

**Metropolitan Transportation Commission and Association of Bay Area Governments
Joint MTC Planning Committee with the ABAG Administrative Committee**

November 3, 2023

Agenda Item 8a

**Plan Bay Area 2050+: Round 1 Engagement Findings, Draft Core Planning Assumptions,
and Draft Blueprint Strategy Refinements**

Subject:

Update on the Plan Bay Area 2050+ Draft Blueprint development, including core planning assumptions and potential strategy refinements, informed by feedback from Round 1 engagement activities.

Background

In July 2023, MTC/ABAG kicked off Plan Bay Area 2050+. As a limited and focused update to the regional vision for transportation, housing, economic development, and environmental resilience, Plan Bay Area 2050+ aims to make targeted refinements to core planning assumptions and strategies to reflect the post-pandemic context and ongoing implementation progress. The preliminary refinements outlined in this memo have incorporated feedback from round 1 public engagement and serve as the foundation for the Draft Blueprint.

Round 1 Engagement Activities

Conducted over the summer and early fall, the first round of public engagement aimed to gather insights on the pandemic's impact on the lives of Bay Area residents. It also sought to identify shifts in priorities and concerns among different partners and stakeholders.

Through activities including pop-up public workshops, an online survey, and partner/stakeholder virtual workshops, MTC/ABAG staff have received and analyzed over 16,000 public comments and engaged hundreds of partners on topics related to the four plan elements:

- The top concerns related to **housing** included affordability, homelessness and home access, and housing insecurity.
- The top concerns related to **the economy** focused on the negative impacts of inflation and the high cost of living, low or stagnant wages and the job market, and income inequality.
- The top concerns related to **transportation** included the need to improve the safety, cleanliness, frequency, and convenience of transit, changes in travel behavior, and the need for bike/pedestrian improvements.

- The top concerns related to **the environment** focused on cleaner streets/communities, climate mitigation and adaptation, and environmental degradation.

Additional information on the process and main findings of round 1 engagement can be found in Attachment B.

Plan Bay Area 2050+ Core Planning Assumptions

External Forces

External Forces reflect assumptions about future year conditions that are independent from Plan Bay Area and beyond the region's control; these conditions influence the impact of strategies adopted in the plan. These strategies, by contrast, are either public policies or investments that can be implemented in the Bay Area over the next 25 years at the local, regional, or state levels. Additionally, the California Air Resources Board (CARB), under Senate Bill (SB) 375, requires that MPOs conduct an Incremental Progress Assessment (IPA) to quantify the impacts of external forces on greenhouse gas (GHG) emissions reduction performance independently from the impacts of the plan's strategies.

With Plan Bay Area 2050+ serving as a limited and focused update, staff are leveraging the extensive work that was previously done to identify and quantify the external forces while making targeted updates to select ones. Specifically, staff are focusing on several high-impact external forces that have experienced significant and enduring changes in the post-pandemic environment. Examples of external forces that staff are proposing to update include work from home levels and sea level rise planning assumptions. Additional information on updates to external force assumptions can be found in Attachment A.

Regional Growth Forecast

The Regional Growth Forecast estimates how much the Bay Area might grow between the plan baseline year and the plan horizon year, including population, jobs, households, and associated housing units. The forecast also includes key components of the growth, including employment by sector, population by age and ethnic group, and households by income level.

Given that Plan Bay Area 2050+ is a limited and focused update, staff has applied the existing forecast methodology from Plan Bay Area 2050, while integrating more recent data including information from the 2020 Census. The draft Regional Growth Forecast anticipates lower

population and household growth between 2020 and 2050 than in Plan Bay Area 2050: the estimated population growth is 1.8 million while household growth is 1.0 million, 23% and 22% lower than the previous forecast, respectively. Meanwhile, estimated jobs growth is 1.4 million, similar to the previous forecast. More details on the draft Regional Growth Forecast can be found in Attachment C.

Needs and Revenues Forecasts: Transportation

Within the plan’s Transportation Element, “needs” are defined as the estimated costs to operate, maintain, and optimize the transportation system. “Revenues” are the estimated revenues from federal, state, regional, local and new sources reasonably expected to be available over the planning period. Federal statute requires the Transportation Element to be fiscally constrained, meaning that investments to maintain and enhance the system must not exceed projected revenues. Major transportation projects must be included in Plan Bay Area’s transportation project list to advance to construction. As shown in the table below, the draft Transportation Needs and Revenue forecast shows that needs are essentially unchanged between Plan Bay Area 2050 and Plan Bay Area 2050+, while revenues are significantly lower.

	Plan Bay Area 2050	Plan Bay Area 2050+	Change
Transportation Needs	\$381 billion	\$381 billion	--
Transportation Revenues	\$591 billion	\$493 billion	(\$98 billion)

For more information on the draft Transportation Needs and Revenue forecast, please see Attachment D.

Needs and Revenues Forecasts: Housing and Environment

In Plan Bay Area 2050, driven by the aspiration to develop a more comprehensive regional plan, MTC and ABAG expanded the scope of financial needs and revenues analysis. In addition to the needs and revenue forecasts for the traditional suite of transportation operations and maintenance (O&M), staff also considered critical needs for affordable housing and resilience.

Staff are building upon the foundation laid by Plan Bay Area 2050, incorporating new data and assumptions to reflect the changing funding needs, sources, and gaps in the post-pandemic context, as well as expanding the scope of the analysis conducted for the Environment Element. As shown in the table below, although additional revenues have been identified to support

housing, these revenues fall far short of identified needs, which have grown substantially since Plan Bay Area 2050. Within the Environment Element, needs have roughly doubled since the previous plan, with identified revenues meeting only a fraction of these needs.

	Plan Bay Area 2050	Plan Bay Area 2050+	Change
Housing Needs	\$458 billion	\$552 billion	\$97 billion
Housing Revenues	\$122 billion	\$159 billion	\$37 billion
Environment Needs	\$103 billion	\$215 billion	\$112 billion
Environment Revenues	n/a	\$30 billion	n/a

Additional information on the draft Needs and Revenues Forecasts for the Housing and Environment Elements can be found in Attachments E and F.

Plan Bay Area 2050+ Draft Blueprint Strategy Refinements

For the Plan Bay Area 2050+ Draft Blueprint, MTC/ABAG staff propose prioritizing strategy refinements to select transportation and environment strategies while relying on the still-salient strategies for housing and the economy, with targeted updates where necessary. The preliminary refinements reflect Plan Bay Area 2050 implementation progress and the post-pandemic planning context, along with insights gathered during round 1 engagement.

A key focus area for feedback received on transportation relates to the state of the region’s transit system, which will be addressed through the parallel Transit 2050+ process. Refinements to non-transit strategies focus on expanding pricing strategies, prioritizing equity considerations, adapting to tighter fiscal constraints, and promoting active transportation and safety.

Refinements to environment strategies aim to further reduce greenhouse gas emissions and proactively adapt to climate change. Housing and economy strategies largely remain similar to Plan Bay Area 2050, with refinements focused on addressing pressing challenges of housing affordability, the rising cost of living, and homelessness. Further details on the proposed Draft Blueprint strategy refinements can be found in Attachment G.

Next Steps:

Staff will continue refining the Regional Growth Forecast, External Forces, Needs and Revenues Forecast, and Strategy specifics throughout the remainder of 2023, and return to committees to seek approval on Plan Bay Area 2050+ Draft Blueprint strategies in early 2024. Pending approval, staff will pivot to studying the equity and performance outcomes of the Draft Blueprint. Round 2 engagement activities to inform the development of the Final Blueprint are expected to commence in spring 2024.

Issues:

None identified.

Recommendation:

Information.

Attachments:

- Attachment A: Presentation
- Attachment B: Round 1 Engagement Findings
- Attachment C: Draft Regional Growth Forecast
- Attachment D: Draft Transportation Needs and Revenue Forecast
- Attachment E: Draft Housing Needs and Revenue Forecast
- Attachment F: Draft Environment Needs and Revenue Forecast
- Attachment G: Proposed Draft Blueprint Strategy Refinements



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