

ATTACHMENT A

SCOPE OF WORK

Task 1 – Establish Project Technical Advisory Committee (TAC)

Together with MTC Project Manager, Consultant shall establish a project TAC that shall provide input on the project at key stages, review project materials and provide project guidance based on technical knowledge of the infill residential development process in the San Francisco Bay Area. TAC membership shall include representatives from local jurisdictions familiar with residential infill development project approval and delivery, residential infill developers, and others with knowledge related to residential infill development in the region's PDAs.

Deliverable 1 – Final list of TAC members, their affiliation and contact information

Task 2 – Review and Update of 2013 Priority Development Area (PDA)-Level Development Readiness and Feasibility Assessment Evaluation Criteria

Consultant shall review the readiness criteria used to assess the sample of 20 PDAs in the 2013 PDA Development Readiness and Feasibility Assessment (PDA Assessment). The criteria¹ shall include:

- Planning and Entitlement Process – requirements and institutional capacity to process higher-density housing projects, including length of processing time, and whether or not achievement of substantial densities would require displacement of or conflicts with existing residential neighborhoods.
- Community Support – whether elected officials have exhibited support for higher-density housing through PDA endorsement, project approvals, adoption of Specific Plans, etc., and whether community groups have actively supported or significantly opposed such relevant actions or project.
- Market and Investment Attractiveness – the type and pace of recent development; the pipeline of planned development projects; general market indicators (incomes, prices, etc.); whether prices appear high enough to support new construction costs at required densities, whether parcels are large or regular enough to accommodate common construction formats, and whether other conditions may detract from consumer location preferences (i.e. poor schools, high crime, environmental contamination, etc.)
- Infrastructure Capacity, Needs and Financing – whether existing roadways, water/wastewater, parks, and other infrastructure are adequate, need minor or major upgrades to accommodate new growth, whether a plan or mechanism to finance such improvements is already in place, and whether future improvements represent a significant financial burden compared to the value of future housing development.

Consultant shall evaluate whether minor refinements are advised to improve the PDA assessment analysis. Consultant shall ensure that any modifications to the criteria will result in analysis that is comparable to the 2013 PDA Assessment. Consultant shall submit any recommendations for

¹ PDA Development Feasibility and Readiness Assessment, 2013, pg. 13-14

changes or modifications to the readiness evaluation criteria, along with the rationale for the changes/modifications to MTC and ABAG staff for approval.

Deliverable 2 – Memorandum containing CONSULTANT recommendations for any changes or modifications to 2013 PDA Assessment evaluation criteria, including rationale for changes/modifications.

Task 3: Selection of Representative Sample PDAs

Consultant shall select a representative sample of PDAs from the entire set of PDAs listed in Appendix B of the Final Forecast of Jobs, Population and Housing, a supplementary report to Plan Bay Area. The sample set shall be larger and contain different PDAs from those included in the 2013 PDA Assessment. The sample shall contain a range of place types as listed in the Final Forecast of Jobs, Population and Housing, as well as a range of PDAs reflecting current market conditions throughout the region. The sample set shall include at least one PDA from each Bay Area county. While the Consultant shall conduct more intensive analysis of this sample set, findings should be used as instructive examples and case studies for the greater set of PDA not included in the sample. The sample set is expected to be approximately 65 PDAs, including the same 20 that were reviewed in Consultant’s 2013 PDA Assessment.

Deliverable 3 – Matrix containing PDA sample set, including place type and number of projected units included in Plan Bay Area

Task 4: TAC Meeting #1

Consultant shall convene and facilitate a TAC meeting to review the PDA Assessment methodology and evaluation criteria (and any modifications), as well as discuss the sample set.

Deliverable 4 – TAC meeting #1 summary notes

Task 5: Evaluation of Sample Set Development Readiness

Consultant shall subject the selected PDA sample to the readiness assessment using the evaluation criteria and related evaluation process. This process shall reflect data from Plan Bay Area, the Consultant’s extensive in-house market data and planning document resources, and interviews with the respective local jurisdictions and other knowledgeable individuals, including local builders and developers.

Consultant shall produce or compile available estimates of the physical development capacity within the selected PDA sample, based on known development conditions (vacant or underutilized parcels) and existing or currently-contemplated planning regulations. Consultant shall assess the financial viability of such physically possible development from a market perspective, based on observed market conditions, comparative pricing among jurisdictions, and generalized development revenue/cost parameters (e.g., the ability for market rents to cover the costs of underground parking, if required to achieve envisioned densities). For relevant PDA infrastructure costs, Consultant shall characterize the conditions and constraints qualitatively, unless such costs have already been provided in Specific Plans or other pre-existing documents relevant to each PDA.

For each PDA in the sample, Consultant shall summarize existing conditions and describe the major constraints (if any) to achieving the Plan Bay Area-projected growth. As possible, Consultant shall also highlight actions that have proven effective in advancing infill development and other goals included in Plan Bay Area within the sample set communities. Examples may include parking ratio reductions, public infrastructure investments, rezoning and entitlement streamlining, etc.

Consultant shall review the sample set of 20 PDAs included in the 2013 PDA Assessment for any significant changes in the development readiness findings from the 2013 analysis. Consultant shall update and document any noteworthy changes.

Deliverable 5.1: Monthly progress report

Deliverable 5.2: Monthly progress report

Deliverable 5.3: Monthly progress report

Deliverable 5.4: Monthly progress report

Deliverable 5.5: Monthly progress report

Deliverable 5.6: Technical Memorandum #1 documenting 1) the development readiness assessment of the sample set, including the methodology and assumptions used for assessment, as well as documentation of any interviews with local builders/developers or others for data collection purposes and 2) summary of the review and update of the 20 PDAs in the 2013 PDA Assessment sample.

Task 6 – Policy Areas for Refinement

Task 6.1: Identification of Resources and Policies to Improve Development Readiness

Consultant shall use the evaluation criteria described above as the basis of a “problem definition” —what are the factors that limit development readiness in the PDAs, and shall match each of these problems with a set of general policy actions and resource requirements. These policy actions and resource requirements shall be drawn from Consultant’s extensive experience with urban planning, revitalization and redevelopment, project entitlement, and infrastructure financing.

Deliverable 6.1 – Technical Memorandum #2 documenting general policies and resources to address PDA development limitations

Task 6.2: Application of General Resource and Policy Actions to the Sample PDAs

A key determination of the PDA Development Readiness Assessment shall be how available or future resources and policies can advance development readiness of the PDAs. Accordingly, Consultant shall implement a detailed application of the general set of techniques to each of the PDAs included in the sample set.

In effect, this specification shall produce an implementation program for each of the sample PDAs that addresses each of the identified constraints along with the likely limitations of these

efforts. Assuming the influence of these implementation strategies, Consultant shall estimate the amount of housing development that may be foreseeable in the years 2020, 2030 and 2040, considering the amount of underutilized land, extrapolation of market conditions, infrastructure constraints, and policy considerations at hand in each PDA in the sample set. Consultant shall also produce a comparative estimate of the foreseeable housing development without the recommended implementation strategies, to illustrate the difference that such strategies can make to increase the physical and financial capacity for planned growth.

Deliverable 6.2 – Technical Memorandum #3 documenting implementation strategies for the sample set, including housing development foreseeable in the years 2020, 2030 and 2040 with and without the recommended implementation strategies.

Task 6.3: Conclusions Regarding Capacity of PDAs

Consultant shall document conclusions regarding the likelihood of achieving the desired population, employment and housing targets reflected in Plan Bay Area. With appropriate caveats, Consultant shall extrapolate the findings of **Task 6.2** regarding the capacity for development with and without policy changes and financial resources to the greater set of PDAs to illustrate the aggregate effect that such strategies can have on overall development goals.

Based on the results of the 2013 PDA Assessment, development readiness varied among the 20 PDAs in the sample set. Even given the 30-year time horizon of Plan Bay Area, it is unlikely that the population, employment and housing projections can be entirely realized in many of the region's PDAs without substantial financial resources and policy actions (e.g., land use policy changes) by local governments. Consultant shall review and update the resources and policy actions included in the 2013 PDA Assessment to help the region achieve Plan Bay Area targets over the time horizon of the Plan. With any new resources or policy actions identified, Consultant shall assess their applicability to the PDA sample included in the 2013 PDA Assessment and update the development capacity associated with each PDA in the 2013 sample.

Deliverable 6.3 - Technical Memorandum #4 extrapolating findings from Task 6.2 to all PDAs, documenting the resources and policies needed to advance PDA development readiness and asserting conclusions regarding the effectiveness of these resources and policies.

Task 7 – Development Readiness and Feasibility in Non-PDA Areas

While Plan Bay Area directs a substantial portion of the expected regional growth through 2040 to PDAs (approximately 80 percent of new regional housing units and 66 percent of employment), new population and employment is expected to locate in non-PDA areas as well. Consultant shall review and update the assessment of development located in non-PDA area identified in the 2013 PDA Assessment. Consultant shall review and assess non-PDAs in or along corridors within the region. These corridors will represent a variety of different conditions and geographies in the region. Non-PDA corridors may include characteristics such as:

- Traditional suburban greenfield residential subdivisions and industrial parks
- Areas constrained by natural or policy-based growth boundaries (waterfronts, hillsides, etc.)
- Infill development within established but non-PDA neighborhoods and commercial districts

Consultant shall apply analysis similar to that described in Tasks 5 and 6 to these non-PDA corridors, though the analysis may reflect general conditions pertinent to each corridor rather than reflecting conditions within a particular place. As illustrated in the 2013 PDA Assessment, non-PDA areas face a range of development opportunities and constraints similar to the PDAs, although the pattern of these opportunities and constraints differ.

Deliverable #7 - Technical Memorandum #5 documenting the methodology for evaluating development readiness in the non-PDA areas, the results of the development readiness in these areas, as well as any policy or resources necessary for development to occur in these types of areas.

Task 8: TAC Meeting #2

Consultant shall convene and facilitate TAC meeting #2 to review the PDA Assessment results.

Deliverable 8 – TAC meeting #2 summary notes

Task 9: Additional Tasks

Consultant shall perform additional tasks as assigned by the MTC Project Manager or designee.

Deliverable 9 – TBD

**Attachment B
PROJECT PAYMENT SCHEDULE**

Task	Deliverables	Total Cost	Completion Date
1	Final list of TAC members, their affiliation and contact information	\$2,500	8/30/14
2	Memorandum containing Consultant recommendations for any changes or modifications to 2013 PDA Assessment evaluation criteria, including rationale for changes/modifications.	\$4,000	9/15/14
3	Matrix containing PDA sample set, including place type and number of projected units in Plan Bay Area	\$4,000	10/1/14
4	TAC meeting #1 summary notes	\$2,500	11/25/14
5.1	Task 5 monthly progress report	\$29,000	11/30/14
5.2	Task 5 monthly progress report	\$29,000	12/31/14
5.3	Task 5 monthly progress report	\$29,000	1/31/15
5.4	Task 5 monthly progress report	\$29,000	2/28/15
5.5	Task 5 monthly progress report	\$29,000	3/30/15
5.6	Technical Memorandum #1 documenting 1) the development readiness assessment of the sample set, including the methodology and assumptions used for assessment, as well as documentation of any interviews with local builders/developers or others for data collection purposes and 2) summary of the review and update of the 20 PDAs in the 2013 PDA Assessment sample.	\$30,000	4/30/15
6.1	Technical Memorandum #2 documenting general policies and resources to address PDA development limitations	\$12,000	5/31/15
6.2	Technical Memorandum #3 documenting an implementation strategies for the sample set, including housing development foreseeable through 2020, 2030, and 2040 with and without the recommended implementation strategies	\$10,000	6/30/15
6.3	Technical Memorandum #4 extrapolating findings from Task 6.2 to all PDAs, documenting the resources and policies needed to advance PDA development readiness and asserting conclusions regarding the effectiveness of these resources and policies.	\$3,500	6/30/15
7	Technical Memorandum #5 documenting the methodology for evaluating development readiness in the non-PDA areas, the results of the development readiness in these areas, as well as any policy or resources necessary for development to occur in these types of areas.	\$12,500	6/30/15
8	TAC meeting #2 summary notes	\$4,000	7/30/15
9	Additional Tasks to be assigned	\$20,000	TBD
Total Not to Exceed Amount:		\$250,000	