most.⁵ When these low-income residents are replaced by more affluent ones, transit ridership declines, feeding a cycle of transit service cuts and fare increases.⁶ When those same low-income residents can no longer afford to live near frequent and affordable transit, they are forced to drive to jobs and other destinations from often-distant places, including the ex-urban Bay Area and the Central Valley, stressing families and increasing GHG emissions.⁷ This project would ensure that transportation investments serve the needs of existing residents, and that infrastructure funding supports the development of affordable housing that can help existing families stay in their gentrifying communities.

Conclusion

While the 6 Wins Network recognizes that it is breaking new ground by submitting this response to MTC's Call for Projects, we believe that the new Underserved Community Benefits Program proposed here is one that offers the opportunity to launch Plan Bay Area on a win-win path to success and that promises to become a national model for community-based planning with healthy triple-bottom-line outcomes for equity, environment, and the economy. (For the connection to health, see the 6 Wins letter dated September 23, 2015, proposing that MTC and ABAG study an updated version of the Equity, Environment and Jobs scenario.)

Accordingly, we request that MTC analyze this proposal, issue an RFP for community outreach and engagement in Communities of Concern during 2016, and each year thereafter, make annual 12-month grants in the amount of \$2 million to community-based organizations with members in those communities, and fund the programs and projects in each of those communities that are identified as priorities through these community-led planning processes using a \$2 billion share of discretionary revenues over the first four years of the new Plan.

⁴ Causa Justa :: Just Cause, "Development Without Displacement," p. 47.

⁵ Dukakis Center for Urban and Regional Policy, "Maintaining Diversity in America's Transit-Rich Neighborhoods" (October 2010), available at http://www.northeastern.edu/dukakiscenter/wp-content/uploads/2011/12/TRN_Equity_final.pdf.

⁶ TransForm and California Housing Partnership Corporation, "Why Creating and Preserving Affordable Homes Near Transit is a Highly Effective Climate Protection Strategy" (May 2014), 3, 7-10, available at <http://www.chpc.net/dnld/AffordableTODResearch051514.pdf>.

⁷ Id.

To discuss planning grants, please contact the organizations listed in Attachment B. Please contact Public Advocates (rmarcantonio@publicadvocates.org) with respect to the project-level performance evaluation of this proposed project.

Very truly yours,

Anthony Panarese
Alliance of Californians for Community Empowerment

Miya Yoshitani
Asian Pacific Environmental Network

Carl Anthony
Breakthrough Communities

Wendy Alfsen
California Walks

Dawn Phillips
Causa Justa :: Just Cause

Tim Frank
Center for Sustainable Neighborhoods

M. Paloma Pavel
Earth House Center

Gloria Bruce
East Bay Housing Organizations

Kathryn Gilje
Genesis

Joshua Hugg
Housing Leadership Council of San Mateo County

Jill Ratner
New Voices Are Rising

Omar Medina
North Bay Organizing Project

Richard Marcantonio
Public Advocates

Joel Ervice
Regional Asthma Management Program

Tim Little
Rose Foundation for Communities and the Environment

Jennifer Martinez
San Francisco Organizing Project/Peninsula Interfaith Action

Rev. Kirsten Snow Spalding
San Mateo County Union Community Alliance

Peter Cohen and Fernando Marti
SF Council of Community Housing Organizations

Rev. Earl W. Koteen
Sunflower Alliance

Clarrissa Cabansagan
TransForm

Bob Allen
Urban Habitat

Derecka Mehrens
Working Partnerships USA

Enclosures: Attachment A (Web-Based Application Form)
Attachment B (CBOs and Contact Information)

Cc: Adam Noelting (anoelting@mtc.ca.gov)
Alix Bockelman (abockelman@mtc.ca.gov)
Ken Kirkey (kkirkey@mtc.ca.gov)

Attachment A: Web-Based Project Application Form

1. PROJECT TYPE & PROGRAM CATEGORIES MATRIX

Field	Description
Project/Program Type	Uncommitted

2. COMMITTED STATUS

1. *Is this project/program 100% funded through Local Funds?* No.
2. *Does this project/program have a full funding plan?* No.
3. *Will this project/program have a certified EIR or Record of Decision for EIS by September 30, 2015?* No.

3. BASIC INFORMATION

Field	Description
Project Title	Underserved Community Benefits Planning and Implementation Program
Project/Program Description	Regional program to dedicate \$2 billion of regional discretionary funds in the first 4 years of the Plan to projects and programs identified as priorities through a community-led process in COCs, with annual planning grants to CBOs.
County	Regional
Sponsor Agency	MTC
Operating Agency	Local transit operators and cities, depending on type and location of the individual projects or programs identified through a community-led process.
Implementing Agency	Local transit operators and cities, depending on type and location of the individual projects or programs identified through a community-led process.

4. COST

Field	Description
Capital Cost (2017\$)	Allocations to be determined by annual community-led process, subject to criteria below.
Environmental/Design (2017\$)	
Right-of-Way (ROW) (2017\$)	
Construction (2017\$)	
Rolling Stock (2017\$)	
Operations & Maintenance Start (2017\$)	Allocations to be determined by annual community-led process, subject to criteria below.
Operations (2017\$)	
Maintenance (2017\$)	

5. ESTIMATED BENEFIT BY MODE

Field	Description
Auto	To be determined by community-led process.
Transit	
Bike	
Pedestrian	
Freight	

6. SCHEDULE

Field	Description
Certified Environmental Document Date	N/A
Capital Start Year	FY 2017-18
Environmental/Design	
Right-of-Way (ROW)	
Construction	
Rolling Stock	FY 2017-18
Operations & Maintenance Start Year	
Operations	
Maintenance	

7. MODELING

Field	Description
Notes	<p>The Underserved Community Benefits Program is regional in scope, consisting of a planning phase (first round to be completed during 2016), and an implementation phase, to be funded during each of the first four fiscal years of Plan Bay Area 2040.</p> <p><u>Planning Phase:</u> Beginning in 2016, MTC will provide \$2 million in annual grants to community-based organizations with low-income and minority members or constituents in one or more of the Bay Area’s 35 “Communities of Concern.” A per capita share of this planning grant fund will be allocated to each Community of Concern (COC), and awarded to one or more community-based organizations (CBOs) with close ties to low-income residents and residents of color in each COC, to convene and lead inclusive priority-setting discussions. Through those CBO-led discussions, with technical assistance from regional, local and transit agencies, residents of each COC will come together to reach consensus on their highest priority unmet needs – and on the transportation projects and programs, and sustainable communities infrastructure – that would best address those needs in their communities.</p>

Implementation Phase: MTC will assign \$2 billion (approximately 25 percent of the “discretionary” portion of Plan Bay Area 2040 revenues in the first four years of the new Plan) to the transportation projects and programs, and transit-oriented development infrastructure (e.g., for affordable housing), identified as priorities through the community-led process conducted in the Planning Phase in each COC.

Criteria: While investments will be selected by local residents to meet the priority needs they identify, the program will be governed by these criteria:

1. The local package of investments for each Community of Concern must address one or more important unmet needs of underserved residents in that community, and must do so in a significant way relative to the dollar amount of the investment.
2. Local low-income families, residents, workers and small locally owned businesses must be the primary beneficiaries of the package of investments.
3. Each package of investments must avoid harms to underserved residents of the community, and in particular must reduce the risk that existing low-income residents will be displaced from their community.
4. Each package of investments must promote the creation and retention of quality living- and middle-wage jobs, and give low-income residents access to a meaningful share of those jobs. Capital projects must include a Project Labor Agreement to the full extent permitted by law.
5. Each package of investments must do its share in helping the region achieve its target for greenhouse gas (GHG) reduction.

While this program would direct investment to many of the same geographies as two existing regional programs – the Lifeline Transportation Program, and the OneBayArea Grant (OBAG) program – the new program would differ from both in significant respects.

First, unlike those programs, in which investment decisions are made by the countywide Congestion Management Agencies (CMAs), under this new program, existing low-income and minority residents of each COC would make those decisions. Second, this program would differ from Lifeline in scale. Over six years (2006-2012), MTC invested \$172 million in Lifeline projects regionally, just under \$30 million a year. (Plan Bay Area, pp. 7-8.) Plan Bay Area continues that level of funding, assigning \$800 million over 28 years to Lifeline. (Id.) This new program, by contrast, would front-load that approximate amount in each of the first four years of the new Plan, in recognition of the crucial role that PDAs play in achieving regional goals; the overall benefit to the economy of increasing economic opportunity for low-income residents; the massive threat of displacement that PDA development poses to low-income communities of color; and the risk to the region of the continuing displacement of low-income families, high-propensity transit riders, and low-wage workers from transit-oriented neighborhoods. Finally, this program would differ from OBAG in its focus on meeting the self-identified needs of low-income residents in and near PDAs.

Low-Income Communities of Color in the Bay Area

Plan Bay Area’s equity analysis identified 35 “Communities of Concern.” These places have an aggregate population of 1.38 million residents, or 20 percent of the Bay Area’s total population,⁸ of whom 81 percent are people of color and 45 percent live in low-income households (defined as below 200% of the federal poverty level).

In addition, the region’s “Fair Housing and Equity Assessment” (ABAG, March 2015) notes that several areas outside of designated “Communities of Concern” meet HUD’s definition of “Racially/Ethnically Concentrated Areas of Poverty.”⁹ In these places, more than 50 percent of residents are people of color, and more than 40 percent have incomes below the federal poverty level.

Plan Bay Area “Discretionary” Revenues

Like its predecessors, Plan Bay Area 2040 will assign “discretionary” revenues over the planning period. However, while the new Plan will span a decades-long planning period, it will remain in effect for only four years before it is replaced by the next regional transportation plan.

In Plan Bay Area 2013, \$60 billion in “discretionary” revenues were “available for assignment to projects and programs through Plan Bay Area.” (Plan Bay Area, p. 13.) As noted in the MTC staff report of May 26, “[d]iscretionary revenues in the [new] Plan are projected to be almost equal to those for Plan Bay Area, with only a .01% decrease.” Over the first four years of that 28-year Plan, these “discretionary” revenues will amount to approximately \$8 billion.

Setting aside a meaningful share of these near-term “discretionary” revenues to meet the self-identified needs of low-income residents of disadvantaged communities has precedent both in state law and in Plan Bay Area itself. SB 535 (de León 2012) requires at least 25 percent of California’s Cap and Trade auction proceeds to be invested to benefit disadvantaged communities. And Supervisor John Gioia’s amendment to Plan Bay Area committed MTC, should it receive a share of those revenues, to allocate them through a process that “will specifically ensure that at least 25 percent of these revenues will be spent to benefit disadvantaged communities in the Bay Area, and to achieve the goals of Plan Bay Area.” (Plan Bay Area, p. 66.)

Assigning these revenues to meeting the needs of underserved communities will promote social equity in the new Plan Bay Area. In particular, it will ensure that the region is demonstrably complying with US DOT’s Order on Environmental Justice, which prohibits not only the denial of a fair share of the Plan’s benefits to low-income and minority populations, but also any “significant delay in the receipt” of those benefits. As noted in

⁸ Plan Bay Area Equity Analysis, Appendix B.1.

⁹ FHEA, p. 2 and Table on pp. 67-68.

	the cover letter, it meets the criteria MTC has set for the Call for Projects and, in particular, will promote many of Plan Bay Area’s other goals and performance measures while also promoting its land use pattern
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8. FUNDING

Field	Description
Prior Funding	\$0
Committed Funding by Source	\$0
Discretionary Funding by Source	\$2,000,000,000 over 4 years (FY 2017-18 through FY 2020-21) (Note: Each Community of Concern will be assigned a per capita share of implementation revenues based on its share of the Bay Area’s total Community of Concern population. For instance, the “SF Downtown/Chinatown/North Beach/Treasure Is.” COC, with a population of 27,333, or 1.98 percent of the total COC population of 1.38 million, will be assigned a four-year implementation budget of \$39.6 million.)
<i>OneBayArea Grant</i>	N/A
<i>RTIP</i>	N/A
<i>Anticipated Local Discretionary Funds</i>	N/A
<i>Regional Discretionary Funds</i>	\$2,000,000,000 over 4 years (FY 2017-18 through FY 2020-21)

9. CONTACT

Field	Description
First Name	Richard
Last Name	Marcantonio
Title	Managing Attorney
Phone	415-431-7430
Agency	Public Advocates Inc.
Email	rmarcantonio@publicadvocates.org

Attachment B: Community-Based Organizations and Contact Information

Organization	Contact Person	Contact Email	Phone No.
Alliance of Californians for Community Empowerment (ACCE)	Anthony Panarese	apanarese@calorganize.org	510-269-4692
Asian Pacific Environmental Network (APEN)	Miya Yoshitani	miya@apen4ej.org	510-834-8920 (Oakland) 510-236-4616 (Richmond)
California Walks	Wendy Alfsen	wendy@californiawalks.org	510-292-4435
Cause Justa :: Just Cause	Dawn Phillips	dawn@cjjc.org	510-763-5877 (Oakland) 415-487-9203 (Mission, SF) 415-864-8372 (Bayview, SF)
East Bay Housing Organizations (EBHO)	Gloria Bruce	gloria@ebho.org	510-663-3830
Genesis	Mary Lim Lampe	marylimlampe@gmail.com	510-882-3404
North Bay Organizing Project (NBOP)	Susan Shaw	sshaw@northbayop.org	707-481-2970
San Francisco Organizing Project/Peninsula Interfaith Action (SFOP/PIA)	Jennifer Martinez	jennifer@sfop.org	650-796-4160
San Mateo County Union Community Alliance (SMCUCA)	Rev. Kirsten Snow Spalding	kss@well.org	510-207-6346
Sunflower Alliance	Rev. Earl W. Koteen	Rev.Earl.W.Koteen@gmail.com	916-441-0018
Working Partnerships USA	Derecka Mehrens	derecka@wpusa.org	408-809-2120



TO: Joint MTC Planning Committee with the
ABAG Administrative Committee

DATE: September 2, 2016

FR: MTC Deputy Executive Director, Policy /
ABAG Executive Director

RE: Plan Bay Area 2040: Draft Preferred Scenario – Preliminary Results for Performance Targets and Equity Measures

Background

Earlier this year, MTC and ABAG evaluated three alternative land use and transportation scenarios to better understand the effects of various strategies on the adopted goals and performance targets of Plan Bay Area 2040 (PBA 2040). Since then, staff has incorporated feedback received from the public and from policymakers to craft a *Draft Preferred Scenario* (discussed in the prior agenda items). Similar to the alternative scenarios, the *Draft Preferred Scenario* was evaluated against the thirteen performance targets, as well as six associated equity measures, to identify strengths and shortcomings with this latest iteration.

Each target and equity measure compares baseline conditions with future conditions to understand whether the region is expected to move in the right or wrong direction under a given scenario. It is important to note that the target and equity measure results discussed in this item remain preliminary until finalized later this fall, when all scenarios will be consistently evaluated against the 2040 Plan horizon year as specified in the approved targets methodology.

Draft Preferred Scenario: Preliminary Results

As the Draft Preferred Scenario combines elements and strategies from the earlier round of scenario evaluation, its performance remains in a similar range. Ultimately, the Draft Preferred Scenario generated the following results when compared to the Plan performance targets:

- **Exceeded or achieved 5 targets:** Climate Protection, Adequate Housing, Open Space and Agricultural Preservation, Middle-Wage Job Creation, Goods Movement/Congestion Reduction
- **Moving in the right direction for 5 targets:** Healthy and Safe Communities, Affordable Housing, Non-Auto Mode Share, Road Maintenance, Transit Maintenance
- **Moving in the wrong direction for 3 targets:** Housing + Transportation Affordability, Risk of Displacement, Access to Jobs

A more detailed breakdown of target results is included in **Attachment 1**, alongside results from previously analyzed scenarios.

In addition to analyzing the thirteen performance targets for the Plan, six of these targets were designated as equity measures for the purpose of the PBA 2040 Equity Analysis. The equity measures can be analyzed by income bracket or by geography in order to compare disadvantaged communities (either low-income households, lower-income households, or Communities of Concern, depending on the measure) with non-disadvantaged communities. **Attachment 2** summarizes the PBA 2040 equity measure results for each of the scenarios, showing that the Draft Preferred Scenario yields the strongest equity results for Displacement Risks and Access to Jobs and the weakest results for Housing + Transportation Affordability and Affordable Housing.

Results Discussion

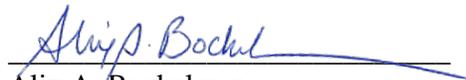
Notably, the Draft Preferred Scenario performs well in terms of addressing climate change and protecting the natural environment. With per-capita greenhouse gas emissions results on par with the Connected Neighborhoods Scenario, the Draft Preferred Scenario exceeds the Senate Bill 375 greenhouse gas emissions target for year 2035 – thanks in part to robust funding of the Climate Initiatives Program. Similarly, the Draft Preferred Scenario results in nearly 12,000 fewer acres of greenfield development than under the No Project scenario, fully achieving the ambitious 100 percent agricultural preservation target.

Fiscal constraint makes it difficult to achieve other ambitious targets, however. Without new funding sources to construct significant numbers of affordable housing units, the Draft Preferred Scenario yields results similar to other previously-analyzed scenarios – only slightly growing the existing share of affordable housing in PDA, transit-rich, or high-opportunity communities (rather than doubling it per the adopted target). Limited funding also makes it difficult to maintain and modernize the region’s aging transportation infrastructure. While the Draft Preferred Scenario substantially improves infrastructure conditions for motorists and transit users, it does not achieve an ideal state of good repair by year 2040. Without regional funding for highway maintenance, its performance remains significantly lower than in the Main Streets Scenario previously evaluated. At the same time, the “Fix It First” emphasis means that only 10 percent of funds remain to expand capacity-constrained freeways and transit lines, resulting in limited performance improvements for travel mode shift, public health and access to jobs.

Displacement risk and affordability remain the most vexing regional challenges under the Draft Preferred Scenario. While the latest scenario performs better than any other scenario previously analyzed for displacement risk – notably reducing the number of at-risk households by 63,000 compared to No Project conditions – it still results in elevated risk levels compared to year 2010. Displacement risk increases are forecasted to be significantly greater outside Communities of Concern in the Draft Preferred Scenario, avoiding the adverse impacts of the Big Cities Scenario in many urban low-income neighborhoods. At the same time, affordability impacts will continue to hit hardest for lower-income households. While lower-income households are expected to be most adversely affected by increasing rents and home prices, the Draft Preferred Scenario indicates that this impact will affect residents at all income levels to some degree. In summary, the performance results indicate that much more work remains to be done on the local and regional levels – as well as through federal and state policy – to tackle the Bay Area’s ongoing affordability crisis in the coming years.

Next Steps

Staff will present updated performance results later this year as MTC and ABAG move closer to a preferred scenario for PBA 2040. The preferred scenario adoption is expected in November 2016, which will advance the project into the environmental review phase.


Alix A. Bockelman


Ezra Rapport

Attachments

AB:dv

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Draft Performance Target Results

Goal	Target*	%	No Project	Main Streets	Connected Neighborhoods	Big Cities Preferred	Draft Preferred
	1 Reduce per-capita CO2 emissions	-15%	-5%	-15%	-18%	-20%	-18%
	2 House the region's population	100%	100%	100%	100%	100%	100%
	3 Reduce adverse health impacts	-10%	-0%	-0%	-1%	-1%	-1%
	4 Direct development within urban footprint	100%	87%	91%	100%	100%	100%
	5 Decrease H+T share for lower-income households	-10%	+14%	+13%	+13%	+13%	+13%
	6 Increase share of affordable housing	+15%	+1%	+1%	+1%	+0%	+1%
	7 Do not increase share of households at risk of displacement	+0%	+18%	+11%	+13%	+15%	+9%
	8 Increase share of jobs accessible in congested conditions	+20%	-2%	-1%	-1%	-1%	-0%
	9 Increase jobs in middle-wage industries	+38%	+43%	+43%	+43%	+43%	+43%
	10 Reduce per-capita delay on freight network	-20%	+14%	-22%	-14%	-35%	-28%
	11 Increase non-auto mode share	+10%	+2%	+2%	+3%	+4%	+3%
	12 Reduce vehicle O&M costs due to pavement conditions	-100%	+46%	-66%	-9%	+15%	-16%
	13 Reduce per-rider transit delay due to aged infrastructure	-100%	-59%	-77%	-78%	-80%	-78%

Notes: *Target results are subject to change as scenarios are further refined this fall. Note that select targets have not yet been analyzed for the final horizon year of 2040 and are currently using year 2035 as the best available proxy. Final target results released in fall 2016 will reflect the ultimate horizon year. Complete target language as adopted by the Commission and ABAG Board can be found at <http://planbayarea.org/the-plan/plan-details/goals-and-targets.html>. Target language shown above is summarized for brevity.

Symbols used in summary tables:

-  Performance moving in wrong direction from target
-  Performance moving in right direction, but falling short of target
-  Target achieved

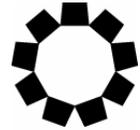
Draft Results for Equity Measures

Equity Measures		Geography	%	No Project	Main Streets	Connected Neighborhoods	Big Cities	Draft Preferred
3	Reduce Adverse Health Impacts	High-Income Households	-10%	-1%	-1%	-1%	-1%	-1%
		Low-Income Households		-0%	-1%	-1%	-1%	-1%
5	Decrease H+T share for lower-income households	Higher-Income Households	-10%	+4%	+4%	+4%	+4%	+4%
		Lower-Income Households		+14%	+13%	+13%	+13%	+13%
6	Increase share of affordable housing	Outside Communities of Concern	+15%	+0%	+1%	+2%	+2%	+1%
		Inside Communities of Concern		+1%	+0%	+0%	-2%	-1%
7	Do not increase share of households at risk of displacement	Outside Communities of Concern	+0%	+20%	+19%	+18%	+14%	+14%
		Inside Communities of Concern		+16%	-4%	+4%	+19%	+1%
8	Increase share of jobs accessible in congested conditions	Outside Communities of Concern	+20%	-2%	-1%	-1%	-1%	-1%
		Inside Communities of Concern		-1%	-0%	-0%	-2%	+0%
9	Increase jobs in middle-wage industries	Outside Communities of Concern	+43%	+43%	+43%	+43%	+43%	+43%
		Inside Communities of Concern		+43%	+43%	+43%	+43%	+43%

Notes: Equity measure results are subject to change as scenarios are further refined this fall. Note that select equity measures have not yet been analyzed for the final horizon year of 2040 and are currently using year 2035 as the best available proxy. Final equity measure results released in fall 2016 will reflect the ultimate horizon year. For equity measures #3 and #5, low-income households earn less than \$30,000 in year 2000 dollars, lower-income households earn less than \$60,000 in year 2000 dollars, high-income households earn more than \$100,000 in year 2000 dollars, and higher-income households earn more than \$60,000 in year 2000 dollars. For equity measures #6 and #7, the measures are specific to Priority Development Areas, Transit Priority Areas, or High-Opportunity Areas. Note that 4 Communities of Concern do not generally overlap with High-Opportunity Areas.

Symbols used in summary tables:

- **Stronger** performance in Communities of Concern or for lower-income households
- **Weaker** performance in Communities of Concern or for lower-income households
- **Similar** performance in Communities of Concern or for lower-income households



ABAG

Date: September 6, 2016
To: ABAG Regional Planning Committee
From: Miriam Chion, ABAG Planning & Research Director
Subject: **Plan Bay Area 2040 Draft Implementation Actions**

Summary

While the distribution of housing and jobs is a central component of Plan Bay Area 2040, an understanding of the actions needed to meet our shared goals for a more prosperous, sustainable, and equitable future is equally important. The regional agencies are working in concert to develop an implementation framework—a critical part of which is the second One Bay Area Grant program (OBAG2) recently adopted by the Metropolitan Transportation Commission (MTC). The region’s strategy for future growth acquires meaning to the extent that cities and stakeholders can agree on a set of strategies that have traction on the ground. Building on the adopted *People, Places and Prosperity* Report, you have requested that we develop housing, economic development, resilience, and placemaking actions in this Plan while continuing to focus on creating thriving Priority Development Areas (PDAs).

This memo offers for your review and discussion an initial set of Plan Bay Area implementation actions to complement the Preferred Scenario Growth Allocation and the Plan’s transportation investments. The actions are divided into four categories: 1) Housing; 2) Resilience; 3) Economic Development; and 4) Priority Development Areas. The actions reflect four years of collaboration with local jurisdictions, the Executive Board, Regional Planning Committee (RPC), MTC, and other regional partners, and align with ABAG’s responsibilities as the Bay Area’s Council of Governments.

1. Housing

Bay Area Housing Challenges

By design, Plan Bay Area must show how we can house all of the region’s projected growth at every income level, and strives to do so without displacing current low-income residents¹. This goal is supported by ABAG’s statutory responsibility as the Council of Governments to conduct the Regional Housing Needs Allocation (RHNA) process through which each local jurisdiction identifies adequate land zoned for housing to accommodate its fair share of natural and employment-induced growth. In many jurisdictions, however, housing production routinely falls short of targets, especially for housing affordable to very-low, low and even moderate-income households.

In general, producing housing that would be affordable to most Bay Area residents requires substantial public funding. The available funding is very limited, especially since the State’s elimination of local redevelopment agencies (and their mandatory local housing trust funds). Housing production is further hampered by fiscal disincentives, and often community resistance.

Over the last several years the tech-led economic boom has attracted hundreds of thousands of new residents while fewer than 40,000 new housing units were built. The consequent high housing costs have triggered widespread displacement—from homes, from home neighborhoods, even from the region—that many characterize as the Bay Area’s Housing Crisis.

In response, the regional agencies have expanded their role in housing matters. In addition to its long-standing practice of research, data collection, and fostering replication of exemplary local innovations, ABAG has added more direct technical assistance, policy leadership and resource development to facilitate planning and implementation in Priority Development Areas (PDAs). MTC has used transportation funds to incentivize planning and support site acquisition for infill housing.

Housing Action Agenda

Broadly, the Plan’s housing strategies can be characterized as the 3 P’s: **production** of new homes, **preservation** of affordability, and **protection** of residents against economic displacement. In addition to funding for affordable housing production and preservation, the region needs accompanying infrastructure investments; streamlining of the process to secure permits for housing projects that conform to local, regional and state guidelines; and policies and programs to mitigate economic displacement.

Housing Production

Although it is not the only answer to the Bay Area’s housing affordability challenge, building new homes, both market and affordable, is critical. We must make it easier to build new housing when it aligns with local land use plans, provide new funding sources to increase housing affordability, and expand the tools that jurisdictions can use to build mixed-income neighborhoods and raise funds for affordability solutions.

State subsidies play an important role in meeting our workforce housing needs, and Greenhouse Gas Reduction Fund (“Cap and Trade”) revenues are an important new source. The region worked closely with the California Strategic Growth Council to assure that allocation methodologies amplify successful regional efforts which center on PDAs generally and strategic

¹ Goals and Performance Targets for Plan Bay Area 2040,

downtowns and sub-regional corridors in particular². The regional agencies are also encouraging and supporting local governments to pursue a variety of “self-help” strategies to augment diminished state and federal funding sources.

Affordable Housing Preservation

Almost all of the housing that will be in the Bay Area in 2040 is here today. For the many homeowners with relatively long-held mortgages, existing homes provide affordability and place-security. For many renters, older apartment buildings offer lower market rents or, in some cities, rent stability. However, each year thousands of relatively affordable homes in older buildings are demolished for high-cost new homes, and a few thousand deed-restricted rental units are at risk of reverting to market rate as their affordability contracts and subsidies expire. Further, thousands of units of housing are removed from our existing supply by conversion to short-term rentals. We need to preserve existing affordability where we can, and unlock affordability potential in our existing housing stock. Housing renovations, rehabs, and retrofits can preserve affordability while providing many other benefits. Modern seismic code upgrades can save lives and will reduce the Bay Area’s current risk of 250,000 instantly displaced households in a major earthquake. Accessory dwelling units (ADUs) can accommodate homeowners’ changing family size and activities of daily living while also giving or retaining ADU residents’ access to neighborhoods with jobs, services, and amenities. Public funding can accelerate renovations that make residents safer and communities stronger.

Protection against Displacement

Across the region renters face unprecedented price pressures. Adding new homes will relieve some pressure, except where it accelerates displacement because of rapidly escalating land values. Acquisition/rehab/conversion (ARC) of older affordable apartment houses to long-term affordability will give those residents rent stability and place security when they move back in, but these projects take time and money.

Helping today’s renters is harder. State law limits local discretion to adopt rent stabilization, just cause eviction, and condominium conversion ordinances. Therefore, to enable jurisdictions to act to assure their residents’ place-security, we need to not only increase the region’s housing supply and fund the preservation of existing homes, but also support jurisdictions that choose to adopt policies to protect existing residents from economic displacement.

Implementation Actions: Housing

Regional leadership on housing. A regional collaboration platform facilitates work by and among cities, counties, and other partner agencies to implement Plan Bay Area. The platform includes the Regional Planning Committee, the Regional Advisory Working Group, the Bay Area Planning Directors Association, county Congestion Management Agencies and the regional agency staffing dedicated to maintaining these institutional connections and developing in-depth understanding of local perspectives, opportunities and constraints. The regional agencies provide local governments and other stakeholders with the housing and economic information, convene peer cohorts for best-practice implementation, and provide specific technical assistance. For example, ABAG actively supports numerous housing policy implementation projects proceeding under the auspices of the East Bay Corridor Initiative, the Grand Boulevard Initiative and the 21 Elements program.

² Your Council of Governments at Work, Budget and Work Program FY 2016-2017

Leverage regional funds to expand affordable housing. The Plan expands the Transportation-Oriented Affordable Housing Fund (TOAH), which leverages a small but catalytic kernel of transportation funds to attract private social investment to, among other eligible uses, acquire land for infill housing. The Plan also creates a similarly structured Naturally-Occurring Affordable Housing Fund (NOAH) to help preserve housing affordability through acquisition/rehabilitation/conversion (ARC) of existing housing and other approaches.

Link transportation funding to housing. OBAG2 expands upon the region's innovative approach of incentivizing housing production and planning by allocating transportation funding, in part, based on local efforts to approve new homes—particularly affordable homes. The regional agencies will explore options to build on the recently-approved incentive fund to reward jurisdictions that meet future production targets.

Develop long-term regional housing and infrastructure funding mechanisms. The regional agencies will continue to explore incubation of a Regional Housing Trust Fund and an Infrastructure Fund capable of providing subsidies roughly comparable to amounts formerly available through redevelopment agencies for affordable housing and housing supportive public works.

Promote Acquisition/Rehabilitation/Conversion (ARC). To increase and retain affordability inherent in existing homes through renovation, ABAG will continue to advance enabling legislation to remove barriers and gain affordable housing production credit (toward RHNA targets) for jurisdictions' production of affordable homes through ARC and accessory dwelling units (ADUs); and provide technical assistance and fund development for integrated seismic/conservation retrofits.

2. Resilience

Bay Area Resilience Challenges

Plan Bay Area is focused on accommodating growth and infrastructure investments that support and enhance the health of our region's environment, economy, and communities now and into the future. Responsible long-range planning requires us to consider the social and environmental context of where growth is planned so that we can mitigate, where possible, the impacts of current and future hazards and make our communities more resilient over time. The natural and man-made forces that have shaped the Bay Area also place the region at significant risk from hazards such as earthquakes and flooding. Due to historic growth patterns, a large proportion of the region's most intensely developed areas, which include critical assets such as residential communities, job centers, airports, seaports, parks, natural areas and transportation infrastructure, are located near the San Francisco Bay shoreline, where earthquake and flooding risks are highest. The impact of hazards such as earthquakes, floods, and fire may be immediate and acute, while other hazards such as drought and sea level rise are likely to occur over longer periods of time with cumulating impacts.

Plan Bay Area directs growth to existing communities and along major transportation corridors. As a result, many of the areas identified in Plan Bay Area for future growth are located in areas at risk from seismic and flooding hazards. While growth is important for the region's continued prosperity, it is equally important that this growth proceeds in a safe and smart manner that increases our region's resilience to current and future hazards. Increasing the region's resilience means taking proactive steps to decrease potential disruptions caused by current and future hazards and other events, preparing for the process of recovering and rebuilding communities, as well as planning for future growth that minimizes risk to new investments.

The Bay Area is also experiencing a number of other factors that could negatively impact quality of life as the region grows such as inequality, housing affordability and displacement. These challenges, coupled with potential hazards, disproportionately affect already vulnerable populations, including low-income residents, communities of color, and disabled, young and elderly residents. Decision-makers will need to make conscious and informed choices about what level of risk is acceptable, as well as which tools to implement to help reduce risk and ensure that loss of life, injuries, displacement, and disruption of everyday life is minimized when disasters occur. The policies and strategies that we identify to achieve Plan Bay Area 2040's vision of economic prosperity, housing affordability, and environmental sustainability must address existing and future issues and hazards, such as sea level rise and earthquakes.

Resilience Action Agenda

The action agenda for resilience focuses on three key points: 1) protect existing development (housing and infrastructure) through investment in retrofit or new flood control infrastructure and 2) incorporate current and future hazards into new land use patterns to avoid building significant risk into new communities; and 3) deepen our understanding of future risks.

Protect Existing Investments

Much of the Bay Area's existing built environment was built to past building codes that did not fully take into account resilience to natural hazards. Yet these homes, businesses, roads, pipelines, and bridges will be what we depend on *after* a disaster to keep daily lives moving. We must encourage residents, property owners, and utilities to continue to retrofit older buildings to be able to better withstand flooding, earthquakes, and other natural hazards, and to expand policy and financial support for streamlined, affordable retrofits.

In some cases, retrofitting structures themselves is ineffective or doesn't offer adequate protection from hazards. Particularly in the case of sea level rise and flooding, we may also need to consider local and regional actions that offer protection for existing structures, like flood control measures.

Jurisdictions can implement local policies that require evaluating and retrofitting older structures. ABAG is working closely with jurisdictions to develop awareness and policy tools to support retrofit, and to support the exploration of a variety of financing tools to help ease the burden of retrofit costs, especially for housing that serves the region's most vulnerable residents. The region is also facilitating conversations between utilities and jurisdictions to catalyze better plans for infrastructure resilience, as well as partnering with jurisdictions to conduct in-depth analysis of potential investments in protection against flooding.

Safe, Smart Future Land Use

Making investments in new housing, businesses, and infrastructure can be safer and smarter with land use planning that takes current and future hazards into account. While building codes significantly help reduce loss of life and property in a disaster, some hazards are so significant or unpredictable that avoiding the highest hazard areas is the best choice. This is particularly true with liquefaction and sea level rise areas. Priority Development Areas, especially those with significant greenfield development, should be incentivized to locate housing and other highly vulnerable land uses in lower hazard areas, or to include mitigation and adaptation strategies if they are located in hazardous areas. Priority Conservation Areas or other park or open space lands can be used to preserve buffers of open space along the shoreline and can act as nature-based protection and mitigation for future sea level rise and storm surges. All new proposed PDAs should include a hazard evaluation, and priority should be given to those applicants who have given consideration to high hazard areas. Existing PDAs should be given priority opportunities for OBAG funding if they have assessed their risk and developed mitigation and adaptation plans, if necessary. Directing new development and investment to lower-risk areas is critical not just for housing and businesses, but for new transportation and utility investments, which will dictate the direction of growth for decades.

Continue to Deepen our Understanding of Future Risks

While the region has a long history of planning for natural hazards like seismic risks and fire, climate change presents new unknowns for the future of the Bay Area. Questions such as exactly what challenges we will face and how they will impact assets and residents are still being answered. There have been such assessments for some areas around the region, such as the Adapting to Rising Tides (ART) Program's Alameda County project, the C-Smart project on the Outer Coast of Marin County and San Mateo County's SeaChange San Mateo which is currently undertaking a near county-scale assessment. At the regional scale, ABAG and BCDC have conducted an assessment of the region's housing and people to determine the risks and consequences of flooding, sea level rise and seismic events to these critical regional assets. The next step underway is to bring those assessments together into one document and fleshing out a more comprehensive regional assessment that will lead to specific strategies, to address the range of vulnerabilities to our people, places and infrastructure. The understanding we have to date through the work mentioned above conducted over the last five years allows us to lift up some representative case studies that highlight some of most important risks and consequences that the region faces related to these current and future hazards.

Implementation Actions: Resilience

Expand adoption of resilient housing policies. ABAG's Resilient Housing Policy Initiative helps jurisdictions access analysis and policy tools for seismic retrofit of existing housing. This includes a standard plan set for single family retrofit, a database with examples of seismic retrofit policies, an extensive policy guidance document on developing a soft story retrofit program, and workshops with key vulnerable jurisdictions to overcome policy challenges around soft story retrofit. Expanding upon these efforts through focused outreach and technical assistance to cities and corridors will play a key role in successfully implementing the Plan.

Strengthen infrastructure lifelines. The Infrastructure Subcommittee of ABAG's Regional Planning Committee convenes utilities and jurisdictions to identify how the region can work together to ensure that utilities can provide services as stressors are added to the region's systems, including increased population and current and future hazards. ABAG will leverage the council work to advance concrete actions toward a more robust regional infrastructure network.

Create innovative financing for retrofits. ABAG is exploring innovative financing and grant programs for retrofits, including partnerships with the Federal Emergency Management Agency (FEMA) and the California Earthquake Authority, as well as a potential regional financing pool to assist vulnerable populations with retrofits. Solidifying this concept will help jurisdictions implement recently-adopted soft story ordinances, particularly in low income communities.

Integrate resilience into PDA planning. To take into account the importance of resilience in creating successful PDAs, the region can offer incentives and funding to jurisdictions to include strategies addressing vulnerability to natural hazards in PDA plans.

Support Adapting to Rising Tides. The regional agencies will continue to collaborate with the Bay Conservation and Development Commission (BCDC) on the Adapting to Rising Tides (ART) project, working closely with local jurisdictions to deeply assess vulnerability to sea level rise, and identify workable solutions to protect key assets and regional resources.

Coordinate climate technical assistance through Bay Area Regional Collaborative (BARC). BARC is coordinating a climate technical assistance program to integrate the myriad efforts around the region to respond to climate change challenges and to provide a comprehensive toolkit to jurisdictions. This cross-agency effort will bring together both resources for assessing vulnerability and policy tools for adaptation strategies.

3. Economic Development

Understanding the Region's Economic Challenges

Plan Bay Area 2013 was developed during one of the region's most challenging economic periods in recent times. While focusing on providing space and transportation systems for regional growth, there were questions about whether the Bay Area economy would be dealing with growth, rather than stagnation or decline. Four years later, the question is how far and how fast can the region grow, how many will enjoy the fruits of that growth, what populations may be left behind economically or displaced entirely from the region, and how can the region remain resilient in downturns. The strong economic conditions projected in *Plan Bay Area 2040* can only be achieved by addressing concerns such as 1) creating and attracting a skilled workforce, 2) housing that workforce and the rest of the region's population, 3) maintaining and expanding the transportation network to bring the workforce to employment centers and distribute the products of the region to markets within and beyond the Bay Area, and 4) investing in resilient world-class infrastructure.

A series of initiatives addressing the region's economic prosperity and resilience have been completed since the adoption of *Plan Bay Area 2013*. The 2014 *Economic Prosperity Strategy*, reporting on two years of research and engagement, focuses on economic opportunity for low- and moderate-wage workers. The San Francisco Bay Area Council Economic Institute (BACEI) convened business leaders around *A Roadmap for Economic Resilience: The Bay Area Regional Economic Strategy*, published in 2015, identifies actions needed to maintain the region's competitive advantage. The 2016 *San Francisco Bay Area Goods Movement Plan* addresses the role of goods movement in the economy and ways to maintain and improve the system while limiting environmental and community impact. A University of California analysis of Bay Area industrial land identifies the economic activities dependent on industrial land and how competition for land is affecting this part of the economy.

Economic Development Action Agenda

These collaborative regional efforts identified a number of common challenges and goals:

A 21st century workforce to meet the needs of 21st century industries. Workforce access issues identified include: a mismatch of skills available and skills needed by employers within the region; the geographic distance between new more-affordable housing and employment opportunities; and attracting new workers to a high cost-of-living locale. Regional economic development actions need to reduce barriers to workforce recruitment that are exacerbated by housing and travel constraints, narrow skills gaps between available workers and job openings, while improving educational opportunities for low and middle-wage workers and making efficient use of training resources in the region.

*Land use and regulation to foster economic stability and nurture growth—*As the region struggles to house its population, land use planning becomes central to achieving a workable balance between adequate space for business operation and expansion and sufficient land for housing at a range of income levels. Land use regulations, critical to the success of a regional plan, can enhance or impede the ability of employers and housing developers to respond to economic opportunities or changes.

*Housing supply and affordability for the workforce—*Housing is number one on many lists of the barriers to business and workforce prosperity in the region. How the regional plan addresses the gap between the growth of housing demand and supply will have a direct effect on the region's

employment growth and on the access of workers at all income levels to employment opportunities.

Strengthen transportation and infrastructure resources—Transportation can be a route to opportunity or a barrier. Projects selected must balance maintaining and improving efficient use of existing resources with investments to improve accessibility for residents and the workforce to goods and service providers. Modernized and resilient infrastructure is a crucial piece to the continued economic health of the region. This includes not only buildings and transportation facilities but also energy and communications networks; and flood control, sewer, and water systems that serve regional homes and businesses.

Generate supportive programs in pockets of vulnerability—Advocacy organizations and local workforce and economic development programs point to the challenges faced by some population groups and geographic areas within the region that suffer high levels of unemployment, low wages, poverty, high housing costs or homelessness as the region's economy expands.

Each of these areas of concern is manifested in many different ways throughout the region. Actions at the regional level require establishing processes and programs that can address concerns at the individual and local level while aiming towards the regional goal of economic resilience.

Implementation Actions: Economic Development

Establish a Regional Economic Development District. Establish a designation by the US Economic Development Administration as a Regionwide Economic Development District (EDD), based on a Comprehensive Economic Development Strategy (CEDS). This will: 1) identify the region's economic strengths, weaknesses, opportunities and threats; 2) create consensus-based regional economic and workforce development strategies; 3) establish a platform for obtaining economic development initiatives and investments that address regional and sub-regional issues as well as the specialized needs of vulnerable populations or business groups; and 4) advocate and provide technical assistance to realize actions identified in the CEDS and earlier regional studies.

Introduce Priority Production Areas. Building upon discussions with local economic development officials, establish a Priority Production Area (PPA) program that will provide the information needed for crafting a set of criteria for establishing a priority land use category that supports production and distribution activities in the region.

Expand Regional Partnerships. Maintain strong partnerships with other regional economic, business and workforce organizations and provide support to initiatives that address the need of specific industries or broader regional goals, such as the Bay Area Community College Consortium Strong Workforce Program, East Bay Works Manufacturing and Logistics Summit, and the nascent efforts to provide a platform for communication and to coordinate local organizations concerned with agriculture and food systems sustainability.

4. Priority Development Area (PDA) Implementation

Progress on PDAs

Since the inception of the Priority Development Area (PDA) program in 2007, PDAs have become the foundation of regional land use, housing, and transportation coordination. PDAs are locally nominated places with frequent transit service planned for significant housing growth and supportive services. Building upon *Plan Bay Area 2013*, Plan Bay Area 2040 focuses the vast majority of housing and the bulk of employment growth in PDAs. The PDAs continue to be the focal point for transportation investments. The Plan's major transit projects connect the region's network of PDAs, and a minimum of 50%-70% of the One Bay Area Grant (OBAG) funding to counties will be spent on projects in PDAs.

In much of the Bay Area, housing and job growth is already shifting to PDAs, reflecting a growing preference among businesses and residents for pedestrian-friendly places with convenient transit access and local services. PDAs in cities such as San Francisco, San José, and Mountain View are ahead of schedule to meet the housing and job projections in the first Plan Bay Area. The PDA Planning Program led by MTC and ABAG has contributed to this success by supporting local plans that together created capacity for 70,000 homes and commercial floorspace for 110,000 employees. The PDAs are increasingly recognized by regional, state, and federal partners as the linchpin to sustainable growth in the Bay Area. Recent Environmental Protection Agency (EPA), Federal Emergency Management Agency (FEMA), and Housing and Urban Development (HUD) grants to the region addressing issues ranging from brownfields to sea level rise and equitable economic development focus on PDAs. Since the adoption of the *Plan Bay Area 2013*, the regional agencies have worked with jurisdictions to tailor the PDA program to meet local needs through programs such as the East Bay Corridors Initiative.

Challenges remain to realizing a PDA-focused regional growth pattern. In the absence of strong inclusionary zoning, rapidly growing PDAs often struggle to produce housing affordable to low and moderate income households and to address displacement. In some areas, particularly places with weaker housing markets and less frequent transit service, PDAs are attracting a smaller share of housing and job growth. Common obstacles to implementing PDA plans across the region include limited resources for affordable housing and infrastructure following the dissolution of redevelopment agencies, uncertainty during the entitlement process, and the gap between rents affordable to typical Bay Area wage earners and the rents sought by market rate developers to meet profit targets.

PDA Action Agenda

The success of PDAs is closely linked to the Bay Area's ability to meet our housing needs, protect our open space, make the most of our transportation investments, improve community health, and maintain a culture of innovation. The regional agenda for PDAs builds on the program's successes while responding to emergent challenges and opportunities.

Build on Success

As noted above, the PDA planning grant and technical assistance program continues to produce comprehensive community-driven visions for PDAs. To implement the Plan, the program continues to evolve to tackle the increasingly complex set of issues affecting PDAs ranging from stormwater management to entitlement obstacles to displacement pressure. In addition to continuing to support grants, regional agency planners assigned to each county will deepen their expertise to connect communities to best practices and collaboration opportunities, maximizing the positive impact of regional staff resources.

Respond to Both Shared and Unique Challenges

As the *PDA Assessment* revealed, sub-regional factors such as market demand and access to job centers create unique challenges and opportunities for PDAs in different parts of the Bay Area. At the same time, issues such as infrastructure funding are common across the region. The regional agencies will tailor staff support and funding to address both these region-wide challenges and the unique needs of individual PDAs and smaller groups of PDAs through knowledge sharing and the development of platforms for collaboration such as the East Bay Corridors Initiative.

Make PDAs Complete Communities

In addition to providing homes and jobs near transit, successful PDAs are complete communities in which a diverse population can thrive—places with greenspace, convenient local services, clean air and infrastructure resilient to climate change and natural disasters. Building complete communities will mean collaboration with organizations that together with cities help shape the quality of life for PDA residents, such as utilities, public works departments, county public health agencies, and the region’s water and air districts. It will also mean seeking funding that rewards projects that provide multiple health, transportation and land use benefits to help create complete communities and achieve state and regional goals.

Implementation Actions: Priority Development Areas

PDA Planning and Technical Assistance Grants. MTC and ABAG will sustain the successful PDA Planning and Technical Assistance grant program, supporting Specific Plans for PDAs without adopted visions for growth, updating older plans, and amending more recently adopted plans to address new regulatory requirements and community concerns.

Corridor and Regional Centers Collaboration. The region’s three largest cities—San Jose, San Francisco, and Oakland—and the corridors connecting these cities receive the highest concentration of growth in the Plan, and benefit from many of its most significant transportation investments. The regional agencies will build upon the successful East Bay Corridors and Grand Boulevard Initiatives, as well as initial collaboration between the three regional centers, to identify and pursue actions that balance local and regional objectives.

Planning for Healthy Places. ABAG and MTC will continue to partner with the Bay Area Air Quality Management District (BAAQMD) to implement its *Planning for Healthy Places* guidelines and seek opportunities to link these guidelines to broader efforts to integrate public health and resilience into PDA planning and implementation.

Placemaking. ABAG will continue to advance the regional placemaking initiative, which adds the dimension of place to the regional discussion about growth and investment. The *Places of the Bay Area* website will provide a channel for ongoing dialogue about the future of the region’s communities, particularly PDAs.

Entitlement Efficiency. ABAG and MTC are creating a web-based tool to assist local planners, community members and potential investors identify locations with incentives for housing and commercial development such as streamlined environmental review.

To: ABAG Regional Planning Committee

Fr: Brad Paul, Deputy Executive Director
Courtney Ruby, Interim Director of Administrative Services and Finance
Ken Moy, General Counsel

Re: Update on the MTC/ABAG Staff Consolidation Effort

In late May, both the Metropolitan Transportation Commission (MTC) and the Association of Bay Area Government (ABAG) Executive Board voted to support full functional consolidation of ABAG and MTC staff and the pursuit of new governance options. This retained the independence and statutory responsibilities of both boards and calls for new governance options to be considered by ABAG and MTC over the longer term.

This plan — know as “Option 7” — was one of seven options identified by our joint consultant, Management Partners, and presented to MTC and ABAG last Spring. Transitioning from this larger policy decision to implementation of Option 7 requires that many additional details be worked out. Management Partners began the effort by preparing an Implementation Action Plan (IAP) last Spring that identifies next steps. MTC and ABAG’s Executive Board approved the IAP at their June 2016 meetings.

The Implementation Action Plan calls for a sequence of some 40 actions over the next five months or so to make the vision of a consolidated staff a reality. As one of the first steps, we began conducting due diligence, including financial and legal analyses undertaken by PFM and Orrick to determine the impacts on both ABAG and MTC of a staff consolidation. Their due diligence work is wrapping up and should be ready to share with MTC and ABAG in a week or two.

Recently, ABAG and MTC also began developing a Contract for Services (contract) to officially consolidate the two staffs under the MTC executive director. This contract will ensure adequate staffing and support for all of ABAG’s statutory duties and responsibilities as the Bay Area’s Council of Governments, or COG.

The Contract for Services will be the governing document on how ABAG and MTC successfully work together to ensure ABAG’s mission and obligations are met with its members, grantors, partners, and ABAG entities. The contract must be agreed to before staff consolidation can occur.

As part of this transition, we established an Employee Relations Group consisting of members of the MTC Committee for Staff Representation (CSR) and ABAG’s SEIU leadership teams, along with the HR Directors and Deputy Directors of MTC and ABAG, to discuss labor issues inherent in this staff consolidation.

Finally, Koff & Associates was engaged to document and compare MTC and ABAG employee programs, including classifications, organizational structure, jobs and employee programs. A

kick-off meeting to review the scope of this effort was held with the Employee Relations Group in early August.

This week, Koff staff met separately with ABAG planners, MTC planners and the Employee Relations Group to explain the Position Description Questionnaires (PDQs) they are asking planners at both agencies to fill out to help Koff better advise MTC and ABAG on how best to consolidate planners into a single productive and efficient planning department. Within a few weeks, PDQ forms will be distributed to the rest of ABAG's staff and a representative sample of MTC's remaining staff.

On the policy side, a Joint MTC Planning and ABAG Administrative Committee meeting focusing on the staff consolidation activities is scheduled for Friday, October 28, 2016.

The staff consolidation now underway offers opportunities for staff to grow and learn, and try their hand at new tasks, and new working relationships. It is our belief that a thoughtful consolidated staff structure could make our institutions stronger, more efficient and smarter, and that we will be in a much better position to tackle climate change, sea level rise, housing affordability, traffic congestion, transit overcrowding, displacement of disadvantaged populations, threats to open space and other daunting challenges head on. We look forward to working with each other and all of our various members, partners and stakeholders to make the Bay Area a better, more livable, sustainable place.

