ASSOCIATION OF BAY AREA GOVERNMENTS
EXECUTIVE BOARD

RESOLUTION NO. 07-16

ABAG SUPPORT FOR ABAG MTC MERGER STUDY RECOMMENDATION OPTION 4 AND OPTION 7

WHEREAS, the cities and counties of the Bay Area formed the Association of Bay Area Governments (ABAG) for the purposes of establishing a permanent forum for discussion and study of regional and subregional problems of interest and concern to them, developing policies and actions, and providing services and undertaking actions to address such problems; and

WHEREAS, for over 50 years, local jurisdictions have relied on ABAG, their Council of Governments (COG), to provide the staff support, resources, programs, and partnerships in a manner that provides local jurisdictions with significant input in developing and implementing regional and subregional initiatives, plans and programs, such as Plan Bay Area; and

WHEREAS, for decades now, the Metropolitan Transportation Commission (MPO) has conducted subregional and regional transportation planning and funding, working primarily through the Congestion Management Agencies (CMAs); and

WHEREAS, last fall MTC adopted Resolution 4210 that provided interim funding for ABAG's work on the update to Plan Bay Area while ABAG and MTC jointly hired a consultant to help them explore opportunities for greater collaboration up to, and including, full merger; and

WHEREAS, merging these two regional agencies has the potential to create new opportunities to bring more comprehensive, better integrated transportation and land use planning services to the Bay Area; and

WHEREAS, if ABAG becomes part of a larger, more financially secure, merged agency that preserves ABAG's autonomy, policy oversight and statutory regional responsibilities, there would be greater economic flexibility and security for ABAG programs, and guarantee that current ABAG employee and retiree benefits are protected; and

WHEREAS, MTC acknowledges the value of the COG to the region and its local jurisdictions, stakeholders and residents, and has made a commitment to preserving ABAG's statutory authority, programs and voice in regional policy decisions; and

WHEREAS, both ABAG and MTC proposes to negotiate the terms of a merger as equal partners with each bringing its own strengths, assets and programs to the negotiations.

NOW, THEREFORE, BE IT RESOLVED, that the ABAG Executive Board expresses policy support for Option 4 (Create a New Regional Agency and Governance Model), and Option 7 (Enter into a Contract between ABAG and MTC to Consolidate Staff Functions under One Executive Director and Enter into an MOU to Pursue New Governance Options (Full Functional Consolidation)), and directs staff to:

(a) Enter into a letter agreement[1] to continue MTC's financial support of ABAG's planning services pending development and execution of a *Contract for Services* and *MOU* to pursue new governance options with MTC.

(b) Cooperate with MTC to conduct financial and legal analyses to determine the impact on both ABAG and MTC of a staff consolidation.

(c) Enter into negotiations and establish a deadline for:

1) A multi-year *Contract for Service* that consolidates MTC and ABAG staff under one executive director and provides staffing for all ABAG statutory duties and responsibilities as the region's COG;

2) A *memorandum of understanding* (MOU) to pursue new governance options within a specified time period.

(d) Commission/Board Involvement: Request Commission/Board Chairs and/or their representatives to work with respective agency staff, legal counsel and a project manager/facilitator on the *Contract for Service* and *MOU*.

(e) Employee Relations Committee: Establish a joint employee/management committee with representatives from both MTC and ABAG to assist with the transition process.

(f) Communications Plan: Document each agency's existing policy structure and responsibilities, and clarify intent to maintain them until and unless there is a successor governance structure; include this as part of a communications plan to Bay Area cities and counties

BE IT FURTHER RESOLVED that the ABAG Executive Board requests that the MTC Commission and the ABAG Administrative Committee and/or their representatives work with the Executive Directors, counsels and staffs of ABAG and MTC and a third party manager/facilitator on the *Contract for Service* and *MOU*.

BE IT FURTHER RESOLVED that ABAG Executive Board adopts the principles in Attachment A to this resolution to be applied to the implementation of Option 7.

[1] Items (a) through (e) are reflected in Sections A1-A6 of the AIP.

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BE IT FURTHER RESOLVED that the successor to the current Executive Director of MTC shall be appointed by, and report to, the ABAG Executive Board and the Commission of MTC.

FURTHER BE IT RESOLVED that the ABAG Executive Board acknowledges that the Action Implementation Plan (AIP), once it is finalized and adopted by ABAG and MTC, is meant to set forth a process to guide the respective agencies as we move forward with Option 7. It is intended as a tool that the agencies may use to help plan the process, and may need to be modified over time.

The foregoing was adopted by the Executive Board this 19th day of May, 2016.

Julie Pierce
President

Certification of Executive Board Approval

I, the undersigned, the appointed and qualified Secretary-Treasurer of the Association of Bay Area Governments (Association), do hereby certify that the foregoing resolution was adopted by the Administrative Committee of the Association at a duly called meeting held on the 19th day of May, 2016.

Ezra Rapport
Secretary-Treasurer

Approved as To Legal Form

Kenneth K. Moy
Legal Counsel

ATTACHMENT A

Principles Applied When Implementing Components of Option 7

A. The Council of Governments (COG) provides local jurisdictions with the staff support, resources and partnerships necessary for them to have significant input in developing and implementing regional plans such as Plan Bay Area. The COG operates with the clear understanding that all land use authority in California resides with cities and counties. Support for Option 7 is conditioned on the continuation of local engagement and participation in regional planning in the following manner:

   1) Cities and counties are essential partners in regional planning.
   2) Regional planning incorporates a meaningful and transparent public engagement process.
   3) Regional land use planning is responsive to local land use planning to build high quality neighborhoods.
   4) In addition to transit and transportation planning, regional land use planning integrates other relevant planning fields, such as water, agriculture and open space, resilience, energy efficiency, climate change adaptation and mitigation, air quality, sea level rise, economic development, and social equity.

B. The COG should have a voice in developing land use incentives designed to promote the construction of and acquisition/rehabilitation of housing units scaled to support the Bay Area economy.

C. When integrating the ABAG Planning and Research Department, special attention should be made to retain its collaborative and holistic culture.

D. In concert with any organizational changes, ABAG and MTC staff should engage in a deliberate process for integrating missions that address: 1) the function, management, mission, and vision of ABAG departments; 2) internal and external relationship maintenance; 3) decision-making structures; and 4) conflict resolution.

E. ABAG and MTC should designate a Staff Merger committee of Board and Commission members that will provide guidance with respect to merger activities and changes. This committee should be informed by an organizational consultant familiar with the overlapping areas of ABAG and MTC administration. We do not believe important decisions need to be made immediately, and it would be helpful for a committee of elected officials to be in place for any discussion of issues among the staff.

F. MTC administration should endeavor to understand and preserve ABAG's existing programs. Should MTC administration desire to make substantive changes, they must first consult with the ABAG Executive Board.

G. The staff merger should include the transition of all ABAG staff. Savings and consolidation should take place through existing vacant positions, expected attrition

opportunities in further reorganization, and through an organizational development plan approved by both ABAG and MTC.

H. The ABAG Executive Board will need a management level staff person to act as a liaison to the new administration. The ABAG Board and the Executive Director of MTC should engage in a mutual process for the selection and retention of this liaison. The mechanism to accomplish this should be worked out as part of the IAP. This position will ensure that the ABAG Executive Board has an appropriate connection to staff so it can perform its policy oversight with autonomy.