Attachment D
MTC-ABAG Merger Study
Preliminary Stakeholder Engagement Comments

Beginning in February, Management Partners began implementation of the Stakeholder Engagement Plan proposed in late January to the Joint Committee. While there are a few meetings yet to take place in late March and early April, the vast majority of the meetings have occurred. Table 1 lists the meetings that have taken place. This document provides an initial summary of comments heard during the meetings as well as some of the key themes.

Table 1. Stakeholder Meetings held on the MTC-ABAG Merger Study

Mayors' Conferences
Alameda County Mayors' Conference
Contra Costa County Mayors' Conference
Marin County Council of Mayors and Councilmembers
Napa County League of Governments (*scheduled for 4/14/16*)
San Mateo County Council of Cities
Cities Association of Santa Clara County
City County Coordinating Council
Mayors' and Councilmembers' Association of Sonoma County
Congestion Management Agency (CMA) Technical Advisory Committees and/or Staff
Alameda County Transportation Commission
Contra Costa Transportation Authority
Transportation Authority of Marin
Napa County Transportation and Planning Agency
San Francisco County Transportation Authority and San Francisco Planning Department
City/County Association of Governments of San Mateo County
Santa Clara Valley Transportation Authority
Solano Transportation Authority (*scheduled for 3/30/16*)
Sonoma County Transportation Authority
City Manager Associations/Groups *(meetings held upon request)*
San Mateo County City Manager Association
Santa Clara County City Manager Association
Alameda County City Manager Association
Regional Forums
East Bay Area Regional Forum
North Bay Area Regional Forum
South Bay Area Regional Forum

Individual Meetings
Bay Area Council
Building Industry Association (BIA) Bay Area
San Francisco Bay Area Planning and Urban Research Association (SPUR)
League of Women Voters
Equity/Social Justice/Housing Organizations: Six Wins Coalition
Environmental Organizations (hosted by Greenbelt Alliance)
Bay Area Planning Directors Association
BCDC and BAAQMD (Staff and BCDC Chair)
ABAG and MTC Planning Staff (separate meetings)[1]
ABAG and MTC Employee Bargaining Unit Representatives (separate meetings)[2]

[1] *Comments from meetings with ABAG and MTC planning staff are not included in this report.*
[2] *Comments from meetings with ABAG MTC employee bargaining unit representatives are not included in this report.*

Following a presentation on the background and context of the merger study, the following questions guided stakeholder meeting discussions:

- In general, how is regional planning for the Bay Area going today? And in particular, how did the Plan Bay Area process go previously and how is it going today?
- Given the range of issues facing the region, what can or should change with regard to regional planning in the future? Should there be a single agency guiding regional planning?

The goal was to encourage a wide ranging discussion on the current state of regional planning and consider what is needed for the future.

Professional staff had somewhat different comments and interests than elected officials and non-governmental groups of stakeholders. Therefore, this summary is primarily organized by stakeholder groups. Because the regional forums tended to include people from one of the stakeholder groups and were small enough to be able to identify the participants, those comments were folded into those groups.

Not everyone present at the meetings spoke, and we understand that not everyone at the meetings would endorse any individual comment. We have focused this report on where there seemed to be common, widely held concerns and comments. We further recognize that some participants may disagree with the comments and themes highlighted in this summary, and any single commenter's views may not always be reflected in this summary.

Overall Themes

Each group had somewhat different interests and comments; however, we believe the broad themes below emerged.

1. A single integrated agency is likely to better serve the regional planning needs of the region. This statement often came with a strong caveat from local agency staff and elected officials about the need for a governance model that recognizes the voice of smaller jurisdictions and their interests (see below for further discussion of governance).
2. Any new regional agency needs to respect and respond to the diversity and unique circumstances of Bay Area communities. A corollary to this from local elected officials and most staff is the importance of maintaining local land use control.
3. Any new agency should continue to provide services and assistance to local communities that are valued, including much broader outreach than has generally occurred in the past.
4. MTC is generally perceived as being less accessible to local government officials and stakeholders than ABAG; MTC is seen as more "top-down" and ABAG more "bottom-up." Nonetheless, neither agency is currently viewed as a partner fully capable of assisting local government to address the issues facing the region.
5. Between the two agencies, there are too many committees seemingly addressing similar issues (difficult to follow the path of who is making what decision). This leads to transparency issues from those wanting to participate in the process and an inefficient use of time for both elected officials and staff.
6. The question of merger is critically important to the region, and if pursued, sufficient time should be taken to accomplish it in a deliberative path (i.e., the current timeframe seems too short).
7. The Bay Area competes with major metropolitan regions in the U.S. and around the world for the talent, entrepreneurship and innovation that drives economic growth. This region needs to have a more integrated vision and voice in order to compete successfully.

Governance is Critical

Much of the discussion in every forum was about the issue of governance and how it relates to both the existing agencies and any future agency. The discussion usually revolved around how smaller jurisdictions could be fairly represented and their interests considered in any new governing body. That discussion reflects the fact that almost two-thirds of Bay Area cities have a population under 50,000, and the population of one Bay Area county is smaller than many of the region's cities. The discussion below does not reflect all aspects of the governance discussion, which ranged from a belief that minimal change is needed in the current structure of regional planning (e.g., the Plan Bay Area process just needs to be more collaborative and have a clear conflict resolution process), to the belief that a single agency is essential and that a new governance model is needed for that agency because neither of the current governance structures is appropriate for it.

Management Partners consistently indicated in our outreach meetings that prior to engaging in an in-depth evaluation of possible governance structures, the first step is a policy agreement that combining the agencies into a new regional governance model is a goal. The second step, one that will take longer to resolve than is available in the timeframe of this study, would be to arrive at a new governance structure for the new agency.

General Comments from Stakeholder Groups

The following sections document the comments by major stakeholder group.

Elected Officials

The comments below were frequently expressed by elected officials during the stakeholder meetings.

- Local land use control needs to be preserved.
- Although merging the two agencies may lead to more efficient regional planning, efficiency is not the only value. Respect for the interests of diverse communities and an open, transparent process are also important, even if efficiency suffers.
- Whatever regional agency may be created must allow for effective representation by smaller jurisdictions and counties in the region.
- Smaller jurisdictions will be lost in a new, larger, merged regional agency.
- This merger study is an opportunity to consider how to plan for the future of the Bay Area in a way that will serve future generations well.
- The current study timeframe is too short; more time to study the issue in more depth is needed.
- The current uncertainty about the future of ABAG is having a negative impact on the region's competitiveness for grants.
- The two agencies are very different. While they are both made up of elected officials, one is more open to local government voices (ABAG); MTC is not as available and willing to engage with local jurisdictions.
- The public outreach process for Plan Bay Area was not handled well, but ABAG staff members generally seem to have a better handle on how to conduct public outreach than MTC staff.
- The Plan Bay Area process was messy and uncomfortable, but it was the first time going through the process and the outcome was acceptable.
- MTC is focused on the central and south Bay, and does not understand or respond well to the interests of the north Bay (common comment from north Bay communities).
- The priority development area (PDA) funding and implementation process is not sensitive to the needs of more rural and suburban areas, despite the fact that the majority of the Bay Area is rural and suburban.
- There is a lack of trust regarding MTC.
- The regional plan needs to have incentives (as opposed to punishments) for the cities to accept and implement.

- After a merger or consolidation, what happens to the other helpful services that ABAG provides? Officials who rely on these services are concerned about ABAG's ability to provide them following any consolidation.
- Governance is the primary concern. MTC is more of a "black box" and is not considered transparent or responsive. The governance issue is the one least addressed so far in this current effort. Moreover, it is the most important to many elected officials.
- Until the issue of governance of any new agency is decided, it may not be possible to obtain agreement by most local governments that a new combined agency be created.
- This merger study should have been preceded by an organization assessment of the two agencies to determine their current performance, so that there could be a metric against which to test whether some new organizational structure would do better.
- Consideration should be given to merging other regional organizations into a single Bay Area regional organization (e.g., Bay Area Air Quality Management District and Bay Conservation and Development Commission).
- If ABAG is to survive, it needs a reliable source of funding for its activities.

Professional Staff

The following comments reflect the range of comments expressed by the professional staff of the various local agencies with whom we met.

- The two-agency responsibility for Plan Bay Area was difficult to navigate for local governments. It was unclear who was in charge or who to call with questions. At times, disagreements between ABAG and MTC staff were visible and disruptive.
- Having one unified voice would be helpful, as MTC and ABAG's viewpoints do not always coincide.
- ABAG is generally more responsive and available for local government staff (especially planners), while MTC is more available and responsive to Congestion Management Agency (CMA) staff.
- MTC staff tends to speak the same language as public works staff; ABAG speaks the same language as planning staff.
- The PBA public outreach process was poorly managed (exacerbated by the emergence of disruptive groups) and lacked strong leadership.
- MTC staff are not as skilled at public engagement and do not seem to value it.
- It is challenging for local jurisdictions to effectively participate in regional processes and committees, and especially challenging for local governments far from Oakland.
- Regional priorities are driving funding allocations rather than local priorities (heard primarily from public works/CMA staff).
- There is insufficient funding to meet basic transportation needs and the siphoning of funding from transportation towards other priorities (housing/PDAs) is exacerbating the transportation financing shortfall (heard primarily from public works and CMA staff).
- Insufficient funding is available to effectively implement the PDA concept that is central to Plan Bay Area (heard from planners).

- There is a great need to look at the issues facing the Bay Area holistically and that is not currently being done (planners).
- Neither ABAG nor MTC are seen as providing valued services to local governments; they are both seen as delivering mandates "from on high."
- Plan Bay Area, its policies and its funding, are more oriented to the big cities and the central Bay Area, and do not effectively address the less developed and more suburban parts of the region. It is divisive because it does not recognize the needs and interests of suburban and rural areas of the region.
- Smaller cities and rural counties did not have an effective voice in the Plan Bay Area process.
- By focusing on PDAs, the region is losing focus on the rest of the transportation system and the need to maintain it (public works/CMA staff).
- If merger means more efficiency (less duplication of effort), it could mean more money for local needs; however a larger agency could also mean greater bureaucracy and less money for local needs.
- A merged agency may have more influence on state and federal agencies.
- The fundamental problem with lack of funding for basic infrastructure and maintenance will not be addressed by a change in the regional organizations.
- The region needs a comprehensive goal and funding source for housing similar to the goals and funding for transportation, rather than taking money from transportation for housing.
- MTC has huge financial clout in the region, and yet is not transparent or accountable in how it wields that clout.
- The agencies could do a better job of providing assistance to local governments (e.g., CALTRANS has local assistance built into its organization); MTC in particular is not sensitive to local government needs.
- CMAs are the primary link between local jurisdictions and MTC, with relatively little direct communication from MTC to local jurisdictions.
- A new model could explore a decentralization of responsibility to sub-regional COGs, similar to the SCAG model.
- There has been insufficient recognition by MTC of the contribution made by non-PDA greenhouse gas reduction strategies (e.g., proposals that increase transit ridership or reduce vehicle miles travelled unrelated to PDAs).
- The Regional Advisory Working Group has been dominated by NGOs and has been an ineffective forum for the concerns of local agency staff.

Non-Governmental Organizations (NGOs)

Management Partners held six meeting with non-governmental organizations (NGOs) that have taken an active interest in both Plan Bay Area and in the discussions regarding regional planning and the MTC proposal that led to the Merger Study. These included public interest or equity-oriented groups, environmental organizations and business associations. While several of the NGOs focused on their specific areas of concern, there were some common threads between them. For example, almost all of the NGOs begin with the premise that a new regional agency combining

ABAG and MTC is essential to effectively address the wide range of planning and development issues facing the Bay Area in a holistic, transparent way that is accountable.

The NGOs viewed the Plan Bay Area process as flawed in part because two agencies were responsible for it, and from their perspective, there was a the lack of cohesive leadership. The participating NGOs believe that the fundamental challenges facing the Bay Area with regard to housing and transportation needs, greenhouse gas reduction, rising sea levels, a healthy economy, protection of air and water quality, social justice, and conservation of the region's agricultural and open space resources, requires an inclusive regional perspective and stronger regional planning. Some of the NGOs believe small jurisdictions have an outsized influence in the process, which prevents effective regional planning and implementation of an appropriate regional development agenda.

The following comments were frequently expressed by representatives of the NGOs.

- We need a vision that reflects everyone involved, a process that promotes accountability, and an expectation that everything will be done in a transparent manner.
- The region needs the ability to better coordinate its response to the issues it faces. Most issues do not stop at municipal borders.
- It is impossible to do coordinated planning with so many committees. Having multiple report-outs on the same subject to different committees is inefficient and difficult to follow.
- Improving the quality of life for Bay Area residents should be an explicit goal of any new agency.
- A new entity should have more public accountability and transparency.
- One agency with clear command, control and transparency is needed.
- It is challenging for an elected official to represent the interests of their home jurisdiction and also promote a regional agenda, especially if that agenda may require some changes at the local level.
- It is difficult to hold officials elected at the local level accountable for the decisions they make at the regional level.
- Plan Bay Area has not been effectively implemented.
- It is difficult to tell who an elected official is representing when they go to an ABAG meeting in the morning and then an MTC meeting in the afternoon.
- A consolidated organization should result in holistic regional planning (incorporating issues such as sea level change, water, equity) in addition to transportation and land use planning.
- Any new agency needs to be clear on its mission and clear on how it will integrate the interests of stakeholders into its processes.

As indicated previously, because the NGOs represented different stakeholder groups it is likely that some comments would not be agreed to by all. However, we believed it important to capture some of their individual concerns below, despite the fact that we expect not all of the NGOs would endorse them.

- We do not trust an agency whose mission has been regional transportation development to effectively take on and address the range of issues that would typically be addressed by a COG. There is little evidence to date that MTC has that ability.
- As a transportation agency, MTC has not been sensitive to the needs of low- and moderate-income households. To some degree this reflects the disproportionate representation on the Commission by local governments where there are fewer people of color and fewer low-income households. Issues such as displacement, health outcomes, and fully integrating the 3-Es (equity, environment and economy) into Plan Bay Area were not priorities.
- MTC is wholly staff driven and is not transparent.
- MTC is focused on the nuts and bolts of transportation; there has been no room for high-level policy discussion.
- There was insufficient consensus-building and little or no effort to address some of the big issues and major policy challenges, such as climate change, during the Plan Bay Area process.
- Economic development as a major focus is largely missing; there was no discussion about what kinds of jobs the region needs and who gets them.
- Any new agency needs an economic development function or arm.
- Not enough housing is being projected in the region to meet job growth; everyone knows it but the policy decision making is not able or willing to address it.
- The private market does not have the ability to do in-fill at the level required by Plan Bay Area, and there is little incentive for localities to approve it.