

SUMMARY MINUTES (DRAFT)

ABAG Regional Planning Committee Meeting
Wednesday, June 1, 2016

375 Beale Street, Yerba Buena Room, San Francisco, California 94105

1. CALL TO ORDER

Pradeep Gupta, Chair and Vice Mayor, City of South San Francisco, called the meeting of the Regional Planning Committee of the Association of Bay Area Governments to order at 1:05 PM

A quorum of the committee was present.

Committee Members Present	Jurisdiction
Mark Boucher	BAFPAA
Desley Brooks	Councilmember, City of Oakland
Paul Campos	Senior Vice President, Government Affairs, Building Industry Association
Tilly Chang	Executive Director, SFCTA County of San Francisco
Cindy Chavez	Supervisor, County of Santa Clara
Pat Eklund	Mayor, City of Novato
Karen Engel	Director of Economic and Workforce Development, Peralta Community College District
Martin Engelmann	Deputy Executive Director of Planning, Contra Costa Transportation Agency
Pradeep Gupta	Vice Mayor, City of South San Francisco (Chair)
Scott Haggerty	Supervisor, County of Alameda
Erin Hannigan	Supervisor, County of Solano
John Holtzclaw	Sierra Club
Melissa Jones	Executive Director, BARHII, Public Health
Michael Lane	Policy Director, Non-Profit Housing Association of Northern California
Mark Luce	Supervisor, County of Napa
Jeremy Madsen	Executive Director, Greenbelt Alliance
Karen Mitchoff	Supervisor, County of Contra Costa
Anu Natarajan	Director of Policy and Advocacy, MidPen Housing
Julie Pierce	Councilmember, City of Clayton (ABAG President)
Matt Regan	Senior Vice President of Public Policy, Bay Area Council

Carlos Romero	Urban Ecology
Al Savay	Community & Economic Dev. Director, City of San Carlos (BAPDA)
Kirsten Spalding	Executive Director, SMCUCA
Dyan Whyte	Assist. Exc. Officer, San Francisco Regional Water Quality Control Board
Monica E. Wilson	Councilmember, City of Antioch

Members Absent

Diane Burgis
Julie Combs
Diane Dillon
Russell Hancock
Nancy Ianni
Eric Mar
Nate Miley
Carmen Montano
Harry Price
David Rabbitt

Katie Rice
Mark Ross
James P. Spering
Jill Techel
Egon Terplan

Jurisdiction

East Bay Regional Park District
Councilmember, City of Santa Rosa (Vice Chair)
Supervisor, County of Napa
President & CEO, Joint Venture Silicon Valley
League of Women Voters--Bay Area
Supervisor, City and County of San Francisco
Supervisor, County of Alameda
Vice Mayor, City of Milpitas
Mayor, City of Fairfield
Supervisor, County of Sonoma (ABAG Vice President)
Supervisor, County of Marin
Councilmember, City of Martinez
Supervisor, County of Solano
Mayor, City of Napa
Planning Director, SPUR

2. PUBLIC COMMENT

There were no public comments.

3. APROVAL OF REGIONAL PLANNING COMMITTEE MEETING MINUTES OF APRIL 6, 2016

Chair Gupta recognized a motion by **Pat Eklund**, Mayor, City of Novato, and seconded by **Julie Pierce**, Councilmember, City of Clayton, to approve the Regional Planning Committee (RPC) minutes of April 6, 2016.

There was no discussion.

The motion passed unanimously.

4. ANNOUNCEMENTS

Member Engelman encouraged members to listen to GoMentum Concord Station CA, where Contra Costa Transportation Authority leads and facilitates a collaborative partnership.

Member Eklund announced that the public workshop and open house will be on Saturday June 4, 2016 in Marin County and thanked ABAG staff for all their involvement and work.

5. SESSION OVERVIEW BY MIRIAM CHION, ABAG PLANNING AND RESEARCH DIRECTOR

Ms. Chion, Director of Planning and Research at ABAG, gave an overview of the meeting and future plans and schedules.

6. ECONOMIC PROSPERITY OVERVIEW

Cynthia Kroll, Chief Economist at ABAG, and **Johnny Jaramillo**, Senior Regional Planner at ABAG, discussed efforts to create an Economic Development District for the Bay Area. They were joined by **Malinda Matson**, Economic Development Representative from the US Department of Commerce, Economic Development Administration, and **Darien Louie**, Executive Director of East Bay Economic Development Alliance, who provided their perspectives on the process.

Member Mitchoff asked about the roles of the RPC subcommittees and the process for selecting members for the RPC Comprehensive Economic Development Strategy (CEDS) Committee.

Ms. Chion answered the three subcommittees (housing, infrastructure and economic) will work separately to inform comprehensive regional strategies. RPC members were collectively asked to indicate their interest in joining one of the subcommittees. To form the CEDS Committee, the economic development subcommittee was supplemented by additional sub-regional stakeholders required by the US Economic Development Agency. Staff is consulting with economic and workforce development organizations and cities to fulfill the requirements and ensure that the committee has broad representation from businesses, workforce, and equity organizations.

Member Eklund asked whether there are potential downsides or additional federal requirements if the Bay Area establishes a regional Economic Development District.

Ms. Matson answered that US EDA resources have to go to those areas that have high unemployment or low per capita income and do not have the necessary local resources to generate enough jobs. The Bay Area has a lot of wealth, but there are lots of pockets of economic distress, and until those areas are brought up, the region's economic challenges will continue. The Bay Area economic strategy should support more livable wages in these distressed communities, not just make the rich wealthier. Because this is a large region, the strategies and measurable objectives should be fairly high-level

Member Eklund said many cities and counties have established an economic strategy and wanted to know if these local strategies would be incorporated into a regional strategy, thereby elevating and supporting them. Also, will the strategy elevate local education actions and plans to the regional level in order to address the digital divide between those that are struggling at the bottom and middle income workers stuck where they are despite their attempts to move up?

Ms. Kroll answered yes to the first question. ABAG staff is reviewing the strategies and action plans that have already been developed to craft the Comprehensive Economic Development Strategy, and will be analyzing how different plans can be coordinated at a regional scale.

Mr. Jaramillo said on education and workforce development, ABAG is collaborating with the Bay Area Community College Consortium to create a regional Workforce Plan, in part a response to the US Work Force Innovation and Opportunity Act passed in July 2016. Their goal aligns with this effort, and the evolving needs of businesses to provide the skills necessary in the future.

Member Eklund said the North Bay bioscience / biotech initiative spearheaded by Novato for the three counties to the north, including Solano is doing great work. Also, community college is great, but we must go further. Most very low income people don't even make it to community college.

Mr. Jaramillo said that is also something that ABAG is seeking to address with the Consortium, which involves major business and workforce development interests.

Member Engel provided an example from the Peralta community college district about how the CEDS could benefit the region: the College of Alameda has a renowned aviation technology program that trains aviation mechanics and technicians. It has a 75-person wait list every semester. Yet, airlines and regional airports desperately need more workers with these skills as many in the industry retire. The College of Alameda has discussed with the US EDA expanding our aviation center to train more individuals. Yet we cannot do that without a CEDS. Transportation and logistics is a key sector that could boost our regional economy and increase the number of living-wage jobs, and which could benefit from a regional.

Ms. Matson said workforce development is not only a key component of the CEDS, but the new Workforce Innovation and Opportunity Act (WIOA), which requires that regional and state plans include economic development. The workforce and business communities must work together, which they generally want to do. Workforce training that aligns with strong job demand from employers is one of the best ways of reducing high unemployment.

Member Romero asked about labor representation in the committee.

Ms. Matson said these are nationwide standards so it is not an explicit requirement, but in a state like California, which has strong labor unions, they should be represented. If the national guidelines required labor unions it would be controversial in states where labor unions are not strong. The Strategy Committee needs to be reflective of the Bay Area.

Member Romero suggested that labor unions should be included, particularly if we want to lift up wages.

Mr. Jaramillo said that unions are embedded in the workforce category. For example, workforce development boards typically have heavy union representation.

Member Savay said the Strategy Committee looks very well represented in terms of the approach. He asked for clarification about how the plan gets adopted: when the guidelines say that five of the nine counties' boards of supervisors would need to approve the plan, but are county Board of Supervisor representatives, or County Boards required to approve it? What about other public officials and policy makers? We should consider this if we are trying to get support from these groups.

Ms. Matson stated that if you were to compare the current guidelines with the old guidelines, we moved away from mandated quotas of elected officials, business representatives and so on, to reflect the diversity of economic interests each region represents and provide more flexibility to the governing boards and the Strategy Committees. US EDA does want to see representation from the private sector, because businesses are going to benefit from economic development. It is up to the region how many elected or non-elected officials are on the governing board or Strategy Committee.

Ms. Chion said once we have a proposal of the Strategy Committee, we will be discussing this with the RPC and ABAG Executive Board (EB). The RPC and EB support a dialogue across the region. There will need to be a balance between representation and a Strategy Committee that is not so large to be unmanageable. As a first step in creating a Bay Area Economic Development District (EDD), the committee should carry the essential principles, tasks, and challenges of the region. Please let me know if you are interested in serving on the Strategy Committee.

Mr. Jaramillo summarized that the Strategy Committee should represent the main economic interests in the region. We are not going to have every single person at the table, but the Strategy Committee should be composed of those in a position to implement the CEDS Action Plan.

Ms. Louie stated that her organization is an ideal partner because it is a cross-sector organization that represents multiple levels of government and the business community in Alameda and Contra Costa County, from economic development directors; labor, environmental, and non-profit stakeholders; and special districts. This makes the plan more sustainable and brings our partners together to implement and evaluate strategies. ABAG staff will be looking for that same formula for people who can really represent that cross-sector perspective. We want this plan to be used widely and frequently.

Chair Gupta said the RPC's economic development subcommittee does not solely represent the Strategy Committee for the development of the CEDS report. The subcommittee is going to be looking at that issue, plus any other issue that may require our attention from the economic development perspective. The Bay Area is very unique in terms of its issues, problems and the growth patterns that have been developing and emerging. There may be issues in our region that do not fit the mold. We have discussed these issues in other committees, such as the challenge of growing the middle-wage workforce. The region's housing situation is such that the definition of affordable housing is changing very fast. There are a myriad of complex issues that will be brought forth. Any help that the federal government can provide through its thinking, previous experiences and resources, would be extremely useful. Thank you all very much for this discussion. We will be able to go forward with this item as the staff has defined it.

7. UPDATE ON PLAN BAY AREA SCENARIOS

Miriam Chion, Planning and Research Director at ABAG, and **Gillian Adams**, Senior Regional Planner at ABAG, will provide an overview of the land use scenario process and public workshops.

Ms. Chion stated that the workshops in Contra Costa and Santa Clara were very successful, with a diverse attendance and a variety of comments. The workshops have been focused on the three scenarios: Main Streets, Connected Neighborhoods and Big Cities. We discussed policies and strategies, investments, housing, jobs, open space, and placemaking among other subjects. The Places of the Bay Area station provided different images and qualities of space that we are creating throughout the Bay Area. There is a lot of change and we have different perspectives on how the change will be unfolding. We are trying to capture images and stories as part of this process.

Over the next three months ABAG and MTC will work on the development of the Preferred Scenario, including growth patterns, policies and targets, investments, and strategies. ABAG and MTC will approve the Preferred Scenario by September of this year and begin the environmental review for the approval of the plan by July 2017. This plan is going to be updated every four years. There is a lot of input that ABAG has received from jurisdictions and we will articulate those components over the next few months.

There has been some confusion about the growth allocations for the scenarios—the number of housing units and the number of jobs that are likely to happen over the next thirty years for each city and for each Priority Development Area. A clarification and an

apology are in order. ABAG has been working with local jurisdictions and stakeholders for the last nine months to gather input to inform the overall growth allocation. The point of these scenarios is to capture the different challenges and the different visions at the neighborhood scale and the city scale and incorporate them into a regional plan. The Bay Area produced probably the most successful Sustainable Communities Strategy because it was connected to the ground through the Priority Development Areas and the Priority Conservation Areas. It had a lot of meaning at the local level. There are local plans and local strategies that are giving traction to the plan. The plan will continue to be strong and successful if ABAG and MTC are able to articulate that.

ABAG and MTC released the scenarios with numbers that were a direct output from UrbanSim because this output is used to feed the transportation model and target analysis. However, this output did not reflect the input that we gathered from many jurisdictions. For example, because the UrbanSim model was used to test possibilities, Mountain View was proposed for ten times the jobs that they have in their plan and Treasure Island got three times the amount of housing that is proposed there.

ABAG and MTC proposed to address this problem by focusing on the policies, strategies and investments that we need in Plan Bay Area to inform the Preferred Scenario. ABAG and MTC will address the growth allocation in the Preferred Scenario. We are setting very specific deadlines to ensure that the input from jurisdictions and stakeholders gets reflected in the Preferred Scenario. The draft Preferred Scenario will be released in early July to allow for a substantial conversation that addresses the policies, targets, and investments as well as the growth allocation. ABAG and MTC will take that input into the final Preferred Scenario that will be adopted in September.

Member Campos thanked staff for putting together this scenario analysis. He noted that all three scenarios have to assume that all the housing units are going to be built, but that it looks like the main strategy is simply to assume that more housing will be built where we want it to be built. He stated that that kind of assumption is not really a policy or a strategy. He requested that the scenario include concrete policies that ABAG thinks will result in getting housing built, whether it is more ABAG funds following production or by right development in PDAs.

Ms. Chion replied that this is a very good point and noted that Member Campos has previously provided some very specific recommendations. These more specific policies should be included in the draft Preferred Scenario.

Member Natarajan asked whether there had been an analysis done on the actual implementation of housing and percentage of housing that went into PDAs versus outside of PDAs for all of the projects, both approved and constructed.

Ms. Chion answered there is a PDA assessment that addresses existing conditions and future conditions. We also have conducted an analysis of how much housing has been produced or approved within PDAs.

Ms. Adams replied we have looked at permitted units but not constructed units because the only source of information for permits issued in specific locations is our survey of

local jurisdictions. This focuses on permits issued because that is what the Regional Housing Need Allocation tracks.

Member Regan said that our regional target was to create 80 percent of future growth within PDAs. In the first four years the Bay Area had 53 percent. He stated that the Plan is not working as it should be, and we need to find ways to make it work better if we are to hit those targets.

Ms. Chion said that we do expect that we can increase the 50 percent. There was no expectation that the region would jump to 80 percent in the first four years of implementation. She agreed with the need for more specific measures to get there, and mentioned that one positive indicator is the increase in multifamily housing production that will contribute to some of the housing production in Priority Development Areas.

Member Chang asked whether the companion piece that MTC is writing regarding the travel demand model and greenhouse gas production results of the scenarios has been released.

Ms. Kroll answered that she did not believe that was written yet. MTC will be writing a methodology and that will be available at that point.

Member Chang said the schedule is very tight and called attention to the fact that the time period for local feedback is when many jurisdiction staff and elected officials are away and councils and boards do not meet. She requested that reconsider the schedule to ensure we have adequate time to respond and get to the final Preferred Scenario.

Ms. Chion agreed and explained that one reason the schedule is tight is because we inserted the release of a draft Preferred Scenario to allow for one additional point of conversation. She noted that she feels it is a workable schedule because we have already been getting a lot of input.

Member Romero asked what the approach will be used to align UrbanSim's numbers with the local plans, interests and inputs. He also asked whether the model will get better in the future.

Ms. Chion said that UrbanSim is a complex real estate model that helps inform the allocation, but it does not necessarily capture the values, visions, political debates, and challenges that communities face. UrbanSim shows where things would be allocated if we were looking at land value as the essential factor. ABAG also looks at existing conditions for housing and jobs, recent development trends, and Plan Bay Area 2013 as the parameters to adjust UrbanSim to get to a more reasonable and realistic framework and growth pattern.

Ms. Kroll explained that UrbanSim is a stochastic model which means that each time it runs, it randomly assigns development. Even with the same assumptions, you may get different results—not necessarily widely different, but in the case of small communities, they can be fairly different. She noted that there are a number of ways to take all of those results and massage them into something that looks more realistic. Some of the

issues that come up are because we do not have perfect information to use in the model, while some are because of the structure within the model. We evaluate the model output in relation to the feedback that we have gotten from jurisdictions and, where they are not aligned, try to “teach” the model to do things differently.

Member Romero asked whether vehicle miles traveled (VMT) or greenhouse gases (GHG) are taken into the model.

Ms. Kroll answered that the parcel-level growth information goes to MTC’s travel model, which produces VMT and GHG results. The absorption of greenfields might come directly from UrbanSim, but MTC is doing that analysis and we are not directly involved.

Ms. Chion answered the intent is to locate more housing and jobs close to transit and infrastructure, which have close relationship to VMT and GHG reduction.

Chair Gupta said that UrbanSim is a model which provides the distribution of housing and employment. The model structure is pretty rigid in terms of what it has been developed for, and it cannot necessarily respond to local circumstances. Also, some of the adopted performance criteria evaluate issues which may rely on information that does not come from UrbanSim.

He emphasized that it is very essential that ABAG staff’s experience and input from local jurisdictions are inputted in some way before the final scenario is developed. That is not going to come out of the model but it is going to be coming out of the people working with the raw outputs of the model.

We need to evaluate the impacts of each scenario against the performance criteria so we can compare the scenarios. We have a lot of work to do and the staff is trying to get the inputs back from the jurisdictions in order to see what is going on and what the comments are. That is why staff is trying to define the Preferred Scenario before they finalize it in order to facilitate a discussion with local jurisdictions.

Member Spalding said when we set the performance targets, specifically around economic development and economic prosperity, we acknowledged that the UrbanSim model was not going to produce dramatically different results for the scenarios. What she is hearing today, is that we are going to deal with that by discussing policies and strategies and really beginning to hone in on what are the right local jurisdiction policies and regional policies to incentivize, not just numbers of jobs but the quality of jobs, and making sure that particularly the lowest income folks in our region get access to those jobs in robust ways.

Member Eklund requested that the Appendix A and Appendix B mentioned in the report be sent to committee members, since they were not included in the meeting packet.

Ms. Chion explained that the report’s attachments were not included because those numbers have been superseded. Staff can share the previous numbers if requested. She emphasized that, at this point, we should all focus on the numbers that have been

released in relation to the public workshops, which were sent by MTC to every jurisdiction.

Member Pierce mentioned that the specific numbers were not available at the county workshop last week. Instead, the displays included ranges of numbers.

The conversation at this point is focused on looking at which scenario strategy is the best policy for the Bay Area to follow. In particular, what it would be like to continue to grow all over the Bay Area without any particular focus or rather we intensify each of our downtowns or intensify big cities. We are at the policy level of looking at three drastically different scenarios and deciding which way is the most efficient way to grow.

Chair Gupta recognized a motion by **Karen Mitchoff**, Supervisor, County of Contra Costa, and seconded by **John Holtzclaw**, Sierra Club, to approve staff's request for action to direct staff to develop a Preferred Scenario that takes into account local input and maximizes the goals of Plan Bay Area in line with the Sustainable Communities and Climate Protection Act of 2008 (SB375).

The aye votes were: Boucher, Brooks, Campos, Chang, Chavez, Engel, Gupta, Haggerty, Hannigan, Holtzclaw, Jones, Lane, Luce, Madsen, Mitchoff, Natarajan, Pierce, Regan, Romero, Savay, Spalding, Whyte, Wilson.

The nay votes were: none

Abstentions were: Eklund

The motion passed.

8. ABAG-MTC MERGER UPDATE

Ezra Rapport, ABAG Executive Director, provided an update on the merger process, including the actions taken by the ABAG Executive Board, ABAG General Assembly, and MTC Commission.

Mr. Rapport said the goal of this process is to make improvements to the institutional arrangements between ABAG and MTC and hopefully make a stronger regional agency. This effort has been done primarily under the political leadership of our President and Chair of MTC, Dave Cortese.

After significant debate on May 19, ABAG's General Assembly and Executive Board decided that the best way to achieve the opportunity of the combined agencies was to take a two-step process. First, to merge the administrative resources of both ABAG and MTC under a contract for services and memorandum of understanding. Second, a short period of time after the administrative merger, to look at the governance options for a Bay Area regional agency, responsive to the 21st century. Mr. Rapport stated that, regardless of the process, the two agencies are in a much stronger position to advance a better institution.

He mentioned that, when ABAG adopted its support for this two-step process (known as Option 7), the board adopted a number of principles that would retain the identity and autonomy of the Council of Governments as a separate entity from the transportation commission and it is expected that the functions of a Council of Governments would not be diminished. All the programs ABAG has which are currently serving sub-regions and many different cities as well as many different aspects of environmental protection, energy efficiency, climate change adaption, resilience, etc. would not be lost, but would all be brought together into this merged institution. MTC will be evaluating all of our programs in terms of what they do and what they mean to the region, and how they fit into the overall comprehensive planning mission for the agency.

Mr. Rapport went on to state that the contract for services negotiation will start as soon as the ABAG Executive Board and MTC Commission approve the implementation plan. ABAG will be looking at that implementation plan and the negotiations to ensure that none of the principles that were adopted are violated. There will be monthly updates sent to the Executive Board, and every board meeting will be discussing the assurances necessary to make sure that the Council of Government will continue, the positive aspects of having the two agencies working together, and the plan for how we will bring forth additional governance options. We hope that we will bring more consulting assistance for facilitation.

Mr. Rapport stated that once we have settled on a full understanding of how these two organizations could merge to create an even better institution, then we will sit down and start thinking about the governance component. Initially, the MTC Executive Director will assume administrative control under the contract for services. The ABAG board will have the staff resources under that contract for services. We at ABAG think it is very important that the MTC commission not be impacted by the change in governance, that it's very important that that 18 member commission not be changed mid-stream on multi-billion dollar projects that they have been very successful in attracting resources and dollars to the region.

Member Pierce added that this merger represents an opportunity for us to make real improvements to how regional land use and transportation planning are integrated, which will also encompass important efforts related to economic development and natural resource management and preservation. She stated that, with the merger, we have a far better chance of each of our policy bodies making really fully informed decisions about how all of these different things interact so that we become that agency that people really do understand as being part of their comprehensive planning and the support team for their local government. Using the implementation action plan we will structure a contract that will respect who we are as a council of governments, and respect our metropolitan planning organization which is MTC and really work to put the best interest of the Bay Area forward.

Chair Gupta praised President Pierce for her very hard work on this issue along with Supervisor Dave Cortese.

Member Madsen congratulated everybody involved. There are three elements that are really critical. There is the administration piece, governance piece, and the mission piece

that we have done. He wanted to make sure we do not lose sight of all issues from transportation, housing, and land use to the natural resources, social equity, and economic development.

Member Eklund asked if the ABAG resolution was changed to reflect the friendly amendment that was made at the Board meeting and requested that the revised resolution be sent to the committee.

Mr. Moy answered that the change was made to the principles in Section E. The ten points that were raised by SEIU were added to that section. The additional edits which Member Eklund requested at the time were not made. The Clerk of the Board will be informed to send out the revised resolution.

9. ADJOURNMENT

Vice Chair Gupta adjourned the Regional Planning Committee at 2:52 PM

The next meeting of the Regional Planning Committee will be on September 14, 2016.

Submitted:

Wally Charles

Date: August 11, 2016

For information or to review audio recordings of ABAG Regional Planning Committee meetings, contact Wally Charles at (510) 464 7993 or info@abag.ca.gov.