

ABAG
May/June 2003



Service Matters

ABAG Spring General Assembly 2003 Integrating Water and Land Use

One of the most critical issues in California and the Bay Area often overlooked in the glare of headlines about the economy, state budget deficit, and global affairs, concerns a fragile resource, water. Securing a water supply, maintaining its availability, access, and sustainability, and managing its complex link to land use is the region's and California's greatest challenge. That focus brought approximately 200 state and local elected officials, water agency representatives, and business and community leaders together at ABAG's Spring General Assembly on April 24, 2003. Meeting in San Francisco at the Westin St. Francis Hotel, attendees recognized that linking the two worlds of planning—local government and water agency urban water management plans—are critical to our economy and environment. Participants heard from an outstanding array of prominent speakers and experts who highlighted proposals and programs integrating water resource and land use functions.

Quenching California's Growing Thirst

During the General Assembly, Senator Mike Machado, Chair of the Senate Agriculture and Water Resources Committee, outlined the challenges to our over-subscribed water supply, "the water we have versus the water we dream we have." Noting that setting up state and regional priorities and securing state and regional funding are critical to integrating water resource programs, he emphasized that regional collaboration was essential to implementing water-land use management plans. This theme of regional approach and collaboration was echoed throughout the conference.

Assembly Member Joe Canciamilla, Chair of the Assembly Water, Parks, and Wildlife Committee, added that efforts to devise and implement comprehensive water policy were complicated by territorial barriers and water feuds generations old. He spoke of legislation he is

working on that addresses the need to bring agencies together to help fund and support water quality and policy, like recycling projects, water quality standards, water accounts, and water security. Luncheon speaker Dan Walters, Sacramento Bee columnist, political analyst and pundit, wryly provided an insightful primer on



General Assembly Panel: (left to right) Moderator Marin County Supervisor Cynthia Murray, Santa Clara Valley Water District Director Rosemary Kamei, Napa County Supervisor Mike Rippey, Contra Costa County Supervisor John Gioia, Petaluma Councilmember Pamela Torliatt

California water-land use and its diversion into two streams: "need and greed."

Show Me the Water

Randy Kanouse, Special Assistant to the General Manager, East Bay Municipal Utility District, in his presentation "Show Me the Water—Quenching California's Thirst,"

emphasized the importance of developing regional planning collaboration. He reviewed two new statutes that help integrate land use and water planning. Chapter 643 (SB 610) requires a water supply assessment for all large-scale development projects of 500 units or more if the project is subject to the California Environmental Quality Act. Chapter 642 (SB 221) requires that a sufficient water supply be available for a proposed large subdivision by the time the homes are ready to be built.

General Assembly panelists and respondents defined for attendees a number of methods and model approaches that local government and water districts and agencies could undertake. **Marin County** Supervisor Cynthia Murray led a panel of respondents who raised many critical issues.

Spring GA continued on page 2

IN THIS ISSUE

Spring 2003 General Assembly
Homeowner Program & Projections 2003
San Francisco Estuary Project
ABAG Second Units Forum
ABAG News Briefs
Calendar

pages 1-2
page 3
page 4
page 5
page 6-7
page 8

ABAG Spring General Assembly

Spring GA continued from page 1



Photos Left to Right: Assembly Member Joe Canciamilla; San Francisco Mayor Willie Brown, Jr.; ABAG President and City of Walnut Creek Mayor, Gwen Regalia; Senator Mike Machado; ABAG Planning Director Gerry Raycraft, EBMUD Director John Coleman, San Francisco Bay RWQCB Executive Officer Loretta Barsamian; Sacramento Bee columnist Dan Walters

Panelists included Rosemary Kamei, Director, Santa Clara Valley Water District, who stressed how land use decisions affect water and the fact that ensuring water supply reliability and protecting water resources and groundwater basins are keys to implementing Smart Growth land use patterns. **Napa County** Supervisor and Executive Board Member Mike Rippey, Chair of the ABAG-CALFED Task Force, highlighted the disparities that exist between the certified housing element and water policy, and offered that by “working together we can ensure that growth is smart because smart growth means smart water and smart energy.” **Contra Costa County** Supervisor and Executive Board Member John Gioia reiterated that how we balance these competing priorities will ensure water use efficiency and smarter growth, affirming that it is a regional, a multi-jurisdictional, and multi-agency partnership effort.

Petaluma Council Member Pamela Torliatt defined another dimension by describing the challenge of high costs of housing and water, and the limited funds available. She raised the dilemma of where efforts and funds are placed: “do we spend it on infrastructure or conservation or should we first be educating our public to use it wisely?”

Water and Land Use Sustainability

Afternoon speakers addressed the sustainability issues. Clifford Waldeck, Vice Chair of the Regional Water Quality Control Board and **Mill Valley** Council Member, spoke specifically about runoff as the biggest source of water pollution in urban areas and the importance of NPDES (National Pollutant Discharge

Elimination System) helping municipalities to control urban runoff. Jill Bicknell, Program Manager of the Santa Clara Valley Urban Runoff Program, demonstrated how their program successfully used a watershed-based approach to implement NPDES for controlling storm water runoff and preventing pollution. Principal Environmental Specialist Sean White of the Sonoma County Water Agency tackled a reclamation barrier in the Napa-Sonoma Marsh Reclamation Project, and documented ways to create beneficial use for reclaimed water via a pipeline from local sanitation districts and programmatic areas.

Tom O’Malley, President of the Tri-Valley Business Council, brought the issue of balancing urban and agricultural water and land use planning to the discussion. He outlined the Tri-Valley Vision 2010 which supports approved general plans and planning boundaries, while looking to enhance permanent open space, increase agriculture and improve environmental quality. Collaboration and partnership of priorities, planning and interests again are critical to the fruition of this vision which mirrored the message from **Antioch** Mayor Donald Freitas, Director of the Contra Costa Clean Water Program. Land use plans, policies, and ordinances that promote efficient water use and land use plans combined with policies and ordinances that protect groundwater and surface water resources are the infrastructure for a water-land use partnership.

During the General Assembly business meeting city and county delegates approved the Agency’s Annual Budget and Work Program. Joining ABAG as Conference Sponsor was the Bay Area Water Agencies Coalition (BAWAC). A reception sponsored by KB Home, Sonoma County Water Agency, and Pardee Homes followed the program offering additional opportunities for further discussion and for forging city/county/water district partnerships. Exhibitors included California Department of Water Resources and the California Bay-Delta Authority, as well as displays of ABAG programs and services.

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Mayor, City of Walnut Creek

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New Program Opens the Doors to Homeownership

The ABAG Finance Authority for Nonprofit Corporations (FAN) has created a number of innovative financing programs – raising more than \$2 billion in capital financing for healthcare, housing, education, and other public needs. Through these efforts, FAN has been instrumental in financing more than 7,100 multi-family housing units throughout the region. FAN now plans to add a new dimension to the financial services it offers with a Lease-Purchase Homeownership Program. Currently in its test phase, this program, to be called California Home Source, will compliment ABAG's long-standing commitment to programs and policy that help meet the region's housing needs.

California Home Source will make housing more accessible to low- and moderate-income families that do not have the resources to make the conventional downpayment required on a home in the Bay Area.

The program will also be able to serve lease-purchasers who may have past credit problems. A major program launch is expected in June. For more information about the program, please visit www.calhomesource.org. For more information about FAN and its other financing programs, please visit www.abagbonds.org.



June 18th Symposium Highlights Policy-Based Projections

Projections 2003—*Smart Growth Forecasts* will be formally presented on June 18th in a symposium at the MetroCenter in Oakland. These forecasts are the first regional policy-based projections, developed using methodology to help guide Bay Area growth, as compared to traditional biennial trends-based projections. Paul Fassinger, ABAG Economist and Director of Research, and ABAG analysts will unveil these projections and provide the latest long-term forecast, updating economic information from *Projections 2002*. The Symposium will be held from 9 a.m. to noon, and is open to the public. Representatives from local government, planning agencies, business, and community interest groups expected to attend.

Forecast Background

From the Smart Growth Strategy/Regional Livability Footprint Project a smart growth land use vision for the Bay Area emerged to minimize sprawl, provide adequate and affordable housing, improve mobility, protect environmental quality, and preserve open space. This vision is ABAG's starting point for the development of biennial policy-based projections.

Policy-based projections will reflect the impact of policies and incentives used to shift development patterns from the

expected trends toward better job-housing balance, to increase preservation of open space, and to focus on development of urban and transit-accessible areas. They factor in the land available for development, including infill and redevelopment potential. Once the available land is estimated, the process takes into account expected demand, based both on existing economic and demographic conditions, and potential incentives for housing production, as well as land use and regulatory changes conducive to smart growth.

It is anticipated that these projections will form the basis of the Metropolitan Transportation Commission's 2004 Regional Transportation Plan, thereby beginning to influence regional transportation funding decisions, which in turn could begin to impact future growth patterns. *Projections 2003* will help inform land use and development, regional transportation investments, public outreach, and state incentives for the region. It is an innovative, inclusive approach to address a set of complicated regional problems.

For more information on the Symposium, visit www.abag.ca.gov/abag/events/p2003/ to register or call 510/464-7900.

San Francisco Estuary Project Expands Education and Outreach with Small Grants Program

The San Francisco Estuary Project (SFEP) demonstrates leadership and collaboration in education and outreach and expands beyond its own scope to fund the efforts of other groups. A total of \$111,000 has been awarded by the SFEP through the Small Grant Program for education and outreach in wetland and creek restoration and environmental education publications. The awards are part of an appropriation from the U.S. Environmental Protection Agency. With monetary grants ranging from \$3,000 to \$10,000, the SFEP Small Grant Program will fund 17 projects representing the entire Bay Area. Five projects are described below:



- **The Math/Science Nucleus in the City of Fremont.** The program's goal is to alert local businesses and community groups about an ignored, but important local watershed and its role in the overall ecology of San Francisco Bay. The Math/Science Nucleus will publish a small booklet to be distributed throughout the city and make slides available to local schools and environmental groups.
- **The Urban Creeks Council of California in Berkeley** has received a grant to help provide a training program for local inner city high school students. The students will learn the entire process of stream restoration – from the initial surveys of stream cross-sections and profiles, through actual project construction, to riparian insect surveys, and other monitoring activities.
- **The Golden Gate Audubon Society in Berkeley** has been awarded a grant to train students and will focus on a new National Wildlife Refuge, which is being developed from a Navy base closure. The Golden Gate Audubon Society will work with local elementary

school students on a Least Tern Program, which includes learning the life style of this endangered species, as well as removing predator ground cover from Least Tern habitat at the refuge. Students will also learn to identify and count birds, and to observe, identify, and inventory plants and animals.

- **Alhambra Watershed Action Group in Martinez** will raise awareness and promote stewardship of the Alhambra Creek Watershed by producing and distributing a watershed map to local schools and the general public. The map will include natural features, such as creeks, floodplains, and topography, as well as demographic information. This map will enhance established educational programs that are currently being implemented by the local watershed group.

The SFEP is excited about the breadth and depth of these projects and looks forward to increasing stewardship of the Bay through implementation of actions contained in the Comprehensive Conservation and Management Plan. The SFEP reviewed a total of 30 excellent proposals, amounting to over \$200,000 in requested funding. It is anticipated that the grant program will be conducted again next year.



Second Units an Affordable Option

New Law Changes Permitting for “Granny Units”

“**S**econd units allow whole new income levels of people to either buy a home or find affordable rental housing,” commented Alan Strachan, developer and panel participant in the Association of Bay Area Governments’ (ABAG) *Forum on Planning for Second Units*. Eighty-nine representatives from Bay Area cities and counties attended the March 28th event to explore the implications of the new housing law regarding second units and its implementation after July 1, 2003. This forum was an important discussion because the development of second units (also called “granny units”) helps many communities increase the number of available housing units and meet housing needs requirements, and are considered a valuable form of affordable housing in California and the Bay Area.

Legal Impacts

While the new law which resulted from the passage of AB 1866 (Wright) significantly changes a community’s ability to control development of second units, communities retain the ability to pass ordinances to determine where second units are allowed according to specific criteria. This includes infrastructure, traffic flow, parking height, setback, lot coverage, architectural review, maximum size, and historical building requirements. Impacts on public health, safety, and welfare can also be used in ordinances, but must be adequately documented. Under AB 1866, if local standards are met, an applicant will be able to directly receive a planning sign-off and a second unit building permit, without a requirement for a public hearing.

However, the most difficult issue for both the panelists and attendees was how to implement the grey areas of the law. “Standards must be clear and predictable. Homeowners must be educated about the process, particularly the technical aspects,” commented Forum panelist Mark Lovington, Senior Staff Counsel with the California Department of Housing and Community Development Department (HCD).

The difficulty of defining those grey areas were discussed in detail as cities and counties expressed concern about architectural review and site plan review criteria. Among the questions raised were the following:

- How do you do site plan review or architectural review via a checklist with many site-specific variables?
- How is architectural review defined in terms of compatibility with existing structures?

Several communities also raised concerns about the possibility that this process would be less inclusive because of the inability to provide public notice about projects to community members.

Case Study

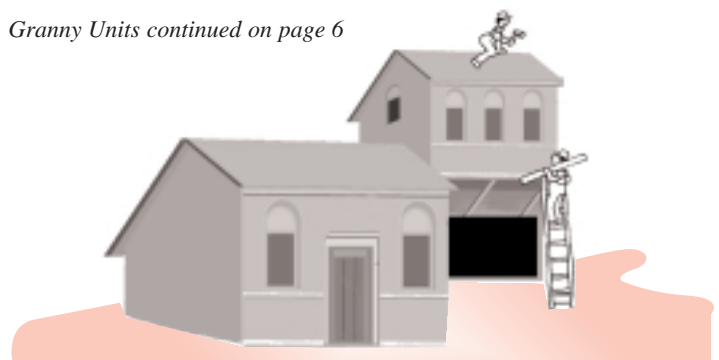
The efforts of the **City of Santa Rosa** to re-write the second units ordinance was used as a case study. Santa Rosa has a number of illegal second units and a long history of approving legal units. A Santa Rosa new development included second units and the developer, Alan Strachan, commented that it was profitable and safe for developers to incorporate the units into new projects. “It was about \$35,000 to add a unit and it adds about \$50,000 to the sale price of the house.”

Santa Rosa’s ordinance will change the approvals process by removing the noticing and associated response and hearing requirements. The development of the new ordinance included a detailed discussion with the Planning Commission about the removal. The ordinance will soon see a test case with a housing development with restrictions regarding second units.

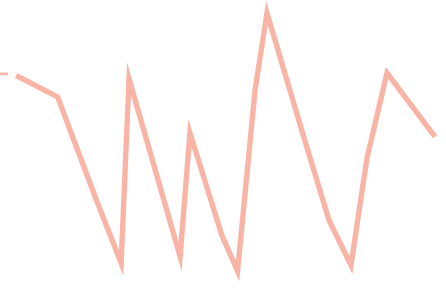
At the conclusion of the *Forum*, attendees recognized the complexity of the second unit housing issue and requested sharing model ordinances and additional information from Housing and Community Development, with ABAG facilitating distribution. Additional forums on topics such as density law and inclusionary zoning were requested.

Developed by ABAG Regional Planning Committee, this was the second forum in an anticipated series on housing topics held to assist cities and counties in accommodating growth and population. For more information on the *Second Units Forum* and housing topics, contact Christy Rivere at 510-464-7923 or christyr@abag.ca.gov.

Granny Units continued on page 6



New Earthquake Loss Estimates for the San Francisco Bay Area



According to new numbers released by the U. S. Geological Survey-led Working Group on California Earthquake Probabilities, there is a 62% chance of one or more magnitude 6.7 earthquakes in the Bay Area over the next 30 years. Although this probability is slightly lower than previous forecasts, the percentage is still very high and requires adequate earthquake

preparedness precautions be implemented by residents and communities.

This report also recognizes that their loss estimates probably underestimate impact of a scenario earthquake and acknowledges ABAG-completed analysis. ABAG uses a refined Bay Area residential inventory forecast that predicts post-earthquake housing needs, estimating that more than 150,000 housing units will be uninhabitable for a repeat of the 1906 earthquake or a magnitude 6.9 event on the Hayward fault.

For additional information about the Working Group numbers and to view the detailed report, visit <http://quake.usgs.gov/research/seismology/wg02/>. For additional information about earthquake preparedness and ABAG analysis, contact ABAG Earthquake Program Manager Jeanne Perkins who participated in the Working Group and report, at 510-464-7934 or jperkins@abag.ca.gov.



Granny Units continued from page 5

Pending Legislation Problematic

There is great concern that pending housing legislation would change second unit housing law even before cities and counties are able to absorb the impacts of AB 1866. Current pending legislation, AB 1160 (Steinberg), takes second unit housing law into a new and more problematic direction by removing many of the ordinance-making abilities supported in AB 1866.

The new bill would prohibit requiring an owner-occupant from living either in the second unit or the main house, remove occupant rent and income restrictions, increase the minimum size of the unit to 400 square feet, set the maximum at 1,200 square feet, and change parking requirements. Second Unit Housing Forum panelist Rick Judd, Attorney at Law, Goldfarb and

Lipman commented about this new proposal and others, that “housing law is becoming more and more complex, and before you know it, we will end up with the U.S. tax code.” The ABAG Executive Board took an oppose position on the bill at the March 20th meeting at the recommendation of the Legislation and Governmental Organization Committee.

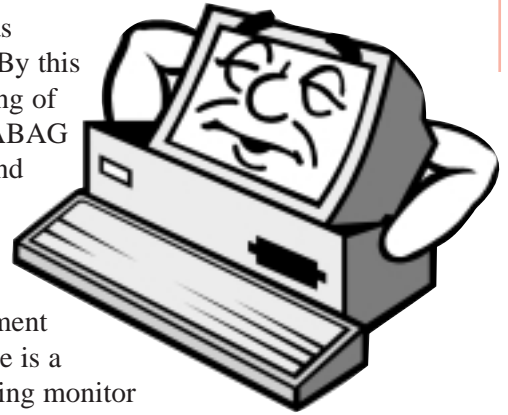


Celebrating Earth Day All Year Long

In 2003 ABAG prevented approximately 30,000 pounds of greenhouse gas emissions by activating sleep settings on its network of 100 computers. By this simple action ABAG helped prevent the air pollution associated with the burning of coal, oil, and natural gas to generate electricity. It was just one of many ways ABAG implemented energy-efficient solutions and programs to save energy, money, and help protect the environment, celebrating Earth Day 2003 since the beginning of the year.

ABAG's actions also helped Energy Star, a program administered by the U.S. Environmental Protection Agency (EPA) with assistance from the U.S. Department of Energy, to succeed in the Million Monitor Drive. The Million Monitor Drive is a nationwide, voluntary effort to save energy and prevent air pollution by activating monitor power management on one million computers. It is expected that this effort will save over \$15 million (215 million kWh of electricity) and prevent over 150,000 tons of green house gas emissions annually. For more information on ABAG programs and other achievements, visit ABAG's website at www.abag.ca.gov.

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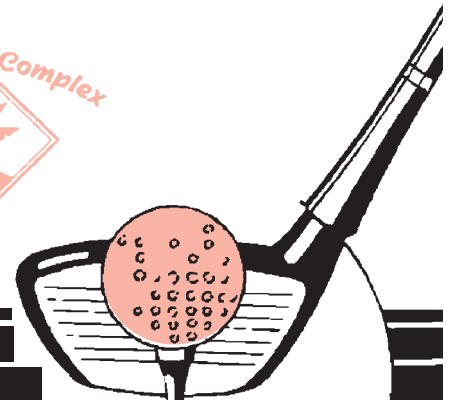
"Clean Water Partners for the 21st Century"

The U.S. Environmental Protection Agency honored eight California water agencies for their programs going beyond federal requirements to protect watersheds. Four were Bay Area agencies—**Contra Costa Water District, the East Bay Municipal Utility District, the Marin Municipal Water District, and the Santa Clara Valley Water District.** They were given the "Clean Water Partners for the 21st Century Award" because of their innovative efforts to protect and restore rivers, lakes, streams and wetlands, and launch local pollution prevention programs.



Summer 2003 Golf Outing Benefits Bay Trail

The 14th Annual ABAG Service Programs' Summer Golf Outing benefiting the Bay Trail will be held on Friday, July 25, 2003, at the Chuck Corica Golf Complex, Earl Fry North Course located at 1 Clubhouse Memorial Road in Alameda. The golf outing features 4-player and individual player competition with the check-in, range, and practice facilities open at 11:00 a.m., a shotgun start at 1:00 p.m. and concluding with a dinner and awards at 6:30 p.m. Entry fees for individuals are \$80 for government or nonprofit organization, and \$250 for corporate. Tournament sponsorship opportunities are available. For more information about registration and sponsorship, contact Marci Loss at 510/464-7920, or email marcil@abag.ca.gov.



MARK YOUR CALENDAR!

May 2003

15 3:30 p.m.
Legislation & Governmental
Organization Committee Meeting
MetroCenter, ABAG 106B

15 5:00 p.m.
Finance and Personnel
Committee Meeting
MetroCenter, ABAG 106B

15 7:30 p.m.
Executive Board Meeting
MetroCenter, Auditorium

21 12:30 p.m.
Inter-Regional Partnership Meeting
Pleasanton Public Library,
Community Room
400 Old Bernal Avenue,
Pleasanton

28 11:00 a.m.
ABAG Plan Board of Directors
MetroCenter, Auditorium

June 2003

18 9:00 a.m.
Projections 2003 Seminar
MetroCenter, Auditorium

Notable Numbers

380
separate retail water agencies
serve 86% of the California's
population.

37%
of California water years from
1921 to 2001 have been dry to
critically dry years. 32% of
California water years from 1921
to 2001 have been wetter than
normal.

20
million Californians receive
drinking water from the San
Francisco Bay-Delta Estuary's delta
and watershed.

900,000
acres of urban land are contained
within the Bay-Delta counties of
Alameda, Contra Costa, Marin,
Napa, Sacramento, San Francisco,
San Joaquin, San Mateo, Santa
Clara, Solano, Sonoma, and Yolo
counties. Of this total, residential
development occupies almost
600,000 acres.

310,000
acres of the Bay-Delta counties
are covered by commercial
properties and industry.

5.6
million acres of agricultural land
and rural areas cover the Bay-
Delta counties.

***Water facts from East Bay
Municipal Utility District, Santa
Clara Valley Water District, and the
San Francisco Estuary Project.***

Projections 2003 Smart Growth Forecasts

**Symposium
June 18
9 - Noon**




**MetroCenter
Auditorium,
Oakland**

To Register go to
[www.abag.ca.gov/abag/
events/p2003](http://www.abag.ca.gov/abag/events/p2003)

For more information,
call
510/464-7900

Registration: *100 Members; *120 Non Members

 Association of Bay Area Governments

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