

May 25, 2010 Regional Advisory Working Group Meeting Summary Notes

Topic	Comments Heard	Staff Responses
Regional Growth Forecast and Housing Target	<ul style="list-style-type: none"> • Would it be possible to produce a list of all of the assumptions that go into the land use model? For example, the assumption that the age cohorts will remain consistent, housing prices will continue to change in a linear fashion, etc. • Are we trying to get people from outside the Bay Area to move into the Bay Area? These people expect to live in single family housing tract with yard, so where can that type of housing be built here? • There is a tension between policy-based forecasting and the marketplace. Given that we need to have an SCS that requires more housing in the Bay Area, which is more expensive, how do we constrain the outward growth of this region and work with our neighbors to constrain that growth? Since the money is going to be focused on meeting the transportation needs of our region, is there a process for interregional cooperation? • How can local jurisdictions tier off of the programmatic EIR for the RTP/SCS? If they cannot, can cities have some sort of exemption if they have a plan that is consistent with the regional plan? Local long-term infrastructure funding will be a barrier to successful implementation of the SCS. • Even if those jurisdictions that are willing to take on more housing end up receiving more discretionary funding, will this funding cover the entire cost of the housing as well as related social infrastructure costs, i.e. schools, etc.? May not be financially feasible. • What is the process to arrive at housing growth number? How will the information be disseminated? 	<ul style="list-style-type: none"> • A list of the land use model assumptions will be produced by ABAG staff. • Don't accept the assumption that people only want single family housing with yards. Even with aggressive forecasts, single family housing will continue to get built in the Bay Area. There will still be a housing mix, but more will be multi-family and near transit. • The SCS does talk about working with neighboring regions, and we have had that conversation with neighboring counties but that does not mean we have a solution yet. Interregional cooperation needs to be part of the SCS. • SB 375 does offer CEQA streamlining for certain transit priority projects. Local jurisdictions should be able to tier off the programmatic EIR for the RTP/SCS, particularly on cumulative and growth inducing impacts.

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	<ul style="list-style-type: none"> • Has the CA Department of Housing and Community Development weighed in on the long term 20 – 25 housing projections/need? Are you consulting with HCD? • How will capacity for infrastructure growth be funded and how will lack of funding be handled? • Where does the 150,000 more households number come from, and what was the previous number? If the proposal is to add 900k units to the Bay Area, how will people buy those instead of the cheaper units outside the Bay Area? The market is not going to change, and there is no way to subsidize the 900k units to make them competitive with cheaper housing in Modesto/Sacramento. • We have unrealized land use policies in the Bay Area, but transportation pricing can be used as the tool to provide the necessary market signal. Pricing may be the theoretical way to realize our land use policy. Regarding the tension between market trends and actual policy objectives, would we look at scenario testing? Do we have to plan only for the regional housing need, or also for the jobs need? Transit funding is not in the discussion and any funding that is discretionary could be put on the table. We should have a clear definition of what the region considers discretionary funding. • There may be some changes in the paradigm of housing preferences. What will happen to fuel prices in the long term? What effect will this have on long distance commutes? I am optimistic with this target. (Regional Targets Advisory Committee (RTAC) is meeting in Sacramento today. This meeting info on CARB’s Website.) 	<ul style="list-style-type: none"> • As we start to develop information, we will update our base forecast for the SCS. We hope to get updated information, and hopefully the ABAG Board will adopt the regional housing target in the Fall of 2010, which we can use as input for the scenario process. More time will be available for further discussion. • There is no official interpretation from HCD, don’t expect this to happen. We do consult with them because they have to approve RHNA allocation. We will report back input from them. • We need to do more analysis of funding. • We had previously forecasted a 700,000 need and it was increased by 150,000. The current estimate is about 900,000, but the estimates vary. We need to stratify the prices of those units if it’s going to make any difference. • A better understanding is needed of what the funding available is and what the constraints are.

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	<ul style="list-style-type: none"> • City of Albany supports climate change but may struggle with implementation. Need an analytical tool before CEQA starts, and a tool that you can use on small projects. Regarding question 4, yes but you necessarily do not need only more housing growth, but there are places where you need more or less housing and employment growth. • What can be done for cities? Having some support to explain the process to the public and the decision makers, especially for modeling. Need background, support materials to help explain. Also, more background information to help support the concept of reducing VMT and how climate change is affected by land use patterns. Schools are primary reason why people move into communities, so we need to address the issues of schools. Regarding question 4, not just more housing growth but also other criteria must be met that address the agenda of the SCS, i.e. walkability, higher density, etc. • Has MTC made a similar commitment to matching infrastructure money? • Give lifestyle planning a chance. Also, people don't come in from Tracy by magic carpet they use the freeway; people should pay the cost of using the freeway. • Where should housing be accommodated? It's critical to make sure we address equity issues in particular. We should make sure we are creating mixed income neighborhoods and schools and pay attention to how we are doing our housing allocations. • Transportation investments are still focused on capacity building. We should start charging people the real price of what it costs, thus freeing up money in the region. We should be using policy and market mechanisms to right the situation and not create an artificial attractiveness of living 	<ul style="list-style-type: none"> • There is some information on materials about modeling created by the state's MPOs, which was submitted to ARB. There is also a Regional Technical Advisory Committee workshop. All this information is on the Web. • There is a commitment from ABAG to steer regional funding towards jurisdictions that have taken on more of the regional share of housing. There is support from elected officials to matching infrastructure money to the jurisdictions that have taken on that responsibility. • Yes, there are a number of MTC funding programs that are tied to Priority Development Areas (such as the TLC Program). • We will have a more detailed discussion of community indicators at future RAWG meeting.

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	<p>outside the region.</p> <ul style="list-style-type: none"> • Question 4 needs to be more nuanced to include affordable housing needs. We don't want to be rewarding cities for gentrifying neighborhoods. • The ability to retrofit sprawl has not been part of the discussion. We're only talking about bringing stuff into the Bay Area, but maybe we can attract businesses/jobs to places like Tracy. • Can you explain what the SCS is actually going to look like? What level of detail? <ul style="list-style-type: none"> • Has there been any rough cut regarding income levels — how is that distributed between the 150,000, or will it come before the baseline forecast? • Concern regarding the interest in jobs/housing balance. The reality with trying to balance past growth in suburbs with more jobs is that reverse commuting will occur. This is harder to serve with transit because people will choose to drive — even when good transit is available — because in the suburban employment centers there are not enough services within walking distance. The reality in terms of modeling doesn't bear out with the benefits that we would have by keeping employment in centers where there are services and are walkable. • Need for social equity indicators that would accompany and parallel the modeling process. Our concern is to provide 	<ul style="list-style-type: none"> • Common issues in a lot of the comments: OK with the housing increase, concern over the practicality of getting housing built given the infrastructure costs. • Modeling for the SCS will go down to the census tract or transportation analysis level (1,454), as opposed to a jurisdictional level (109). There is some capacity to craft areas around transit. Some of the discussion will be at a broader level. The law of the regional housing needs is different from the SCS. When the allocation is done, allocations will get down to individual jurisdictions, but they are responsible for the housing element. Allocation on the RHNA will be at the jurisdictional level. • It will definitely come before the baseline forecast. • The issue with modeling is, is it realistic? • Anyone can send us written materials in order to be able to incorporate into the discussion, including the equity

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	<p>more strength and input into the process of regional equity indicators. Also would like to invite any elected official and decision makers to work with us.</p> <ul style="list-style-type: none"> • We need a set of performance criteria around the additional 150k units so we know where to add units? Need guidance to get through the planning phase. PDAs currently have only 1/3 of regional employment, and they are projected only to go up to 42%. So, that leaves close to 60% of jobs will not be in PDAs. Meeting one goal sometimes gets us away from another one. • Need to focus more on maintaining the existing infrastructure, infilling, and building retrofit programs because population growth still leaves us with 8 million people that are already here and we need to address those needs as well, not just growth. • We've spent billions of dollars to promote sprawl. How are we going to raise billions to reverse that? What is it going to take to implement an SCS? How much room do we have to identify that number and where is it going to come from? • The two big third rails: peak pricing and parking pricing are greatly underutilized. This needs to be used. 	<p>issue.</p> <ul style="list-style-type: none"> • We do need guidance to get to that point, which is the purpose of the discussions. • We do have some room to find out how much it will cost. There is the alternative planning strategy that goes beyond the SCS; however, the SCS is what goes into the RTP and the RHNA has to be consistent with the RTP. There is no reason why we can't look further at what we really need.

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Priority Development Area Assessment	<ul style="list-style-type: none"> • CEQA streamlining as one of the keys for successful implementation of PDAs was mentioned; however, the air district is considering adopting a new set of CEQA guidelines for air quality and GHG emissions that will not streamline development in PDAs. The Air District will adopt something that will be a prime impediment to our efforts. How do we get the Air District to listen to local jurisdictions? • Appreciate staff’s work on evaluating PDAs. PDAs are very housing-centered. San Jose is very reluctant to bring the PDA plans forward because they really need to be mixed-use. We need a more balanced approach. What and when will we see the SCS indicators and the specific analysis? • A pitch for what’s been done in San Mateo County with the Grand Blvd. initiative. Commend their multi-modal approach. • PDAs are a terrific way to start off, commend regional agencies. Missing the regional overlay. There are corridors that link up PDAs, and each of the PDAs has their own challenges and opportunities. The TSP is taking a subregional market approach, particularly around transit and transit capacity, which may also be a good way forward to look at potential opportunities. Those transit areas operating at capacity may be disadvantaged. • PDA effort is very valuable. Like the strong case for directing additional funding and other resources to PDAs, not just to infrastructure. Helps address the issues of affordable housing and complete communities. Regarding CEQA, what we’ve seen is concerning. We need to work as a group to get relief on these issues. • How do you see the PDA process coming out of the SCS? 	<ul style="list-style-type: none"> • The new guidelines are a significant issue. There has been dialogue with the air district’s staff. There may be some hope that it will not be as burdensome as it initially appeared to be. Moving forward with the SCS, we will need to synch up these issues. • Staff report will be brought back on the PDA indicators at an upcoming RAWG meeting. Adding employment to those areas that already have the housing makes sense. • We’re tentatively planning to bring this to RAWG in July. • Yes, an analysis of the neighborhood plans indicates that they can encompass more than half of the region’s projected housing and employment needs through 2035. There is a general understanding that we should be accommodating as much growth as we sustainably can within PDAs. We don’t want the growth to leap frog into central valley because it’s not sustainable. What is it going to take to make these areas happen? How do the PDAs relate to non-PDAs? How can they be described and addressed at the county level? There will be more detail in the future regarding this and we will be seeking your advice about these types of questions. • Did not mean to suggest they are not important, the

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	<p>PDA's accommodate only 40 percent of the projected growth in the region, the SCS must address this. Will the PDA process change as a result of the SCS? Will it capture more of the growth and address the issues of being housing-centric, etc.?</p> <ul style="list-style-type: none"> • The numbers that you put up, \$24.5 billion, got the sense that they are a non-starter. Of the \$24.5 billion, two-thirds are transportation-related, and a half billion dollars are for amenities. Would like to see that reversed. Where do those numbers come from? Why are the numbers a non-starter? • It seems early to be discussing an alternative communities strategy. It's dismaying to hear it already in the second meeting. Want to inform everyone that Caltrans is doing an inter-regional blueprint. Only 25% of STIP money is programmed through Caltrans recommendations. The other 75% is programmed by CMAs. For the inter-regional portion of the STIP money, we will look at how good a match we have between the projects that we are sponsoring and meeting our goals. We will look at existing commitments and new commitments. Must do this in order to make sure we are meeting our GHG emission goals. • An idea for the regional agency staff for additional self-help tools. A big hurdle to real self-help in California is the two-thirds vote requirement for special taxes. I would suggest that you explore working with federal legislators to create the equivalent of a federal melaruse district for a region that adopts an adequate SCS and require majority vote, this would preempt Prop. 13. • Regarding committed transportation projects, in 2005 MTC modeled a transportation alternative that we designed, where we changed land use, eliminated highway expansion, BART expansion, and included very cost effective bus 	<p>numbers came from the initial PDA nomination applications. We put it in because it illustrates that this information does not get us to where we need to go. Any entity considering shifting funds in a fiscally-concerned era needs to understand the trade-offs. We are trying to get more refined information through this.</p>

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	<p>projects and commuter rail. This resulted in a 3 percent reduction in VMT, and also saved about \$6 billion. There is a lot of money that is committed in the RTP, and with a careful analysis of alternatives that money could be freed up. MTC has said that infrastructure does not change emissions. This is only true due to MTC's infrastructure choices.</p> <ul style="list-style-type: none"> • There is language in CEQA that if you make statements of overriding consideration you must demonstrate economic benefits to skilled workers. This has not been happening. Trying to streamline development in PDAs usually ignores the interests and concerns of the people who build them, who comprise about 5 percent of the workforce. When we think about adding housing and targeting dev in specific areas, also think about the wage profile of the people who will build them and the people who will be staffing the services that go into the PDAs. These people will generally be low-income, make sure that they can afford the housing that is put into these PDAs. • What will it take to get these PDAs built? Time and money. On the time side, it is essential that we do program-level, neighborhood-wide EIRs in order to get projects approved in a timely manner. Very few cities have the resources to do this type of planning. TLC is only a drop in the bucket, there needs to be a lot more money devoted to planning neighborhoods in our region. The money aspect is an unbelievable significant issue. The incentives are not there for good urban development. Where do we get that kind of money? We need to start charging in a very serious way for the things we don't want to encourage, like driving. Also need to seriously look at already allocated dollars in the RTP that are going towards projects that do not make sense 	<ul style="list-style-type: none"> • We have found that programmatic EIRs are hugely important. The 25 plans going forward in the region have a programmatic EIR component. This is a small step.

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	<p>for the environment and our communities.</p> <ul style="list-style-type: none"> • Does the PDA assessment include a look at potential or real conflicts between PDAs and commercial/industrial lands? A conflict should not be a kiss of death, but a loss of these lands leads to a loss of blue-collar jobs and increased truck traffic travelling greater distances. We need to be aware of the negative impacts. • Support pricing and support for questioning committed projects in the regional transportation plan. Steve Heminger said that staff will look at committed projects in the next RTP. The four regional agencies do not have authority over many of the categories of funding, so what kind of plans exist through this process to identify other monies that maybe could have PDA strings tied to them? What is it specifically that we want to do with the information about what individual PDAs want? • It's a real opportunity to demonstrate innovation in institutional mechanisms. If counties get together and do the right thing, we hope the region would reward those counties for innovating potential new sources of revenue. • Desire to see PDA assessment and how it can inform the SCS indicators. The assessment should take into account the fact that those jurisdictions that have not voluntarily participated to be a PDA are qualitatively different. There a lot of issues that are going to be unique in non-PDA areas that will inform how we meet our SCS goals. 	<ul style="list-style-type: none"> • The assessment is geared toward planned PDAs, those issues are arguably been addressed as part of the planning process. Generally, it is an important issue, which has been addressed through the Development without Displacement program. • Regarding the first question, the four agencies have committed to doing the SCS collaboratively. ABAG is concerned about how cities or redevelopment are funded, or unfunded. All these issues are on the table. <p>Regarding the second question, our initial discussions show that there are some corridors that are stronger than others. This ties in, potentially, with future transit funding, how a PDA block grant could create a larger pot of discretionary money to support PDA development. More detail is needed.</p>