ASSOCIATION OF BAY AREA GOVERNMENTS

Representing City and County Governments of the San Francisco Bay Area

ABAG

CALL AND NOTICE

CALL AND NOTICE OF A SPECIAL MEETING OF THE ADMINISTRATIVE COMMITTEE OF THE ASSOCIATION OF BAY AREA GOVERNMENTS

As Chair of the Administrative Committee of the Association of Bay Area Governments (ABAG), I am calling a special meeting of the ABAG Administrative Committee as follows:

Special Joint Meeting with the MTC Planning Committee

Friday, July 10, 2015, 9:30 AM

Location:

Joseph P. Bort MetroCenter
Lawrence D. Dahms Auditorium
101 8th Street
Oakland, California

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

Agenda and attachments available at abag.ca.gov

This meeting is scheduled to be audiocast live on the Metropolitan Transportation Commission website at mtc.ca.gov

For information, contact Fred Castro, Clerk of the Board, at (510) 464 7913.

1. **CALL TO ORDER / ROLL CALL / CONFIRM QUORUM**
2. **PLEDGE OF ALLEGIANCE**
3. **COMPENSATON ANNOUNCEMENT**
4. **CONSENT CALENDAR**
   - **A. Approval of MTC Planning Committee Minutes of June 12, 2015**

     MTC Planning Committee APPROVAL
   - **B. Approval of ABAG Administrative Committee Summary Minutes of June 12, 2015**

     ABAG Administrative Committee ACTION
5. **PLAN BAY AREA 2040 REGIONAL FORECAST APPROACH**

   ABAG Administrative Committee Information / MTC Planning Committee Information
6. **PLAN BAY AREA 2040 GOALS AND TARGETS AND PROJECT PERFORMANCE UPDATE**

ABAG Administrative Committee Information / MTC Planning Committee Information

7. POTENTIAL INITIATIVES AND ROLE FOR MTC / ABAG TO IMPLEMENT REGIONAL PROSPERITY PLAN

ABAG Administrative Committee Information / MTC Planning Committee Information

8. PUBLIC COMMENT / OTHER BUSINESS

9. ADJOURNMENT / NEXT MEETING

Next meeting: September 11, 2015 9:30 AM

Members of the public shall be provided an opportunity to directly address the ABAG Administrative Committee concerning any item described in this notice before consideration of that item.

Agendas and materials will be posted and distributed for this meeting by ABAG staff in the normal course of business.

Submitted:

/s/ Julie Pierce
Chair, Administrative Committee

Date Submitted: July 6, 2015

Date Posted: July 6, 2015

ASSOCIATION OF BAY AREA GOVERNMENTS

Representing City and County Governments of the San Francisco Bay Area

ABAG

AGENDA

ADMINISTRATIVE COMMITTEE

Special Joint Meeting with the MTC Planning Committee

Friday, July 10, 2015, 9:30 AM

Location:

Joseph P. Bort MetroCenter
Lawrence D. Dahms Auditorium
101 8th Street
Oakland, California

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

Agenda and attachments available at abag.ca.gov

This meeting is scheduled to be audiocast live on the Metropolitan Transportation Commission website at mtc.ca.gov

For information, contact Fred Castro, Clerk of the Board, at (510) 464 7913.

1. **CALL TO ORDER / ROLL CALL / CONFIRM QUORUM**
2. **PLEDGE OF ALLEGIANCE**
3. **COMPENSATON ANNOUNCEMENT**
4. **CONSENT CALENDAR**
   - **A. Approval of MTC Planning Committee Minutes of June 12, 2015**

     MTC Planning Committee APPROVAL

     Attachment: MTC Planning Committee Minutes of June 12, 2015
   - **B. Approval of ABAG Administrative Committee Summary Minutes of June 12, 2015**

     ABAG Administrative Committee ACTION

     Attachment: Summary Minutes of June 12, 2015
5. **PLAN BAY AREA 2040 REGIONAL FORECAST APPROACH**

   ABAG Administrative Committee Information / MTC Planning Committee Information

   Cynthia Kroll, ABAG Chief Economist

Information item related to the general approach for the updated jobs, population and housing forecast for Plan Bay Area 2040.

Attachment: Plan Bay Area 2040 Regional Forecast Approach

6. PLAN BAY AREA 2040 GOALS AND TARGETS AND PROJECT PERFORMANCE UPDATE

ABAG Administrative Committee Information / MTC Planning Committee Information

Dave Vautin, MTC

Information item related to the goals and performance targets used to evaluate scenarios and projects and the general framework used to evaluate uncommitted transportation projects for inclusion in Plan Bay Area 2040.

Attachment: Plan Bay Area 2040 Goals Targets Project Performance

7. POTENTIAL INITIATIVES AND ROLE FOR MTC / ABAG TO IMPLEMENT REGIONAL PROSPERITY PLAN

ABAG Administrative Committee Information / MTC Planning Committee Information

Ken Kirkey, MTC Planning Director; Miriam Chion, ABAG Planning and Research Director; Vikrant Sood, MTC

Potential new initiatives that support implementation of the Regional Prosperity Plan and have a defined role for MTC and ABAG.

Attachment: HUD Regional Prosperity Plan

8. PUBLIC COMMENT / OTHER BUSINESS

9. ADJOURNMENT / NEXT MEETING

Next meeting: September 11, 2015 9:30 AM

Submitted:

/s/ Ezra Rapport, Secretary-Treasurer

Date Submitted: July 6, 2015

Date Posted: July 6, 2015

Metropolitan Transportation Commission

Meeting Minutes - Draft

101 Eighth Street,
Joseph P. Bort
MetroCenter
Oakland, CA

Joint MTC Planning Committee with the ABAG Administrative Committee

James Spering, MTC Chair Anne Halsted, MTC Vice Chair

Friday, June 12, 2015 | **9:30 AM** | **Lawrence D. Dahms Auditorium**

Call Meeting to Order

1. Confirm Quorum

Quorum: A quorum of the MTC Planning Committee shall be a majority of its regular non-ex-officio voting members (4).

Rollcall

Present: 4 - Vice Chair Halsted, Commissioner Haggerty, Commissioner Liccardo and Commissioner Pierce

Absent: 3 - Chairperson Spering, Commissioner Aguirre and Commissioner Kinsey

Non-Voting Member Present: Commissioner Giacopini
Non-Voting Member Absent: Commissioner Azumbrado
Ex Officio Voting Members Present: Commission Chair Cortese and Commission Vice Chair Mackenzie
Ad Hoc Non-Voting Members Present: Commissioner Bates, Commissioner Campos, Commissioner Rein Worth and Commissioner Weiner

ABAG Administrative Committee members present were: Cortese, Eklund, Gupta, Haggerty, Liccardo, Mar and Pierce.

2. Pledge of Allegiance

3. Compensation Announcement

4. Consent Calendar

Upon the motion by Commissioner Liccardo and second by Commissioner Pierce, the Consent Calendar was approved by the following vote:

Aye: 4 - Vice Chair Halsted, Commissioner Haggerty, Commissioner Liccardo and Commissioner Pierce

Absent: 3 - Chairperson Spering, Commissioner Aguirre and Commissioner Kinsey

a) 15-0565 Minutes of May 8, 2015

Action: MTC Planning Committee Approval

5. 15-0566 Release of Draft Amendments to Plan Bay Area and 2015 Transportation Improvement Program, Draft Transportation Conformity Analysis and Draft Plan Bay Area Environmental Impact Report (EIR) Addendum for Public Review and Comment

Amendments to the adopted Plan Bay Area and 2015 Transportation Improvement Program to add the I-580 (Richmond-San Rafael Bridge) Access Improvements Project that necessitate a new transportation Conformity Analysis and technical addendum to the Plan Bay Area EIR. Authorize the release of the Draft Amendment and companion documents for a 30-day public comment period, starting on June 19 and closing on July 20.

Action:

1) Release of Draft Plan Bay Area Amendments and EIR Addendum: MTC Planning Committee and ABAG Administrative Committee
2) Release of Draft Amendments to 2015 Transportation Improvement Program and Draft Transportation Conformity Analysis: MTC Planning Committee Approval

Presenter: Ashley Nguyen, Adam Crenshaw and Harold Brazil, MTC staff

Upon the motion by Vice Commissioner Pierce and second by Commissioner Liccardo, the 1) Release of Draft Plan Bay Area Amendments and EIR Addendum and 2) Release of Draft Amendments to 2015 Transportation Improvement Program and Draft Transportation Conformity Analysis, were approved by the following vote:

Aye: 4 - Vice Chair Halsted, Commissioner Haggerty, Commissioner Liccardo and Commissioner Pierce

Absent: 3 - Chairperson Spering, Commissioner Aguirre and Commissioner Kinsey

6. 15-0567 Bay Area Regional Prosperity Plan Update

Regional Prosperity Plan Update, a 3-year project funded by the U.S. Department of Housing and Urban Development. Report on key challenges driving the effort, and outcomes from pilot projects that were funded by a pass-through sub-grant program. Presentation on emerging themes and lessons learned by working group co-chairs: Pilar Lorenzana-Campo, Non-Profit Housing Association of Northern California; Jennifer Martinez, San Francisco Organizing Project; and Egon Terplan, SPUR.

Action: Information

Presenter: Vikrant Sood, MTC staff

7. 15-0568 Plan Bay Area Outreach Update

Review of the recently concluded outreach effort to kick off the Plan Bay Area 2040 update and summarize comments heard online and from nine public open houses.

Action: Information

Presenter: Ellen Griffin, MTC staff

Reverend Kristen Snow Spalding of the SMC Union Community Alliance was called to speak.

8. Public Comment / Other Business

Ken Bukowski was called to speak.

Adjournment

The next meeting of the Joint MTC Planning Committee with the ABAG Administrative Committee will be held on July 10, 2015 at 9:30 a.m. in the Lawrence D. Dahms Auditorium, First Floor, 101 Eighth Street, Oakland, CA.

Blank Page

SUMMARY MINUTES (DRAFT)

ABAG Administrative Committee Special Meeting
Friday, June 12, 2015
Joseph P. Bort MetroCenter
101 8th Street, Oakland, California

A. ABAG ADMINISTRATIVE COMMITTEE

8:45 AM to 9:30 AM

Location:

Association of Bay Area Governments
101 8th Street
Oakland, California

Teleconference Location:

City of Fremont, City Hall, 3300 Capitol Avenue, Fremont, CA 94539

1. CALL TO ORDER AND CONFIRM QUORUM

ABAG President and Committee Chair Julie Pierce, Councilmember, City of Clayton, called the special meeting of the Administrative Committee of the Association of Bay Area Governments to order at about 8:45 a.m.

A quorum of the Committee was present.

Members Present

Councilmember Julie Pierce, City of Clayton
Supervisor Dave Cortese, County of Santa Clara [joined at 9:00 a.m.]
Mayor Pro Tem Pat Eklund, City of Novato
Councilmember Pradeep Gupta, City of South San Francisco
Supervisor Scott Haggerty, County of Alameda
Supervisor Eric Mar, City and County of San Francisco

Member Participating by Teleconference

Mayor Bill Harrison, City of Fremont

Members Absent

Supervisor Mark Luce, County of Napa
Supervisor Dave Pine, County of San Mateo (Alternate)
Supervisor David Rabbitt, County of Sonoma
Supervisor James Spering, County of Solano

Staff Present

Ezra Rapport, ABAG Executive Director
Kenneth Moy, ABAG Legal Counsel
Brad Paul, ABAG Deputy Executive Director
Charlie Adams, ABAG Interim Finance Director
Miriam Chion, ABAG Planning and Research Director
Duane Bay, ABAG Deputy Planning Director

2. PUBLIC COMMENTS

There were no public comments.

3. ANNOUNCEMENTS

There were no committee member announcements.

4. APPROVAL OF ABAG ADMINISTRATIVE COMMITTEE SUMMARY MINUTES OF MAY 8, 2015

President Pierce recognized a motion by Pradeep Gupta, Councilmember, City of South San Francisco, which was seconded by Pat Eklund, Mayor Pro Tem, City of Novato, to approve the ABAG Administrative Committee summary minutes of May 8, 2015.

There was no discussion.

The aye votes were: Eklund, Gupta, Haggerty, Harrison, Mar, Pierce.

The nay votes were: None

Abstentions were: None.

Absent were: Cortese, Luce, Pine, Rabbitt, Spering.

The motion passed.

5. REPORT ON BUDGET

Ezra Rapport, ABAG Executive Director, reported on the ABAG budget status, including action by the Metropolitan Transportation Commission for a six-month budget for ABAG.

Members discussed the MTC audit of ABAG; the MTC action on a six-month budget for ABAG; ABAG's need for encumbrances for the full year; budget oversight; collaboration between ABAG and MTC; seeking MTC support for a full year budget for ABAG.

The Administrative Committee entered Closed Session at about 8:59 a.m.

[Mar left the meeting.]

[Cortese joined the meeting.]

6. CLOSED SESSION

The following item was discussed in closed session pursuant to the requirements of the Ralph M. Brown Act:

CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION

Litigation settlement with the City and County of San Francisco regarding a bond issued in connection with Rincon Hill CFD.

The Administrative Committee exited Closed Session at about 9:35 a.m.

[Mar joined the meeting during the Closed Session.]

7. REPORT OUT OF CLOSED SESSION

There was no report out of Closed Session.

8. ADJOURN TO JOINT MEETING OF THE ABAG ADMINISTRTATIVE COMMITTEE AND THE MTC PLANNING COMMITTEE, AT 9:30 AM, IN THE METROCENTER AUDITORIUM

The Administrative Committee adjourned at about 9:38 a.m. to the joint meeting with the MTC Planning Committee in the MetroCenter Auditorium."

B. JOINT MEETING OF THE ABAG ADMINISTRTATIVE COMMITTEE AND THE MTC PLANNING COMMITTEE, AT 9:30 AM, IN THE METROCENTER AUDITORIUM

9:30 AM

Location:

Joseph P. Bort MetroCenter
Lawrence D. Dahms Auditorium
101 8th Street
Oakland, California

1. CALL TO ORDER / CONFIRM QUORUM

ABAG President and Committee Chair Julie Pierce, Councilmember, City of Clayton, called the special meeting of the Administrative Committee of the Association of Bay Area Governments to order at about 9:40 a.m.

The Committee met jointly with the Planning Committee of the Metropolitan Transportation Commission.

A quorum of the Committee was present.

Members Present

Councilmember Julie Pierce, City of Clayton
Supervisor Dave Cortese, County of Santa Clara [joined at 8:55 a.m.]
Mayor Pro Tem Pat Eklund, City of Novato
Councilmember Pradeep Gupta, City of South San Francisco
Supervisor Scott Haggerty, County of Alameda
Supervisor Eric Mar, City and County of San Francisco

Members Absent

Mayor Bill Harrison, City of Fremont
Supervisor Mark Luce, County of Napa
Supervisor Dave Pine, County of San Mateo (Alternate)
Supervisor David Rabbitt, County of Sonoma
Supervisor James Spering, County of Solano [joined meeting at 9:49 a.m.]

Staff Present

Ezra Rapport, ABAG Executive Director
Kenneth Moy, ABAG Legal Counsel
Brad Paul, ABAG Deputy Executive Director
Miriam Chion, ABAG Planning and Research Director

2. PLEDGE OF ALLEGIANCE

President Pierce and MTC Planning Committee Chair Halsted led the Committees and the public in the Pledge of Allegiance.

3. COMPENSATION ANNOUNCEMENT

Fred Castro, ABAG Clerk of the Board, made the compensation announcement.

4. CONSENT CALENDAR—APPROVAL OF MTC PLANNING COMMITTEE MINUTES OF MAY 8, 2015

The MTC Planning Committee approved its Consent Calendar.

5. RELEASE OF DRAFT AMENDMENTS TO PLAN BAY AREA AND 2015 TRANSPORTATION IMPROVEMENT PROGRAM, DRAFT TRANSPORTATION CONFORMITY ANALYSIS AND DRAFT PLAN BAY AREA ENVIRONMENTAL IMPACT REPORT (EIR) ADDENDUM FOR PUBLIC REVIEW AND COMMENT

Ashley Nguyen, Adam Crenshaw, and Harold Brazil, MTC, reported on amendments to the adopted Plan Bay Area and 2015 Transportation Improvement Program to add the I-580 (Richmond-San Rafael Bridge) Access Improvements Project that necessitate a new transportation Conformity Analysis and technical addendum to the Plan Bay Area EIR. Authorize the release of the Draft Amendment and companion documents for a 30-day public comment period, starting on June 19 and closing on July 20.

Staff recommended the release of Draft Plan Bay Area Amendments and EIR Addendum by the MTC Planning Committee and ABAG Administrative Committee; and the release of Draft Amendments to 2015 Transportation Improvement Program and Draft Transportation Conformity Analysis by the MTC Planning Committee.

Members discussed the effect of the TIP on the I580 corridor.

The MTC Planning Committee approved release of Draft Plan Bay Area Amendments and EIR Addendum by the MTC Planning Committee and ABAG Administrative Committee; and the release of Draft Amendments to 2015 Transportation Improvement Program and Draft Transportation Conformity Analysis by the MTC Planning Committee.

President Pierce recognized a motion by Pat Eklund, Mayor Pro Tem, City of Novato, which was seconded by Pradeep Gupta, Councilmember, City of South San Francisco, to release of Draft Plan Bay Area Amendments and EIR Addendum.

There was no discussion.

The aye votes were: Cortese, Eklund, Gupta, Haggerty, Mar, Pierce.

The nay votes were: None.

Abstentions were: None.

Absent were: Harrison, Luce, Pine, Rabbitt, Spering.

The motion passed.

6. BAY AREA REGIONAL PROSPERTY PLAN UPDATE

Vikrant Sood, MTC, reported on the Regional Prosperity Plan Update, a three-year project funded by the U.S. Department of Housing and Urban Development. He reported on key challenges driving the effort and outcomes from pilot projects that were funded by a pass-through sub-grant program.

Emerging themes and lessons learned were presented by working group co-chairs Pilar Lorenzana-Campo, Non-Profit Housing Association of Northern California; Jennifer Martinez, San Francisco Organizing Project; and Kirsten Spalding, San Mateo County Union Community Alliance.

Members discussed the response to a letter from the Bay Area Council; community and labor participation; subregional efforts; a Sonoma County and North Bay Counties forum; private sector, community based organizations, and implementation of solutions; business implementation; housing and climate action; the final report to HUD; continuity of economic prosperity; changing suburbs and population.

7. PLAN BAY AREA OUTREACH UPDATE

Ellen Griffin, MTC, and Brad Paul, ABAG, reported on the recently concluded outreach effort to kick off the Plan Bay Area 2040 update and summarized comments heard online and from nine public open houses.

Members discussed the Marin County workshop and comments posted on the Plan Bay Area website.

Public comment was heard from the following individual:

Kirsten Spaulding commented on economic vitality, jobs and performance standards; similarities and differences on feedback across counties.

8. PUBLIC COMMENT / OTHER BUSINESS / NEXT MEETING / ADJOURNMENT

Public comment was heard from the following individual:

Ken Bukowski commented on an elected official transit day.

There was no other public comment.

The meeting adjourned at about 11:00 a.m.

The Committee's next meeting is scheduled for Friday, July 10, 2015.

Submitted:

Ezra Rapport, Secretary-Treasurer

Date Submitted: June 18, 2015

Date Approved: TBD

For information, contact Fred Castro, Clerk of the Board, at (510) 464 7913 or FredC@abag.ca.gov.

Blank Page

TO: Joint MTC Planning Committee with the ABAG Administrative Committee

DATE: July 2, 2015

FR: MTC Executive Director and ABAG Executive Director

RE: Plan Bay Area 2040 Regional Forecast Approach

What is the Regional Forecast?
The regional forecast provides estimates for 2040 of the region's population, jobs, households and income, and where population, households, jobs and housing units will locate.

- The regional totals for population, employment and households are a realistic outlook based on projected national and international trends and competitiveness of the Bay Area.
- The regional housing control total consists of the housing associated with the forecast households plus the additional housing that would be required to accommodate the forecast increase in in-commuters, consistent with the Building Industry Association of the Bay Area (BIA Bay Area) legal settlement.
- The geographic distribution of the forecast within the region reflects local policy choices as well as the influence of existing circumstances on future levels of activity.

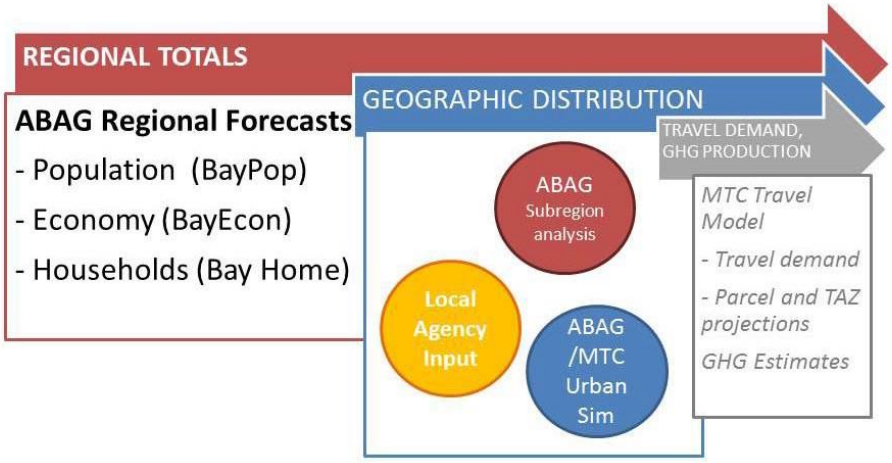
Why a Regional Forecast?
The forecast serves multiple purposes.

- The regional forecast provides a consistent, long-term estimate of the change in employment, population, households and income to use as a basis for planning public and private services. Many other forecasts focus specifically on only one or two factors and are inconsistent when combined.
- The forecast provides the context for local general planning efforts. It provides projections of change at the jurisdiction level, for smaller geographic areas within a jurisdiction, and for the surrounding places among which the jurisdiction will grow.
- The regional forecast provides the regional growth for population, employment and households used in Plan Bay Area 2040.
- The regional forecast combined with the regional housing control total will provide the full set of numbers that get distributed to the PDAs and local jurisdictions

How is the Regional Forecast determined?
The regional forecast is a cooperative effort between ABAG, MTC, and local jurisdictions. ABAG develops regional totals for population, households, employment, output and income, as well as a regional control total for housing. Geographic distribution of the forecast within the region is accomplished through efforts of ABAG and MTC modeling and planning staff with input at several stages from local jurisdictions. MTC then uses the information from the geographic distribution of the forecast for detailed travel demand analysis and estimates of greenhouse gas production. Figure 1 diagrams the overall analytic process.

Figure 1

ABAG/MTC Regional Forecasting Process



What tools and assumptions go into the forecast?
Our forecast of regional totals includes three components, a population component (BayPop), an economy component (BayEcon), and a household and income module (BayHome). A technical advisory committee is providing peer oversight of the forecasting tools and process.

BayPop projects population growth based on births, deaths, and moves into and out of the region. Demographic relationships estimated by John Pitkin and Dowell Myers take into account the unique characteristics of the Bay Area's population in terms of ethnicity, age distribution and place of origin, likely moves by people based on age and place of origin.

BayEcon forecasts output (gross regional product), employment and total income. We estimate growth in regional economic factors based on overall national and international economic trends and the economic structure of the region (industry mix, for example). We use the REMI model, customized for the region by ABAG staff, as one tool to estimate these relationships. We also consult alternative forecasts, including those of the Center for the Continuing Study of the California Economy, the Bureau of Labor Statistics and simple trend analysis to reach a realistic outlook on employment by industry. The long range economic forecast does not include economic cycles.

ABAG reconciles results of *BayPop* and *BayEcon* to ensure that economic aspects of migration are considered in the population projection.

BayHome, designed by ABAG research staff, builds on population estimates from *BayPop* and *BayEcon*, historic household formation rates by ethnicity and age cohort, research indicating how these rates may change over time, and economic input from *BayEcon* on relative housing costs and building activity. Household income is separately estimated through *BayHome* calculated using ABAG analysis of the relationship between household demographic characteristics, overall personal income levels and household income.

An iterative process between local government, ABAG staff and MTC modeling services will work with UrbanSim and other tools to distribute the regional totals for population, employment and households by income level. Underlying data on existing buildings, zoning and community characteristics will be augmented, model results "ground truthed," and new information added through work of MTC and consultant modeling staff and local government. MTC staff is responsible

for the travel model results. ABAG staff is responsible for the growth allocation pattern. These results reflect the choices of local jurisdictions in their long-term planning efforts. Periodic workshops will provide the opportunity for broader public participation in this effort.

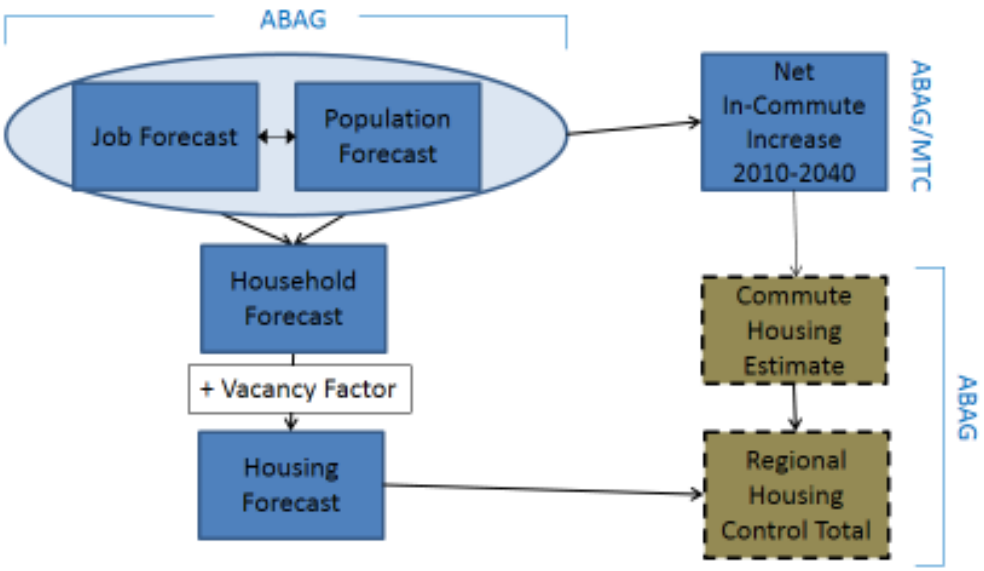
Commute Analysis and Regional Housing Control Total

BayEcon and *BayPop* will be used to estimate the total number of jobs and of employed residents in the region in 2040. The difference between these two numbers will indicate the net number of jobs that would be filled by in-commuters. MTC has determined the in-commute number to be 102,000 in 2010 based on Census data. ABAG will estimate the number of commuters in 2040 based on the population and employment forecasts. The difference between the number of in-commuters projected in 2040 and the number estimated in 2010 will determine the additional housing units to add to the regional housing forecast for the region, according to the settlement agreement reached by MTC and ABAG in February 2014 with the BIA Bay Area.

The Regional Housing Control Total will estimate the total number of units needed to accommodate all of the families in the region plus the number of housing units that correspond to the in-commute increase, consistent with the legal settlement. The number of units will include a reasonable vacancy level for circulation of units among movers. Figure 2 diagrams the overall regional forecast process that leads to a regional housing control total.

Figure 2

Regional Forecast, Commute, and Regional Housing Control Forecast



Plan Bay Area 2040 Scenarios
Three alternative scenarios will be developed for distribution of household, employment and population, for which impacts can be evaluated. The three scenarios will consider a single set of regional forecast totals and will be integrated with transportation and investment approaches aligned with the growth pattern for each scenario.

Schedule
The preliminary regional forecast will be released by fall 2015 and the final regional forecast will be adopted by Winter 2016. The forecast methodology, its key assumptions, and preliminary numbers will be shared with local planning staff and stakeholders and will be presented at various regional meetings, public meetings and workshops.

The scenario approach will be released in fall 2015. The preliminary growth allocation numbers will be released by the end of 2015 and the preferred scenario will be adopted by June 2016. Between July 2015 and June 2016, the scenarios will be discussed with local planning staff and stakeholders. They will also be presented at regular regional meetings, public meetings and public workshops.

Ezra Rapport

Steve Heminger

ER / SH:ck
J:\COMMITTE\Planning Committee\2015\07_July_2015\5_Plan Bay Area 2040 Draft Forecast Methodology_July2.docx

TO: Joint MTC Planning Committee with the ABAG Administrative Committee

DATE: July 2, 2015

FR: MTC Executive Director and ABAG Executive Director

RE: Plan Bay Area 2040 Goals & Targets and Project Performance Update

This memorandum presents the draft staff recommendation for goals and performance targets for Plan Bay Area 2040. Over the past three months, staff has been working closely with the Plan Bay Area 2040 Performance Working Group to update the adopted performance targets from Plan Bay Area. In line with the limited and focused nature of this update to Plan Bay Area, the goals and performance targets build upon the foundation of the prior Plan. Staff will seek approval of the Plan goals and targets at the September meeting of the Joint MTC Planning Committee with the ABAG Administrative Committee.

Background

Performance-based planning is a central element of the long-range planning process for MTC and ABAG. Plan Bay Area, the region's first integrated Regional Transportation Plan/Sustainable Communities Strategy, included a set of ten performance targets that were used to evaluate over a dozen different scenarios and hundreds of transportation projects. Plan Bay Area 2040 will preserve and build upon the performance-based planning process used as part of Plan Bay Area. Performance targets will again be used to compare Plan scenarios, highlight tradeoffs between policy goals, analyze proposed investments, and flag issue areas where the Plan may fall short. Regional performance targets will guide Plan development and will be supplemented in the future by required federal performance measures.

Goals and Performance Targets: Outreach & Engagement

The draft staff recommendation for goals and performance targets was extensively informed by meetings with key stakeholders, as well as outreach with the general public earlier this spring. Staff worked with the Performance Working Group, whose members include representatives of local governments, transportation agencies, non-profit organizations, and MTC's Policy Advisory Council, to identify suitable measures and targets to address key issue areas. A complete list of Performance Working Group members is included in **Attachment A**. In addition, staff sought feedback directly from the public at each of the county workshops in April and May, which generated valuable information about policy priorities for each Bay Area county.

Staff reviewed recommended changes to the performance targets through the lens of the technical criteria established in Plan Bay Area. These criteria, listed in **Attachment B** and **Attachment C**, emphasize that targets must be quantifiable and need to be able to be influenced by the Plan, among other factors. Most importantly, staff was cognizant of the importance of identifying a limited set of targets. While numerous statistics are produced over the course of the planning process via technical summaries, the Plan performance targets need to focus on the highest-priority metrics that reflect the region's most important long-term priorities.

Goals and Performance Targets: Draft Recommendation

Given the focused nature of this update to Plan Bay Area, staff recommends preserving the existing goals from Plan Bay Area and making strategic revisions to the performance targets. **Attachment D** summarizes the draft staff recommendation for Plan Bay Area 2040 goals and performance targets. Note that four targets have been carried over directly from Plan Bay Area, with modest changes recommended to another target (Adequate Housing). New targets proposed for inclusion in this Plan relate to public health, affordable housing, access to jobs, and state of good repair.

The proposed targets have a greater emphasis on transportation and housing in response to feedback received from the public at our initial round of workshops. Furthermore, the targets incorporate key improvements recommended by members of the Performance Working Group, such as an integrated public health target and an additional equity target serving as a proxy for displacement risk. Note that, at this time, MTC staff and ABAG staff are offering different proposals for target #2 (Adequate Housing) for your consideration. MTC's proposed language incorporates the in-commute language agreed to in the Building Industry Association settlement agreement. **Attachment E** outlines ABAG staff's objections to this approach. See **Attachment F** for MTC's response.

Project Performance Assessment

Before evaluating scenarios using the performance targets, MTC staff proposes conducting a performance assessment for uncommitted transportation projects, consistent with the approach taken in Plan Bay Area. This project-level evaluation will incorporate qualitative and quantitative analyses to identify both the project's level of support for adopted targets and its relative cost-effectiveness. The project performance assessment will identify high- and low-performing transportation investments and help inform scenario development by identifying regional priorities. Staff intends to work closely with the Performance Working Group this summer to identify methodological enhancements to the project performance assessment.

In addition to evaluating uncommitted expansion and operational improvement projects, staff proposes to incorporate state of good repair investments into the project performance assessment for the first time. Given the funding levels required to operate and maintain the existing system (87 percent of total revenue in Plan Bay Area), MTC believes it is appropriate to evaluate these projects in a manner consistent to other projects, thus allowing for an "apples-to-apples" performance comparison across all investment types. New state of good repair performance targets have been identified to align with this new element of the project performance assessment, in addition to better communicating the impacts of deferred maintenance on transportation system users.

Next Steps

- **Summer 2015:** Develop and document performance target methodologies
- **September 2015:** Seek approval of Plan Bay Area 2040 goals & targets
- **Fall 2015:** Define scenarios for evaluation in Plan Bay Area 2040
- **December 2015:** Release project performance assessment results for public review
- **Winter 2016:** Release scenario performance assessment results for public review

Ezra Rapport

Steve Heminger

ER/SH:dv
J:\COMMITTE\Planning Committee\2015\07_July_2015\6_PBA40_GoalsTargets_ProjectPerformance.docx

ATTACHMENT A: PERFORMANCE WORKING GROUP MEMBERSHIP

Category	Organization	Representative
Congestion Management Agencies	Alameda County Transportation Commission	Saravana Suthanthira
	San Francisco County Transportation Authority	Dan Tischler
	Sonoma County Transportation Authority	Chris Barney
Cities and Counties	City of Livermore	Bob Vinn
	City of San Jose	Jessica Zenk
	County of Contra Costa	Abigail Kroch
Transit Agencies	Bay Area Rapid Transit	Andrew Tang
	San Francisco Municipal Railway	Teresa Tapia
	Sonoma-Marin Area Rail Transit	Linda Meckel
	Valley Transportation Authority	George Naylor
Regional and State Agencies	Bay Area Air Quality Management District	Jaclyn Winkel
	California Department of Transportation	Cameron Oakes
	California Department of Public Health	Neil Maizlish
NGOs (Economy)	Building Industry Association	Paul Campos
	Working Partnerships USA	Louise Auerhahn
NGOs (Environment)	Greenbelt Alliance	Matt Vander Sluis
	Sierra Club	Matt Williams
NGOs (Equity)	TransForm	Clarrissa Cabansagan
	Center for Sustainable Neighborhoods	Tim Frank
MTC Policy Advisory Council	MTC Policy Advisory Council (Santa Clara County)	Randi Kinman
	MTC Policy Advisory Council (Solano County)	Richard Burnett
	MTC Policy Advisory Council (San Mateo County)	Richard Hedges

ATTACHMENT B: PRIMARY TECHNICAL CRITERIA FOR SELECTING PERFORMANCE TARGETS

#	Criterion
1	**Targets should be able to be forecasted well.** A target must be able to be forecasted reasonably well using MTC's and ABAG's models for transportation and land use, respectively. This means that the target must be something that can be predicted with reasonable accuracy into future conditions, as opposed to an indicator that can only be observed.
2	**Targets should be able to be influenced by regional agencies in cooperation with local agencies.** A target must be able to be affected or influenced by policies or practices of ABAG, MTC, BAAQMD and BCDC, in conjunction with local agencies. For example, MTC and ABAG policies can have a significant effect on accessibility of residents to jobs by virtue of their adopted policies on transportation investment and housing requirements.
3	**Targets should be easy to understand.** A target should be a concept to which the general public can readily relate and should be represented in terms that are easy for the general public to understand.
4	**Targets should address multiple areas of interest.** Ideally, a target should address more than one of the three "E's" – economy, environment, and equity. By influencing more than one of these factors, the target will better recognize the interactions between these goals. Additionally, by selecting targets that address multiple areas of interest, we can keep the total number of targets smaller.
5	**Targets should have some existing basis for the long-term numeric goal.** The numeric goal associated with the target should have some basis in research literature or technical analysis performed by MTC or another organization, rather than being an arbitrarily determined value.

ATTACHMENT C: PRIMARY TECHNICAL CRITERIA FOR IDENTIFYING A SET OF TARGETS

#	Criterion
A	**The total number of targets selected should be relatively small.** Targets should be selected carefully to make technical analysis feasible within the project timeline and to ensure that scenario comparison can be performed without overwhelming decision-makers with redundant quantitative data.
B	**Each of the targets should measure distinct criteria.** Once a set of targets is created, it is necessary to verify that each of the targets in the set is measuring something unique, as having multiple targets with the same goal unnecessarily complicates scenario assessment and comparison.
C	**The set of targets should provide some quantifiable metric for each of the identified goals.** For each of the seven goals identified, the set of performance measures should provide some level of quantification for each to ensure that that particular goal is being met. Multiple goals may be measured with a single target, resulting in a smaller set of targets while still providing a metric for each of the goals.

ATTACHMENT D: RECOMMENDED GOALS AND PERFORMANCE TARGETS

	Proposed Goal	#	Proposed Target	Same Target as PBA?
STATUTORY TARGETS	Climate Protection	1	Reduce per-capita CO_2 emissions from cars and light-duty trucks by **15%**	✓
	Adequate Housing	2	*ABAG Proposal / Current Target*: House **100%** of the region's projected growth by income level (very-low, low, moderate, above-moderate) without displacing current low-income residents **-- OR --** *MTC Proposal*: House **100%** of the region's projected growth by income level with no increase in in-commuters over the Plan baseline year	✓
VOLUNTARY TARGETS	Healthy and Safe Communities	3	Reduce adverse health impacts associated with air quality, road safety, and physical inactivity by **10%**	
	Open Space and Agricultural Preservation	4	Direct **all** non-agricultural development within the urban footprint (existing urban development and UGBs)	✓
	Equitable Access	5	Decrease the share of lower-income residents' household income consumed by transportation and housing by **10%**	✓
		6	Increase the share of affordable housing in PDAs by **[TBD]%**	
	Economic Vitality	7	Increase the share of jobs accessible within 30 minutes by auto or within 45 minutes by transit by **[TBD]%** in congested conditions	
	Transportation System Effectiveness	8	Increase non-auto mode share by **10%**	✓
		9	Reduce vehicle operating and maintenance costs due to pavement conditions by **100%**	
		10	Reduce per-rider transit delay due to aged infrastructure by **100%**	

ATTACHMENT E:

ASSOCIATION OF BAY AREA GOVERNMENTS

Representing City and County Governments of the San Francisco Bay Area

ABAG

TO: Joint MTC Planning Committee with the ABAG Administrative Committee
FR: Ezra Rapport, Executive Director ABAG
RE: ABAG's Approach to Adequate Housing Target in Plan Bay Area 2040
Date: July 10, 2015

ABAG, in collaboration with MTC, has made substantial progress in the strategies to reduce GHG emissions. Transit, biking and walking are strongly supported in Priority Development Areas (PDAs) and corridors. ABAG is working very closely with local jurisdictions to build necessary housing in PDAs. For the first time in many decades, the Bay Area has seen a substantial increase in in-fill housing development in PDAs. These accomplishments are effective responses to the two required targets for Plan Bay Area:

1. Reduce per-capita CO2 emissions from cars and light-duty trucks by 15 percent
2. House 100 percent of the region's projected growth by income level (very-low, low, moderate, above-moderate) without displacing current low-income residents

ABAG proposes to retain the original targets as approved in Plan Bay Area 2013. MTC proposes to change target 2 to: "House 100 percent of the region's projected growth by income level with no increase in in-commuters over the Plan baseline year."

ABAG does not agree that it is realistic to create a Performance Target of "no increase in in-commuters over the Plan baseline year." Performance targets are written to help guide the policies, regulations and legislation ("policies") to impact the Plan. All of the other performance measures in the Plan can be affected by such policies, and these actions will be considered and assessed throughout the development of the Plan. In the case of inter-regional commuting, however, there is no known policy that holds the in-commute of residents from neighboring counties to the Plan baseline year. With an increase in employment in the Bay Area, particularly in the Tri Valley and Silicon Valley, the historical trend shows that there will be an actual increase in in-commuters over the baseline year. Since there are no policies to help the region achieve the proposed target of zero increase in the in-commute over the baseline year, the adoption of such a target will be misleading to the public and other stakeholders who are concerned with the impact of the forecasted increase in in-commuting, particularly in the 580 corridor. As ABAG is responsible for providing a reasonable and realistic forecast of housing and jobs, based on best practices, sound economic analysis and strong policies, we view this performance target as misleading to other agencies that rely on ABAG's forecast for infrastructure planning.

Joseph P. Bort MetroCenter, 101 8th Street, Oakland, California 94607-4756 P.O. Box 2050, Oakland, California 94604-2050
(510) 464 7900 Fax (510) 464 7985 www.abag.ca.gov info@abag.ca.gov

Attachment F

TO: Joint MTC Planning Committee with the ABAG Administrative Committee

DATE: July 2, 2015

FR: Steve Heminger, MTC Executive Director

RE: Performance Target #2[Subject]

This brief memo describes MTC staff's rationale for proposing changes to the language of performance target #2 – House 100% of the region's projected population growth. We have customarily referred to the first two performance targets (the other relates to greenhouse gas reductions) as the "statutory" or "required" targets because they are contained in – or derive from – Senate Bill 375. As currently stated, however, performance target #2 does not quite measure up to that mark in two respects.

First, the current language includes the phrase "without displacing current low-income residents" which is not included in state law. The ABAG and MTC boards decided to add this language because of the importance of the issue in the region. Since the phrase is not statutory, we propose to address the displacement issue under the terms of performance target #6 – Increase the share of affordable housing in PDAs by [TBD] %.

Second, following adoption of Plan Bay Area, the two agencies were sued by the Building Industry Association of the Bay Area (BIA Bay Area) about, among other things, whether we were correctly interpreting the statutory phrase "house 100% of the region's projected population growth." ABAG and MTC settled the lawsuit with BIA Bay Area by agreeing to interpret the statutory phrase to mean that we would plan for "no increase in in-commuters over the Plan baseline year." MTC staff simply proposes to include that agreed-upon interpretation in performance target #2.

ABAG staff objects. They assert that "there are no policies to help the region achieve the proposed target of zero increase in the in-commute" when building more affordable housing in the Bay Area is certainly one such policy. If ABAG staff mean to say there are no policies that can *guarantee* the in-commute result, that is obviously the case. Neither agency can force prospective homeowners to live in the Bay Area instead of the Central Valley. But neither can we force the region's residents to ride in the bicycle lanes we will construct in an attempt to meet performance target #8. Nor can we require commuters to patronize the new rail lines and bus service we will provide in an attempt to meet performance targets #7 & 10.

ABAG staff also express concern that forecasting no increase in in-commuting will somehow be "misleading to other agencies that rely on ABAG's forecast for infrastructure planning." Well, the most notable such infrastructure agency is MTC itself – and we don't feel at all misled. To

the contrary, we believe it would be deeply misleading to adopt a performance target that ignores a legally-enforceable settlement agreement on the very same subject.

Indeed, it would appear that ABAG staff's real objection is to the way state law is phrased and the manner in which the BIA Bay Area's settlement agreement requires us to interpret that law. But the law says what it says, and the settlement agreement was freely entered into by both MTC and ABAG and is binding on both parties for Plan Bay Area 2040 and all subsequent updates. For a fuller exposition of the legal issues involved, please see the attached opinion by our outside counsel.

T|L|G Thomas Law Group

TINA A. THOMAS
ASHLE T. CROCKER
AMY R. HIGUERA
MEGHAN M. DUNNAGAN
CHRISTOPHER J. BUTCHER
ANGELA C. MCINTIRE

455 CAPITOL MALL, SUITE 801
SACRAMENTO, CA 95814

ONE KAISER PLAZA, SUITE 875
OAKLAND, CA 94612

Telephone: (916) 287-9292 Facsimile: (916) 737-5858
www.thomaslaw.com

NICHOLAS S. AVDIS
TODD W. SMITH
Of Counsel

MEMORANDUM

TO: Steve Heminger, MTC Executive Director
Adrienne Weil, MTC General Counsel

FROM: Tina Thomas and Amy Higuera

DATE: June 24, 2015

RE: Terms of Settlement Agreement with Building Industry Association Bay Area re Housing All the Growth of the Region within the Region

---

ISSUES

You asked us for our legal opinion on the following questions:

1) Does the Settlement Agreement entered into with the Building Industry Association Bay Area (BIA) require the agencies to define the SB 375 requirement to "house 100% of the region's projected growth" in Plan Bay Area with no increase in in-commuters over the baseline year for the Sustainable Communities Strategy (SCS)?

2) Is the Settlement Agreement legally binding on both the Association of Bay Area Governments (ABAG) and the Metropolitan Transportation Commission (MTC)?

SHORT ANSWERS

Yes. The requirement to house 100% of the region's projected growth must exclude the rate of in-commuting over the SCS baseline year under the Settlement Agreement, and under Government Code section 65080, subdivision (b)(2)(B).

Yes. Both MTC and ABAG are bound by the terms of the Settlement Agreement and failure by either agency to comply with those terms could result in litigation and significant monetary consequences.

DISCUSSION

1. **The requirement to house 100% of the population with no increase in in-commuters over the Plan baseline year.**

We understand MTC staff has recommended that the draft Plan Bay Area include a performance target that would "house 100% of the region's projected growth by income level with no increase in in-commuters over the Plan baseline year." We also understand that ABAG staff objects to including such language in the performance target.

The terms of the Settlement Agreement explicitly require that the forecasted development pattern for the Sustainable Communities Strategy (SCS) include no increase in the rate of in-commuting over the baseline year of the SCS. The Plan Bay Area 2040 performance targets for adequate housing should therefore explicitly incorporate this requirement, consistent with the terms of the Settlement Agreement, and the requirement of the SCS statute (Government Code section 65080.)

Terms of the Settlement Agreement

Paragraph 6.a. of the Settlement Agreement states that the "SCS shall set forth a forecasted development pattern for the region that includes the Regional Housing Control Total, **which shall have no increase in in-commuters over the baseline year for the SCS**, and shall not be based on historical housing production." The "Regional Housing Control Total" is defined in paragraph 20 of the Definitions section of the Agreement as "the regional housing demand over the course of the planning period of the Regional Transportation Plan pursuant to Government Code section 65080, subdivision (b)(2)(B)(ii)."

The terms of the Settlement Agreement are clear: there must be no increase in the number of in-commuters over the baseline year for Plan Bay Area 2040 in the forecasted development pattern that accommodates regional growth. This requirement was negotiated with BIA to address arguments raised in their Verified Petition for Writ of Mandate and Complaint for Declaratory and Injunctive Relief (Petition) filed in Alameda County Superior Court challenging Plan Bay Area. In their Petition, BIA alleged that Plan Bay Area failed to comply with the requirements of SB 375 by failing to accommodate all projected population growth in the region and assuming a certain percentage of in-commuting based on historic levels. To address these arguments, Paragraph 6.a. of the Settlement Agreement prohibits the SCS from using "a 'ratio'

theory, which assumes the same percentage of in-commuters as historic levels of in-commuting." Rather, the "**SCS must demonstrate how all of the Regional Housing Control Total can be accommodated within the boundaries of the nine counties of the Bay Area.**"

Statutory Requirements

The plain language of Government Code section 65080, subdivision (b)(2)(B)(ii) requires that the SCS identify areas "within the region sufficient to house **all the population of the region**" with no adjustment for residential growth that may instead take place outside the region (emphasis added). Subdivision (b)(2)(b)(vii) states that the SCS shall "set forth a **forecasted development pattern** for the region, which, when integrated with the transportation network, and other transportation measures and policies, will reduce the greenhouse gas emissions from automobiles and light trucks to achieve, **if there is a feasible way to do so**, the greenhouse gas emissions reduction targets approved by the state board" (emphasis added).

According to Government Code section 65080(b)(2)(C), ABAG is explicitly made responsible for identifying sufficient areas to house all the population of the region within the region under subsection (ii), and ABAG and MTC are jointly responsible for setting forth a forecasted development pattern for the region under subsection (vii).

Section 65080(b)(2)(C), subsection (ii) does not, on its face, allow for factoring in the costs of housing in adjacent regions. While subsection (ii) does state that the areas identified must include all economic segments "over the course of the planning period," the clause "all the population of the region" (as opposed to all the future growth) requires starting with an analysis that assumes no in-commuting. We believe a court would apply the literal interpretation to require that no in-commuting over the number currently in-commuting (the baseline number) be assumed in the model. Subsection (ii) sets forth the goal to be aspired to in the SCS.

Section 65080(b)(2)(C), subsection (vii) requires that the SCS consider what is feasible in preparing a forecasted development pattern. This subsection could be interpreted to allow consideration of in-commuting in the analysis of feasibility. However, other COGs in the state have interpreted subsection (vii) to apply the feasibility consideration to the reduction of GHG emissions through the interplay of the development forecast and design of the transportation network. In other words, subsection (vii) does not allow for a liberalization of the analysis in subsection (ii), and therefore does not allow consideration

of in-commuting due to housing costs in neighboring regions. As stated above, we believe a court would also apply this interpretation.

2) Consequences of non-compliance with the terms of the Settlement Agreement.

Remedies for Non-Compliance with Agreement

The Settlement Agreement was "made and entered into" with BIA by both ABAG and MTC defined in the Agreement as "Respondents" and was signed by representatives of all three entities (BIA, ABAG, and MTC). The obligations of Respondents are set forth in Paragraph 6 of the Agreement, which includes the requirement that the forecasted development pattern reflect no increase in in-commuters over the baseline year for the SCS. Thus, this obligation applies to both MTC and ABAG.

Paragraph 9.i. of the Settlement Agreement sets forth remedies for noncompliance with its terms. That paragraph states that specific performance is an appropriate remedy for enforcement, and further provides that in any action to enforce the Agreement, the prevailing party shall recover not only its costs, but also its "reasonable attorneys' fees."

If the agencies proceed in a manner that BIA interprets as non-compliant with the terms of the Agreement, BIA may file an action with the superior court seeking specific performance, and if the court finds in BIA's favor, the agencies will be required to revise any work done on the Plan to make it conform to the terms of the Settlement Agreement, and pay BIA's attorneys' fees incurred in seeking specific performance, in addition to bearing their own fees and costs.

Future Litigation Challenging Plan Approval

Further, if the agencies ultimately adopt a version of Plan Bay Area 2040 that does not comply with the terms of the Settlement Agreement, BIA may also file a lawsuit challenging Plan approval, claiming violations of SB 375 and CEQA.

In addition to the significant amount of time that such an action takes to resolve, such litigation is costly. Over the past two years, the agencies have incurred substantial legal fees associated with defending against the four legal challenges filed against the agencies' 2013 approval of Play Bay Area.

We also note that the attorneys representing BIA are sophisticated CEQA practitioners and often use extensive Public Records Act requests as part of their litigation strategy,

which would make defending a lawsuit filed by them more expensive than the matters currently being litigated. Thus, defending a lawsuit brought by BIA could cost the agencies a substantial sum to defend in trial court and on appeal.

Plan BayArea 2040

Goals & Targets

and Project Performance Update

Joint MTC Planning Committee with the ABAG Administrative Committee

July 10, 2015

Item 6

Plan BayArea 2040

Goals and performance targets form the foundation of the planning process.

2015
Goals & Targets
Project Evaluation

2016
Scenario Evaluation
Tradeoff Discussions

2017
EIR Process
Plan Approval

Image Source: https://www.flickr.com/photos/smadness/4999368225

What have we heard from the public about their top priorities for goals & targets?

Plan BayArea 2040

1. Transportation System Effectiveness
2. Adequate Housing
3. Equitable Access
4. Open Space and Agricultural Preservation
5. Climate Protection
6. Healthy and Safe Communities
7. Economic Vitality

Image Source: https://www.flickr.com/photos/parksjd/5788858929

What have we heard from the public about their top priorities for goals & targets?

Plan BayArea 2040

What have we heard from stakeholders about their top priorities for goals & targets?

Plan BayArea 2040

Performance Working Group Membership	
Congestion Management Agencies (CMAs)	Alameda County Transportation Commission, San Francisco County Transportation Authority, Sonoma County Transportation Authority
Cities & Counties	City of Livermore, City of San Jose, County of Contra Costa
Transit Agencies	Bay Area Rapid Transit, San Francisco Municipal Railway, Sonoma-Marin Area Rail Transit, Valley Transportation Authority
Regional & State Agencies	Bay Area Air Quality Management District, California Department of Transportation, California Department of Public Health
Non-Government Organizations (Economy)	Building Industry Association, Working Partnerships USA
Non-Government Organizations (Environment)	Greenbelt Alliance, Sierra Club
Non-Government Organizations (Equity)	TransForm, Center for Sustainable Neighborhoods
Policy Advisory Council / Equity Working Group	Randi Kinman (Santa Clara County), Richard Burnett (Solano County), Richard Hedges (San Mateo County)

What have we heard from stakeholders about their top priorities for goals & targets?

Plan BayArea 2040

Public health	Access to jobs	Affordability
Displacement	Congestion	Housing production

Image Source: https://www.flickr.com/photos/tmerding/2468819493/

Plan BayArea 2040

Staff evaluated revisions to the Plan Bay Area performance targets using technical criteria.

- Most importantly: targets should be **able to be forecasted and influenced** by the regional agencies.
- Targets should also be **easy to understand** and should be **limited in number** to maximize their effectiveness.

Image Source: https://www.flickr.com/photos/clintsharp/11061059935

Draft Staff Recommendation: Performance Targets

Plan BayArea 2040

CLIMATE PROTECTION	**1**	Reduce per-capita CO_2 emissions from cars and light-duty trucks by **15%**
ADEQUATE HOUSING	**2**	*ABAG Proposal/Current Target:* House **100%** of the region's projected growth by income level (very-low, low, moderate, above-moderate) without displacing current low-income residents **– or –** *MTC Proposal*:* House **100%** of the region's projected growth by income level with no increase in in-commuters over the Plan baseline year
HEALTHY & SAFE COMMUNITIES	**3**	Reduce adverse health impacts associated with air quality, road safety, and physical inactivity by **10%**

* = Risk of displacement is proposed to be addressed through a dedicated affordable housing production target for PDAs (target #6).

Text marked in blue indicates that the target was rolled over from Plan Bay Area.

Draft Staff Recommendation: Performance Targets

Plan BayArea 2040

Open Space and Agricultural Preservation	4	Direct **all** non-agricultural development within the urban footprint (existing urban development and UGBs)
Equitable Access	5	Decrease the share of lower-income residents' household income consumed by transportation and housing by **10%**
	6	Increase the share of affordable housing in PDAs by **[TBD]%**
Economic Vitality	7	Increase the share of jobs accessible within 30 minutes by auto or within 45 minutes by transit by **[TBD]%** in congested conditions

Text marked in blue indicates that the target was rolled over from Plan Bay Area.

Draft Staff Recommendation: Performance Targets

Plan BayArea 2040

TRANSPORTATION SYSTEM EFFECTIVENESS

8 Increase non-auto mode share by **10%**

9 Reduce vehicle operating and maintenance costs due to pavement conditions by **100%**

10 Reduce per-rider transit delay due to aged infrastructure by **100%**

Text marked in blue indicates that the target was rolled over from Plan Bay Area.

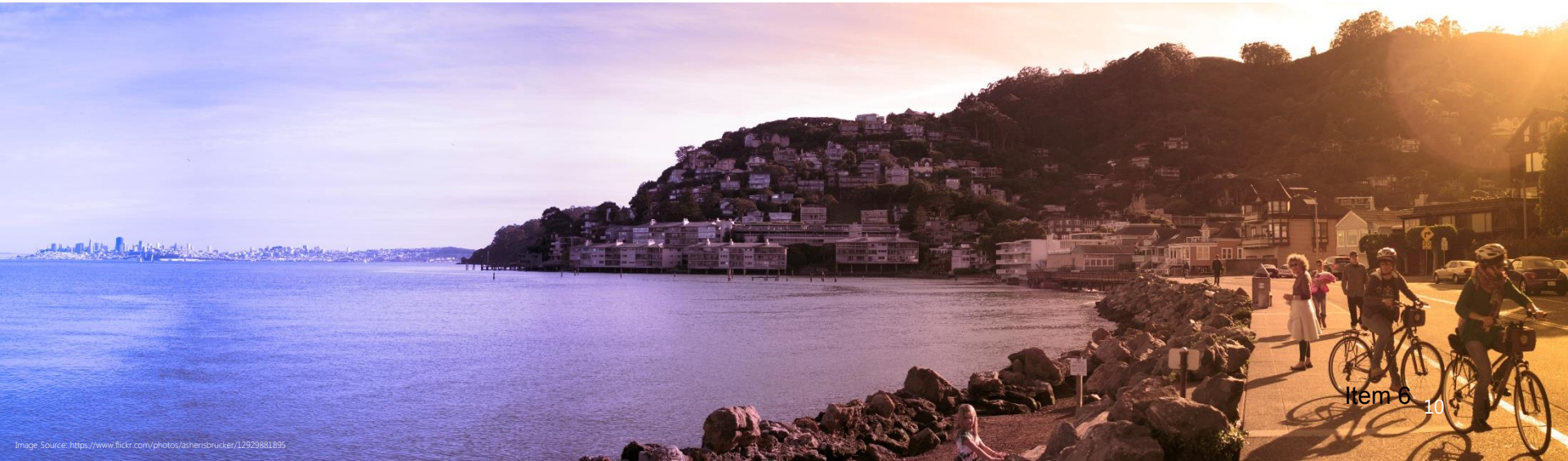
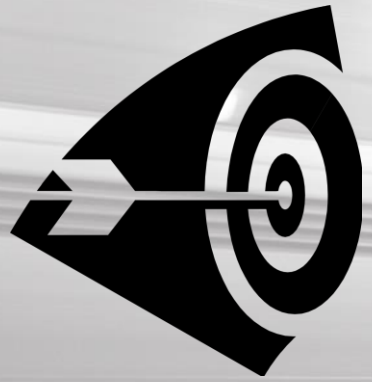


Image Source: https://www.flickr.com/photos/asherisbrucker/12929881895

Plan BayArea 2040

Transportation projects will be analyzed to determine their impact on performance targets as well as their cost-effectiveness.



HIGH-PERFORMING and **LOW-PERFORMING PROJECTS**

Identified based on the combination of target scores & benefit-cost ratios

TARGETS ASSESSMENT

Assessed qualitatively using target scores

Determine impact on adopted targets

BENEFIT-COST ASSESSMENT

Assessed quantitatively using MTC Travel Model

Evaluate relative cost-effectiveness

Image Source: https://www.flickr.com/photos/thomashawk/368102715/in/photostream/

Plan Bay Area 2040

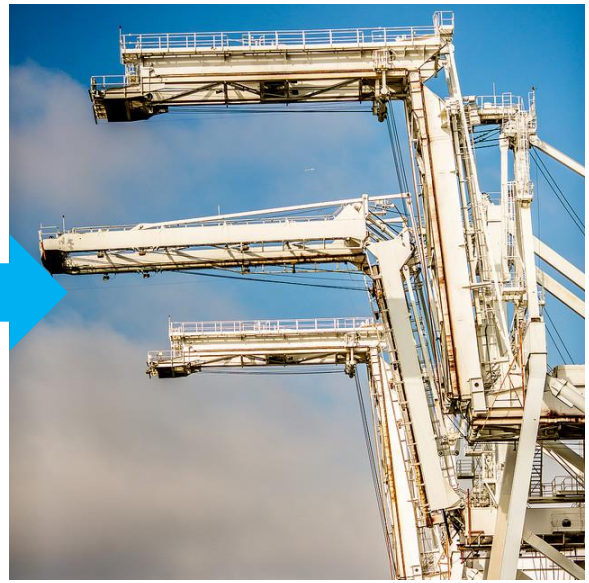
Transportation investments will be evaluated consistently to allow for tradeoff discussion when crafting a preferred scenario.

Major uncommitted transit projects

Expansion
Operational improvements
State of good repair*

Major uncommitted roadway projects

Expansion
Operational improvements
State of good repair*



Major investments from regional initiatives

Goods Movement Study*
Managed Lanes Program*
Transit Core Capacity Study*

* = new elements of Project Performance Assessment when compared to Plan Bay Area

Image Sources: https://www.flickr.com/photos/michaelpatrick/2690957769; https://www.flickr.com/photos/pfsullivan_1056/856975371; https://www.flickr.com/photos/thomashawk/15260950789

Next Steps for Targets & Performance Assessment

Plan BayArea 2040

Targets

Summer: Refine methodology
September: MTC/ABAG approval

Project Performance

Fall: Conduct evaluation
December: Release draft results
January: Release final results

Scenario Development

Fall: Define scenarios
Winter: Release performance results
Spring: Develop preferred scenario

Identify Preferred Scenario

June 2016

Blank Page

TO: Joint MTC Planning Committee with the ABAG Administrative Committee

DATE: July 2, 2015

FR: MTC Executive Director and ABAG Executive Director

RE: Potential Initiatives and Role for MTC / ABAG to Implement Regional Prosperity Plan

Background

The Regional Prosperity Plan was completed in June 2015 following a 3-year process to address the following three challenges: production and preservation of affordable housing near transit and jobs; neighborhood stabilization in communities at risk of displacement; and expanding economic opportunities for lower-wage workers.

A Steering Committee, formed to oversee project implementation, published an Action Plan in June 2015 that identifies 20 strategies and 76 actions to implement program recommendations. Of this total, only a small subset is directly relevant to the areas of jurisdiction of MTC and ABAG. Some actions in this subset are already underway through existing activities. These activities may be modified or expanded as needed and appropriate to incorporate additional findings from the Prosperity Plan. Staff will present these existing and potential new activities identified in the Action Plan at a Joint Committee meeting in fall 2015 for further review and discussion.

Potential Initiatives to Implement Regional Prosperity Plan

This memo proposes three bold new initiatives that MTC or ABAG could take to respond to *multiple strategies and actions* listed in the Action Plan. Implementing these initiatives will require coordinated effort and strong collaboration among regional and local leaders and stakeholders over the long-term. These initiatives, if implemented, may address critical challenges facing the Bay Area related to housing affordability and quality jobs.

A. Funding for Affordable Housing (Local and Regional)

Support new sources of revenue to back-fill lost revenue from state and federal sources (such as elimination of tax-increment financing) while also expanding the overall amount of funds available for affordable housing production and preservation may include:

- A county-level or sub-regional ***commercial linkage fee*** on new office and commercial development (new office space for additional workers will increase demand for more housing). Fees collected by one jurisdiction may be transferred to a neighboring jurisdiction to build a portion of new units (which otherwise would not be built) through a regional or sub-regional ***revenue- or cost-sharing mechanism***.
- Right-of-first-refusal for sale of *under-utilized* publicly-owned land for affordable housing, consistent with AB2135, which addresses publicly-owned *surplus land*.

B. Funding for Affordable Housing (State and Federal)

Establish a region-wide, coordinated legislative platform – led by local policymakers – aimed at restoring and expanding state and federal funding for affordable housing, including:

- Adopting a new ***tax-increment financing mechanism*** to facilitate housing production in weaker markets (or further modifying Enhanced Infrastructure Financing Districts);
- Expanding and fully utilizing ***low-income housing tax credits*** (state and federal); and
- Expanding and prioritizing Affordable Housing and Sustainable Communities ***(cap and trade funding)*** for affordable housing production and preservation in Priority Development Areas.

C. Investment in Industrial Lands and Goods Movement to Grow Middle-Wage Jobs

Middle-wage job growth in key sectors such as advanced manufacturing, warehousing, logistics and goods movement – which already account for a large proportion of well-paying jobs in the region – may be supported by:

- Designating a regional ***Economic Development District (EDD)***, a federally recognized entity with access to federal grants from the U.S. Department of Commerce, to support implementation of sub-regional plans; and
- Defining potential ***Priority Industrial Areas (PIAs)***, based on sub-regional plans, along with an associated implementation program, in the next Plan Bay Area update.

Next Steps

Based on Joint Committee feedback, staff will update the list of potential initiatives and compile a list of existing and new activities from the Action Plan that are relevant to regional agencies. Staff will seek approval of specific strategies for MTC / ABAG action at a Joint Committee meeting in fall 2015.

Ezra Rapport

Steve Heminger

ER / SH:vs

J:\COMMITTE\Planning Committee\2015\07_July_2015\7_HUD Regional Prosperity Plan Memo.doc