IRP Jobs/Housing Opportunity Zones in Action

Housing near Jobs

Santa Clara County

City of Milpitas

The tremendous employment growth in Silicon Valley over the past few years resulted in Milpitas having one of the highest jobs-to-housing ratios in the entire Bay Area at a staggering 3.0 (the ideal ratio is 1.5 jobs per household). By 2010, without focused efforts to reverse this trend, the City's jobs/housing balance is projected to increase significantly to 3.30 – an increase greater than any other city in the Bay Area. To remedy the lack of housing in Silicon Valley, up to 4,860 new units are planned for development in the Milpitas Zone. High-density residential "villages" will be incorporated in the Zone and will be structured around transit, including the new Bay Area Rapid Transit (BART) station, and will include amenities such as creek-side open spaces, trails, and parks. The villages will be mixed-use, with densities from 21 to 40 dwelling units per acre.

Alameda County

City of Union City

The Union City Zone, the Intermodal Transit Station District, represents a unique opportunity to develop a new "downtown" district that directly addresses the issues of reclaimed land use, jobs/housing imbalance, and transit accessibility. The development will take place on former brownfields and blighted commercial areas, that will be transformed to create a high-density, pedestrian oriented district, centered around a multi-modal transit station with BART, bus, and passenger rail connections. The completed build-out is expected to contribute approximately 500 new housing units on the centrally located 50 acres. Surrounding the core of the Station District are an additional 170 acres of undeveloped or underutilized lands where an additional 450 new housing units are planned.

City of Dublin

The Alameda County/City of Dublin Zone is made up of 51 acres of now vacant and under-utilized land directly north and adjacent to the East Dublin/Pleasanton BART station, in the center of the City of Dublin. This Zone is planned to accommodate 1,500 apartment units and over 1,400 office jobs, and will maximize transit use and pedestrian access. Most of the existing BART surface parking will be replaced with a multi-level garage and multi-family housing. Narrowed streets, ground floor retail uses, and an inter-connecting pedestrian and bike network will further encourage transit use instead of single-occupancy vehicles.

Alameda County, San Lorenzo Village

Located in unincorporated Alameda County between the cities of Hayward and San Leandro, San Lorenzo includes many of the County's "working poor" and underemployed. The plan for San Lorenzo is to attract the Bay Area's college-educated population by developing live-work spaces near downtown and encouraging entrepreneurial activity. Approximately 840 units of housing will be developed. Over 500 of these units will be "above the store" apartment housing and 200 units will be reserved for low and very low-income households. Senior housing and townhomes for moderate-income first-time homebuyers are also to be incorporated into the Zone.

Contact Information

For additional information about the IRP and Jobs/Housing Opportunity Zones, contact:

Association of Bay Area Governments 510-464-7900
Stanislaus Council of Governments 209-558-7830
San Joaquin Council of Governments 209-468-3913

or visit the project website at www.abag.ca.gov/planning/interregional/.

Jobs near Housing

Contra Costa County

Cities of Antioch and Oakley

Located in eastern Contra Costa County and positioned along State Route 4, the principal common gateway into Antioch and Oakley, this Zone is comprised primarily of existing underdeveloped and vacant industrial properties. The redevelopment of these properties will result in the creation of over 17,500 office and industrial jobs and over 1,000 retail positions.

Cities of Antioch and Brentwood

The Antioch/Brentwood Zone is located in eastern Contra Costa County where tremendous housing growth has created an enormous jobs/housing imbalance that severely impacts freeways, local roads, air quality, and quality of life. Brentwood was the fastest growing city in Contra Costa County during the 1990s, and is projected to remain the fastest growing through 2010. The City of Antioch is also experiencing tremendous growth. By 2005, Antioch is projected to add over 10,000 housing units which is well over the 1990 level, a 48% increase in 15 years. The development of the Antioch-Brentwood Zone will offset this housing development by providing well over 16,000 jobs, many of which will be higher paying positions in the professional sector sorely missing in the region.

San Joaquin County

City of Tracy

The Tracy Gateway Business Park in the City of Tracy is estimated to directly generate up to 25,000 jobs, focusing on technology and professional sectors currently unavailable in the Central Valley. The project will also serve as a catalyst for other major employment and educational projects, generating secondary regional employment benefits that are projected to improve the jobs/housing ratio. This project will benefit the surrounding communities, as well as residents in eastern Contra Costa and Alameda Counties by providing shorter commute patterns and encouraging greater use of existing transportation networks through reverse commutes.

San Joaquin County, Airport East

Uniquely situated with respect to major population centers, the San Joaquin County Zone at Airport East, just south of Stockton, is strategically located to fulfill job generation goals of at least 15,000 new jobs. This Zone has the potential to be a regional hub, attracting a variety of business interests, including air cargo companies, office/research and development users, and high tech companies.

Stanislaus County

City of Patterson

Over 10,000 new direct jobs and up to 20,000 indirect jobs could be created through proposed development in the Patterson Zone. A high density of jobs per acre are planned for the Zone, with jobs being created at technical and skill levels that complement the resident labor force currently commuting to the Bay Area for employment. The Patterson Zone will play a key role in minimizing commute times for future employees.

City of Modesto

Made up of predominately under-utilized land and a brownfield site, the Modesto Zone will be rezoned to include mixed use, business offices, and light industrial space. Over 1,500 medium to high paying jobs commensurate with the technical and skill levels of the currently commuting resident labor force will be generated through the development of this Zone. The effect on the local job market will be to provide significant alternatives for Stanislaus County area residents who are currently commuting long distances to work in the Bay Area.

Inter-Regional Partnership

Association of Bay Area Governments
Stanislaus Council of Governments
San Joaquin Council of Governments

Framing

Cooperative

Solutions

Inter-Regional Challenges

Housing near jobs, and jobs near affordable housing have become an unattainable dream. Affordable housing in metropolitan job centers throughout California is largely unavailable, forcing many families to move to remote suburban and even rural regions where affordable housing is relatively abundant. Consequently, Californians are spending countless hours in their cars, traveling to and from distant locations on a daily basis, contributing to increased traffic congestion on many of California's highways, degrading air quality, and experiencing a lower quality of life.

Jobs-housing imbalances will become more prevalent in the coming decades as the state is projected to experience significant population and employment growth. Nowhere in the state has this problem been more clearly identified than in the San Francisco Bay Area and neighboring Central Valley. The San Francisco Bay Area is facing a housing crisis with housing costs far exceeding those found in the rest of the state and job growth surpassing the development of housing. The Association of Bay Area Governments (ABAG) predicts that by 2020, there will be an additional 1.2 million residents and nearly 1 million new jobs in the nine counties that ring the San Francisco Bay. Only 428,000 new housing units are expected to be built in this same time period; far short of the estimated 637,000 units needed to house new workers.

With housing costs at prohibitive levels in the Bay Area, many people are moving to the neighboring Central Valley. The trend is expected to continue as many of these communities are expected to double or triple in size in the coming decades due to pressure to develop housing to meet the demand created by Bay Area workers. Unfortunately, these same communities are not projected to attract the appropriate numbers of new jobs. Instead, thousands of Central Valley residents will continue to commute far into the Bay Area with drives of two hours or more each way. It is estimated that nearly 100,000 commute trips are currently made each day over the Altamont Pass, the key connector road between the Central Valley and the Bay Area. If current trends continue, the number of individuals driving over the Altamont will more than double in 20 years, drastically adding to congestion, lowering air quality, and further reducing quality of life for Central Valley and Bay Area residents.

Developing Solutions

To meet the challenge of bringing jobs and housing closer together, a coalition of counties and cities of Alameda, Contra Costa, San Joaquin, Santa Clara, and Stanislaus Counties formed the Inter-Regional Partnership (IRP). The IRP pursued legislation to create a pilot project that would test whether or not land use patterns could be changed through the use of directed incentives. Incentives would be directed to ten "Jobs/Housing Opportunity Zones" located throughout the five participating counties. The incentives would be designed to encourage jobs to be developed in those Zones located in "housing-rich" areas, and housing to be built in existing job centers.

In 1999, Assembly Member (now Senator) Tom Torlakson championed the pilot project legislation, and with bi-partisan support Assembly Bill 2864 was signed by the Governor in 2000. The resulting *Inter-Regional Partnership State Pilot Project to Improve the Balance of Jobs and Housing* now serves as a local laboratory to determine whether or not the location of jobs and/or housing can be influenced through the use of focused incentives.

Selection of Zones

In the summer of 2002, ten Jobs/Housing Opportunity Zones were selected through a rigorous evaluation process designed to identify and select the best opportunities to improve current development patterns. Zones were selected to encourage economic investment and job creation near available housing, and to increase housing development near major employment centers. Most importantly, the Zones were evaluated on their ability to improve conditions over the entire five-county area and to remedy inter-regional problems. The Zones selected represent an integrated, inter-regional approach, developed by local government collaboration, and designed to improve the jobs to housing ratio and the lives of residents in the five-county IRP area.

Impacts of the IRP Jobs/Housing Opportunity Zones

As implementation of development in the Zones occurs, the five-county IRP area is expected to:

- Produce over 8,350 new housing units in the job-rich centers of the Bay Area. Of these 1,500 will be affordable to low- and moderate- income families.
- Create over 38,000 new jobs in the four Zones located in the Central Valley counties of Stanislaus and San Joaquin, including the cities of Patterson, Modesto, Stockton, and Tracy.
- Develop over 28,800 new jobs in Contra Costa and Alameda Counties, where affordable housing is abundant and jobs are scarce.

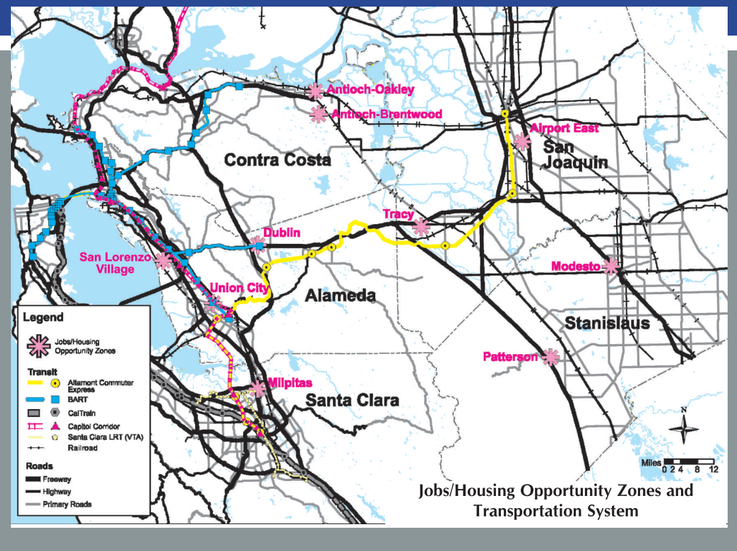
The Jobs/Housing Opportunity Zones and the positive impacts on the five-county IRP area are described on the following pages.

Road to Success

It is envisioned that by July 31, 2004, each Zone will have used a wide variety of special incentives that will have contributed to the success of individual development projects. The individual development projects will ideally result in housing being built where there is an existing shortage of units, and jobs will have been created where now only housing exists.

The key to making these Zones successful, however, is the incentives. The Inter-Regional Partnership is seeking the state's assistance in bringing customized, unique incentives to the Jobs/Housing Opportunity Zones. Incentives that will pave the way include:

- Childcare Tax Credits
- Industrial Development Bonds Priority
- Multi-Family Housing Tax Credits
- Targeted Tax Area Status
- Tax Increment Financing



Jobs/Housing Opportunity Zones and Transportation System