Proposed

Budget and Work Program

vision

Fiscal Year 2007-2008

Association of Bay Area Governments

Association of Bay Area Governments

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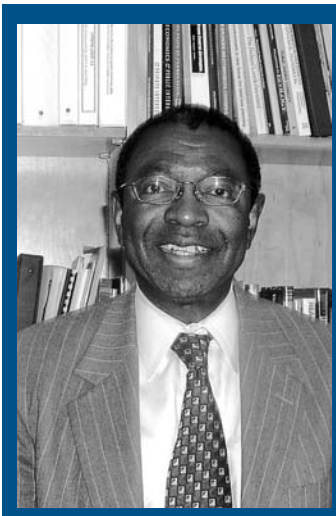
FROM THE EXECUTIVE DIRECTOR

Building on the earlier work of our Smart Growth Strategy/Regional Livability Footprint Project, ABAG, along with the Metropolitan Transportation Commission (MTC), and the Bay Area Air Quality Management District (BAAQMD), has undertaken a comprehensive regional blueprint planning effort, called "Focusing Our Vision." This blueprint planning is funded in large part by a grant from the California Department of Transportation. Seventeen regions in California have received funding to conduct comprehensive, region-wide planning efforts to better leverage transportation enhancements, housing production, and environmental protection of productive farmland, open space and sensitive habitats.



Henry Gardner
ABAG Executive Director

Our approach has been to engage as wide a spectrum of stakeholders we can motivate to participate: local elected and appointed officials, environmentalists, preservationists, and non-governmental organizations. The emphasis is on identifying, at the local level, those areas that are best suited for development, particularly housing, and those areas that are priorities for conservation and preservation. Linking development to existing and planned transit corridors is a high priority. We have been successful to date in generating and maintaining a high degree of interest and participation. In 2007, with much help from the local jurisdictions, we plan to start identifying the priority locations. We also hope to put together a package of financial incentives that will encourage development consistent with the FOCUS principles.

Last year we began work on a strategic plan for the Association. The first phase of this plan was to conduct a survey of our membership. We engaged an outside consultant to assist in this undertaking. We surveyed elected officials, city and county administrators, planning and housing directors, and other general government representatives. In addition to the survey, we also conducted in-depth individual interviews and several focus groups. The results were mixed. A number of programs and services were highly rated, but there was a common theme that emerged: many of our members are not that familiar with what it is that we do and there was a resounding aversion to the Regional Housing Needs Allocation (RHNA) mandate, notwithstanding the fact that we repeatedly point out that RHNA is a state mandate, not an ABAG creation. We will next take these survey results and use them to assist in developing our goals and objectives for the next five years. The strategic plan will also help to guide the development of our long-term financial plan, which is fundamental to developing programs and services that are valued by our membership and are sustainable.

Supported by a wide margin in the Bay Area, several infrastructure bonds totaling almost $40 billion were approved by the voters this last November. For the first time in many years, the State will be in a position to address some major deficits in infrastructure improvements, including funding for housing. We will be working with the League of California Cities, the California State Association of Counties (CSAC) and the California Association of Councils of Governments (CalCOG) to develop legislation and to persuade the administration to fund projects and planning that have the highest potential for maximizing the principles of smart growth.

Last year was a particularly busy one for the Association as we embarked on several major projects that involved large numbers of our membership and interagency

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partners. *Projections 2007*, a biennial undertaking, culminated in a symposium that was well attended and well received. This document, covering population growth, progress in meeting housing needs, and the economy, serves a wide variety of purposes, including the basis for the Regional Housing Needs Allocation and the Regional Transportation Plan. We produced a comprehensive housing report, "*A Place to Call Home*," exploring issues regarding the high cost of housing, overcrowding, housing goals, concerns about RHNA, local efforts to promote housing, and planning in the right places. Over ten symposia were held on a variety of subjects: the Bay Area's economic forecast, housing, earthquake preparedness, water transit-oriented development, wireless networking, anti-terrorism planning and Urban Areas Security Initiative (UASI) grant allocations, new accounting rules for post retirement benefits, especially health care coverage, and ethics training for elected and appointed officials co-sponsored with the Institute for Local Government. All of these symposia were well attended and highly rated by the participants.

Not unlike cities and counties, ABAG continues to struggle with fiscal constraints and increasing demands for more programs and services and more effective delivery. We have attempted to be creative in finding new ways to fund our activities and to leverage our human capital to increase our productivity. Membership dues represent a little more than - seven percent of our total revenues. Over the past years we have worked hard to find alternative sources of funding for our programs and services. This year we are requesting a revision in the dues structure to bring more equity based on population. The overall effect of these changes raises our membership revenues by approximately 5.65%. Prior to last year, membership dues had not been raised for three years.

ABAG is the oldest Council of Governments in California and has distinguished itself as a leader and innovator in regional planning, strategies and programs and services. I look forward to working with you in 2007 to continue that distinction.

Executive Board Highlights

2006 was a busy and productive year for the Executive Board. In mid year we launched a strategic planning process for the agency that involved a survey of our membership. Many of our cities, towns and counties took the time to respond to the survey, giving us your opinions about our current services and telling us what you would like to see us do in the future. We appreciate the time and effort that it took to respond to the survey. You will be hearing more from us in the months to come as we complete the strategic plan.

The Executive Board also oversaw the convening of two General Assemblies in April and October, both of which drew participation from elected officials, staff and business and civic leadership throughout the region. The April General Assembly and Business Meeting, "Managing Risk through Public Policy in Earthquake Country," was held jointly with a consortium of other governmental organizations in San Francisco. The October General Assembly, "Environmental Challenges: Local Solutions," was held in Oakland. Both Assemblies were considered among the best by elected officials and other attendees.

Dave Cortese
ABAG President,
San José Vice Mayor

These sessions and others, such as the Homeland Security Symposium held in October, provide the opportunity for elected officials and staff to keep abreast of important issues affecting local government and to share information and hear what others are doing around topics of concern. We encourage all member cities and their delegates and staff to participate in these sessions during the coming year on April 19th (the annual business meeting) and the Fall GA in October.

Climate change is capturing national and state attention as a topic of priority concern. The Governor and the State Legislature have assumed a leadership role by adopting greenhouse gas emission reduction targets for the State and initiating efforts to help California achieve those targets. Many Bay Area local governments have been at the forefront of this work with ambitious pledges and programs to reduce locally-produced greenhouse gas emissions. Recognizing the need for regional action, in September 2006, ABAG's Executive Board adopted Resolution 09-06 which commits us to work on our internal practices, to support our member efforts and to work closely with Bay Area Air Quality Management District, Bay Conservation and Development Commission, Metropolitan Transportation Commission, and others to help ensure the Bay Area leads the way towards rapid and meaningful greenhouse gas emission reductions. To meet this commitment, we will continue to advance existing programs and activities such as Focusing Our Vision, ABAG Energy Watch, the Bay Area Green Business Program and the Bay Area Alliance for Sustainable Communities. We will also work with our partners to develop new initiatives designed to reduce vehicle emissions, facilitate resource conservation and solid waste reduction, and promote alternative fuels and renewable energy.

Rose Jacobs Gibson
ABAG Vice President,
San Mateo County
Supervisor

All of our programs and services are described in considerable detail in this document, and I would encourage you and your staff to be become acquainted with, and participate in, these areas that have proven to be effective, efficient, and cost saving to many of our members.

With the completion of the strategic plan, FY 2007-08 will present ABAG with the opportunity to focus on a number of challenges involving the services we provide to our membership and the search for a stable reliable source of income to continue the high level of service that you have come to expect. As usual, we encourage you to stay involved and let us hear from you. We hope to be able to

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ABAG Planning Programs

Fiscal Year 2007-2008 will be a groundbreaking year for the Association of Bay Area Governments' Planning Programs. ABAG will embark on an integrated regional planning program that recognizes regional development and conservation priorities and that advances inclusive and collaborative planning at the local level. Working with local jurisdictions and our partner regional agencies, we will reward development in existing communities that is compact, transit-oriented, provides for the needs of existing and future residents, and is resource conserving and socially equitable. ABAG will also work collaboratively with public resource agencies, local governments, and the region's open space entities to identify those scenic and natural resource areas that are the Bay Area's conservation priorities.

The paragraphs below provide an overview of ABAG's planning initiatives related to regional land-use planning; following that are descriptions of the agency's closely-related planning programs that focus on particular issues. Noted programs include efforts related to sustainability through the Bay Area Alliance, earthquake preparedness, green building, the San Francisco Bay Trail, and the San Francisco Estuary Project.

Focusing Our Vision (FOCUS)

A great region is built from great communities. Efforts by local communities and their local governments, complimenting regional initiatives, are essential in establishing a Bay Area solution that addresses issues related to growth and development in the region. Over the last several years, ABAG has led a multi-agency, multi-stakeholder effort to develop a regional smart growth strategy known as the Bay Area Vision. Broadly speaking, the Bay Area Vision calls for accommodating new development in existing communities and adjacent to public transit, developing compact, mixed use communities, and preserving the region's acclaimed natural beauty, agricultural lands, and recreational and natural resource areas.

Focusing Our Vision or "FOCUS" seeks to build upon existing progress related to smart growth at the local and regional levels and meld regional and local objectives into a more refined development strategy for the Bay Area. During this fiscal year, ABAG, working cooperatively with the Joint Policy Committee and our regional agency partners (the Bay Area Air Quality Management District, Bay Conservation and Development Commission, and the Metropolitan Transportation Commission) will begin to implement FOCUS by providing incentives for development to local governments including funding for capital expenditures, planning grants, and technical assistance. Work completed as part of the ABAG *Corridors* Program related to monitoring and inter-community coordination will provide a basis for providing technical assistance to communities along major transportation corridors in the region.

ABAG will use a regional open space data base developed as part of the Green Vision project, a public-private regional open space protection initiative, and as the basis for a regional map of priority conservation areas that will include a broad range of open space types including urban parks, regional scenic resource priorities, and critical habitat areas and linkages that should be permanently protected.

Regional Housing Needs

Over the last decade, the San Francisco Bay Area has become one of the most expensive housing markets in the United States. High housing costs have put homeownership out of reach for many Bay Area residents who would like to purchase a home and have made finding an

Planning Programs cont. on page 5

Planning Programs cont. from page 4

affordable apartment a challenge for many. In fiscal year 2007-2008 the Association of Bay Area Governments will address the Bay Area's housing issues on a variety of fronts. Relative to prior Regional Housing Needs Allocation (RHNA) cycles, the 2007-2014 RHNA methodology will direct an increased share of the region's housing need to jurisdictions with transit infrastructure and employment concentrations. These communities, primarily the region's urban centers will be prioritized for incentives related to the FOCUS Program including housing incentives and capital investments, as well as technical assistance, for implementing their share of the region's housing needs.

Regional Planning Committee

The Regional Planning Committee (RPC) is one of the agency's standing committees with representation from local governments, as well as public agency and non-profit organizations. Organizations represented on the RPC include those with an emphasis on affordable housing, education, environmental protection, the home building industry, and smart growth. The RPC hears issues of regional concern, covering a range of planning issues, and makes policy recommendations to the ABAG Executive Board on these issues. The RPC has an important role to play given ABAG's expanding role in coordinating planning initiatives in the Bay Area.

Clearinghouse

ABAG provides information to public and private agencies and the public related to public capital improvement projects and their potential environmental impacts. In 2006, ABAG streamlined the operation of the clearinghouse providing improved access to and distribution of public review documents.

Regional Airport Planning Commission

The Regional Airport Planning Commission (RAPC) is a joint committee of ABAG, the Metropolitan Transportation Commission, and the Bay Conservation and Development Commission. It oversees preparation of the Regional Airport Systems Analysis, which then becomes part of the Regional Transportation Plan. RAPC also provides a forum for discussion of land use, non-air transportation, and environmental issues related to airports.

Intergovernmental Coordination

In fiscal year 2007-2008, coordination between the ABAG Planning Program and our regional agency partners, as well as local governments, will reach unprecedented new levels. As incentive packages for priority areas related to development and conservation are developed and distributed, the role of ABAG's Planning Program as a lead coordinating entity in the Bay Area will continue to expand. ABAG's planning program provides staff support for a broad range of regional planning-related organizations including ABAG's Homelessness Task Force, and the Bay Area Planning Directors' Association. Internally, ABAG's planning staff works collaboratively with the agency's research staff on key agency initiatives including Regional Housing Needs, Transit Station Area and Resolution 3434 monitoring activities, and on *Projections*.

Water Resources Planning

Like land, water resources are an essential component of community development and livability, environmental protection and restoration, and regional sustainability. How much water we consume is dependent on local policies and practices, individual and institutional consumption patterns and on the availability of water (which depends in large part on how we invest in water conservation and water infrastructure). How much development we can reasonably accommodate is often tied closely to the availability and cost of water over time. ABAG has provided water resources planning services for the Bay Area since the 1970's. Today ABAG offers evaluation and planning, along with specialized mapping of water resources, watersheds, water infrastructure and related land uses. To achieve regional planning and staffing efficiencies, the Water Resources Planning Program is teaming with ABAG's Hazards Program on research and planning activities associated with water supply lines and natural hazards.

For further information, contact Ken Kirkey at 510-464-7955 or email KennethK@abag.ca.gov

In Fiscal Year 2007-08 ABAG Planning Programs will:

Work with the state government, our regional agency partners, and the non-profit community to identify and provide for an expanding range of incentives for development in priority areas. Incentives will be provided on a competitive basis to jurisdictions that seek to advance and prioritize development in areas that are served by public transit, and that provide proximity to employment centers. ABAG will work cooperatively with state resource agencies, local governments, and regional open space entities to develop a map, and implement a protection strategy for the region's priority conservation areas.

Regional Housing Needs

ABAG will spearhead an effort to link regional housing needs with housing development incentives and regional infrastructure investments. Specific actions will include the following:

- Providing incentives and technical assistance for development in priority areas jointly identified and negotiated with local governments with a particular emphasis on the development of affordable housing.
- Writing and publishing an annual Housing Report to highlight regional issues, identify regional needs, and provide examples of best practices.
- Holding an annual Housing Conference to highlight regional trends and local progress on housing implementation and to provide information on housing incentives and best practices.

Regional Planning Committee

The RPC will address and make policy recommendations to the Executive Board pertaining to important regional planning issues including considerations relative to areas in the region prioritized for development and for conservation, as well as related issues pertaining to potential incentives for priority areas.

Clearinghouse

ABAG will continue its clearinghouse functions including tracking of public projects to allow review and discussion of regionally significant projects.

Regional Airport Planning Commission

ABAG will staff and provide leadership to advance RAPC's work program.

Intergovernmental Coordination

ABAG planning staff will expand upon previous efforts to advance the agency's leadership role in coordinating regional planning initiatives in the Bay Area.

Water Resources Planning

The Water Resources Planning Program will carry out tasks to better manage the region's water and watershed resources. Projects will include:

- Work with the San Francisco Estuary Institute, State Water Resources Control Board, California Coastal Commission, and BCDC to implement the Critical Coastal Areas Pilot Project in several coastal counties
- Work with local government partners to enhance watershed planning and management capabilities
- Contribute to the development of effective legislation and programs to protect our nine counties from levee failure and catastrophic flooding, and to promote water/land use resource management and watershed stewardship
- Continue to work with regional and state partners to build an effective stream and watershed protection policy that incorporates multiple-benefit concepts like recreation and water quality protection
- Co-chair the Bay/Delta Levee Emergency Planning Technical Working Group

Bay Area Alliance for Sustainable Communities

ABAG represents cities, counties, and regional agencies on the Steering Committee of the Bay Area Alliance for Sustainable Communities (Bay Area Alliance). The Bay Area Alliance was founded in 1997 by local and regional government agencies and private sector organizations that represent the economy, environment, and social equity. The members agreed to work collaboratively to craft a vision and action plan that would focus and better coordinate efforts to achieve a more sustainable future.

The coalition authored the *Compact for a Sustainable Bay Area*, which recommends strategic commitments intended to address the Bay Area's most significant challenges. These include improving the supply of housing affordable to residents of all income levels; preserving and revitalizing neighborhoods; restoring natural assets; targeting transportation investments to achieve an integrated, multi-modal system that supports efficient land use; and strengthening the regional economy.

The Bay Area Alliance was a key partner in the Smart Growth Strategy/Regional Livability Footprint Project that produced the regional "Smart Growth" Vision in 2002. As we work together to refine and implement the Vision, the Bay Area Alliance continues to play an important role.

The Bay Area Alliance has published a regional Indicators report to track the region's progress, and produced two installments of *Faces of Sustainability*, which highlight sustainable practices in Napa County and the City and County of San Francisco. All publications and information about other Bay Area Alliance projects are available at www.bayareaalliance.org.

Hazardous Waste Allocation / Bay Area Green Business Program

The Hazardous Waste Management Facility Allocation Committee developed and oversees the implementation of a "fair-share" facility allocation process, coordinates the Bay Area Green Business Program, and focuses attention on critical hazardous waste management issues.

Each year ABAG analyzes data, reports on hazardous wastes generated in the region, and develops source reduction recommendations for Committee review. This process underlies local planning, tracks waste generation trends, and identifies opportunities for collaborative action to address hazardous waste management challenges.

To encourage and reward environmentally preferable business practices, in 1996 the Committee launched the **Bay Area Green Business Program** (www.greenbiz.abag.ca.gov). This award-winning program recognizes businesses that comply with all environmental regulations and voluntarily implement additional measures to prevent pollution, conserve resources, and reduce waste. Over 800 businesses and public agencies have been certified. The Green Business Program is currently offered in Alameda, Contra Costa, Marin, Napa, San Francisco, Santa Clara and Sonoma counties. Now considered a model, the Program is expanding statewide.

BAY AREA
GREEN BUSINESS PROGRAM

For further information, contact Ceil Scandone at 510-464-7961 or email CeilS@abag.ca.gov

In Fiscal Year 2007-08 the Bay Area Alliance for Sustainable Communities will:

ABAG will continue in a leadership role as the Bay Area Alliance focuses more intensively on implementing the *Compact*. The coalition will:

- Support *Focusing our Vision* as a way to implement key provisions of the *Compact for a Sustainable Bay Area*.
- Encourage the broader Bay Area community to participate in local and regional efforts to sustain a healthy environment, a prosperous economy, and social equity.
- Continue to pursue policy changes and incentives to promote Smart Growth.
- Update the *Regional Indicators* report.
- Publish new installments of *Faces of Sustainability* featuring other counties.

In Fiscal Year 2007-08 the Hazardous Waste Allocation / Bay Area Green Business Program will:

- Support the California Product Stewardship Council's Extended Producer Responsibility initiatives.
- Develop and disseminate information about Green Chemistry and Design for the Environment, and the movement toward designing products to minimize hazardous and other wastes.
- Complete the annual analysis of most current hazardous waste generation data.
- Increase the number of certified green businesses to 1,000.
- Implement a regional Green Business Program marketing campaign.
- Establish a system to measure Green Businesses' environmental progress.
- Expand Program participation to one additional county.

San Francisco Bay Trail

The vision of the San Francisco Bay Trail is a continuous 500-mile shoreline path along the edge of San Francisco Bay that will form a trail system crossing seven toll bridges and connecting nine counties, 47 shoreline cities, and over 130 local, regional and state parks. With 270 miles currently in use by the public, the project continues to focus on the remaining gaps in the trail system.

Continuity of trails, bicycle lanes, and sidewalks, is important as we promote and develop more compact development of communities. Focusing growth in existing cities, town centers, and along transit corridors provides opportunities for alternative transportation and more active lifestyles.

The Bay Trail benefits the region by providing opportunities for non-motorized transportation, shoreline recreation, community connections and a setting for wildlife viewing, education, and environmental stewardship. ABAG administers the Bay Trail Project nonprofit that plans, promotes, and advocates for implementation. Project staff provides regional oversight and coordination, technical assistance, education and outreach, and seeks funding for planning, design, construction, and maintenance.

The Bay Trail Project accomplished several major tasks in 2006. Over $2.5 million in grants were awarded to 22 local jurisdictions for Bay Trail planning and construction throughout the region, resulting in over 8 miles of trail construction and detailed planning studies for over 25 miles. This funding from Proposition 40 matches over $28 million in total project costs. Completion of the comprehensive *Gap Analysis Study* in 2005 has for the first time provided the project with detailed cost estimates and an extensive GIS database cataloging all remaining gaps in the trail system. Continuing the momentum of filling gaps, the Bay Trail Project will launch a new competitive grant program from Proposition 84 for local jurisdictions to complete planning and construction of Bay Trail segments.

SAN FRANCISCO
Bay Trail
ABAG

Bay Trail Fact:

By linking all nine Bay Area counties and 47 of the 101 cities, and offering access to seven of the Bay Area's eight toll bridges, the Bay Trail reminds us of our shared connection to San Francisco Bay and reinforces the Bay Area's growing sense of regionalism.

For further information, contact Laura Thompson at 510-464-7935 or email LauraT @abag.ca.gov

In Fiscal Year 2007-08 the San Francisco Bay Trail will:

- In partnership with the Coastal Conservancy, solicit, review, and award grants to local jurisdictions for planning, design, and construction of Bay Trail segments under the new grant program provided through Proposition 84.
- Administer awarded Bay Trail planning, design, and construction grants.
- Update and use the *Gap Analysis Study* data to identify and initiate new spending opportunities and new Bay Trail grants.
- Pursue short and long-term funding strategies for project administration, trail development, and maintenance.
- Finalize opportunities for new Bay Trail segments through continued participation in the South Bay Salt Pond Restoration Planning Process.
- Finalize the *Wildlife and Public Access* Study and work with researchers to submit to national journals, release study results, and identify new research topics.
- Advocate for bicycle and pedestrian access to and across Bay Area toll bridges, including the west span of the Bay Bridge and the Richmond-San Rafael Bridge, as well as safe and seamless connections to the Carquinez, Benicia-Martinez, and East Span Bay bridges.
- Publish the quarterly *Bay Trail Rider* Newsletter, manage GIS layers and continue to update gap database, establish an updated, functional Bay Trail website, meet regularly with elected officials, agency and local government staff and media contacts, and plan and host trail dedications and other public events.

San Francisco Estuary Project

The San Francisco Estuary Project and its partners completed many projects and activities in 2006 that continued their work to protect, enhance, and restore the San Francisco Bay-Delta Estuary through implementation of actions in the Comprehensive Conservation and Management Plan (CCMP). This year technical and scientific research efforts include a multi-year program to develop recommendations to reduce methyl mercury in the Bay, with wetland design and management options; developing a Stream and Wetland Protection Policy to serve as a statewide model; completing a wetlands regional monitoring program for the Estuary with partner San Francisco Estuary Institute; completing a draft statewide Management Plan for Aquatic Nuisance Species; and working with partners to develop Subtidal Habitat Goals for San Francisco Bay. Public education and outreach activities included assisting the CALFED Bay Delta Program with organizing the three-day Fourth Biennial Science Conference held in October with over 1200 attendees; working with the Urban Pesticide Committee to reduce pesticide use in urban creeks; writing/publishing the 2006 *State of the Estuary* Report; and hosting the National Estuary Program annual meeting in San Francisco.

Other major accomplishments were beginning the process to review and update the CCMP; distributing $108,000 through our Small Grants Program for restoration and education projects; and providing technical and outreach support for the Total Maximum Daily Load (TMDL) process to reduce pollution in San Francisco Bay.

Bay Area Population and Growth Fact:

ABAG Projections 2007 forecasts that the Bay Area will add two-million more residents by 2035, bringing the population to over nine-million. Santa Clara County will increase population by 493,000, Alameda County by 369,300, and San Francisco by 279,800 residents. These three counties show the largest population growth in the region.

For further information, contact Marcia Brockbank at 510-622-2325 or email MarciaB@abag.ca.gov

In Fiscal Year 2007-08 the San Francisco Estuary Project will:

Taking into consideration the need to maintain the region's economic vitality – the Estuary Project and partners will focus their vision on work that restores and protects our natural resources. Projects next year will include:

- Continue our multi-year project to develop recommendations to reduce methyl mercury in the Bay, and begin a new project to focus on developing methods to reduce methyl mercury and low dissolved oxygen in Suisun Marsh;
- Continue working with the Regional Water Quality Control Boards (San Francisco Bay and North Coast) and other partners to complete a stream and wetland protection policy for the two regions;
- Work with partners to prevent the introduction and spread of invasive species to the Estuary by assisting with a signage program at wetland sites on the need for spartina eradication and complete a statewide Management Plan for Aquatic Nuisance Species;
- Organize the 8th Biennial State of the Estuary Conference to be held in October 2007, organize the August 2007 CCMP Public Workshop to develop priorities; write/distribute the 2007 CCMP Environmental Report Card, and complete the process to review and update the 1993 CCMP;
- Continue state-funded projects: the Brake Pad Partnership, Urban Pesticides Pollution Prevention and Tools for Surface Water Monitoring;
- Provide technical support services to the Santa Clara Valley Water District, Alameda County Flood Control Program, Caltrans, and the San Francisco Public Utilities Commission;
- Continue to provide technical and communication assistance to the Regional Water Quality Control Board including the TMDL Process, and oversight of Supplemental Environmental Projects for Administrative Civil Liability fines, and other cooperative endeavors;
- Begin a new multi-year $2.6 million project to implement several TMDLs in the Bay Region; and
- Continue outreach/education through the Boater Education Program, publication of Estuary newsletter; and organizing erosion control workshops.

Earthquake and Hazard Mitigation and Preparedness

We are challenged because the Bay Area is subject to various earthquake-related hazards such as ground shaking, liquefaction, landsliding fault surface rupture, and tsunamis. In addition, the Bay Area is subject to various weather-related hazards including wildfires, floods, and landslides. ABAG, as well as its member cities, towns, and counties, understand that disasters do not recognize city, county, or special district boundaries.

Our vision is to maintain and enhance a disaster-resistant region by reducing the potential loss of life, property damage, and environmental degradation from natural disasters, while accelerating economic recovery from those disasters.

Together we are committed to increasing the disaster resistance of the infrastructure, health, housing, economic, government services, education, environmental, and land use systems in the Bay Area.

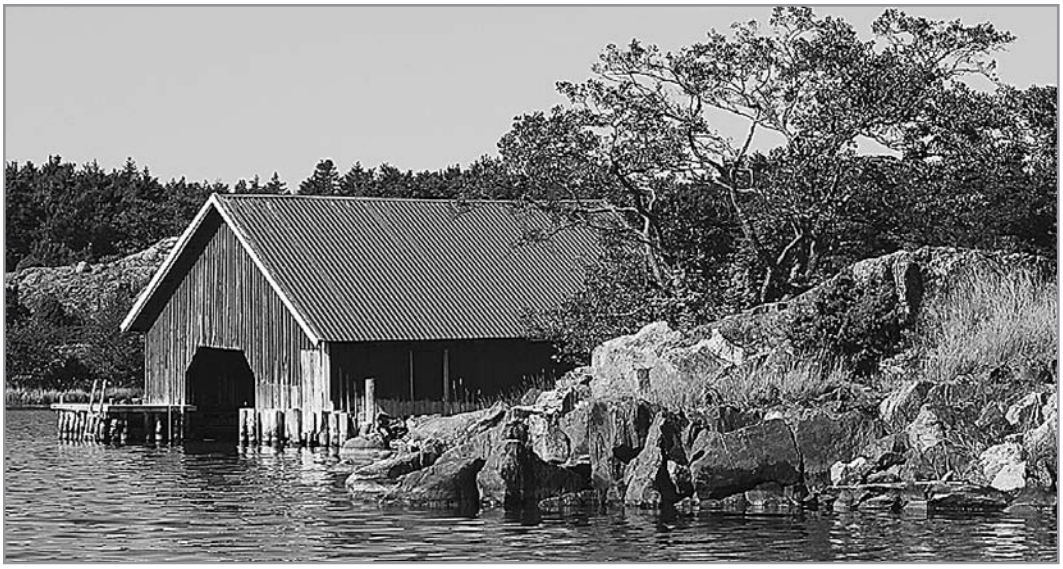
ABAG is serving as the catalyst bringing together city and town councils, county boards of supervisors, and boards of special districts who have individually adopted an overall multi-jurisdictional Local Hazard Mitigation Plan articulating this vision. To date, 61 local governments in the Bay Area have adopted this vision.

ABAG's overall focus is on:

–Collecting information on natural hazards and modeling the vulnerability of our infrastructure, housing, business, and government services to natural disasters;

–Developing consensus-based innovative and cost-effective mitigation measures to address those vulnerabilities; and

–Providing this vulnerability information and mitigation measures to the residents, businesses, and local governments of the region.



For further information, contact Jeanne Perkins at 510-464-7934 or email JeanneP@abag.ca.gov

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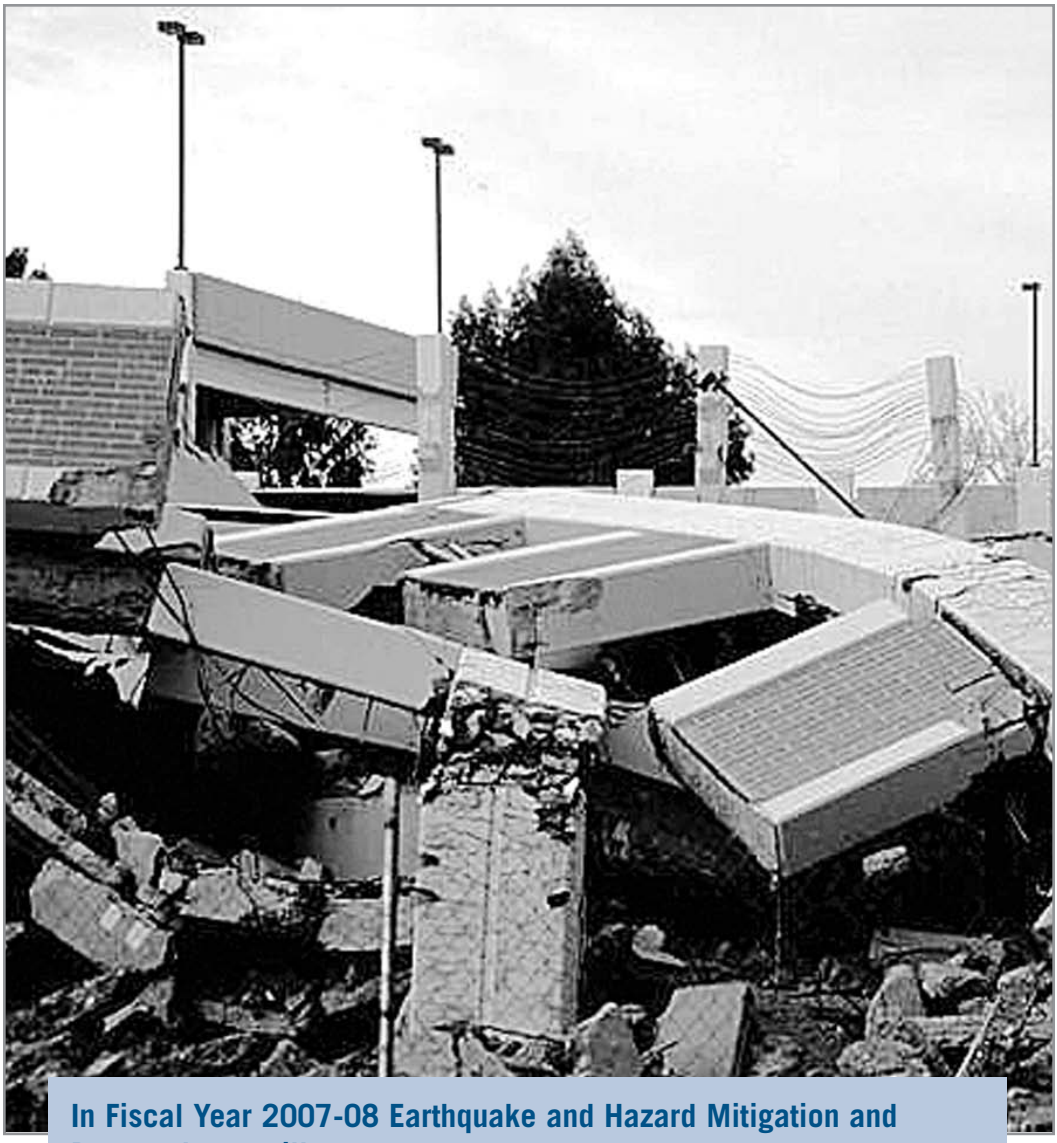
count on you for your continued support as we make our case in Sacramento for the work of the region and local government.

We look forward to working with our membership and regional partners over the next year as we continue to focus our efforts on refining the vision for the Bay Area and continue to address the housing crisis faced in our communities at all income levels.



In Fiscal Year 2007-08 Earthquake and Hazard Mitigation and Preparedness will:

Focus on securing funding for the following projects –

- **Infrastructure and Environment in Levee Areas** – Identify critical water supply, transportation, and other infrastructure systems located in vulnerable areas protected by inadequately designed levees and work to develop cost-effective and environmentally sensitive disaster mitigation strategies for these systems;
- **Housing** – (1) Develop ways for ensuring a better quality of earthquake retrofitting for single-family homes on unanchored and unbraced "cripple walls" (the short walls between the floor and the foundation). (2) Inventory and encourage retrofit of multifamily housing in "soft story" buildings (buildings with large open first floors such as used for parking or commercial);
- **Economy** – Advocate the mandatory retrofit of unreinforced masonry buildings in the downtown areas of cities; and
- **Government Services** – Promote (1) adoption of hazard mitigation planning by additional local governments and (2) true business recovery planning on the part of all local government departments, not just emergency services.

During 2007, the Research Department staff will continue to analyze and disaggregate the ***Projections 2007*** forecast that was adopted by the Executive Board at its November 2006 meeting. The Metropolitan Transportation Commission (MTC), the Bay Area Air Quality Management District, and County Congestion Management Agencies will use this demographic-economic forecast in their modeling efforts. With the increased emphasis by regional agencies on coordinating land use and transportation planning, a greater emphasis is being placed on verifying the assumptions in the forecasts and producing information in new configurations. In particular, the staff is working to improve the linkage between ABAG's policy based forecasts and initiatives taken by the other regional agencies.

The data and analysis staff is working closely with the Planning staff on ABAG's corridor planning program, MTC's station area planning policy, and the development of information for local jurisdictions as they address housing and transportation issues in their areas. The data and analysis staff will also be working with the planning staff on a number of projects that look to evaluate regional policies and issues including the second annual housing report.

As part of the ***Projections 2007*** forecast, ABAG has developed an extensive database that includes each jurisdiction's general and specific plans, along with the existing land use patterns across the region. This data has been evaluated using geographic information system analysis and shows that, even though the forecast increasingly includes regional policies, it is still consistent with local general plans. This is particularly true in the first half of the forecast since many general plans do not extend to 2035. Recent changes to local policies and emerging market trends will help the staff to identify changes to development potential across the region. We will continue to update this information and to use it as a data source for future analytical projections.

Data cont. on page 16

For further information, contact Paul Fassinger at 510-464-7928 or email PaulF@abag.ca.gov

Data cont. from page 15

Coordinating the RHNA Methodology Process

ABAG has also begun to update the Regional Housing Needs Allocation (RHNA), working with local jurisdictions through our Housing Methodology Committee to review the method established for assigning the Bay Area's housing goals. Research and Planning staff has worked with the committee to develop a draft allocation methodology, which was released for public comment by the ABAG Executive Board in November 2006. During 2007, the schedule calls for the Executive Board to adopt a final allocation methodology, as well as a draft and revised allocation of the regional housing need. Once a final allocation is adopted in 2008, jurisdictions will have twelve months to work with the State Department of Housing and Community Development to revise the housing element of their general plans.

In Fiscal Year 2007-08 Data and Analysis will:

- Continue to maintain and verify the modeling assumptions and land use data used for forecasting as important parts of research and data analysis.
- Continue to update land use patterns, changes to local plans and policies, and emerging market trends to identify changes to development potential across the region and the potential impact of these changes on the Regional Housing Needs Allocation process.
- Finalize the allocation methodology, as well as complete a draft and revised allocation of the regional housing needs.
- Also continue to hold our well-respected short-term forecasting conference, Focus 2007 and 2008, and provide supporting documentation of Bay Area economic trends.

ABAG POWER

ABAG Publicly Owned Energy Resources (ABAG POWER) is a joint powers agency (JPA) formed by ABAG to acquire energy on behalf of local governments, as well as provide energy management and telecommunication services. ABAG POWER currently offers natural gas aggregation to 38 local governments and special districts in the Pacific Gas and Electric service territory. ABAG POWER provides a public sector approach to pooled purchasing, and each public agency is guaranteed a voice in program operations and decisions through its representative to the ABAG POWER Board of Directors and Executive Committee. ABAG and ABAG POWER are also working to expand their energy conservation services to local jurisdictions through implementation of energy efficiency and energy management programs.

Gas Aggregation Program

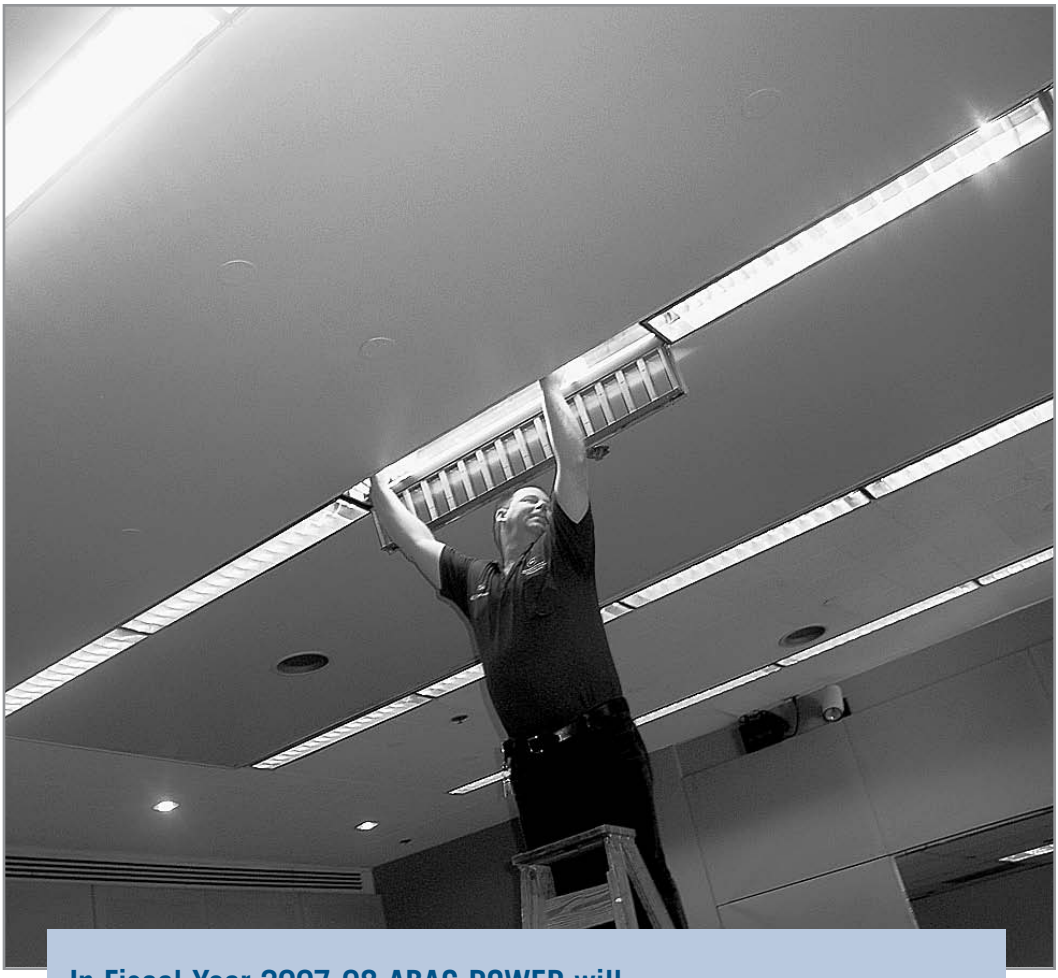
The natural gas purchasing pool has now completed its tenth year of operation. ABAG POWER purchases natural gas on behalf of members and arranges for it to be delivered to the PG&E system for distribution. The goal of ABAG POWER's Natural Gas Program is to provide both cost savings and price stability. These goals differ from that of PG&E which is incentivized to provide low cost gas on a near-term (monthly) basis. ABAG POWER stabilizes its gas prices by layering in longer-term gas purchases, with the alternate objective of diversifying its gas purchase portfolio. The Program uses a continuous three year ahead planning cycle to design its purchasing strategy.

Although natural gas prices have retreated from the highs that followed the 2005 hurricane season, prices are expected to remain relatively robust for the foreseeable future. There are many factors that can cause significant price volatility, including: abnormal weather patterns, increased demand from gas-powered electric generators, restrictions in gas transportation capacity and/or imports, and political actions. In the next couple of years the first Liquefied Natural Gas (LNG) terminal on the West Coast is expected to become operational, potentially putting a small downward pressure on prices. However, increased awareness of environmental issues may cause regulatory actions that produce increased costs for using gas.

ASSOCIATION OF BAY AREA GOVERNMENTS
energy watch

During the past year ABAG successfully completed the 2004-05 "Local Government Energy Partnership," and began work on the enhanced "ABAG Energy Watch" program for the 2006-08 period. This program is designed to assist local governments achieve energy and cost savings by improving energy efficiency in public facilities and assist in creating community-wide energy savings through energy policies and programs. 37 local governments were provided assistance through the 2004-05 program. The ABAG Energy Watch program will continue to work with these agencies, as well as others, in the 2006-08 program. As entities become more active in climate protection issues, this program will assist agencies in projecting and meeting their greenhouse gas (GHG) reduction goals.

For further information, contact Jerry Lahr at 510-464-7908 or email JerryL@abag.ca.gov



In Fiscal Year 2007-08 ABAG POWER will:

Continue to provide cost effective natural gas aggregation and delivery services for local governmental agencies. This will include active solicitations among natural gas marketers, and the addition of new gas suppliers, as necessary, to continue receiving the most competitive pricing. The program will pursue longer-term fixed price gas products in order to stabilize program costs.

The Program will look for additional ways of improving the customer service aspects of the program, in particular with respect to the billing functions and the increased ability for data analysis that controlling this function affords the program.

Although ABAG POWER primarily supplies natural gas to smaller "core" customers, it also implements a "noncore" program to supply larger facilities. Qualified, noncore customers can take advantage of lower gas transportation rates that are not available to PG&E customers. ABAG POWER recently added the County of San Mateo's new co-generation unit to this program. We will continue to encourage additional participants into both the core and noncore programs.

We intend to propose additional programs with the potential to help members reduce energy costs further through energy conservation and usage management.

ABAG PLAN Corporation

Since 1985, a time of crisis for local governments due to a lack of affordable insurance, ABAG has been working with its members to create and sustain risk management and insurance services to local governments. Working together, members have been able to sustain activities considered too risky by the insurance industry and expand into new services, such as skate and swim parks, they didn't have before.

The results have been impressive, with the **ABAG PLAN Corporation** (Pooled Liability Assurance Network) celebrating 20 years of providing property, liability, and crime coverage to cities and towns in the Bay Area. The PLAN has grown to achieve assets in excess of $40 million and has returned over $20 million to its members in dividends. In addition, the SHARP pool has provided affordable Workers Compensation insurance to member cities by pooling losses up to $150,000 and providing affordable pooled coverage and reinsurance above that.

ABAG PLAN has continued to remain flexible to member needs during times of transition. As risks have increased and budgets have been stretched, our members have been able to leverage the resources of the PLAN to assist them in maintaining their risk management programs. ABAG and its members are working together to share resources and best practices that will continue to help each other weather the changes ahead.

Association of Bay Area Governments
PLAN
CORPORATION
Pooled Liability Assurance Network

For further information, contact Marcus Beverly at 510-464-7969 or email MarcusB@abag.ca.gov

ABAG Financial Services

ABAG Financial Services Programs provide convenient, cost saving, and secure means to meet the capital financing needs of public agencies and their nonprofit partners serving the public interest. To date, ABAG has provided more than $5 billion in low cost capital financing for projects in more than 200 local jurisdictions. The Agency helps its members to provide for the construction of new hospitals and medical clinics, transit systems, affordable housing, schools, museums, water and wastewater systems, and other member-owned infrastructure. The Agency takes special focus on assisting in the construction and preservation of affordable housing, providing financing to date for more than 10,000 units in more than sixty affordable apartment communities.

ABAG Finance Authority for Nonprofit Corporations
A program created by
Association of Bay Area Governments

For further information, contact Clarke Howatt at 510-464-7932 or email ClarkeH@abag.ca.gov

In Fiscal Year 2007-08 ABAG PLAN Corporation will:

Liability Program

- Maintain $20 million limit
- Revised allocation of expenses
- Stable loss funding rate
- Governing document review

Property Program

- Provide stable premium and coverage, in spite of difficult market conditions due to hurricanes
- Provide property appraisals and boiler inspections for key facilities
- Continue collection of property damage losses from responsible parties, saving members tens of thousands of dollars

Workers Compensation Program

- Maintain stable rates
- Ongoing claim reviews
- Continued financial strength
- Loss prevention program funding

Risk Management Programs

- Expand training programs and locations
- Customize on-site risk management assistance for each member
- Provide incentive grants for implementing best practices
- Continue award-winning Sewer Smart loss prevention program

In Fiscal Year 2007-08 ABAG Financial Services will:

- Provide economical funding for developers of affordable multi-family housing, independent schools, hospitals, clinics, and other voluntary healthcare providers through the various programs of the ABAG Finance Authority;
- Provide Tax-Exempt Lease financing through ABAG Credit Pooling and ABAG Leasing, separate programs providing the lowest available cost source for funding for both major lease-secured projects and smaller equipment needs; and,
- Continue to offer comprehensive services to meet the land-secured and economic development financing needs of member agencies.

The Agency will also continue to offer its industry leading tax-allocation bond product benefiting the Redevelopment Agencies of its membership, and its credit-enhanced, pooled financing vehicle for Water and Wastewater Districts. Both of these financing pools provide easy access and low cost funding for the smaller borrowing needs of special districts in the Agency's member jurisdictions.

ABAG Training Center

The ABAG Training Center (a program of ABAG, Inc.) has been an ABAG service program since 1979, created to provide economical alternatives for local government employees to obtain professional development training. Early course offerings were in the fields of management, environmental planning, housing, and computer technology.

Through the years, the training needs of our members and clients changed. We experienced a demand for practical certificate courses in worker safety, hazardous waste management, pollution prevention, and computer technology. As our members experienced pressures to do more with less, the popularity of optional courses declined. As a result, the overwhelming majority of our current courses are in Occupational Safety and Health Administration (OSHA) and Department of Transportation (DOT) required safety training.

The ABAG Training Center continues to offer live classroom training. Since late 1999, however, we have also been training students beyond the Bay Area through our web-based identity, **www.hazmatschool.com**. Increasing our public client base provides a means to support continued training of our members' employees at a reduced price, and hazmatschool.com has been very successful at achieving this goal. Enrollment and revenues for the online school are consistently increasing at more than 15% annually. More than 5,000 students received training through hazmatschool.com during 2005-2006. Since 1999, more than 17,000 students have used our online training.

The market for online safety training is maturing, and the thresholds for entry by new organizations have become higher. ABAG's early entry has allowed us to develop a strong catalog of courses, a good reputation, and capable student management and course enrollment and delivery systems. We have forged a partnership with Safety Compliance Management Inc. (SCM) of San Ramon, which continues to work well. SCM provides expert course content and Remote Instructors™ who are easily accessible to online students.

We have also taken steps to affiliate ourselves with important organizations. In 2002, ABAG was reviewed and approved as an authorized Continuing Education Unit (CEU) provider member of the International Association for Continuing Education and Training (IACET). Any ABAG Training Center/hazmatschool.com student or potential student can be assured that our courses meet the stringent IACET criteria. In 2004, ABAG was awarded a Federal GSA contract, opening the door to providing online safety training to thousands of Federal employees.

The challenge for the ABAG Training Center - and particularly for the online school - is now one of maturing the enterprise and managing the new opportunities presenting themselves.

ABAG Training Center Fact:

ABAG's Online Hazmat School was the first online training center offered by a government agency to feature courses complying with CEU requirements, OSHA Federal and State requirements, and DOT requirements. Open to both private and civic sector employees, it has served over 17,000 students since 1999.

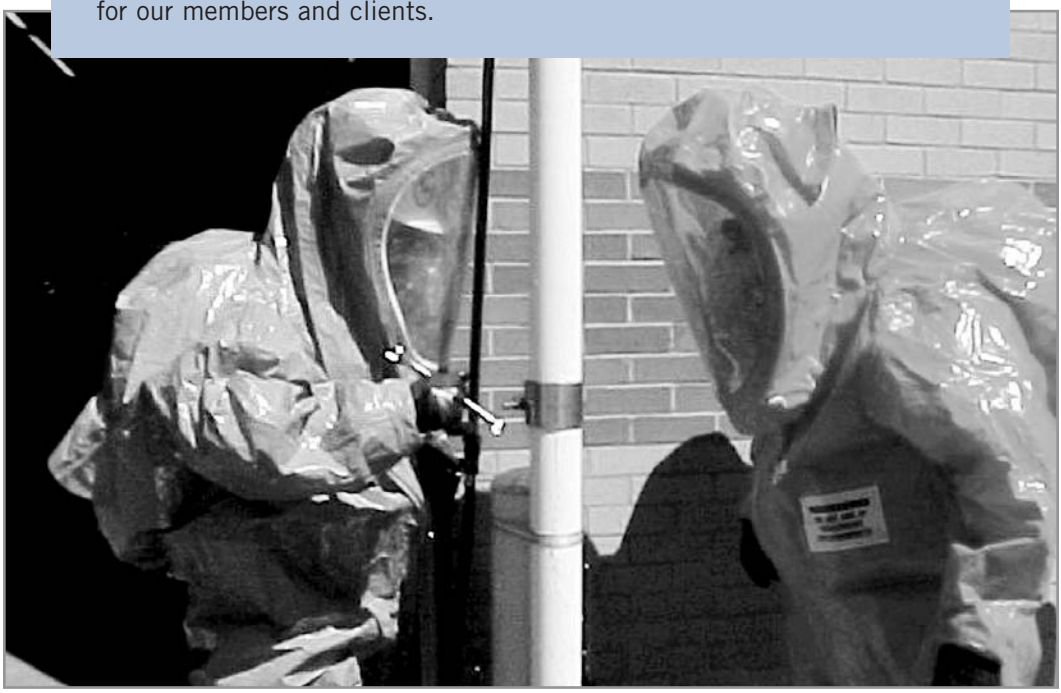
For further information, contact Brian Kirking at 510-464-7996 or email BrianK@abag.ca.gov

In Fiscal Year 2007-08 ABAG Training Center will:

Continue three initiatives that were begun in 2005-2006.

- **The first** is to freshen content in order to make the experience more valuable to returning students taking periodic refresher courses.
- **The second** is to package courses in unique ways for specific industries, and simultaneously improve the course selection process so that prospective students can more easily identify the course that best meets their needs.
- **The third** is to expand marketing, with targeted marketing to specific industries.

The Training Center is positioned for continued growth. As we grow, we strive to maintain personalized service and a worthwhile training experience for our members and clients.



ABAG Web Services

Our site on the World Wide Web, www.abag.ca.gov, dates back to 1994. It was the first web site for a Council of Governments and the second for a California public agency. The ABAG website offers a wealth of information about the full range of ABAG's planning and service programs, including hazard preparedness and mitigation, the Bay Trail, the Green Business Program, the San Francisco Estuary Program, ABAG Financial Services, ABAG POWER, ABAG PLAN, and the Focusing Our Vision Initiative. www.abag.ca.gov has greatly expanded our ability to reach and help citizens throughout the San Francisco Bay Region.

During 2006, the website was redesigned, with a new look and a new layout focused on ABAG programs and initiatives. Our site refresh was done after considerable research including use case analysis, focus groups, and an internal comment period. We carefully preserved pre-existing functionality, including preserving bookmarks linked from our old site.

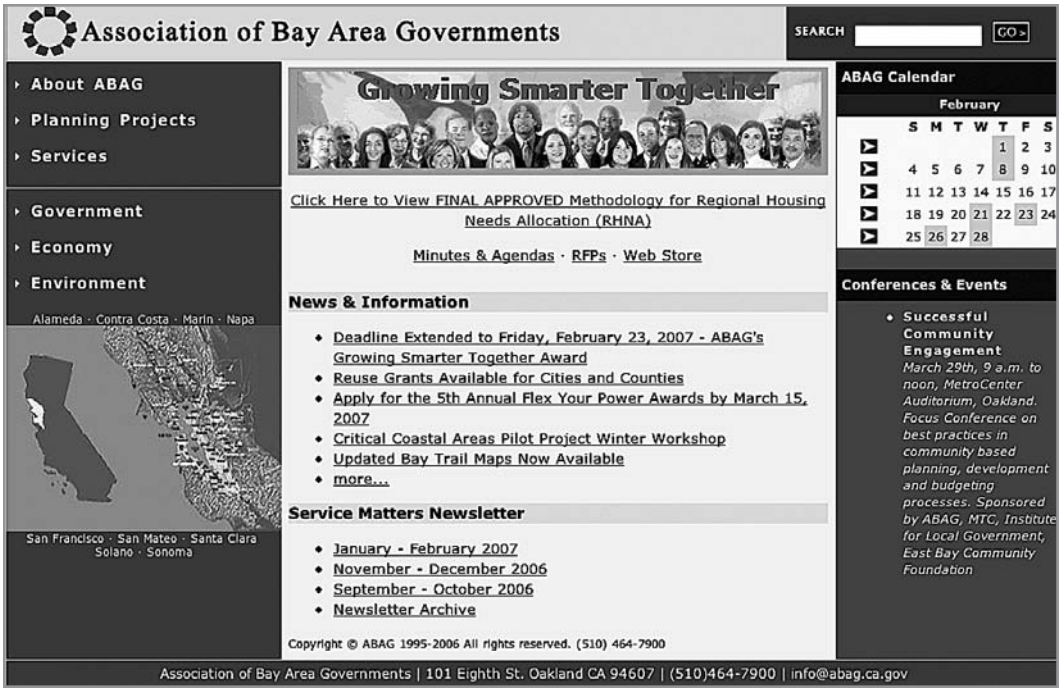
ABAG also implemented a new web statistics package which is much more reliable and useful than our old system.

Another innovation is our online **Geographical Information System (GIS)**, which allows the public to obtain information by clicking locations on maps. The GIS program has proven extremely popular. In 2006, we spent several months tuning our GIS server. As a result, page views are now about 20% faster and we have achieved two nines of reliability. The GIS program is constantly being updated and expanded as more data sources are uncovered and added.

ABAG offers Internet hosting to our members at a discount and to other public agencies at a competitive cost. Our hosted clients, currently numbering 28, can completely avoid the bother and expense associated with assembling and maintaining web servers and Internet domains. ABAG has also created custom web sites for clients such as the Alameda County Transportation Authority, the San Francisco Bay Water Transit Authority, the CALFED Science program, the cities of Fairfax and Belvedere, and the Delta Diablo Sanitation District.

This year, ABAG has added network consulting to its array of client services,

ABAG Web cont. on page 24



For further information, contact Stephen Attaway at 510-464-7924 or email StephenA@abag.ca.gov

ABAG Web cont. from page 23

assisting two clients in office moves or network upgrades. This continuous product improvement has been largely transparent for our clients and has been done with no increase in fees. In fact, we lowered our hosting fees in 2004.

ABAG is implementing a business recovery solution to allow continued limited critical operations in the event of a variety of disruptions, ranging from an unforeseen closing of our building to a major earthquake in the Bay Area. We have developed a plan with the California State Association of Counties (CSAC) to position backup servers at their offices in Sacramento. The Internet will be used to both make daily updates to the remote servers and to allow staff to telecommute in the event our building is uninhabitable for a period of time. The remote servers will be made operational during 2007.

Many recent challenges have come from within the Internet. ABAG has not had a server brought down by hackers since 2001, but that has not been due to lack of effort on their part. Virus attacks and spam (unsolicited email) continue to bedevil our servers many times a day.

In 2006, ABAG added two DS2000 Spam Filters as an additional layer of anti-spam protection. The filters use two technologies to filter and block spam. In combination, these technologies block about 70% of all incoming email – all of it spam. The remaining 30% is filtered one more time by our Guava anti-spam software.

In Fiscal Year 2007-08 ABAG WEB Services will:

- Plan to install a database server and increase the capacity of related systems to match the ever rising demands placed upon our online programs.
- Implementing a series of enhancements to our conference registration software to make it more user friendly and easier to administer.
- Continue to monitor and safeguard the security of our communications and web services.

Fiscal Management Services

For a number of years, ABAG has been offering fiscal management services to Bay Area public purpose entities. These services include accounting, financial reports, cash management, investments, debt issuance, and other related financial support services. The following is a summary of significant entities currently receiving fiscal management services:

Agency	Type of Business	Assets ($ millions) 6/30/06	Year Services Started
ABAG PLAN Corporation	General, property, public officials liability insurance	$43.3	1986
ABAG Comp Shared Risk Pool	Workers Comp insurance	$2.3	1989
ABAG Finance Authority for Nonprofit Corporations	Conduit debt issuance for public entities	$63.5	1990
ABAG Publicly Owned Energy Resources	Natural gas aggregation pool	$3.1	1997
San Francisco Bay Area Water Transit Authority	Development of water transit in the San Francisco Bay	$2.7	2000

For further information, contact Joseph Chan at 510-464-7944 or email JosephC@abag.ca.gov

Legislative Activities

Legislative advocacy and outreach to Bay Area legislators will be strategic priorities for ABAG's Legislative and Governmental Organization Committee (L&GO) in 2007. The Committee, composed of elected officials throughout the region, has identified the following topical areas as critical regional issues important to track during the next California legislative session: bills on eminent domain, housing and land use, transportation and land use, infrastructure, Delta Levy and water quality management, global warming, and telecommunications. These topical areas include local government finance legislation and policies that support implementation of city/county programs by providing resources, additional funding and incentives vitally needed for planning, infrastructure, and services. The fiscal impacts of potential unfunded mandates on local government will also be monitored closely.

Briefing new and returning Bay Area legislators more comprehensively on issues and policy solutions critical to the region will be an important strategy in 2007, the start of the two year legislative cycle. A legislative reception in Sacramento in January 2007 will begin the process of creating more opportunities for the region's voice to be heard. It will be critical during 2007 to weigh in with regional priorities and innovative solutions for more successful outcomes than in previous legislative sessions.

During the 2006 session, the Committee considered 40 state bills, three state propositions, and a variety of federal measures on telecommunications. Thirteen of the state bills that the L&GO Committee had recommended positions of support or opposition became law. The remaining bills either died in committee or were vetoed. These bills encompassed a wide variety of housing development, transit-oriented, infill and redevelopment issues; regional housing needs and housing element reform; local government finance and infrastructure financing; state franchising of cable and video service and permits for wireless telecommunications facilities; the California Delta Trail System; density bonuses and eminent domain. Variations of the housing and infrastructure bills will be re-introduced in 2007, and the L&GO Committee will examine them through a "Bay Area Vision" lens.

In Fiscal Year 2007-08 Legislative Activities will:

- Increase legislative advocacy and outreach to Bay Area legislators briefing them on issues and policy solutions critical to the Bay Area.
- Track legislation affecting housing and land use, local government finance, environment and water quality, global warming, infrastructure and telecommunications.
- Monitor closely unfunded mandates and fiscal impact on local government.

For further information, contact Pat Jones at 510-464-7933, email PatJ@abag.ca.gov, or Kathleen Cha at 510-464-7922, email KathleenC@abag.ca.gov

Communications

"ABAG is committed to lead the region through advocacy, collaboration, and excellence in planning, research, housing, and member services to enhance the quality of life in the Bay Area." This statement reflects the scope and outreach direction of ABAG's Communications Strategy. During fiscal year 2007-2008, focused information will be a critical part of agency efforts to engage and involve local governments and other stakeholders in ABAG planning initiatives to improve and sustain a vibrant Bay Area.

The Communications Department will expand current outreach campaigns in response to member requests for more information and case studies on best practices. The latest updates on ABAG initiatives and research will be provided to ABAG member cities, towns, and counties at their respective scheduled meetings and at topical symposia sponsored by ABAG.

Growing Smarter Together Program

Outreach will also feature local governments' efforts and best practices regionwide because the good work of Bay Area local governments often goes unnoticed outside of individual jurisdictions. For the first time in 2007, ABAG will recognize some of these efforts with regional awards. The awards program, "Growing Smarter Together," will spotlight individuals, programs, and projects that have built housing, promoted social equity and environmental justice, revitalized their communities, and preserved and protected the environment.

Visibility strategies will include increasing current coverage in the media and other venues to showcase "Growing Smarter Together" award winners, and engage even more community stakeholders in regional planning initiatives. Press interviews of policymakers, ABAG staff, and Executive Board members will be coordinated to provide in-person analysis of regional issues and local government award-winning achievements. Media outreach will also include press briefings on short term economic trends, hazard mitigation planning, regional housing issues, water and energy efficiency, and risk management issues like sewer back-up and backflow prevention.

In addition to core functions of providing communication and media relations services, the Communication group will manage more extensive news information online and special online reports, providing current information for policymakers on regional housing need and land use policies and regional hazard mitigation and disaster preparedness. Current publications (*Service Matters, Risk Matters, POWER Matters*, and *ABAG PLAN Statement of Benefits*) will be refreshed and continue to be available in print and online. The team will build on the latest ABAG upgrades on the website and in teleconferencing technology for better information dissemination. The Communications team will also continue to provide outreach support for General Assemblies and other special workshops and events.

Bay Area Fact:

There have been 52,200 permits issued for affordable housing units in the Bay Area since 1999. This is 34% of the state-mandated very low-income units, 70% of the low-income units, and 29% of the moderate-income units.

For further information, contact Pat Jones at 510-464-7933, email PatJ@abag.ca.gov, or Kathleen Cha at 510-464-7922, email KathleenC@abag.ca.gov

In Fiscal Year 2007-08 Communications will:

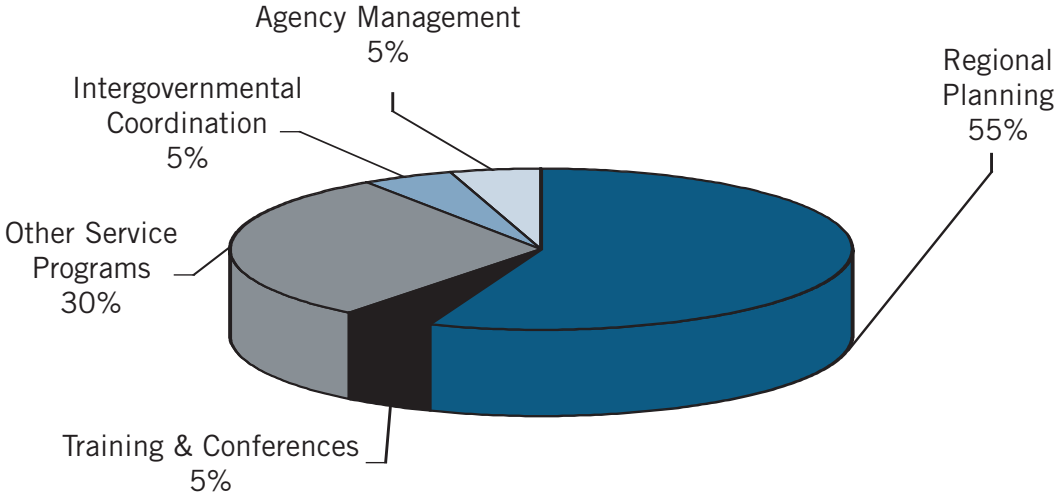
- Increase ABAG members' awareness and use of ABAG programs and services.
- Continue facilitating high impact, cost efficient methods of communicating the work of ABAG and the Bay Area Vision to member communities and the public.

highlights

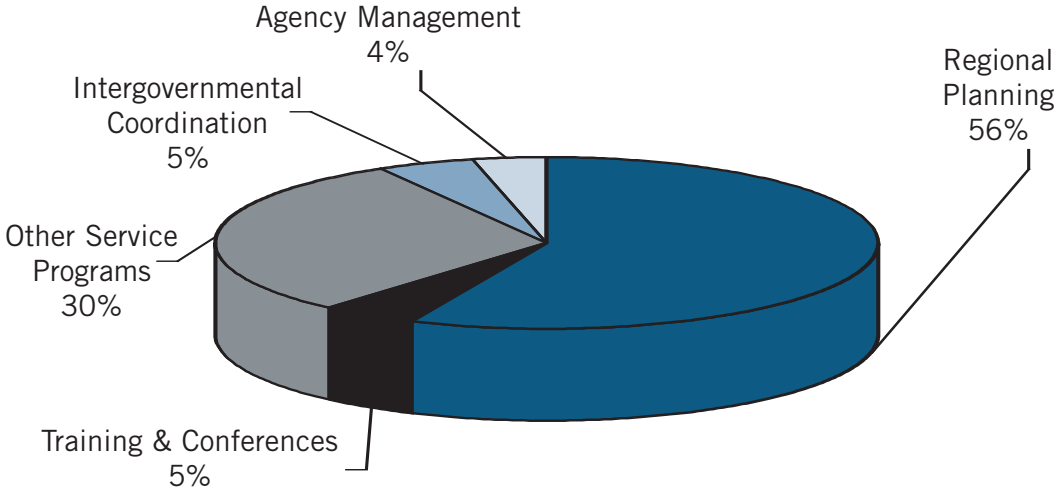
BUDGET, PROPOSED MEMBER DUES, AND ORGANIZATION

For further information, contact Joseph Chan at 510-464-7944 or email JosephC@abag.ca.gov

Summary of Revenues and Expenses by Program group

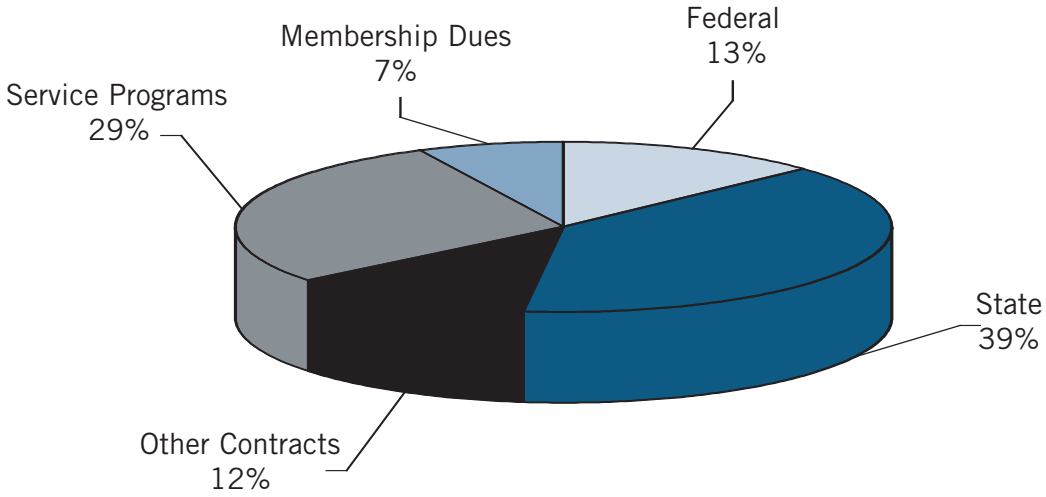


Revenues by Program Group	
Regional Planning	11,682,202
Training & Conferences	990,000
Other Service Programs	6,261,000
Intergovernmental Coordination	951,399
Agency Management	1,006,347
Total	**20,890,948**

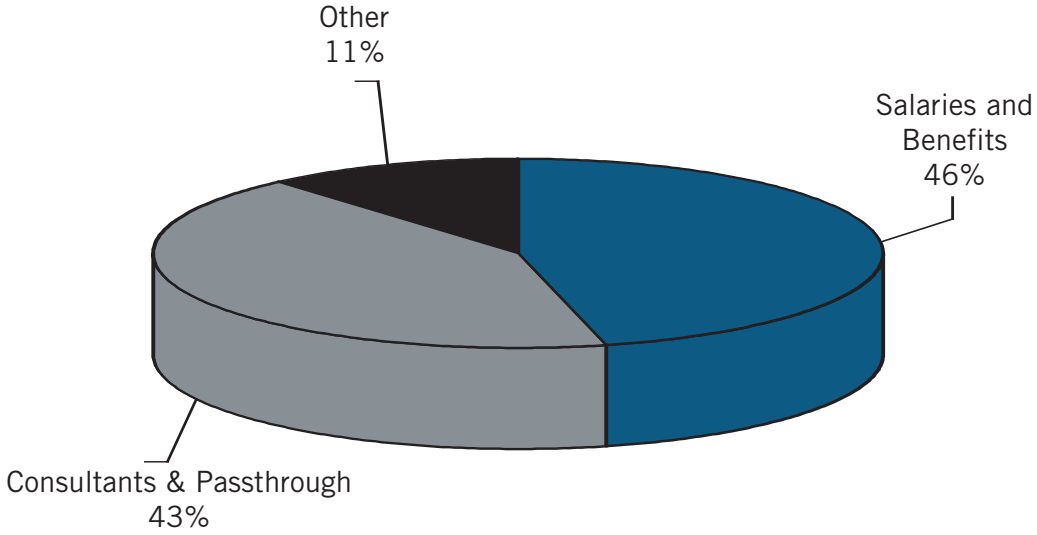


Expenditures by Program Group	
Regional Planning	11,682,202
Training & Conferences	990,000
Other Service Programs	6,261,000
Intergovernmental Coordination	951,399
Agency Management	755,899
Total	**20,640,500**

Summary of Revenues by Funding Source and Expenses by Category



Revenues by Funding Source	
Federal	2,721,006
State	8,125,696
Other Contracts	2,550,500
Service Programs	5,964,000
Membership Dues	1,529,746
Total	**20,890,948**



Expenses by Category	
Salaries and Benefits	9,500,000
Consultants & Passthrough	8,815,000
Other	2,325,500
Total	**20,640,500**

For further information, contact Joseph Chan at 510-464-7944 or email JosephC@abag.ca.gov

Proposed Operating Budget

ABAG Proposed Operating Budget Revenues and Expenses

	FY 04-05 Actual	FY 05-06 Actual	FY 06-07 Estimated	FY 07-08 Proposed
REVENUES				
Federal	2,349,717	2,895,716	2,686,644	2,721,006
State	17,156,856	7,377,187	7,934,704	8,125,696
Other Contracts	520,726	714,637	2,456,197	2,550,500
Service Programs	4,564,184	5,094,460	5,678,392	5,964,000
Membership Dues	1,349,098	1,366,214	1,447,899	1,529,746
Total Revenues	25,940,581	17,448,214	20,203,836	20,890,948
EXPENSES				
Salaries and benefits	7,846,972	8,357,215	9,200,000	9,500,000
Consultant services	13,024,600	3,885,450	4,942,035	4,863,000
Passthrough	3,005,103	3,304,953	3,875,669	3,952,000
Equipment and supplies	147,748	217,650	164,063	170,000
Outside printing	146,051	113,362	186,050	200,000
Conference and meeting	309,139	186,240	250,925	300,000
Depreciation	288,820	238,614	265,000	280,000
Interest	70,725	78,025	70,000	85,000
Building maintenance	200,434	201,739	220,000	250,000
Utilities	66,376	60,393	80,000	100,000
Insurance	108,144	137,668	130,000	150,000
Postage	69,202	69,003	83,363	95,000
Telephone	54,480	57,494	60,450	70,000
Committee	56,000	48,700	53,500	60,000
Other	515,414	430,197	560,619	565,500
Total Expenses	25,909,208	17,386,701	20,141,674	20,640,500
Operating Surplus	31,373	61,513	62,162	250,448

For further information, contact Joseph Chan at 510-464-7944 or email JosephC@abag.ca.gov

Proposed Revenues by Funding Sources

ABAG Proposed Operating Budget Revenues by Funding Source

	FY 04-05 Actual	FY 05-06 Actual	FY 06-07 Estimated	FY 07-08 Proposed
REVENUES				
FEDERAL REVENUES				
EPA - Environmental Programs	578,261	823,432	503,658	691,006
MTC--FTA	146,764	147,346	190,865	200,000
MTC--FHWA	743,266	1,037,996	1,428,914	1,500,000
NFWF--Channel Island	150,551	70,450	1,558	0
USGS	367,893	596,619	225,184	0
USFWS	4,156	0	9,999	0
NOAA-Bay Trail	129,285	60,069	326,466	330,000
FEMA	229,541	159,804	0	0
Subtotal	2,349,717	2,895,716	2,686,644	2,721,006
STATE REVENUES				
MTC - TDA	787,837	805,714	1,030,000	1,100,000
MTC - TOD Study	67,265	53,000	45,418	55,000
MTC - Smart Growth	0	0	43,648	50,000
Bay Trail	3,204,416	3,366,367	3,386,095	3,440,000
Cal Trans	10,033	533,193	608,119	785,696
DWR Cal Fed Program	11,534,293	0	0	0
DBW	104,148	110,938	132,785	140,000
RWQCB	711,596	1,211,257	2,505,930	2,555,000
BCDC	16,450	41,293	16,294	0
CPUC	720,818	1,255,424	166,415	0
Subtotal	17,156,856	7,377,187	7,934,704	8,125,696
OTHER CONTRACTS				
BALANCE Foundation	24,483	35	1,000	1,500
BALANCE Foundation--Smart Growth	10,033	11,352	2,789	0
Haz Waste MOU Committee	61,521	78,780	106,553	107,000
Santa Clara--SFEP	107,788	130,522	237,939	240,000
Fiscal Agent Services	61,824	91,631	100,000	105,000
Alameda Green Business	6,313	6,068	6,000	7,000
Alameda County SFEP	66,186	65,326	96,050	100,000
Coastal Conservancy	36,542	171,639	266,739	300,000
Bay Trail--Richmond SEP	326	1,832	92,281	93,000
Admin. Civil Liability/Northbay Outreach	52,182	28,379	20,000	22,000
Rose Foundation-IPM	0	7,363	19,713	0
BACWA Estuary	81,471	16,872	78,519	80,000
Haas Foundation	5,475	66,047	0	0
RMC--IRWMP	0	35,852	22,351	45,000
SFEI-Nonpoint Source Pollution	0	0	0	0
PG&E-Energy Watch	0	905	1,406,263	1,450,000
Oakland Housing Authority	6,582	2,036	0	0
Subtotal	520,726	714,637	2,456,197	2,550,500
SERVICE PROGRAMS				
Data Center	69,935	56,854	80,000	90,000
Publications	24,853	25,924	26,000	28,000
Training	498,030	580,730	670,000	690,000
Financial Services	1,197,931	1,410,153	1,414,507	1,500,000
Workers' Compensation	70,723	89,464	104,464	106,000
ABAG PLAN Corp.	2,014,501	2,221,738	2,479,446	2,600,000
Bay Trail Nonprofit	15,531	39,993	40,000	42,000
Web Hosting	16,485	29,990	29,000	30,000
Power Purchasing Pool Fees	222,612	280,734	330,705	345,000
Task Force/Water Forum	13,000	2,500	0	0
Conference Services	284,579	244,941	285,270	300,000
Other	136,004	111,438	219,000	233,000
Subtotal	4,564,184	5,094,460	5,678,392	5,964,000
MEMBERSHIP DUES				
ABAG Dues (local and cooperating)	1,349,098	1,366,214	1,447,899	1,529,746
Total Revenues	25,940,581	17,448,214	20,203,836	20,890,948

Proposed Revenues and Expenditures by Program

EXPENSES BY PROGRAM AREA	REVENUE SOURCES							General Fund Equity
	Total Expenses	Federal Contracts	State Contracts	Other Contracts	Services Programs	Member-ship Dues	Total Revenues	
REGIONAL PLANNING								
Data and Analysis	1,129,450	783,700	345,750				1,129,450	0
Planning Services	2,145,872	916,300	1,229,572				2,145,872	0
Bay Trail	3,965,000	330,000	3,440,000	93,000	42,000	60,000	3,965,000	0
SF Estuary	4,313,380	691,006	2,760,374	767,000		95,000	4,313,380	0
Earthquake Mitigation	0						0	0
Haz Waste MOU Committee	107,000			107,000			107,000	0
Other Planning	21,500			21,500			21,500	0
Subtotal	11,682,202	2,721,006	7,775,696	988,500	42,000	155,000	11,682,202	0
TRAINING & CONFERENCES								
Training Center	690,000				690,000		690,000	0
Conference Services	300,000				300,000		300,000	0
Subtotal	990,000	0	0	0	990,000	0	990,000	0
OTHER SERVICE PROGRAMS								
Web Hosting	30,000				30,000		30,000	0
Power Purchasing Pool	345,000				345,000		345,000	0
Energy Efficiency	1,450,000		0	1,450,000			1,450,000	0
Data Center/Publications	118,000				118,000		118,000	0
Financial Services	1,500,000				1,500,000		1,500,000	0
ABAG PLAN Corp.	2,600,000				2,600,000		2,600,000	0
Workers' Compensation	106,000				106,000		106,000	0
Fiscal Agent Services	112,000			112,000			112,000	0
Subtotal	6,261,000	0	0	1,562,000	4,699,000	0	6,261,000	0
INTERGOV. COORDINATION								
Communications Group	806,891		275,000			531,891	806,891	0
Intergov. Coordination	75,000		75,000				75,000	0
Legislation	69,508					69,508	69,508	0
Subtotal	951,399	0	350,000	0	0	601,399	951,399	0
AGENCY MANAGEMENT	755,899				233,000	773,347	1,006,347	250,448
Total	20,640,500	2,721,006	8,400,696	2,550,500	5,964,000	1,529,746	20,890,948	250,448

For further information, contact Joseph Chan at 510-464-7944 or email JosephC@abag.ca.gov

Proposed ABAG Membership Dues

Assessments include membership fee of $300 for FY 06-07 and $600 for FY 07-08

JURISDICTION	Population 1/1/06	Approved FY 06-07 Dues	Proposed FY 07-08 Dues
COUNTY OF ALAMEDA	1,510,303	$118,747	$122,854
Alameda	74,405	$11,571	$12,188
Albany	16,680	$2,875	$3,243
Berkeley	105,385	$15,728	$16,584
Dublin	41,907	$6,441	$7,241
Emeryville	8,537	$1,571	$1,953
Fremont	210,158	$26,005	$27,065
Hayward	146,398	$19,870	$20,803
Livermore	81,443	$12,466	$13,244
Newark	43,486	$7,022	$7,491
Oakland	411,755	$40,439	$41,918
Piedmont	10,999	$2,000	$2,343
Pleasanton	67,876	$10,561	$11,207
San Leandro	81,074	$12,571	$13,189
Union City	71,152	$11,004	$11,699
COUNTY OF CONTRA COSTA	1,029,377	$83,954	$87,422
Antioch	100,945	$15,380	$16,127
Brentwood	45,892	$6,592	$7,873
Clayton	10,924	$1,989	$2,331
Concord	124,436	$17,751	$18,544
Danville	43,052	$6,955	$7,423
El Cerrito	23,471	$3,900	$4,319
Hercules	23,834	$3,893	$4,377
Lafayette	24,191	$4,040	$4,434
Martinez	36,582	$5,962	$6,397
Moraga	16,338	$2,828	$3,189
Oakley	29,074	$4,647	$5,207
Orinda	17,693	$3,037	$3,404
Pinole	19,465	$3,315	$3,685
Pittsburg	62,979	$9,826	$10,472
Pleasant Hill	33,462	$5,473	$5,903
Richmond	103,468	$15,576	$16,387
San Pablo	31,216	$5,121	$5,547
San Ramon	53,137	$8,139	$8,995
Walnut Creek	66,111	$10,394	$10,942
COUNTY OF MARIN	253,341	$29,011	$30,247
Belvedere	2,136	$628	$938
Corte Madera	9,399	$1,742	$2,089
Fairfax	7,326	$1,424	$1,761
Larkspur	12,040	$2,148	$2,508
Mill Valley	13,735	$2,405	$2,777
Novato	51,130	$8,075	$8,693
Ross	2,357	$661	$974
San Anselmo	12,418	N/A	$2,568
San Rafael	57,349	$9,042	$9,627
Sausalito	7,394	$1,434	$1,772
Tiburon	8,818	$1,649	$1,997
COUNTY OF NAPA	134,444	$18,599	$19,573
American Canyon	14,961	$2,500	$2,971
Calistoga	5,258	$1,103	$1,433
Napa	76,705	$11,828	$12,533
St. Helena	5,989	$1,224	$1,549
Yountville	3,264	$801	$1,117

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Proposed ABAG Membership Dues

JURISDICTION	Population 1/1/06	Approved FY 06-07 Dues	Proposed FY 07-08 Dues
COUNTY AND CITY OF SAN FRANCISCO			
County	798,680	$68,107	$70,425
City		$68,107	$70,425
COUNTY OF SAN MATEO	724,104	$62,686	$64,931
Atherton	7,262	$1,416	$1,751
Belmont	25,648	$4,217	$4,664
Brisbane	3,744	$873	$1,193
Burlingame	28,322	$4,649	$5,088
Colma	1,575	$541	$850
Daly City	104,820	$15,740	$16,526
East Palo Alto	32,083	$5,253	$5,684
Foster City	29,900	$4,895	$5,338
Half Moon Bay	12,739	$2,251	$2,619
Hillsborough	10,965	$1,989	$2,338
Menlo Park	30,750	$5,014	$5,473
Millbrae	20,735	$3,485	$3,886
Pacifica	38,739	$6,249	$6,739
Portola Valley	4,553	$998	$1,322
Redwood City	76,087	$11,776	$12,440
San Bruno	41,515	$6,793	$7,179
San Carlos	28,265	$4,636	$5,079
San Mateo	94,315	$14,432	$15,177
S. San Francisco	61,824	$9,689	$10,299
Woodside	5,507	$1,145	$1,473
COUNTY OF SANTA CLARA	1,773,258	$136,771	$142,228
Campbell	38,408	$6,208	$6,687
Cupertino	53,840	$8,493	$9,100
Gilroy	48,527	$7,632	$8,290
Los Altos	27,608	$4,547	$4,975
Los Altos Hills	8,482	$1,600	$1,944
Los Gatos	28,989	$4,756	$5,194
Milpitas	65,276	$10,175	$10,817
Monte Sereno	3,512	$839	$1,157
Morgan Hill	37,091	$5,902	$6,478
Mountain View	71,995	$11,200	$11,826
Palo Alto	62,148	$9,691	$10,347
San Jose	953,679	$78,517	$81,845
Santa Clara	110,771	$16,184	$17,138
Saratoga	30,835	$5,045	$5,486
Sunnyvale	133,544	$18,578	$19,481
COUNTY OF SOLANO	422,848	$41,107	$42,735
Benicia	27,319	$4,502	$4,929
Dixon	17,574	$2,942	$3,385
Fairfield	105,601	$15,777	$16,606
Rio Vista	7,376	$1,352	$1,769
Suisun City	27,748	$4,563	$4,997
Vacaville	96,395	$14,799	$15,489
Vallejo	121,099	$17,393	$18,201

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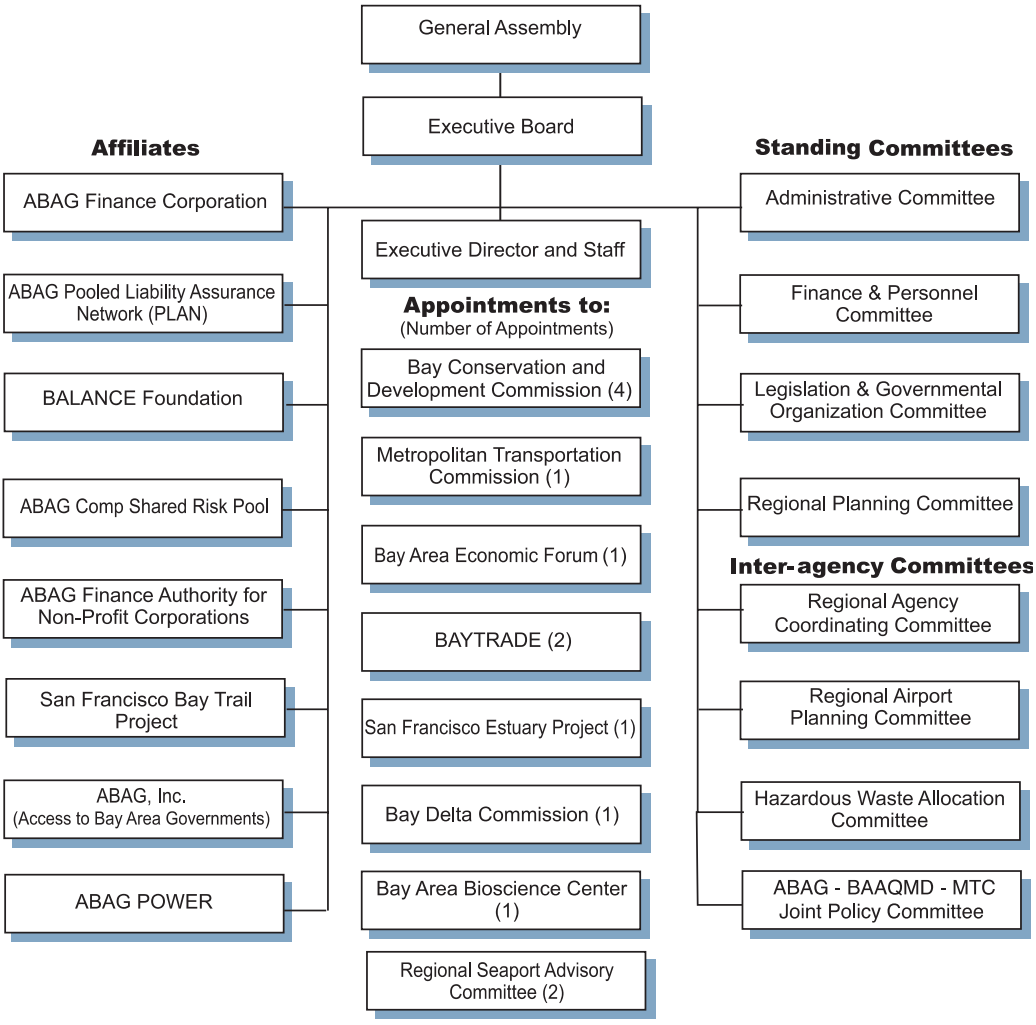
Proposed ABAG Membership Dues

JURISDICTION	Population 1/1/06	Approved FY 06-07 Dues	Proposed FY 07-08 Dues
COUNTY OF SONOMA	479,929	$45,167	$46,941
Cloverdale	8,454	$1,567	$1,940
Cotati	7,381	$1,428	$1,770
Healdsburg	11,704	$2,101	$2,455
Petaluma	56,727	$8,956	$9,534
Rohnert Park	43,027	$6,828	$7,419
Santa Rosa	157,145	$20,892	$21,909
Sebastopol	7,753	$1,499	$1,829
Sonoma	9,893	$1,812	$2,168
Windsor	26,011	$4,218	$4,722
Totals		**$1,439,899**	**$1,521,246**
DUES PER CAPITA RATES			
First 50,000		0.1537965	0.1584719
Next 50,000		0.1457020	0.1501313
Next 100,000		0.0998328	0.1028677
Remaining Population		0.0715019	0.0736755

ABAG Organizational Structure



ABAG Affiliated Entities

Name	Year Started	Purpose	Assets ($000's) 6/30/06	Revenues ($000's) FY 05/06	No. of Members	Board of Directors	Legal Structure
ABAG Finance Corporation	1985	Serve as a lessor in debt financings for ABAG members and other jurisdictions.	99	2	N/A	ABAG F&PC	501(c)(4)
ABAG Pooled Liability Assurance Network Corporation (ABAG PLAN Corporation)	1986	Provide general liability, property and public officials' errors and omissions insurance coverage to member cities in the pool; also, provide loss prevention programs, claims administration, police training and other risk management services.	43,306	10,266	31	Separate	501(c)(4)
BALANCE Foundation (Bay Area Leaders Addressing the Challenge of the Economy and the Environment)	1987	Raise funds to study and provide a forum for regional issues. Serve as advocate for programs to promote economic development and protect the environment.	271	202	N/A	ABAG Pres, Vice Pres. and one other director	501(c)(3)
ABAG Comp Shared Risk Pool (SHARP)	1989	Provide workers' compensation insurance coverage to member jurisdictions in the pool; provide claims administration services.	2,270	773	4	Separate	JPA
ABAG Finance Authority for Non-profit Corporations	1990	Serve as conduit issuer of debt financings for non-profit and other organizations.	63,525	4,467	70	Separate	JPA
San Francisco Bay Trail Project	1990	Develop and maintain regional Bay Trail around the San Francisco Bay.	49	34	N/A	Separate	501(c)(3)
ABAG, Inc. (Access to Bay Area Governments)	1994	Promote efficiency in governments by improving intergovernmental coordination and cooperation and citizen access through education, training and computer networks.	0	581	N/A	ABAG F&PC	501(c)(3)
ABAG POWER	1997	Purchase natural gas and electricity (electricity currently suspended) on behalf of local governments and special districts in Northern California.	3,124	10.949	38	Separate	JPA

For further information, contact Joseph Chan at 510-464-7944 or email JosephC@abag.ca.gov

Association of Bay Area Governments

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President

San Mateo County Supervisor
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