

# employment centers

san francisco bay area . third scenario . projections to 2035

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**On February 9, 2009, local government representatives and other interested parties were asked to discuss a series of growth-related policy issues, as they relate to the San Francisco Bay Area. Session Two focused on Employment Centers. Below are the questions posed by Paul Fassinger, ABAG Research Director, and the responses from participants.**

## **What region wide actions can agencies take to influence the location of jobs?**

- o Develop regional jobs policy or strategy, perhaps expanding on the FOCUS initiative
- o A sub-regional approach is most appropriate due to agglomeration economies & competition for jobs
- o Identify appropriate job types/industry clusters and build sub-regional partnerships
- o Non-retail jobs should be the focus, due to fiscalization constraints with retail uses
- o Hierarchy of transit systems important when considering location of various types of commercial uses
- o "Four D's" are vital considerations in design/re-design of employment centers
- o Factor tele-commuting into Projections, as well as any regional jobs strategy
- o Importance of design – the devil is in the details and design in terms of creating successful TOD employment hubs
- o Connect price of housing to type of jobs (?)
- o Need to understand the difficulty of planning and strategizing about job growth, as it is market driven and somewhat organic – is it realistic to assume job growth in certain locations?
- o Employers make locational decisions based on accessibility and housing for employees (among other things), two factors that can be influenced by regional agencies
- o Employers are also influenced by local regulation and corporate culture
- o Job growth should be considered in terms of other regional goals, such as reducing VMT and jobs/housing balance
- o Dispersed jobs will not reduce Vehicle Miles Traveled (VMT)
- o Housing growth in many Bay Area locations now needs to be balanced with job growth to make viable communities however, the jobs/housing balance at the jurisdiction/city level can be misleading because we live in a regional labor market
- o Regional agencies need to understand that many smaller cities cannot survive without some job growth
- o Use regional transit planning funds as an incentive for employment center-based TOD, recognizing the hierarchy of transit type, whereby regional transit stops should serve as hubs of the most dense, most regionally-based employment, etc.

### **Should the region develop and advocate for a regional employment location policy?**

- Yes, the regional agencies/ABAG should develop regional jobs policy or strategy, perhaps expanding on the FOCUS initiative. The local jurisdictions/sub-regions will then have clear targets and goals to help them plan for job growth in an equitable and sustainable way
- A sub-regional approach is most appropriate due to agglomeration economies, as well as region-wide competition for jobs (i.e. "over-the-border" issues)
- Non-retail jobs should be the focus, due to "fiscalization" constraints with retail uses
- It is important to recognize that each jurisdiction and sub-region is different in terms of desired and appropriate scale of job growth, as well as appropriate industry sectors. Regional strategy should identify existing agglomeration economies and other needed industry sectors that could be developed across the region, and then work to build sub-regional partnerships around specific industry clusters
- Existing regional examples/best practices:
  - Multi-city Partnership – Freemont and Union City partnership is working to attract and retain bio-tech jobs
  - Union City – Tracking local companies' job growth and planning for it in order to retain and attract jobs
- Regional strategy should consider:
  - Green-Tech center(s)
  - Regional or sub-regional revenue sharing models
  - Green municipal utility district
  - Regional guidelines for re-use of suburban campus-style employment centers

### **Would changing economic development programs on a local level to support broader regional efforts?**

- Need to develop regional jobs strategy first
- Modify thinking on campus-style job centers – consider re-use guidelines oriented toward mixed-use, reduced parking, higher densities, and complete communities
- Parking is key!! Local jurisdictions, perhaps working through a regional strategy / mechanism, need to rethink parking at job centers. Consider parking maximums and increasing parking costs

### **How best can the regional agencies address the employment center design issue?**

- The Four D's (density, design, destination, diversity) are important considerations for creating employment centers that will serve to reduce VMT.
- Consider "tiered" planning and design for employment centers. In other words, the commercial type, density, and design of an employment center should recognize the hierarchy of transit types; most regional-serving commercial uses should be located at regional rail stations at the highest densities and greatest mix of uses (commercial + housing+ retail), etc.
- Parking supply at campus-style developments is an issue; parking caps, both at specific commercial sites as well as surrounding sites, must be considered in order to reduce VMT

- TOD concept of linking high density, mixed-uses around transit is critical, especially the provision of housing next to campus-style employment centers
- Regional guidelines for re-use of suburban campus-style employment centers

**Additional comments provided in writing after the meeting by Egon Terplan of SPUR:**

**1. Focus on sub-regions, not jurisdictions.**

The jobs/housing balance at the jurisdiction/city level is misleading because we live in a regional labor market. But some industries tend to cluster in certain parts of the Bay Area. This means collaboration among multiple nearby jurisdictions is key. This is particularly necessary for economic development strategies which should be done collaboratively with several jurisdictions (at a minimum).

**2. Establish regional goals and targets for localities to connect with.**

It will be hard for local communities to know how to plan for jobs if there are not clear regional targets. These regional targets should be more than job numbers since different job types have different land use needs, regional labor market demands, educational and skill requirements and income opportunities. One specific suggestion is for ABAG to incorporate a focus on jobs and employment centers in the "Focus" program. Another suggestion would be for ABAG to begin using language that recognizes the importance of this issue (such as talking to jurisdictions about planning for "transit-oriented destinations" - see below).

**3. Not all jobs are the same.**

Economic development strategy should be grounded in a focus on industry clusters or sectors that try to understand both where particular clusters are co-located and what the particular space/land use needs are of each cluster. In addition, we may not want to focus much on retail jobs as part of an employment strategy. Retail is controversial between jurisdictions in the absence of tax-sharing.

**4. Recognize the hierarchy of transit types.**

Regional rail stations can serve the densest uses and are most appropriate for jobs that need to connect with a regional labor market. Light rail is less regional in nature though can accommodate significant densities. BRT is one step below and traditional bus service one rung below.

**5. Plan for destinations and focus on density and design in these destinations.**

In addition to our appropriate concern for planning transit-oriented homes (origins), we also need as much of a concern with the issue of destinations (jobs, schools, health care, entertainment). Ultimately, this means our goal should be regional accessibility for the greatest number of people (which seems to already be incorporated into ABAG's equity goals). We also need to be concerned with the walkability to these destinations from transit stops. There are many jobs in the region within walking distance of BART or Caltrain, but it is often very challenging to arrive at the front doors of these jobs from the station because of streetscape and building/campus design issues.

**6. Develop a strategy for remaking (obsolete?) suburban office parks.**

We need to develop a next generation view of suburban office parks and whether or not they will work best if we add significant amounts of dense housing or if they could be served by rail transit

if we actually increase the employment density (i.e. build more commercial on parking lots). Further, these places will only work if we can also focus on parking policies and pricing which is ultimately the best determinant (for most people) of the decision about whether or to take transit

