

C/CAG

CITY/COUNTY ASSOCIATION OF GOVERNMENTS OF SAN MATEO COUNTY

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AGENDA

Congestion Management & Environmental Quality (CMEQ) Committee

Date: Monday, October 25, 2010 3:00 p.m. to 5:00 p.m.
Place: San Mateo City Hall
330 West 20th Avenue, San Mateo, California
Conference Room C (across from Council Chambers)

PLEASE CALL Sandy Wong (599-1409) IF YOU ARE UNABLE TO ATTEND.

- | | | | |
|----|---|-------------------------------------|-------------|
| 1. | Public comment on items not on the agenda | Presentations are limited to 3 mins | |
| 2. | Minutes of August 30, 2010 meeting. | Action (Richardson) | Pages 1 - 4 |
| 3. | Recommend approval of the call for projects for the C/CAG 5 th Cycle TOD Incentive Program | Action (Madalena) | Pages 5 - 8 |
| 4. | Receive information and update on the Bay Area Sustainable Communities Strategy (SCS) Process | Information (Napier/Wong) | Page 9 - 23 |
| 5. | Smart Corridor progress update | Information (Wong) | Oral update |
| 6. | Executive Director Report | Information (Napier) | |
| 7. | Member comments and announcements. | Information (Richardson) | |
| 8. | Adjournment and establishment of next meeting date (November 22, 2010). | Action (Richardson) | |

NOTE: All items appearing on the agenda are subject to action by the Committee. Actions recommended by staff are subject to change by the Committee.

NOTE: *Persons with disabilities who require auxiliary aids or services in attending and participating in this meeting should contact Nancy Blair at 650 599-1406, five working days prior to the meeting date.*

Other enclosures/Correspondence - None

**CITY/COUNTY ASSOCIATION OF GOVERNMENTS COMMITTEE ON
CONGESTION MANAGEMENT AND ENVIRONMENTAL QUALITY (CMEQ)**

**MINUTES
MEETING OF August 30, 2010**

The meeting was called to order by Chair Richardson in Conference Room A at City Hall of San Mateo at 3:00 pm.

Attendance sheet is attached.

1. Public comment on items not on the agenda.

None.

2. Minutes of June 28, 2010 meeting.

*Motion: To approve the Minutes of the June 28, 2010 meeting, Pierce/Robinson.
Motion was moved unanimously.*

3. Update on the \$10 Vehicle Registration Fee Ballet Measure (Information).

John Hoang provided a staff update on the \$10 Vehicle Registration Fee Ballot Measure.

4. Information exchange on SamTrans-administered shuttles (Information).

Richard Cook of SamTrans provided verbal information on shuttle programs managed by SamTrans. SamTrans-managed shuttles are operated by employers, by SamTrans, or by the Alliance. Funding comes from both the San Mateo County Transportation Authority and C/CAG.

CMEQ members observed empty buses and shuttles running around in the county, and asked Richard to bring up the issue with his management. Member Koelling, also the Chair of the Alliance, mentioned they are working with key staff to develop plan of actions to reduce redundancy and improve efficiency.

CMEQ members also discussed about how to share resources and maximize the benefit of public funding in the operations of shuttles.

5. Report back on Pre-Tax Commute Benefits and recommendation on next-step.

Joe Kott provided a handout on "Proposed Pre-Tax Commuter Benefit Educational and Outreach Effort". A copy is attached to this Minutes. Joe stated the Alliance will be taking the lead on most of the effort.

CMEQ members suggested obtaining input and buy-in from Chambers, SAMCEDA, and other business representatives on how to address this issue.

Motion: To approve the staff presented proposed pre-tax commuter benefit educational and outreach effort. Lloyd/Pierce. Motion approved unanimously.

6. Executive Director Report.

Sandy Wong reported that Mr. Napier is on vacation. Sandy also mentioned that the next C/CAG Board meeting has been scheduled for September 16, not the usual 2nd Thursday of the month.

7. Member comments and announcements.

- Member Lempert mentioned she attended an informative Climate Change Forum this morning.
- Member Koelling urged everyone to voice their opinion regarding AB 155 on city bankruptcy.
- Vice Chair Pierce stated density is needed for public transit.
- Member Bigelow announced the Dumbarton Rail EIR comment period will be till October.
- Member Lloyd announced that they will not recommend discontinue the Gilroy Caltrain service or weekend service.

8. Adjournment and establishment of next meeting date.

Meeting was adjourned at 4:12 pm.

CMEQ 2010 Attendance Record					
Name	Jan 25	Mar 29	May 24	Jun 28	Aug 30
Arthur Lloyd	Yes	Yes	Yes	Yes	Yes
Barbara Pierce	Yes		Yes	Yes	Yes
Daniel Quigg	Yes	Yes	Yes		Yes
Gina Papan	Yes	Yes	Yes	Yes	
Heyward Robinson			Yes	Yes	Yes
Irene O'Connell			Yes		Yes
Jim Bigelow	Yes	Yes	Yes		Yes
Lennie Roberts	Yes		Yes	Yes	
Linda Koelling	Yes	Yes		Yes	Yes
Naomi Patridge	Yes	Yes			Yes
Onnolee Trapp	Yes	Yes		Yes	Yes
Richard Garbarino	Yes	Yes	Yes	Yes	
Sepi Richardson	Yes	Yes	Yes	Yes	Yes
Steve Dworetzky	Yes	Yes		Yes	Yes
Sue Lempert	Yes		Yes	Yes	Yes
Zoe Kersteen- Tucker	Yes	Yes		Yes	
Vacant					
Other attendees at August 30, 2010 meeting:					
SWong, JHoang, Tmadalena, JKott - C/CAG					
Richard Cook, SamTrans					
Kim Comstock, Peninsula Traffic Congestio Relief Alliance					

Proposed Pre-Tax Commuter Benefit Educational and Outreach Effort

- Purpose and Expected Outcomes: 1.) to educate employers and receive feedback from them concerning opportunities and challenges in implanting pre-tax commuter benefit programs; 2.) to increase participation in these programs; and 3.) to use what we learn to craft a model pre-tax commuter benefit ordinance for consideration of San Mateo County local governments.
- Peninsula Traffic Congestion Relief Alliance Executive Director Christine Maley-Grubl staff and CMEQ Committee Member Jim Bigelow will make a joint presentation on pre-tax commuter benefits programs to the Redwood City-San Mateo Chamber of Commerce Transportation and Housing Committee on September 9th.
- This is the first of a series of joint presentations to the Chambers of Commerce in San Mateo County; there are 11 such organizations countywide. SAMCEDA will also be contacted to receive a joint presentation as well.
- The Peninsula Traffic Congestion Relief Alliance is reviewing and revising a preliminary list of all employers in San Mateo County with a work force of 100 or more. Once finalized, this list will be available for outreach efforts.
- Stuart Baker, Executive Director at the Fund for the Environment and a consultant in pre-tax commuter benefit programs, will conduct a focus group comprising 8-10 private and public sector employers, some with and other without a pre-tax commuter benefit program.
- C/CAG staff will support and coordinate the efforts of the Alliance, Mr. Bigelow, and Mr. Baker. It is envisaged that the Alliance will take the lead in education on and implementation of commuter pre-tax benefit programs in San Mateo County.
- The presentations to the business community, local government, the focus group, and other outreach efforts will be two-way: 1.) disseminating information on the commuter pre-tax benefit program works and its benefits and 2.) receiving input on how a model ordinance for this program can and should be adapted to meet the needs of San Mateo County.
- Through the efforts of the Alliance and Jim Bigelow, selected business leaders will be asked to discuss the value of a model pre-tax commuter benefits ordinance with elected officials in San Mateo County.
- Outreach will be conducted throughout the fall of 2010 and a draft model ordinance will be presented to CMEQ in spring of 2011.

C/CAG AGENDA REPORT

Date: October 25, 2010
To: Congestion Management and Environmental Quality (CMEQ) Committee
From: Tom Madalena
Subject: Recommend approval of the call for projects for the 5th Cycle of the Transit Oriented Development Housing Incentive Program

(For further information please contact Tom Madalena at 599-1460)

RECOMMENDATION

That the CMEQ recommends approval of the call for projects for the 5th Cycle of the Transit Oriented Development (TOD) Housing Incentive Program.

FISCAL IMPACT

There is no direct impact to the C/CAG budget. The program will provide up to \$3,000,000 as an incentive to the Cities/County.

SOURCE OF FUNDS

Transportation Enhancement (TE), Federal Congestion Management and Air Quality (CMAQ), and Surface Transportation Program (STP) funds

BACKGROUND/DISCUSSION

The C/CAG Board of Directors adopted a Transit Oriented Development Housing Incentive Program to promote smart growth and increase the housing stock in San Mateo County. This program provides transportation funds as an incentive for local jurisdictions to build high-density housing (greater than 40 units per acre) within 1/3 of a mile of a BART or Caltrain station, or on a frontage parcel of the El Camino Real/Mission Street in San Mateo County. For eligible housing projects, C/CAG will make a commitment to program the incentive funds to transportation project(s) identified by the sponsor if the housing is under construction within two years.

The 5th Cycle TOD Program being recommended for approval is similar to the previous cycles of the program. An incentive of up to \$2,000 per bedroom will be provided. For developments with a minimum of 10% of the units set aside for low or moderate-income households, an additional incentive of up to \$250 per affordable bedroom will be provided to encourage low or moderate-income housing. Please see the attached program guidelines for a complete description of the program.

RESULTS FROM PREVIOUS CYCLES

	Jurisdictions	Projects	Units (Bedrooms)	Incentive Funds
1 st Cycle Committed	4	5	NA (1282)	
1st Cycle Completed	1	1	NA (402)	\$707,000
2 nd Cycle Committed	5	10	1372 (2407)	
2nd Cycle Completed	3	4	1075 (2006)	\$1,484,000
3 rd Cycle Committed	9	14	1306 (2192)	
3rd Cycle Completed	6	8	828 (1296)	\$1,622,000
4 th Cycle Committed	6	10	1391 (2446)	
4th Cycle Completed*	4	5	803 (1301)	\$1,632,000

* Some of the projects in the 4th cycle are still under construction at this time.

ATTACHMENT

- Program Guidelines for the 5th Cycle Transit Oriented Development (TOD) Housing Incentive Program

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Program Guidelines for the 5th Cycle Transit Oriented Development (TOD) Housing Incentive Program

GOAL & OBJECTIVE

The goal of the C/CAG Transit Oriented Development (TOD) Housing Incentive Program is to promote, support, and facilitate high-density residential housing projects near transit services throughout the County in order to improve the coordination between land use and transportation. The C/CAG TOD program provides financial incentives to jurisdictions that build eligible Transit Oriented Development housing projects by rewarding them with funds for transportation projects.

ELIGIBILITY REQUIREMENTS FOR TOD HOUSING INCENTIVE FUNDING

Residential housing projects must meet the following requirements in order to be eligible for funding from the C/CAG Transit Oriented Development (TOD) Housing Incentive Program:

- (1) Transit Oriented Development (TOD) housing projects must be permanent high-density residential housing with a minimum density of 40 units per net acre, located within one-third (1/3) of a mile from a Caltrain or BART station or on a frontage parcel of the El Camino Real/Mission Street in San Mateo County. An incentive of up to \$2,000 per bedroom will be provided. For developments with a minimum of 10% of the units set aside for low or moderate-income households, an additional incentive of up to \$250 per affordable bedroom will be provided to encourage low or moderate-income housing.
- (2) A letter from the City Council/Board of Supervisors of the jurisdiction approving the TOD project application for submittal to the C/CAG TOD Housing Incentive Program.
- (3) TOD housing project must not have received an approved building permit from the jurisdiction at the time of application for C/CAG TOD Housing Incentive Program, except for those TOD housing projects that were approved by the C/CAG Board in a previous cycle but did not meet the 2-year deadline to be under construction as stated in item 4 below.
- (4) After the C/CAG Board makes a financial incentive commitment to the TOD housing project, if requirements (1) through (3) above are met, the housing project must be completed or under construction within two (2) years from the date of C/CAG Board financial commitment. If the 2-year deadline is not met, the C/CAG financial commitment will become invalid. However, jurisdictions can reapply in a future TOD cycle.

Definition of Completion/ Under Construction

A TOD housing project is considered to be under construction if it is in accordance with the following requirements. There are physical units visibly completed or partially completed (under construction). As a minimum the project must have received building permits,

demonstrate that less visible construction has started (such as fencing, grading, utilities, infrastructure etc.) and that both the developer and the jurisdiction are clearly obligated for completion of the project in a timely manner. Jurisdictions must submit the appropriate supporting documentation that the project is under construction and provide documentation on the number of units (including the number of total bedrooms and affordable bedrooms) to be constructed. However, the incentive will not be programmed until the housing construction is completed.

INCENTIVE AMOUNT

C/CAG will make financial commitment to TOD housing projects that meet the eligibility requirements in an amount up to \$2,000 per bedroom in incentive funds. The actual amount of incentive funding per bedroom may be less than \$2,000, depending on the total number of eligible applications. Upon completion of the housing project, jurisdiction must provide a copy of the Certificate of Occupancy to C/CAG. The amount of funding equal to the number of bedrooms completed multiplied by the amount per bedroom committed by the C/CAG Board will be provided to the jurisdiction for transportation improvement projects. Most likely, the transportation funds will come from Federal and/or State transportation funding sources and are restricted for the purpose of street enhancement or bicycle/pedestrian facility improvements, i.e., Congestion Management and Air Quality (CMAQ) or Transportation Enhancement (TE) funds.

REQUIREMENTS FOR APPROVAL OF TRANSPORTATION FUNDING

- (1) After the housing project is completed or under construction, but no later than two years from the date of C/CAG Board's approval of the financial commitment, jurisdiction must identify the transportation project(s), in writing to C/CAG. The transportation project(s) must meet the requirements of the relevant Federal and/or State transportation programs.
- (2) Jurisdiction must cooperate with C/CAG staff and follow all appropriate steps in programming and delivery of the transportation project(s) as required by the relevant Federal and/or State transportation programs. C/CAG will attempt to program the transportation project as soon as practical depending on funding limitations.

TIMELINE

- November 18, 2010 – Program approval by C/CAG Board of Directors
- December 1, 2010 - Call for Projects release
- January 21, 2011 - Applications due
- March 10, 2011 – Project list approval by C/CAG Board of Directors
- March 10, 2013 – Housing project must be under construction and transportation project must be identified in writing

C/CAG AGENDA REPORT

Date: October 25, 2010
To: Congestion Management and Environmental Quality (CMEQ) Committee
From: Sandy Wong
Subject: Information and update on Bay Area Sustainable Communities Strategy (SCS) process

RECOMMENDATION

This is an informational item.

FISCAL IMPACT

N/A

SOURCE OF FUNDS

N/A

BACKGROUND/DISCUSSION

On October 12, 2010, a “Leadership Roundtable Meeting of San Mateo County” regarding Sustainable Communities Strategy (SCS) was conducted. Attached are the information regarding that meeting, including agenda, attendance, and distributed materials.

OneBayArea

Sustainable Communities Strategy

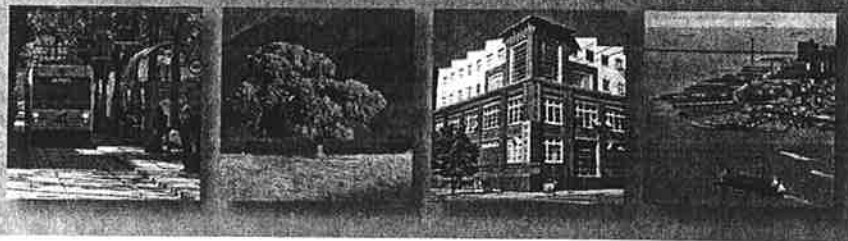
LEADERSHIP ROUNDTABLE MEETING San Mateo County

Hosted by C/CAG
San Mateo County Government Center
455 County Center, Room 101, Redwood City

October 12, 2010
6 – 7:30 p.m.

AGENDA

1. **Introduction** (Regional Agency/CMA Elected Official/Supervisor Rose Jacobs Gibson) 5 min.
 - Why we are here
 - What we hope to accomplish at today's meeting
2. **Why should the Sustainable Communities Strategy matter to local elected officials and planning staff?** (ABAG and MTC staff) 10 min.
 - SB 375 requires closer integration of land use and transportation elements. What does this mean?
 - a. Growth allocation/Regional Housing Needs Allocation/PDAs (ABAG)
 - b. Supportive transportation investment strategies (MTC)
3. **How best should we engage staff and elected officials in our county?** (Elected officials and local agency staff) 60 min.
 - a. Is there a structure already in place or should a new one be developed?
 - i. Who should regional agency staff be working with in the county?
 - ii. Should we engage with neighboring counties and/or regions? If so, what would be the appropriate venues?
4. **Next Steps/Meeting Summary** (Regional Agency /Supervisor Rose Jacobs Gibson) 10 min.



Sustainable Communities Strategy

Overview

The Sustainable Communities Strategy aims to reduce greenhouse gas emissions by integrating planning for transportation and land use and housing. Required by SB 375, a state law approved in 2008, the Sustainable Communities Strategy (SCS) will be developed in close collaboration with local elected officials and community leaders.

Sustainable Communities Strategy Basics

- Metropolitan Planning Organizations (MPOs) in 18 regions across California need to develop a Sustainable Communities Strategy.
- The Strategy must identify specific areas in the nine-county Bay Area to accommodate the entire region's projected population growth, including all income groups, for at least the next 25 years.
- The Strategy must try to achieve targeted reductions in greenhouse gas emissions from cars and light trucks.
- The Strategy will reflect the "Three E" goals of sustainability: Economy, Environment and Equity, by establishing targets or benchmarks for measuring our progress toward achieving these goals.

Development of the SCS

- MTC, as the Bay Area's MPO, and the Association of Bay Area Governments (ABAG), the region's Council of Governments, will develop the SCS in partnership with the Bay Area Air Quality Management District and the Bay Conservation and Development Commission.
- The four regional agencies will team with local governments, county congestion management agencies, public transit agencies, interested

residents, stakeholders and community groups to ensure that all those with an interest in the outcome are actively involved in the Strategy's preparation.

- MTC must adopt the SCS as part of its next Regional Transportation Plan (RTP) for the Bay Area, which is due in 2013. State and federal laws require that everything in the plan must be consistent with the SCS, including local land use plans.
- State law requires that the SCS must also be consistent with the Regional Housing Need Allocation (RHNA). ABAG administers RHNA, which ABAG will adopt at the same time that MTC adopts the RTP. Local governments will then have another 18 months to update their housing elements; related zoning changes must follow within three years.

SCS Benefits

- Since over 40% of the Bay Area's emissions come from cars and light trucks, integrating land uses (jobs, stores, schools, homes, etc.) and encouraging more complete communities will become an important strategy to reduce the Bay Area's auto trips.
- Clustering more homes, jobs and other activities around transit can make it easier to make trips by foot, bicycle or public transit.
- Planning land uses and transportation together can help improve the vitality and quality of life for our communities, while improving public health.

How Do I Get Involved?

- Ongoing public and local government engagement has begun and will continue through 2013. For more information on how you can get involved, go to www.OneBayArea.org.

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Sustainable Communities Strategy

Frequently Asked Questions

What is the Sustainable Communities Strategy?

The Sustainable Communities Strategy (SCS) is an integrated land use and transportation plan that all metropolitan regions in California must complete under Senate Bill 375. In the San Francisco Bay Area this integration includes ABAG's Projections and Regional Housing Needs Allocation (RHNA) and MTC's Regional Transportation Plan (RTP).

What will the SCS do?

State law requires that the SCS accomplish three principal objectives:

1. Identify areas to accommodate all the region's population associated with Bay Area economic growth, including all income groups, for at least the next twenty-five years;
2. Develop a Regional Transportation Plan that meets the needs of the region; and
3. Reduce greenhouse-gas emissions from automobiles and light trucks.

In responding to these three state mandates, the SCS will also need to be responsive to a host of other regional and local quality-of-life concerns.

What size of population will the SCS need to accommodate?

The Bay Area currently has 7.3 million people. Over the next twenty-five years it is expected to grow by about another two million; this additional growth is equivalent to approximately five times the current population of the City of Oakland.

What are the greenhouse-gas reduction targets?

On August 9, 2010, the California Air Resources Board (ARB) staff proposed a seven percent reduction target for 2020 and a fifteen percent reduction target for 2035 for the Bay Area. These targets are based on per capita greenhouse gas emissions from passenger vehicles relative to 2005. Final greenhouse gas (GHG) targets will be adopted by ARB on September 23, 2010.

Who will prepare the SCS?

Within the Bay Area, the law gives joint responsibility for the SCS to the Association of Bay Area Governments (ABAG) and to the Metropolitan Transportation Commission (MTC). The two agencies will work with the Bay Area Air Quality Management District

(the Air District) and the Bay Conservation and Development Commission (BCDC). They will also partner with local governments, county congestion management agencies and a wide range of stakeholders to ensure broad public input in the SCS's preparation.

How will the SCS affect local land-use control?

SB 375 does not alter the authority of city and county governments to make decisions about local land use and development. However, the law does require that the SCS be consistent with the Regional Housing Needs Allocation (RHNA) and therefore affects the next iteration of housing elements in local general plans.

How does the SCS relate to the Regional Transportation Plan (RTP) and RHNA?

Regional Transportation Plans include land use projections. The SCS will be the land use allocation in the next RTP, slated for adoption in March 2013. SB 375 stipulates that the SCS will incorporate an 8-year housing projection and allocation pursuant to RHNA.

Aside from the RHNA requirement, why would local governments want to conform to the SCS?

1. To benefit from incentives that will be available to conforming localities—for example, Transportation for Livable Communities (TLC) funding, Station Area Planning Grants, investments from the Regional Transportation Plan, and assistance in meeting the requirements of the California Environmental Quality Act (CEQA);
2. To improve the quality of life of our neighborhoods by providing cleaner air, improved public health, better mobility, more walkable streets, and homes closer to transit, jobs, and services.

Why the emphasis on automobiles and light trucks?

Transportation is the largest single source of greenhouse gases in California. In the Bay Area, it accounts for 41 percent of our emissions, and over three quarters of these come from personal travel in on-road vehicles. If we are to significantly reduce our contribution to global warming, then we need to reduce the impact of our travel within the region. The SCS aims to reduce emissions by:

- Reducing the separation of land uses (jobs, stores, schools, and homes) and encouraging more complete, mixed-use communities, so people can drive less and increase their walking, biking, and use of transit;
- Clustering more homes, jobs and other activities around transit, so people will be encouraged to take transit rather than drive; and
- Planning land uses and transportation together, so we can manage traffic congestion and vehicle speeds, reducing emissions from excessive idling and other inefficiencies.

Land use development changes very slowly and many places will not change much. How much difference can the SCS really make?

We acknowledge that it will likely be decades before changes in the land use pattern make an appreciable difference to the total emissions from personal vehicles. Improvements in vehicle technology and transportation pricing mechanisms (e.g., parking) are likely to have a greater impact, both in the short and longer term. However, the impact of more efficient vehicles could be significantly reduced if the amount we drive and congestion continue to increase because of inefficient land uses. There is a broad consensus that there isn't just one thing that we should do; we will need to move on all fronts. Changes in technology will have to be accompanied by changes in travel behavior if we have any hope of reducing emissions to the levels required by the middle of this century. If we are to be successful in reconfiguring the region by 2050 or so, we need to start now.

While we implement the long-term land-use changes, is there anything we can do that will have more immediate impact?

Yes. The state law which requires an SCS allows us to use transportation measures and policies. These might include road pricing (new and increased tolls), parking regulations, and incentives to accelerate the adoption of alternative vehicles like electric cars, among others.

The extraordinarily high gas prices in 2008 demonstrated that an increase in the cost of driving had an immediate effect on travel patterns: fewer people drove, while more took transit. However, while transportation pricing policies could be powerful and fast-acting measures, the impact on people's pocketbooks will be politically contentious and difficult to implement. In addition, the equity consequences could be particularly challenging: we do not want to make life more unaffordable for those who are already struggling. If we increase the costs of driving, we need to supply land use and transportation choices so people have a genuine ability to avoid or mitigate those costs.

What are some of the other regional efforts related to the SCS?

The Air District and BCDC are developing policies and regulations that will affect the region's land use pattern and placement of public infrastructure, including transportation.

In its effort to control local and regional air pollution (smog, particulate matter, and airborne toxins), the Air District is considering an indirect source rule (ISR) that regulates the construction and long-term transportation impacts of land development. The ISR may require mitigation or payments in lieu of development that increases automobile travel and vehicle emissions. The Air District also recently adopted new thresholds for the evaluation of development projects under CEQA.

BCDC will be releasing an adaptation plan to prepare for inevitable sea-level rise and storm surges affecting areas on and near the Bay shoreline. This will have implications for the location of future development and perhaps for the relocation of existing development and infrastructure. The SCS needs to consider this adaptation work.

What if the SCS is not able to meet its targets?

If we cannot meet the greenhouse-gas reduction targets in the SCS, then we must prepare an Alternative Planning Strategy (APS) to accompany the SCS. The APS will be structured like the SCS, but it is an unconstrained plan that does not have to be as feasible or achievable as the SCS, since it would not be adopted as part of the RTP. The APS would identify the physical, economic, or political conditions required to meet the regional greenhouse gas targets. The APS may provide some CEQA streamlining to housing or mixed-use development projects which are consistent with certain aspects of its land use pattern.

What type of CEQA assistance might be provided through the SCS or APS?

The CEQA relief to be provided through the SCS or APS could include the following:

1. Residential or mixed use projects that comply with the general use designation, density, building intensity and other policies specified for the project area in the SCS will not be required to deal with growth-inducing impacts or transportation-related project-specific or cumulative impacts on global warming or on the regional transportation network required by CEQA.
2. Transit priority projects, which meet a number of land use, density and location criteria as well as including high-quality transit might be totally exempt from CEQA or might qualify for a streamlined review called a sustainable communities environmental assessment.

The SCS sounds like a big project. Are we starting from scratch?

Thankfully, we are not. For over a decade, the Bay Area has been encouraging more focused and compact growth to help revitalize older communities, develop complete communities, reduce travel time and expense, make better use of the existing transportation system, control the costs of providing new infrastructure, protect resource land and environmental assets, promote affordability, and generally improve the quality of life for all Bay Area residents. Reducing greenhouse-gas emissions just provides another reason to continue and accelerate these ongoing efforts.

Responding to the regional agencies' FOCUS program, over sixty local governments have voluntarily designated over 120 Priority Development Areas (PDAs). Located within existing urbanized areas and served by high-quality public transit, PDAs consume only about three percent of the region's land area but are being planned by their local jurisdictions to house nearly one-half of the region's projected population growth to the year 2035. FOCUS PDAs and associated incentive programs like TLC – which has reached its 10-year anniversary – provide a solid foundation upon which to build the SCS.

How much time do we have to complete the Sustainable Communities Strategy?

According to the State, the Bay Area's SCS is due in March 2013. However, a draft SCS needs to be completed by the beginning of 2012 so it can guide the investments in the transportation plan, to ensure consistency with the eight-year RHNA, and make sure that environmental impact documents are completed in time to allow sufficient public review. We will receive our final greenhouse-gas targets from the California Air Resources Board in September 2010. That leaves less than a year and a half to work with all our partners to actually produce the SCS.

Over the next few months, we will build the necessary analytic tools, strengthen partnerships with local governments and other stakeholders, and work out the information and engagement mechanisms to make the process transparent and worthy of public support.

Who should we contact with questions?

- Doug Kimsey, MTC, (510) 817-5790, dkimsey@mtc.ca.gov
- Ken Kirkey, ABAG, (5410) 464-7955, kennethk@abag.ca.gov
- Henry Hilken, BAAQMD, (415) 749-4642, hhilken@baaqmd.gov
- Joe LaClair, BCDC, (415) 352-3656, joel@bcdc.ca.gov

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SCHEDULE OF MILESTONES FOR THE SUSTAINABLE COMMUNITIES STRATEGY

This schedule documents both past achievements and upcoming deadlines and decision points. This schedule will be posted on OneBayArea.org and will be updated as the Sustainable Communities Strategy unfolds in more detail. This schedule does not include the many sub-regional and stakeholder meetings which continue to occur every week.

Date	Event
September 30, 2008	SB 375 becomes law
September 30, 2009	State-wide RTAC recommends methodology for establishing regional greenhouse-gas targets to CARB
December 16, 2009	All four regional agencies complete adoption of implementation policies
March 10, 2010	Regional public workshop to review RTAC methodology for GHG-target-setting and to assess Bay Area GHG-target options
April 22, 2010	Sustainable Communities Strategy kickoff event: <i>Bay Area 2010: The Future Begins Today</i> , Oakland Marriott Hotel
April 28, 2010	First meeting of Regional Advisory Working Group (local planners and regional stakeholders)
May 12, 2010	CARB workshop on GHG Targets (Sacramento)
May 25, 2010	Second meeting of Regional Advisory Working Group
June 7, 2010	First meeting of Executive Working Group (regional agency executive directors, CMA directors, representative city managers)
June 30, 2010	CARB releases draft regional greenhouse-gas targets
July 6, 2010	Third meeting of Regional Advisory Working Group
August 3, 2010	Fourth meeting of the Regional Advisory Working Group
September 7, 2010	Fifth meeting of the Regional Advisory Working Group
September 10, 2010	MTC Planning Committee to provide final comments on GHG targets
September 22, 2010	MTC to take final action on recommendation to CARB on GHG targets

September 30, 2010	CARB releases final regional greenhouse-gas targets
October 1, 2010	Completion of initial Leadership Roundtable meetings by county
November 4, 2010	Sixth meeting of the Regional Advisory Working Group
November 2010	Regional agencies release method for determining 25-year housing targets
Late 2010	Define/Adopt SCS Performance Targets
December 3, 2010	Seventh meeting of the Regional Advisory Working Group
Late 2010	Define first round of SCS "land use" scenarios
February 2011	County/Corridor group review
Jan – March 2011	Define/Adopt SCS Performance Indicators
May 2011	Define SCS "land use" scenario
July 2011	Release Proposed RHNA Method
August 2011	County/Corridor group review
September 2011	Written public comments on SCS "land use" scenario and projections
September 2011	Adopt Final RHNA Methodology
November 2011	Adopt RHNA Draft Allocation
Early 2012	Regional agencies release first draft of SCS
March 2012	County/Corridor group review
September 2012	Adoption of Final RHNA Allocation
Mid- to late-2012	Prepare Draft EIR and Final Draft SCS/RTP
Late 2012	Regional agencies release Final Draft SCS/RTP and Draft EIR for public review
Early 2013	Three formal public hearings
Early 2013	Prepare final SCS, RTP and EIR
March 2013	Regional agencies adopt SCS/RTP and RHNA
June 2013	CARB certifies SCS
June 2013	HCD Adopts RHNA Allocation

*CARB: California Air Resources Board
 *EIR: Environmental Impact Report
 *GHG: Greenhouse Gas
 *RTAC: Regional Target Advisory Committee
 *RAWG: Regional Advisory Working Group
 *RHNA: Regional Housing Needs Allocation
 *RTP: Regional Transportation Plan

GHG Targets	
Meetings and Local Jurisdiction Input	
SCS Draft and Adoption	

OneBayArea

PRIORITY DEVELOPMENT AREA ASSESSMENT

Planned Growth & Infrastructure Needs

Overview

The Association of Bay Area Governments (ABAG) and the Metropolitan Transportation Commission (MTC) approach the implementation of the FOCUS Priority Development Areas (PDAs) as a key consideration for the development and adoption of the Sustainable Communities Strategy (SCS) under SB375. The designation of PDAs as a network of neighborhoods that will accommodate the majority of the region's population and employment growth calls for a thorough understanding of the changes expected to occur in these areas and potential barriers to future development. To accomplish this goal, ABAG and MTC have undertaken an assessment of Planned PDAs, since Planned PDAs have an adopted land use plan, and thus are closer to implementing a specific vision for growth. This memo describes the purpose and approach for the PDA Assessment, and provides initial findings related to planned growth and infrastructure needs in the Planned PDAs.

Purpose and Rationale of PDA Assessment

The two primary goals of the PDA Assessment are to gain information about Planned PDAs in order to help hasten development of these areas as complete communities and to support the development of a realistic SCS. While all of the Planned PDAs have been proposed by local jurisdictions committed to sustainable transit-oriented development through local plans, they vary greatly in their visions of complete communities and readiness to produce new housing.

Using information primarily provided by local governments, the assessment will evaluate the scale and type of growth planned to occur in Planned PDAs, the strategies needed to ensure that this growth results in complete communities, how ready local governments and communities are for growth to occur, and the investments needed to make this growth a reality. The desired outcomes of the assessment are to identify the PDAs most ready for implementation and growth potential, identify policies and resources needed to support essential elements of complete communities, and consider policies for prioritizing additional funding to the PDAs via the SCS. The Assessment may additionally assist the Potential PDAs by identifying strategies and policies to facilitate plan implementation.

Assessment Approach

The information to be used in the PDA Assessment has been gathered from our local government partners through one-on-one meetings with local city staff and an extensive survey. This information will be complemented by data from other sources, such as the U.S. Census. The assessment is organized around four main topics related to future development in the Planned PDAs:

- The **Growth Potential** assessment looks at amount and type of growth planned in the PDAs.
- The **Need** assessment evaluates the amount of types of funding that the PDAs need to achieve their desired growth. It also identifies policy changes needed to support growth in the PDAs.
- The **Readiness** assessment will gauge which PDAs are ready for higher-density, transit-oriented development. This analysis will focus on funding needs, entitlement process, transit capacity and connectivity, community support, and implementation feasibility.



- The *Completeness* assessment evaluates local plans and community characteristics to determine the extent to which PDAs are poised to become complete communities. This analysis focuses on housing choices, multi-modal access and mobility, and neighborhood identity and vitality.

Preliminary Findings

The summaries of data presented below are based on responses provided by local jurisdictions to the Assessment Survey of Planned PDAs.

Planned Growth

The PDA Survey indicates that Planned PDAs in the Bay Area expect to add approximately 209,000 housing units and 607,000 jobs over the next 25 years. As a result, in 2035 there are anticipated to be nearly 579,000 housing units and 1.6 million jobs in the region’s Planned PDAs. These numbers indicate that, while the 92 Planned PDAs included in this assessment account for a little over one percent of the land area of the Bay Area, they are planning to accommodate 32 percent of the housing growth and 37 percent of the job growth forecasted in ABAG’s *Projections and Priorities 2009: Building Momentum*. Based on this data, jurisdictions are clearly expecting a high number of jobs relative to new housing in their Planned PDAs. This reflects a general pattern over recent decades where local jurisdictions plan for more jobs than the number that are ultimately produced.

The three counties planning for the most housing growth in Planned PDAs—based on total units added and the county’s share of the region’s total growth—are San Francisco, Alameda, and Contra Costa Counties, while the top three counties for job growth are San Francisco, Santa Clara, and Alameda.

By 2035, 37 percent of the region’s housing units in Planned PDAs will be in San Francisco, down from 41 percent in 2010. Contra Costa County Planned PDAs are planning for the largest increase in the share of the region’s total housing in Planned PDAs, moving from 7 percent in 2010 to 10 percent in 2035. San Francisco will see a 4 percent decline in their share of the region’s total jobs in Planned PDAs, from 47 percent to 43 percent, while Santa Clara County’s share will increase from 13 percent to 17 percent.

Table 1 provides a summary of the planned housing and job growth by county in the Planned PDAs.

Infrastructure Need

Preliminary analysis of the budget data from the PDA Assessment Surveys indicate that the capital infrastructure needs in the Planned PDAs total \$14.7 billion. The highest categories of capital needs for the Planned PDAs include affordable housing (\$2.5 billion), station improvements (\$2.5 billion), and parks (\$1.7 billion). Transit capital projects, such as BART expansion, bus rapid transit, and ferry system projects, were not included in the infrastructure needs analysis. However, it is important to note that a mix of transit expansion, rehabilitation and capacity improvement projects will be critical to supporting growth in these PDAs. MTC’s Resolution 3434 identifies a number of these critical transit improvements for which funding has been committed. Table 2 provides a summary of capital needs by category.

As expected, the highest capital needs for Planned PDAs by county occur where the greatest growth is planned – San Francisco, Santa Clara, Alameda, and Contra Costa Counties. The highest capital needs are estimated for the San Jose Central and North Consolidated PDA and San Francisco’s



Treasure Island and Bayview/Hunters Point Shipyard/Candlestick Point PDAs, each with over \$1 billion in infrastructure needs.

We have consistently heard that many jurisdictions require major public investments in infrastructure in order to stimulate significant new housing growth within their PDAs. To understand the variation of the public investments that will generate private investment in each of the PDAs, an analysis of the capital infrastructure needs identified relative to the number of new housing units planned in each PDA was performed. This metric is only rough comparative tool, and does not include the cost of constructing new housing in the PDAs. Given the planned growth in the Planned PDAs and the estimated capital infrastructure needs, the estimated public infrastructure investment that would be needed to spur private investment in new housing in the planned PDAs is approximately \$70,000/new housing unit. Santa Clara County has the highest capital infrastructure need per new unit, at approximately \$131,000/new housing unit, while Contra Costa County has the lowest capital infrastructure need per new unit, at \$38,000/new housing unit.

Table 3 shows the variation of capital infrastructure needs compared with housing growth across the counties.

Next Steps

Over the coming months, additional growth and need findings will be presented at the county-level SCS meetings, with the intention of informing the SCS base case modeling scenario and growth allocation discussions. Staff will also analyze the readiness and complete community characteristics of the Planned PDAs. The framework related to readiness and completeness factors will be presented to the Regional Advisory Working Group. A final report linking together the analyses of growth, need, readiness and completeness in the Planned PDAs will be produced, which will help inform discussion on how we might approach regional funding strategies as part of developing the SCS.



Table 1: Planned PDA Growth by County^{i, ii}

County	Existing Units (2010)	Future Units (2035) ¹	Change in Units (2010-2035)	Share of Total Planned PDA Housing Growth	Share of Total Planned PDA Housing (2010)	Share of Total Planned PDA Housing (2035)	Existing Jobs (2010)	Future Jobs (2035) ¹	Change in Jobs (2010-2035)	Share of Total Planned PDA Job Growth	Share of Total Planned PDA Jobs (2010)	Share of Total Planned PDA Jobs (2035)
Alameda	89,518	140,067	50,549	24%	24%	24%	228,845	335,839	106,994	18%	22%	20%
Contra Costa	25,428	60,095	34,667	16%	7%	10%	76,272	124,236	47,965	8%	7%	8%
Marin	2,777	4,363	1,586	1%	1%	1%	12,494	15,405	2,911	0%	1%	1%
San Francisco	152,389	215,907	63,518	30%	41%	37%	495,542	715,090	219,548	36%	48%	43%
San Mateo	21,475	39,096	17,621	8%	6%	7%	57,099	121,046	63,947	11%	5%	7%
Santa Clara	67,023	97,244	30,221	14%	18%	17%	131,357	276,332	144,975	24%	13%	17%
Solano	4,460	9,036	4,576	2%	1%	2%	10,621	17,220	6,599	1%	1%	1%
Sonoma	6,824	14,357	7,533	4%	2%	2%	29,899	45,333	15,434	3%	3%	3%
Total	369,893	580,164	210,271	100%	100%	100%	1,042,128	1,650,501	608,373	100%	100%	100%

Table 2: Total Regional Planned PDA Capital Need by Categoryⁱⁱⁱ

ALL PLANNED PDAs	Total Capital Need (\$ MM)	Category % of Total Need ²	Total Funded Capital Costs (\$ MM)	Total % Funded
Total Regional Infrastructure Need	\$ 14,712		\$ 2,743	21%
<i>Affordable Housing</i>	\$ 2,542	19%	\$ 535	21%
<i>Connectivity Projects</i>	\$ 518	4%	\$ 96	19%
<i>Environmental Clean-up</i>	\$ 37	0%	\$ 2	6%
<i>Land Assembly / Site Acquisition / Land Banking</i>	\$ 724	5%	\$ 670	93%
<i>Non-Transportation Infrastructure / Utilities</i>	\$ 1,282	10%	\$ 317	25%
<i>Parking Structures</i>	\$ 395	3%	\$ 97	24%
<i>Parks</i>	\$ 1,734	13%	\$ 330	19%
<i>Public Facilities</i>	\$ 1,073	8%	\$ 223	21%
<i>Road Improvements</i>	\$ 1,653	13%	\$ 133	8%
<i>Shuttles & Other Public Transportation</i>	\$ 805	6%	\$ -	0%
<i>Station Improvements</i>	\$ 2,467	7%	\$ 32	3%
<i>Streetscape Improvements</i>	\$ 920	7%	\$ 123	13%
<i>Transportation Demand Management</i>	\$ 65	0%	\$ 61	93%
<i>Other/Pre-development</i>	\$ 494	4%	\$ -	0%



Table 3: Planned PDA Growth and Capital Infrastructure Needs by County^{iv}

County	Change in Units (2010-2035)	Share of Total Planned PDA Housing Growth	Total Estimated Planned PDA Capital Need (\$M)	% of Total Planned PDA Capital Need	Capital Need/New Housing Unit (\$)
Alameda	50,549	24%	\$2,969	20%	\$58,743
Contra Costa	34,667	17%	\$1,302	9%	\$37,544
Marin	1,586	1%	\$157	1%	\$99,190
San Francisco	63,518	30%	\$4,990	34%	\$78,554
San Mateo	16,411	8%	\$737	5%	\$41,804
Santa Clara	30,221	14%	\$3,947	27%	\$130,613
Solano	4,576	2%	\$180	1%	\$39,333
Sonoma	7,533	4%	\$430	3%	\$57,093
Total	209,061	100%	\$14,712	100%	\$69,966

ⁱ No PDA Assessment Survey was received for the following PDAs: Alameda Naval Air Station, Hayward Cannery, Downtown, and South Hayward BART, and San Leandro Downtown TOD and East 14th Street, El Cerrito San Pablo Avenue Corridor, WCCTAC San Pablo Avenue Corridor, San Francisco Port, Campbell Central Redevelopment Area, Gilroy Downtown Specific Plan Area, Fairfiled Downtown South/Jefferson Street/Union Avenue, Suisun City Downtown Waterfront District, Vacaville Allison Policy Plan Area, and Santa Rosa Sebastopol Road Corridor. Growth data from PDA Applications was substituted where available. Projections 2009 growth data was used where PDA Application data was not available.

ⁱⁱ If a jurisdiction reported a planning horizon for their PDA that was not 2035, growth figures were extrapolated to 2035.

ⁱⁱⁱ Total capital need figure excludes transit capital projects (BART, VTA, High Speed Rail, Caltrain, SMART, eBART, Dumbarton Rail, Transbay rail, SF Muni, Amtrak, & Ferry capital expansion projects).

^{iv} Data about infrastructure needs was not provided or was incomplete for the following PDAs: Berkeley Downtown, San Pablo Avenue, South Shattuck, and University Avenue; Dublin Town Center and Transit Center/Dublin Crossings, San Pablo-San Pablo Avenue Corridor, San Rafael Downtown and Civic Center/North Rafael Town Center, San Francisco/San Mateo Bi-County, Menlo Park El Camino and Downtown, San Mateo County (unincorporated Colma) El Camino Real, San Jose Central/North Consolidated Area and Cottle Transit Village, Vallejo Waterfront and Downtown, and Windsor Redevelopment Project Area. Budget data from PDA Applications was substituted where available for survey non-respondents and for surveys with missing or incomplete budgets.

