

PI BayArea Plan

Jobs - Housing Connection Scenario

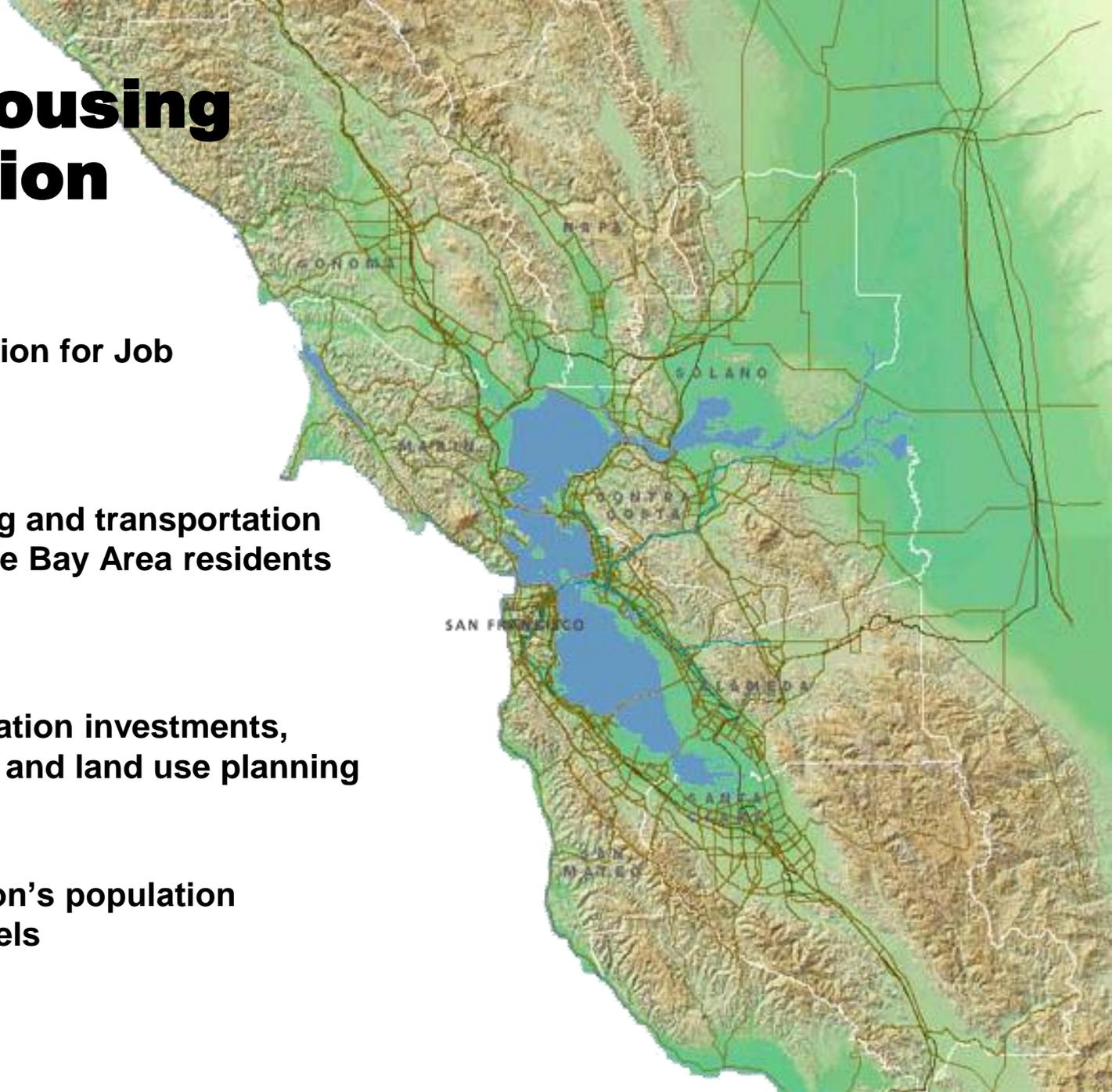
Draft

Regional Advisory Working Group

April 3, 2012

Jobs - Housing Connection

- Prepares the region for Job Growth
- Provides housing and transportation choices for future Bay Area residents and families
- Aligns transportation investments, housing growth, and land use planning
- Houses the region's population at all income levels



Past Trends & Future Projections

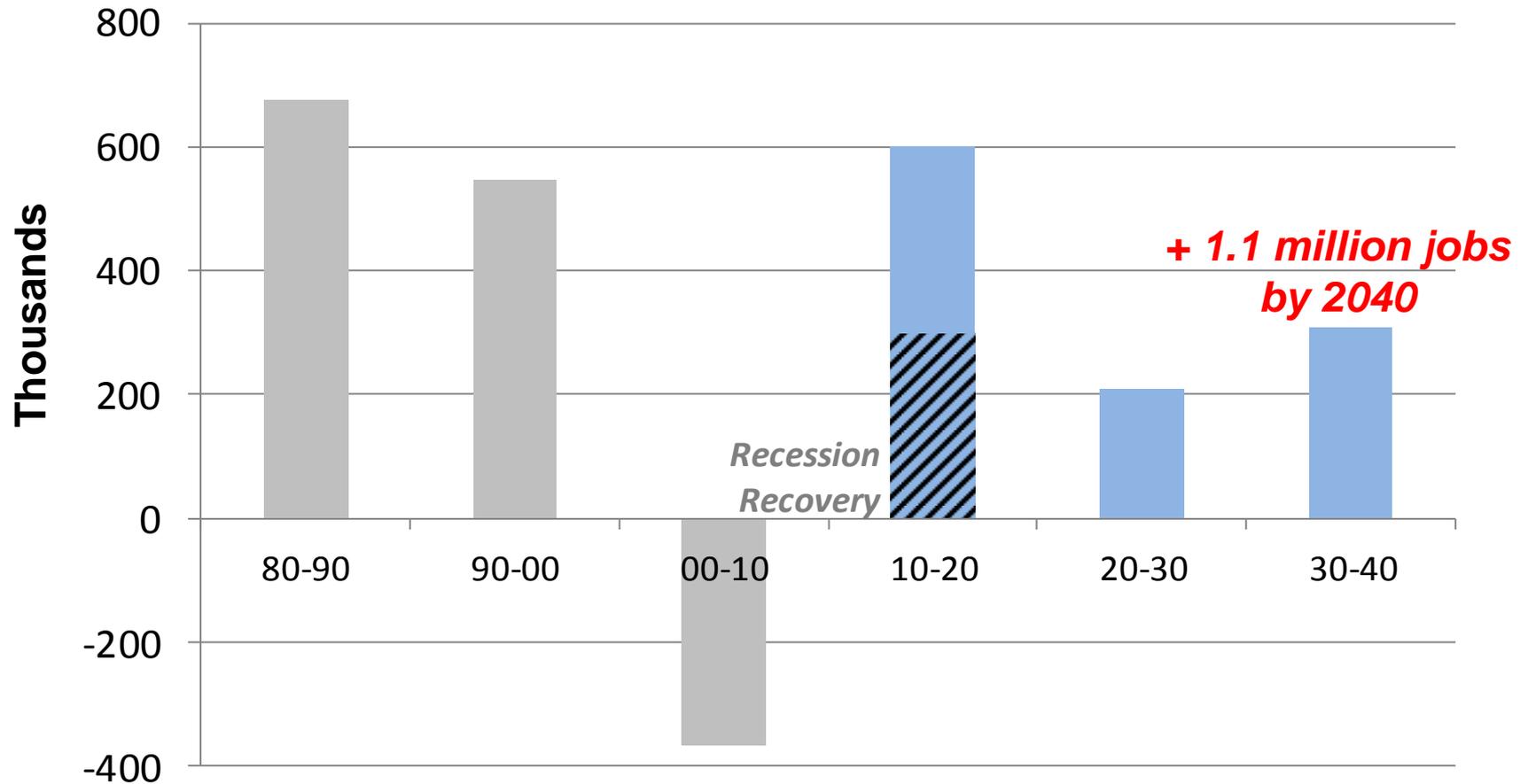
Regional Growth

	2010	2040	Growth 2010 - 2040
Jobs	3,385,000	4,505,000	1,120,000
Population	7,152,000	9,299, 000	2,147,000
Housing Units	2,786,000	3,446,000	660,000

Source: California Department of Finance, US Census, Center for Continuing Study of the California Economy, United States Department of Labor, Bureau of Labor Statistics, ABAG

Employment Growth

Total Growth by decade

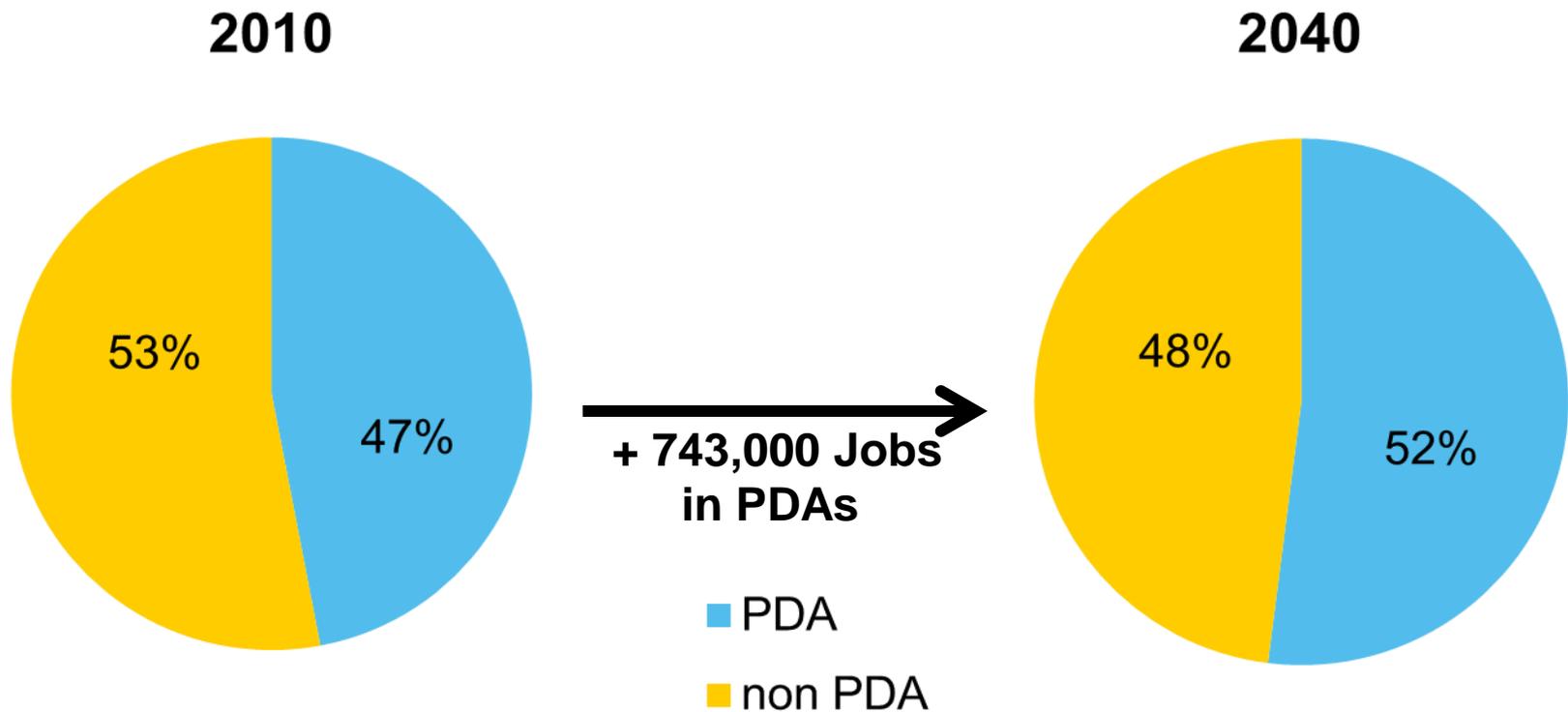


Recession Recovery:

- 300,000 jobs since 2007
- 350,000 jobs can be accommodated with currently vacant office space

Employment in PDAs

Share of Jobs located in PDAs



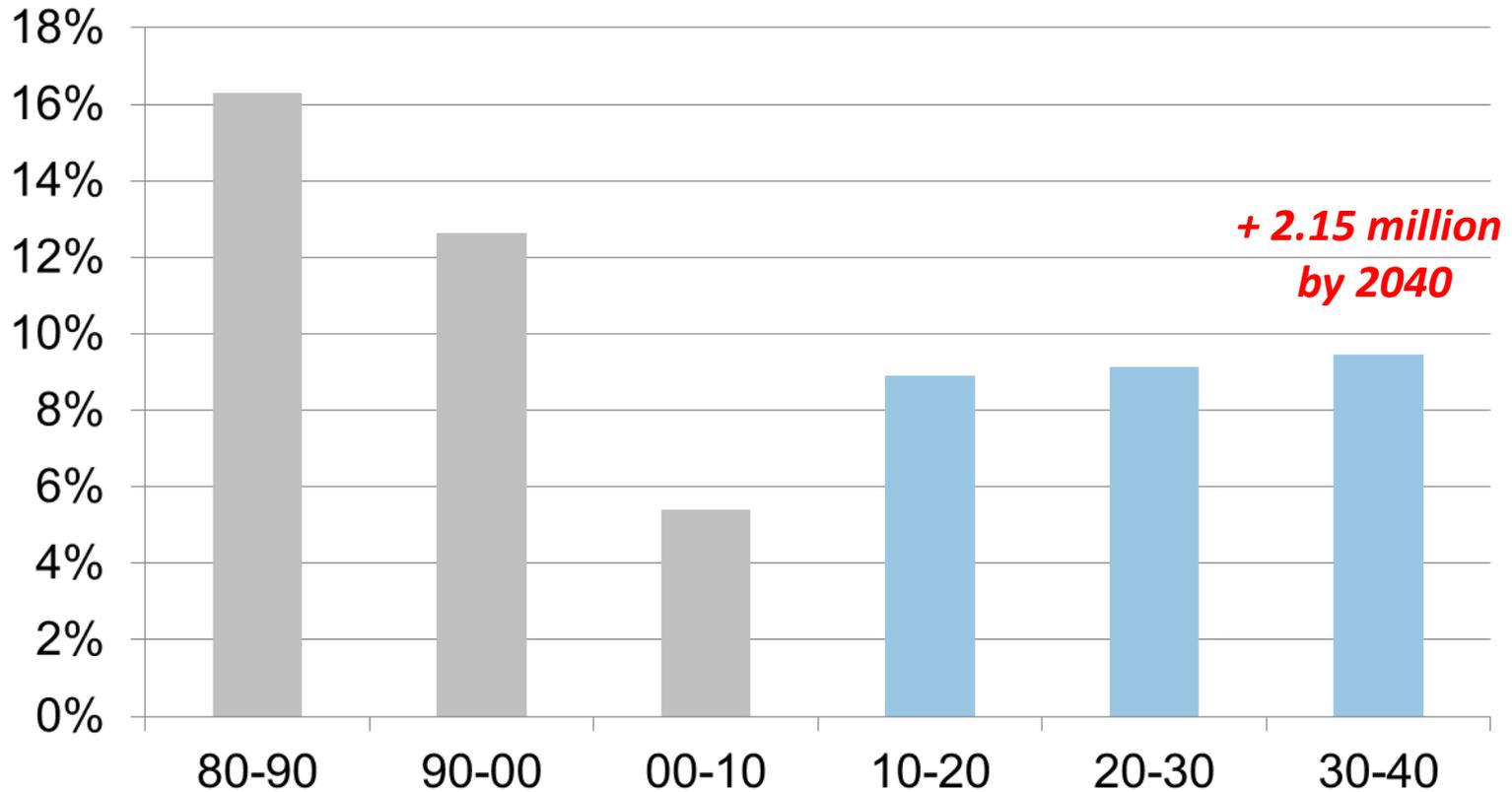
Locations for new employment

- Renewed regional centers
- Office parks
- Downtown areas and transit corridors
- Industrial and agricultural land

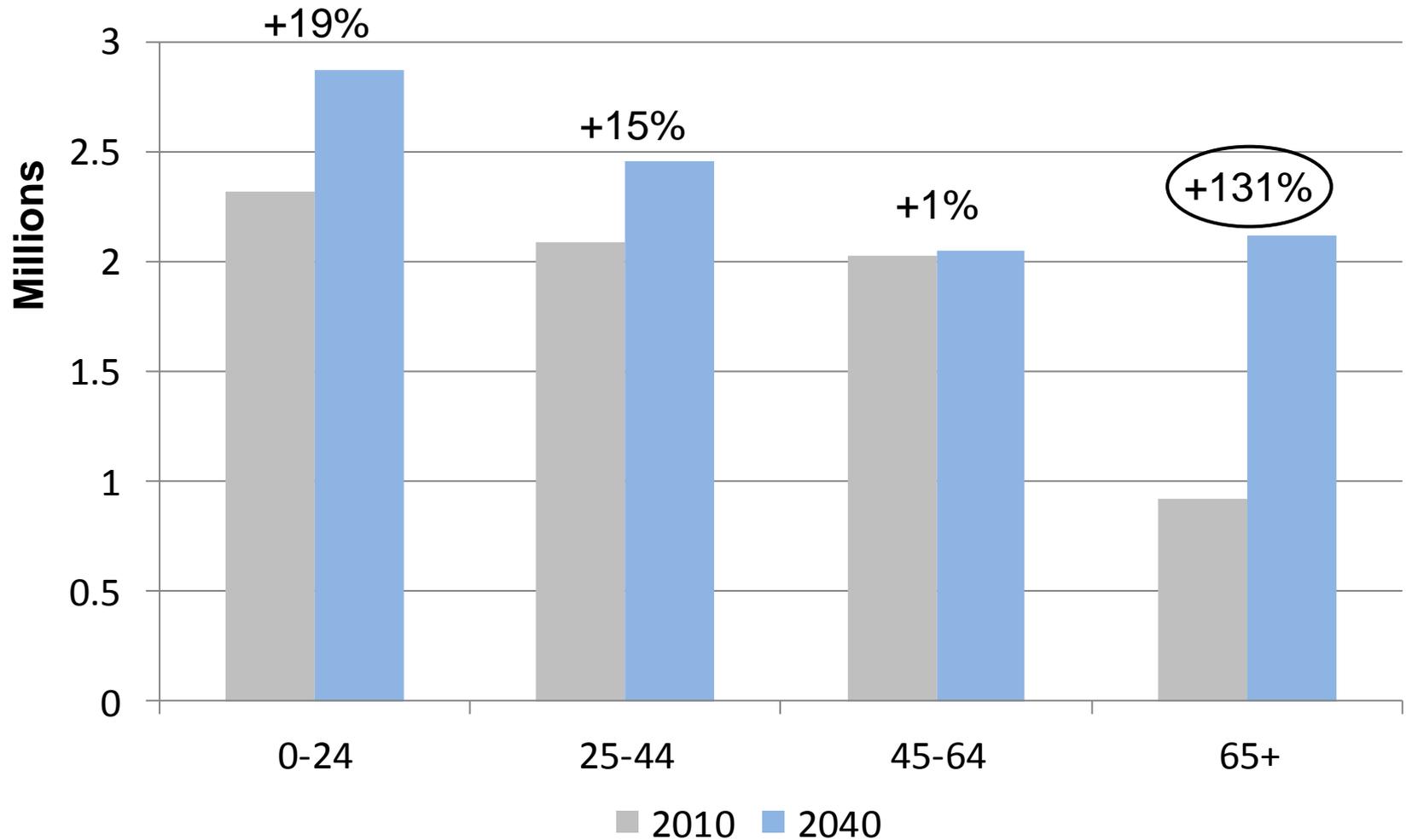


Population Growth

Growth Rate by decade

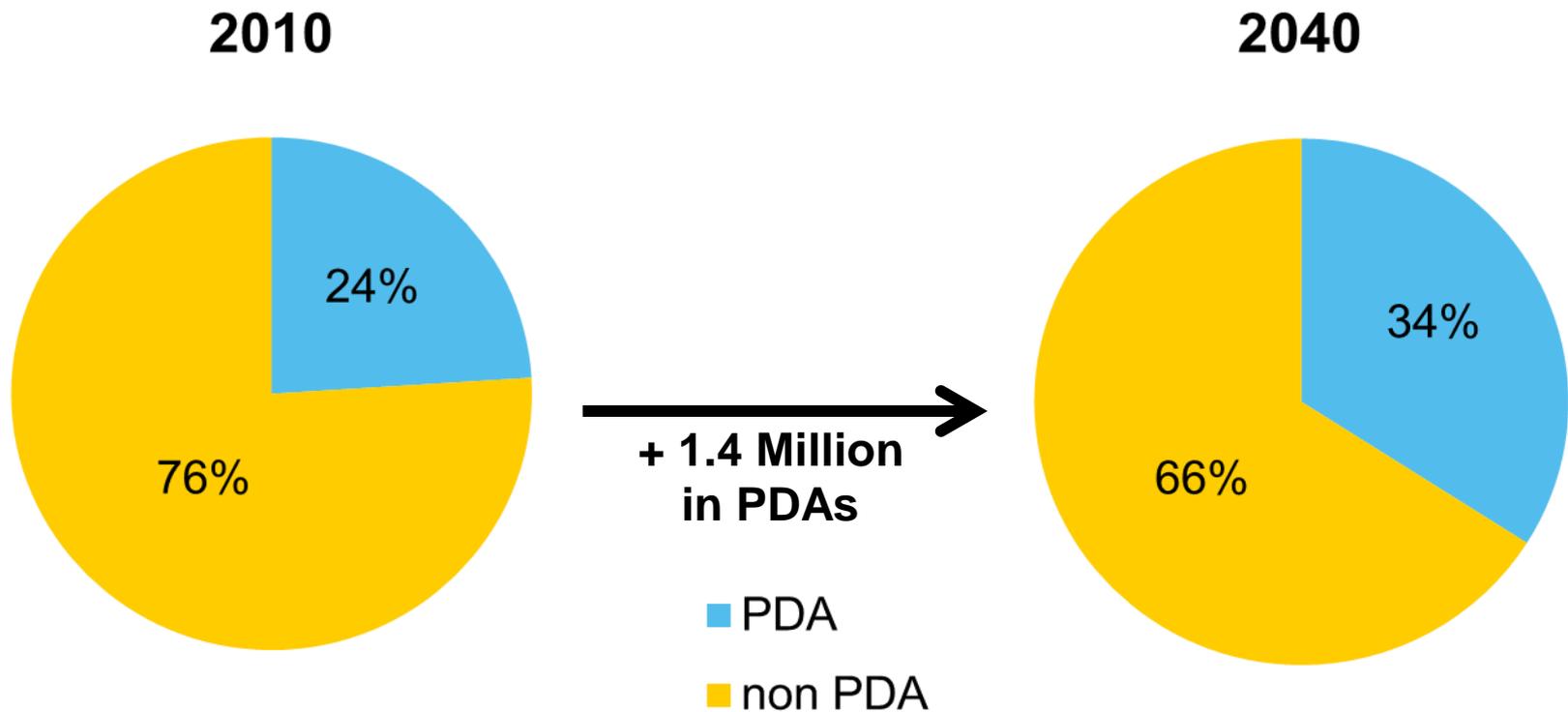


Population by Age and Decade



Population in PDAs

Share of Population located in PDAs

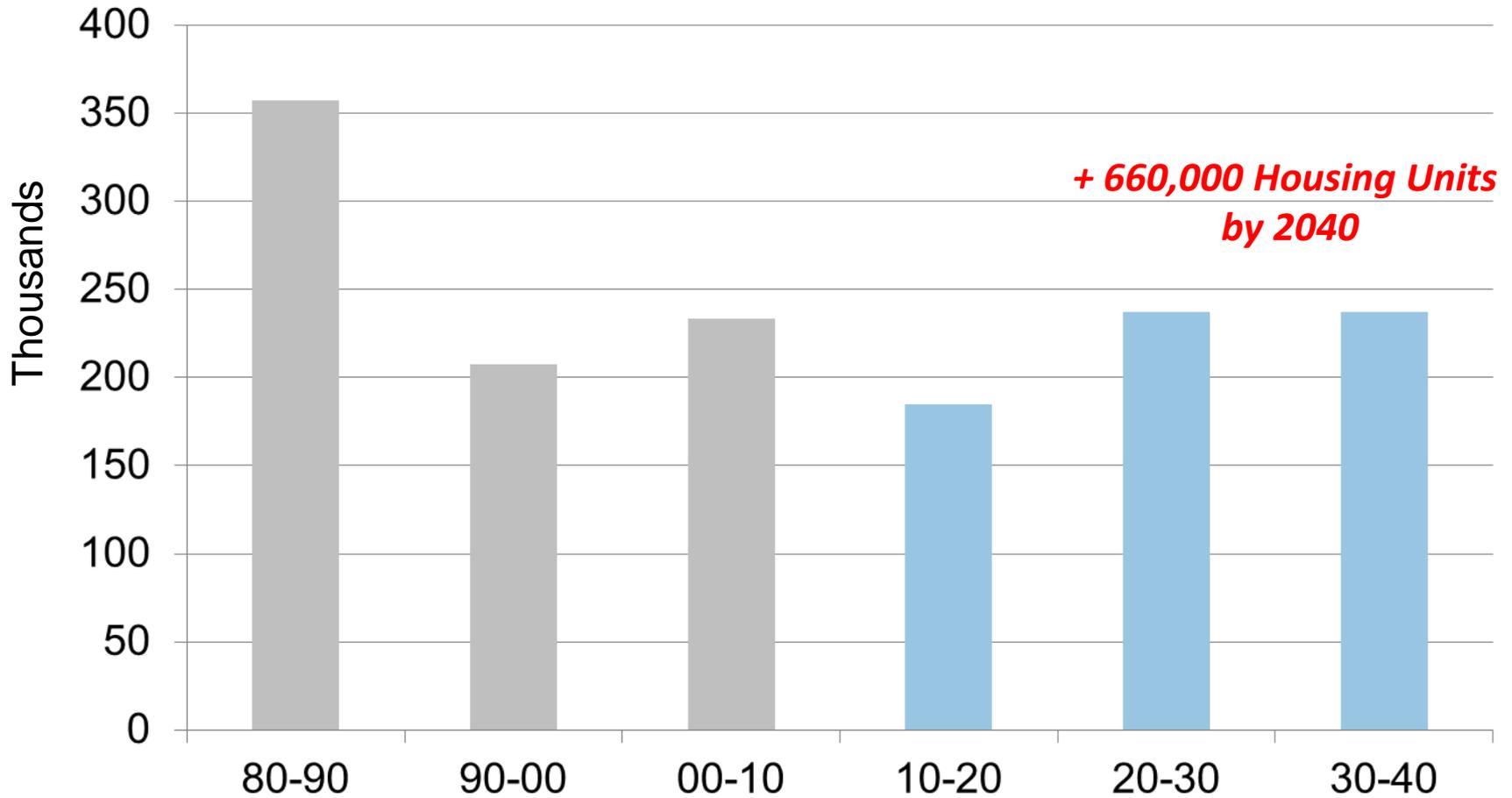


Housing Unit Forecast

- **Local Government Input**
 - Local Plan Capacity
 - Priority Development Areas
 - Place types
- **Market analysis**
 - Access to employment centers
 - Enhanced transit service
 - Neighborhood amenities
- **Absorbs current vacancies (6.4%) to 4% in 2040**
- **Increases group housing** to recognize projected growth in the senior population

Housing Production

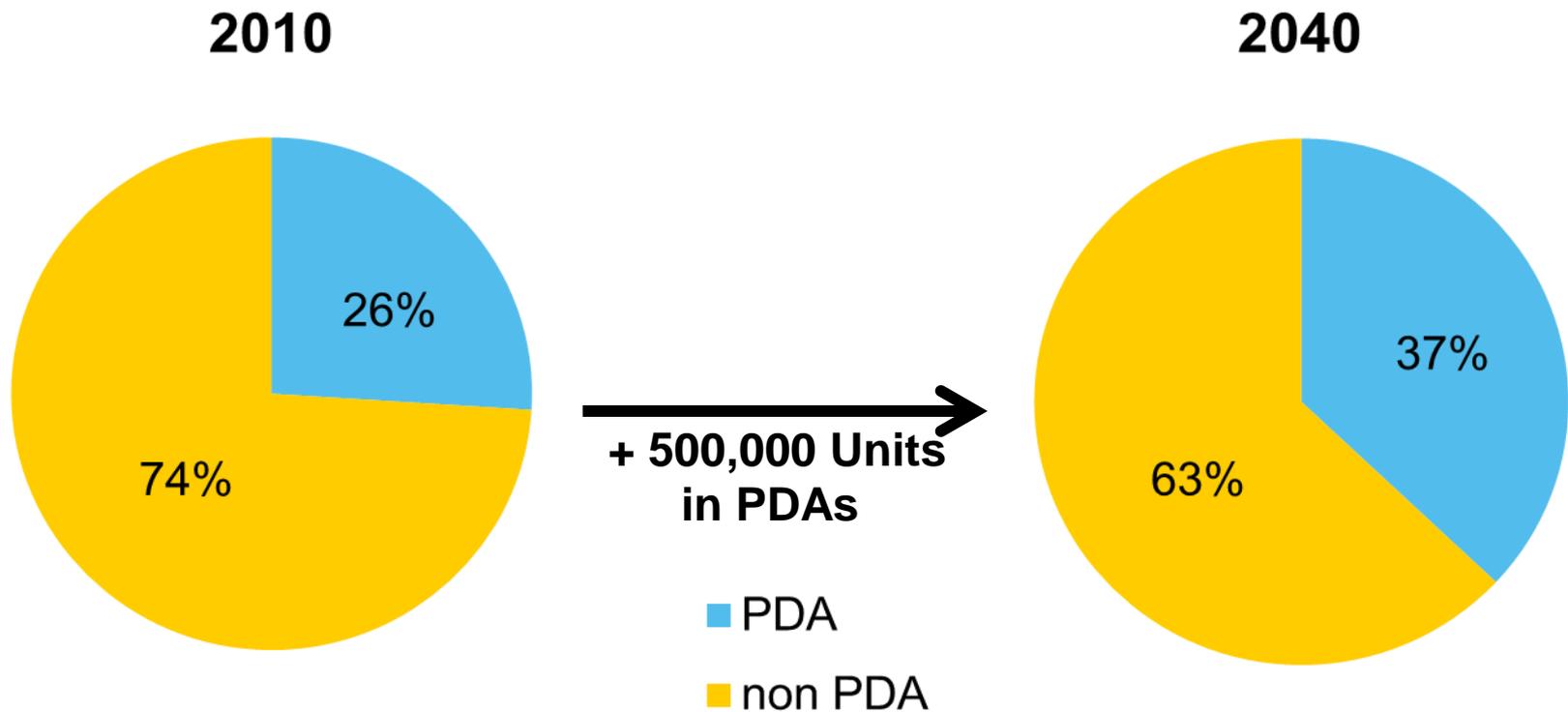
Total Production by decade



**+ 660,000 Housing Units
by 2040**

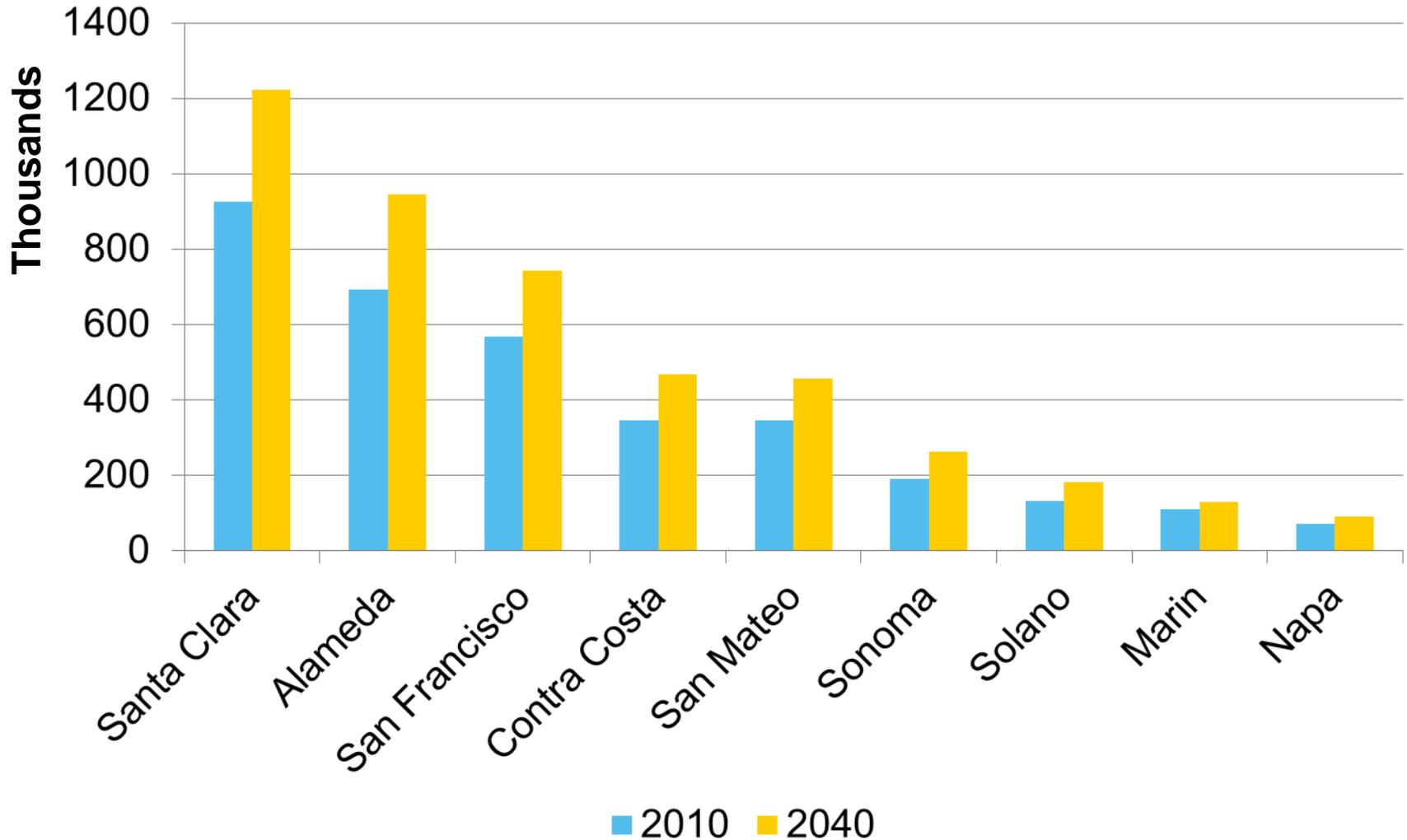
Housing in PDAs

Share of Housing Units located in PDAs

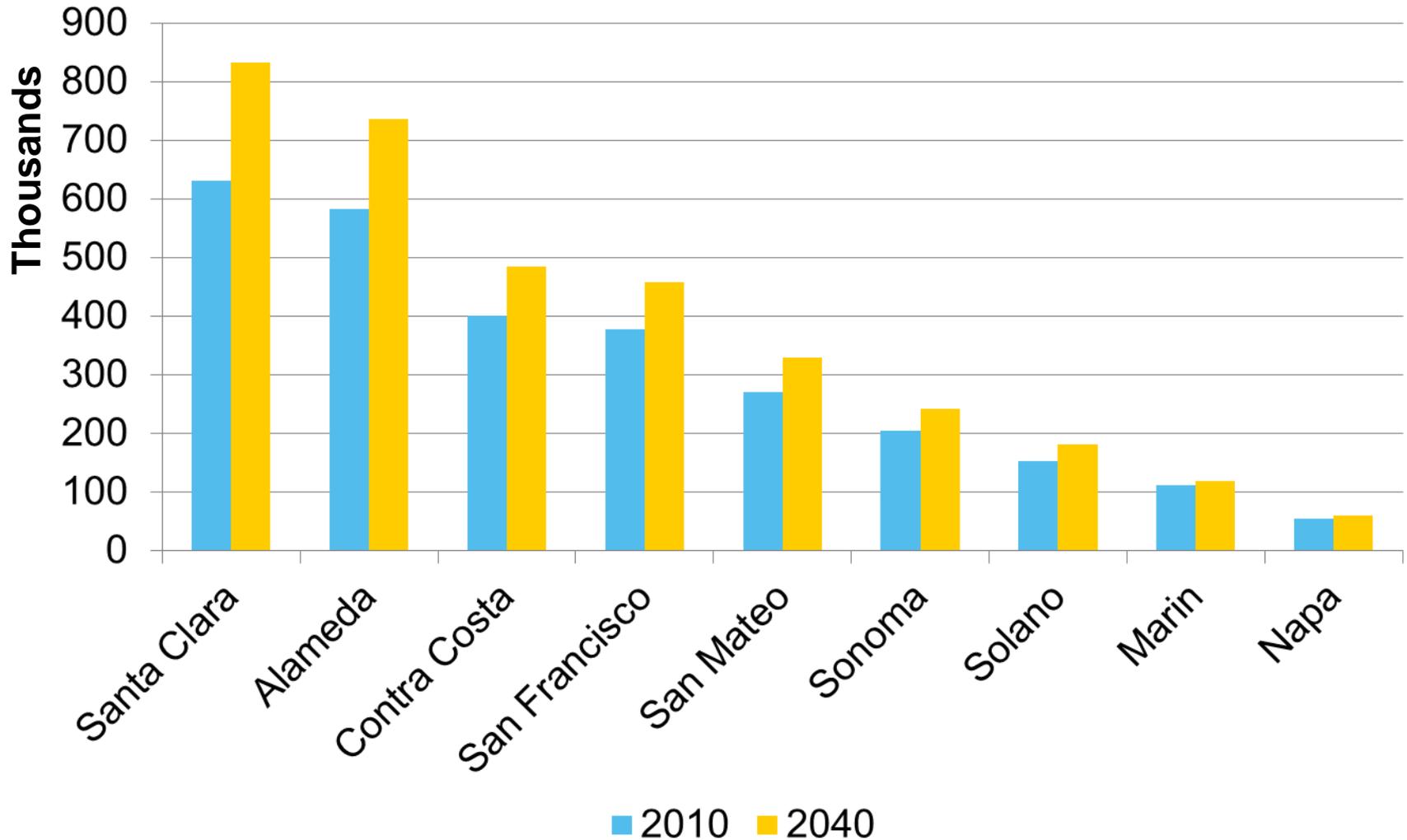


Regional Employment and Housing Distribution

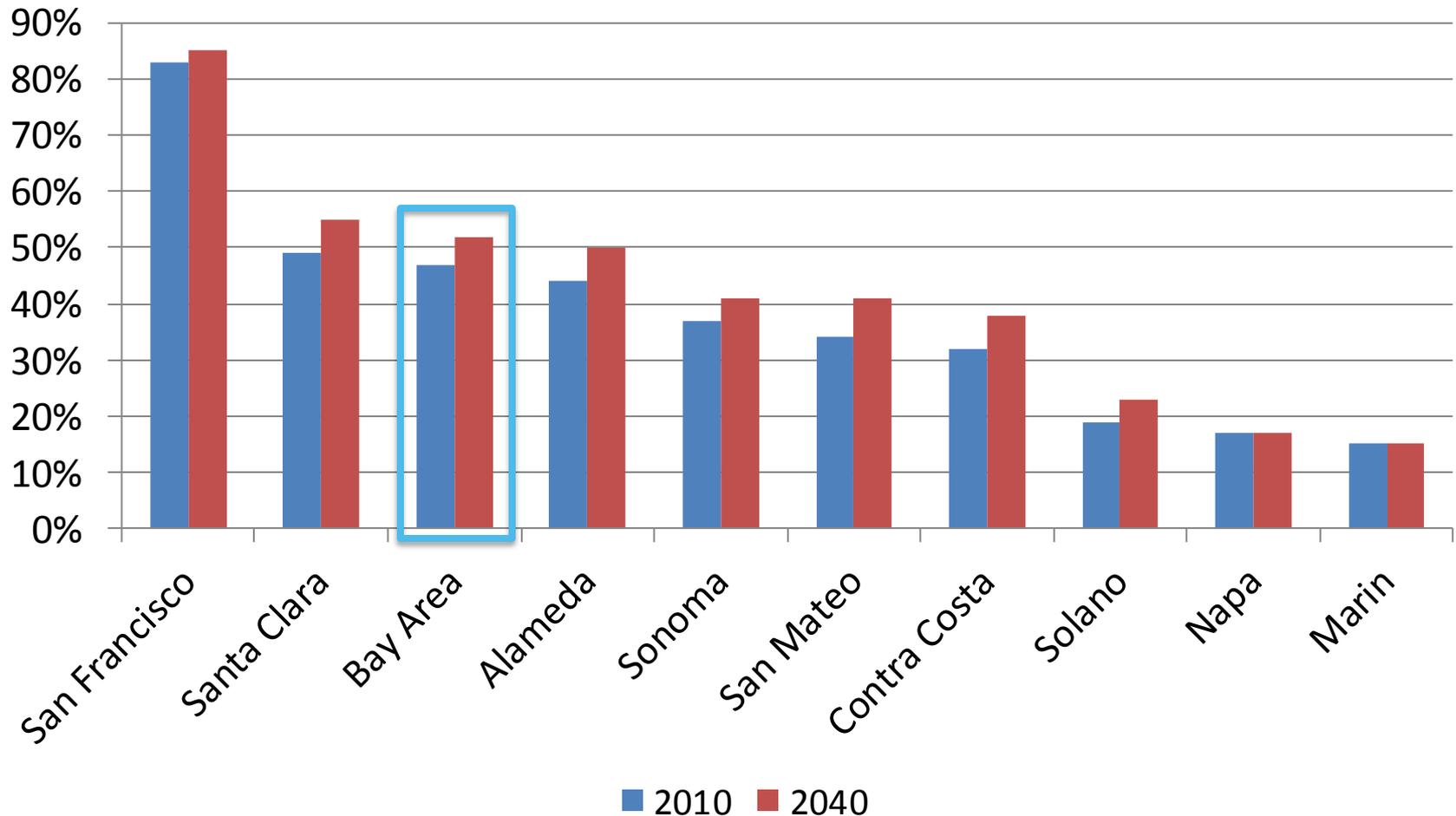
Total Jobs in 2010 and 2040



Total Housing Units in 2010 and 2040

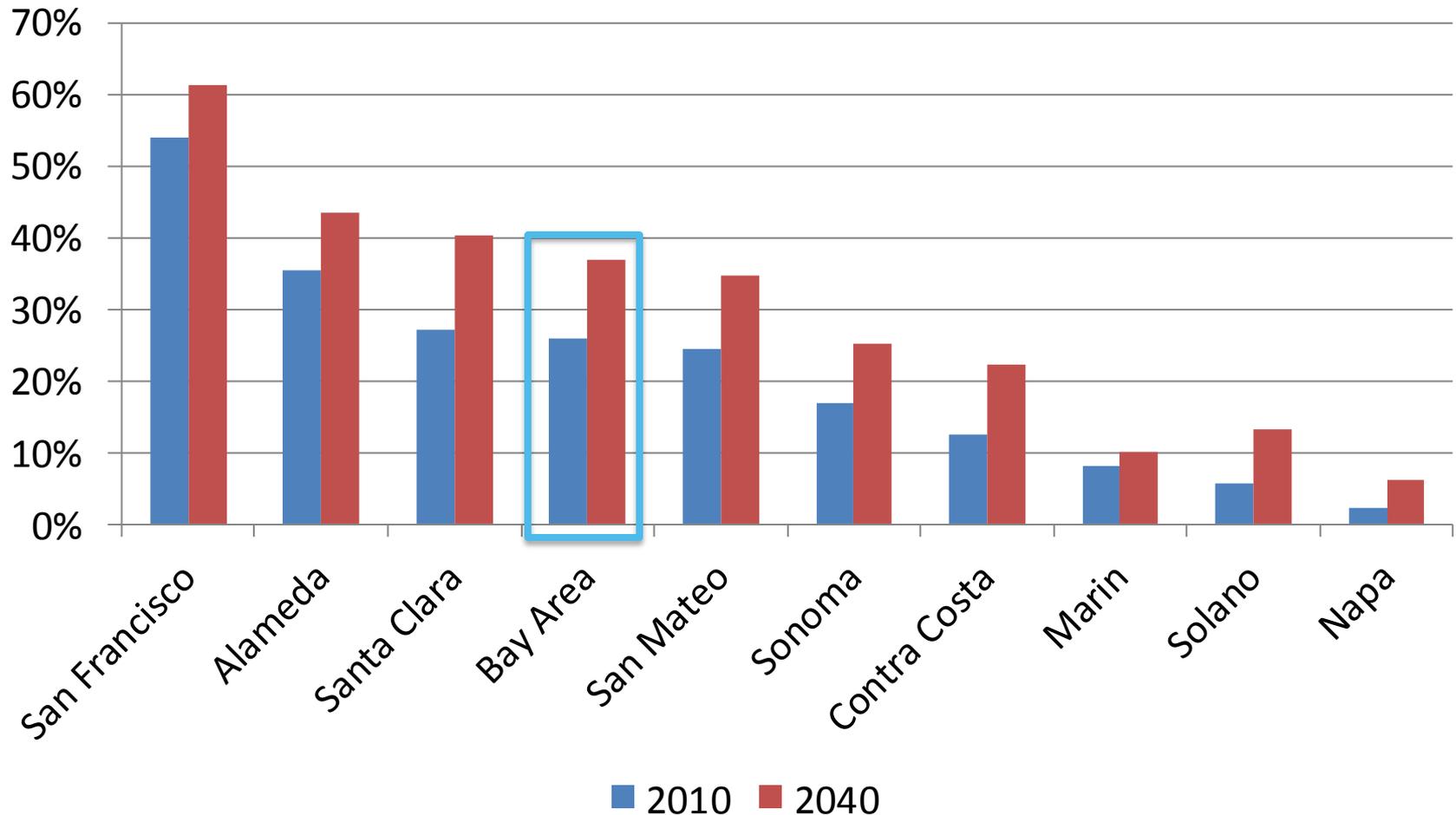


% of Employment located in PDAs in 2010 and 2040

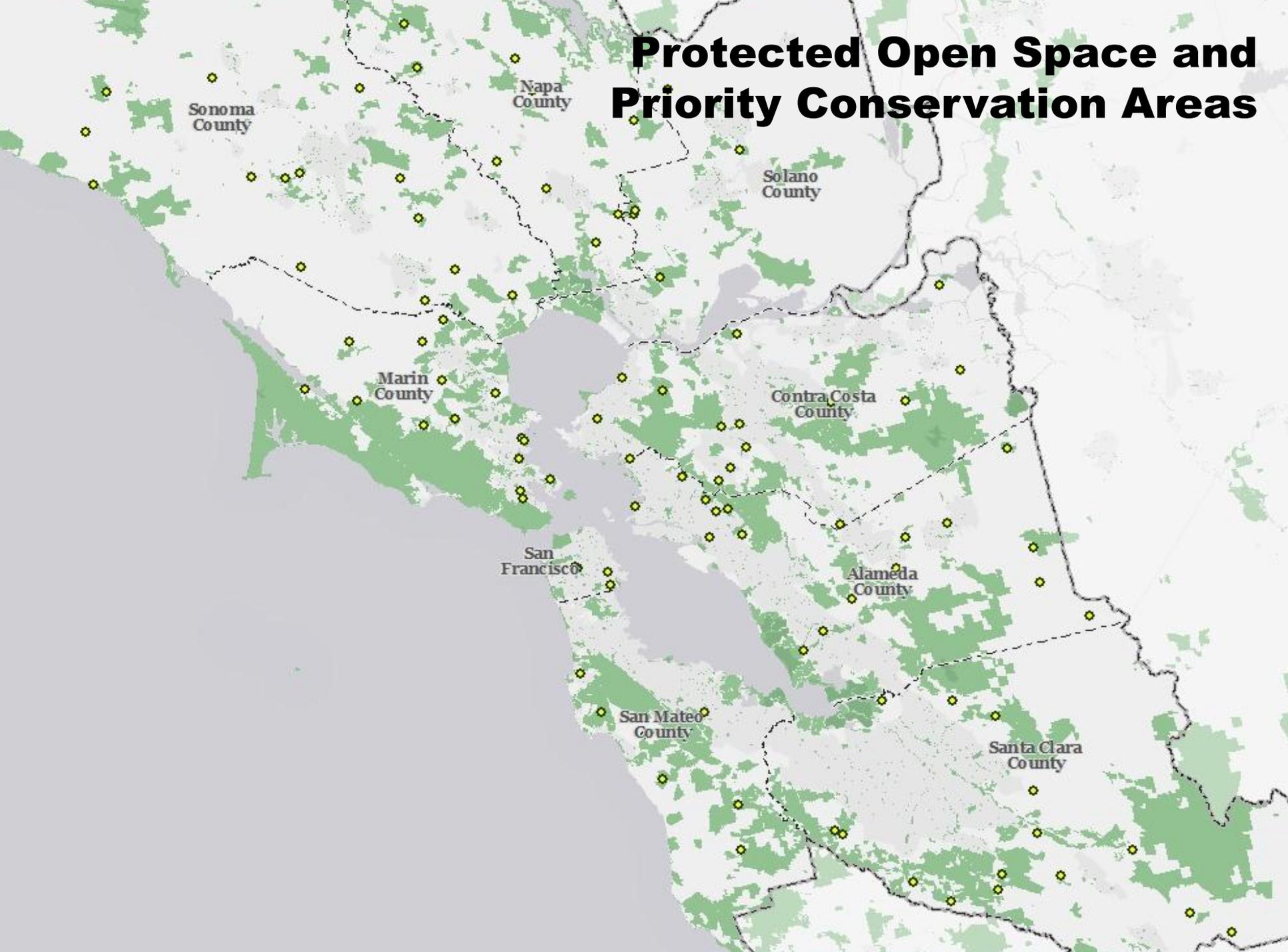


■ 2010 ■ 2040

% of Housing Units located in PDAs in 2010 and 2040



Protected Open Space and Priority Conservation Areas

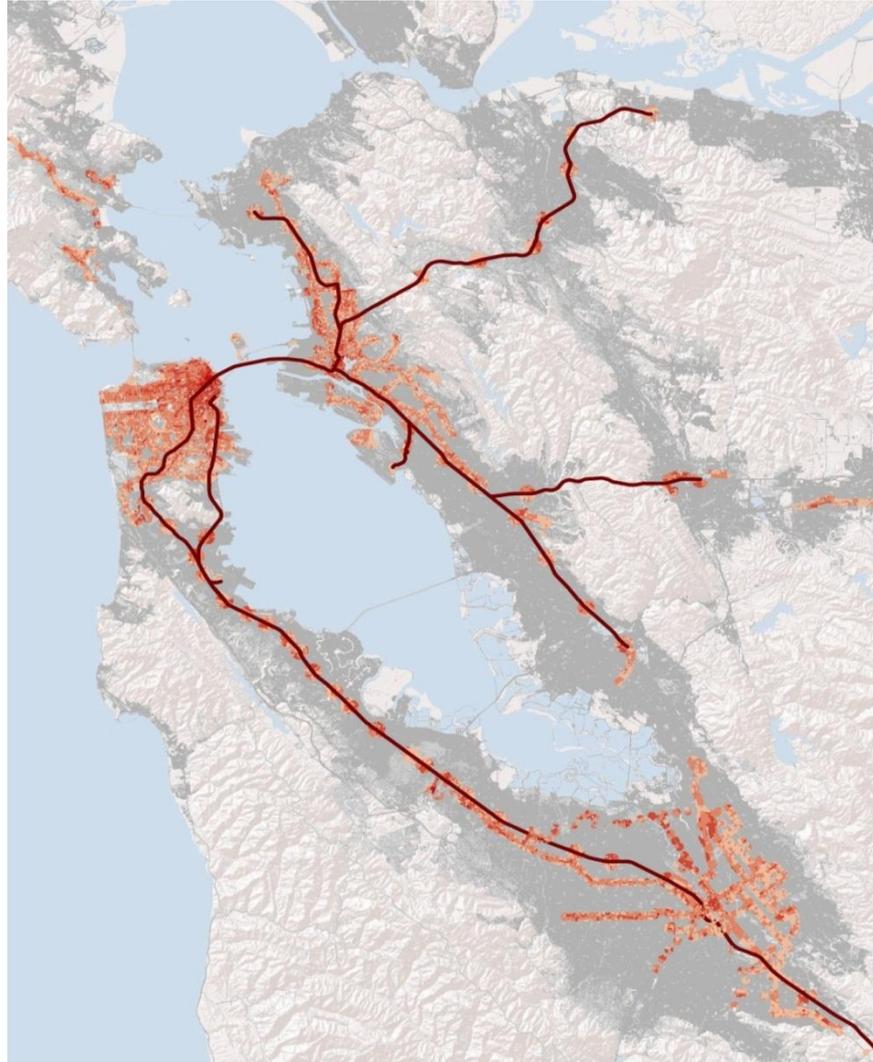


Key Challenges & Opportunities

Jobs – Housing Connection

- Job growth assumes housing production at accessible locations
- 1.1 million jobs assumes 660,000 new Housing Units
- If housing production increases by approximately 85,000 Housing Units, the region could develop an additional 110,000 jobs

Employment concentration not well served by transit

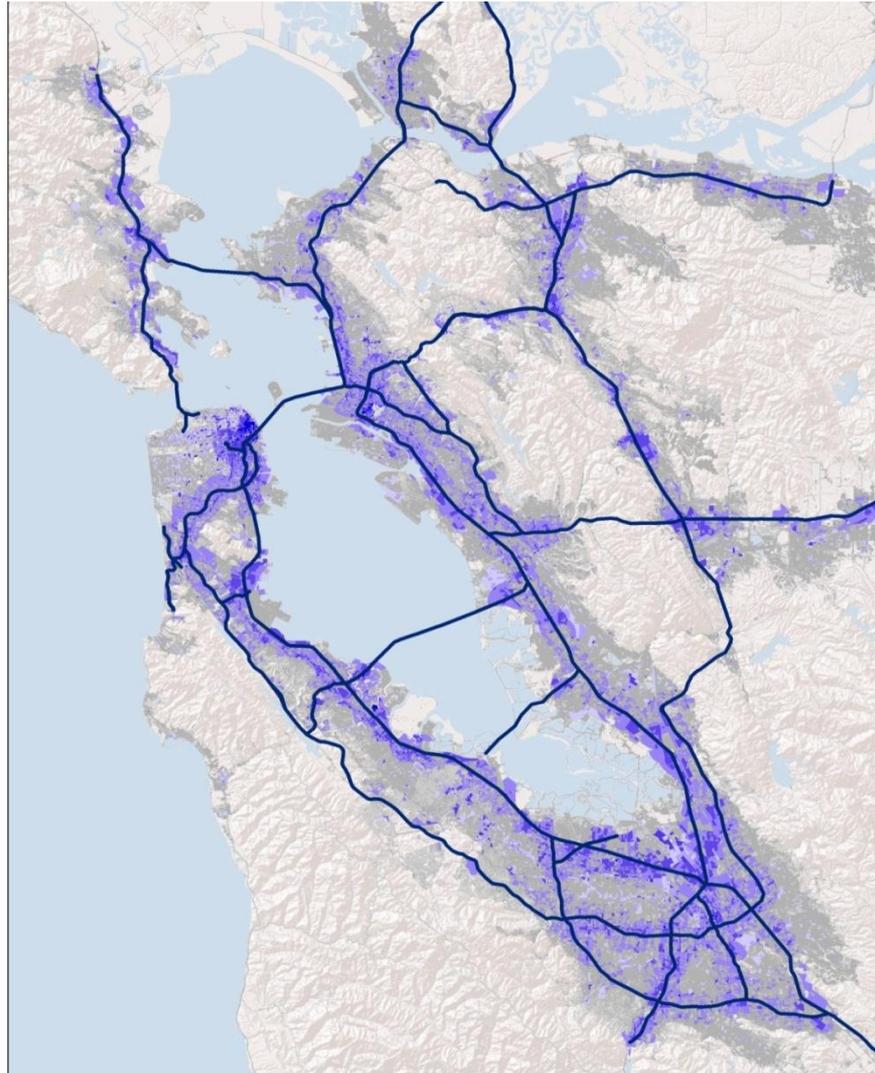


44% of Jobs
are within ½
Mile of
Regional
Transit Stations
or ¼ Mile of
Frequent Local
Bus

Employment Data Source:
National Establishment Time
Series (NETS)

Maps produced by Mark
Shorett, Arup

Employment concentration not well served by transit

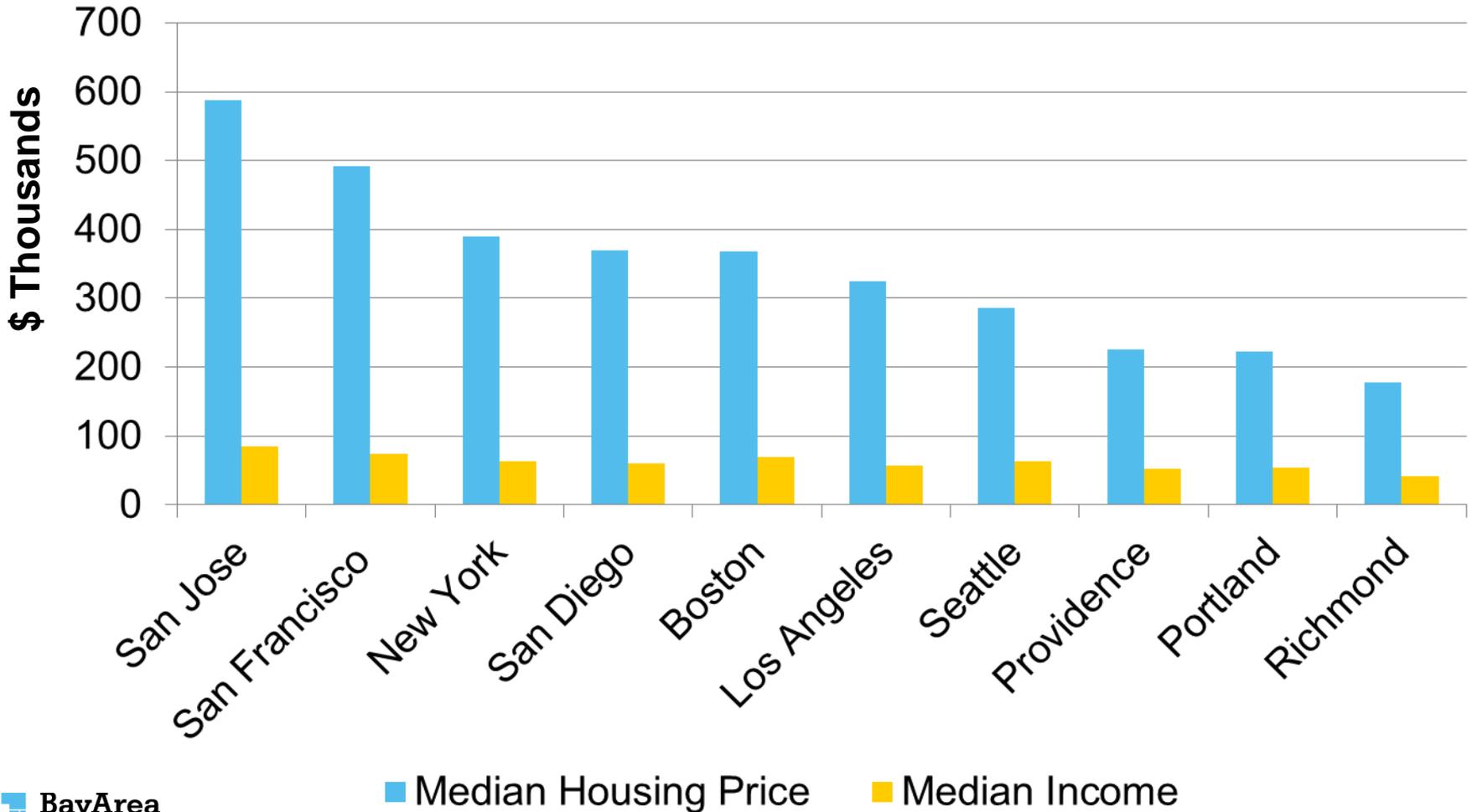


75 % of Jobs
are within $\frac{1}{2}$
Mile of Highway
Off-Ramps

Employment Data Source:
National Establishment Time
Series (NETS)

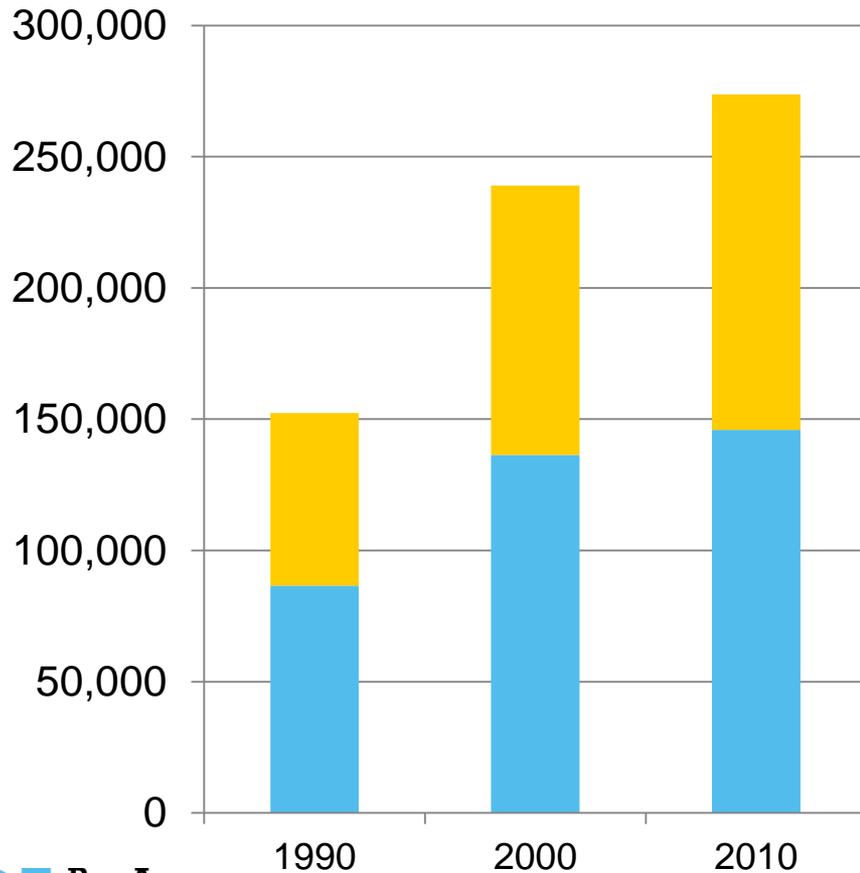
Maps produced by Mark
Shorett, Arup

Least Affordable Housing Markets in the U.S.

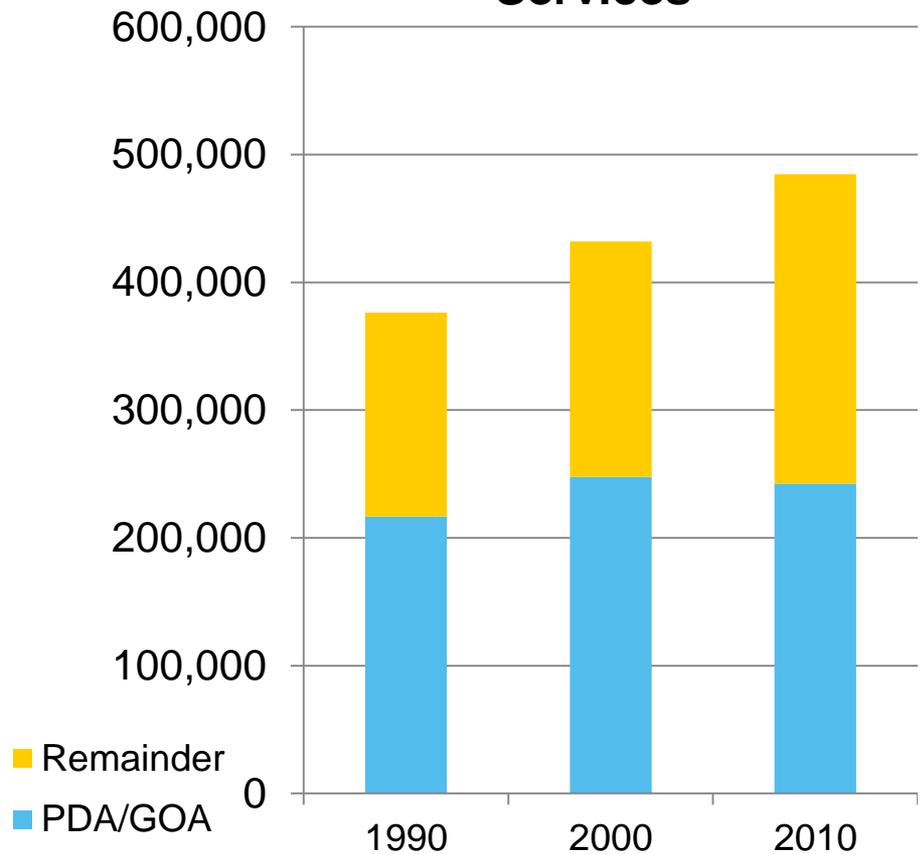


“Knowledge based” jobs have grown in PDAs

Information



Professional and Business Services



■ Remainder
■ PDA/GOA

Job Growth Strategies

- **Housing Production accessible to employment centers** is critical
- Regional investments are needed to **foster job growth in PDAs** and **improve work accessibility**
- A variety of strategies should **support lower income workers** servicing the knowledge based employment sector
- Plan for Complete Communities to support local businesses and local serving jobs

Housing Production Challenges

- **Affordability gap** has increased for very low, low and moderate income households
- Multifamily housing is **expensive**, with a **complex entitlement process** and **high risk financing**
- Current housing crisis created high **vacancies** and number of **foreclosures**
- **Loss of redevelopment funding**

Housing Market Trends

- Increase in **multi-family development** throughout Bay Area in recent years
Multi-family developments in 2010 were 65% of all permits, versus 44% in 2000, and 25% in 1990.
- Increase in **housing in transit-accessible cities** from 1990 to 2010:
San Francisco, Berkeley, Walnut Creek, San Mateo, and San Jose.
- **Growth of senior population** in residential care facilities
- Young professional preferences for **urban housing**

Housing Production Strategies

- Efficient dedication of development subsidies to affordable housing production.
- Increase diversity of housing affordability in all jurisdictions.
- Modification of existing programs to prioritize PDAs as key locations for housing distribution.
- Reform local regulatory frameworks and streamline permitting procedures.
- Rethink the dependency of parking on new housing development.

Per Capita GHG Reductions by 2035

- Jobs Housing Connection Scenario reduces GHG by 9%
- Plan Bay Area Transportation Investments to be released in April
- Other Policy Initiatives to be released in April
- Total To Be Determined

Regional Housing Need Allocation (RHNA)

Proposed Methodology

- **Sustainability Component**
 - 70% allocated based on growth in PDAs
- **Fair Share Component**
 - 30% allocated based on Transit, Jobs and Housing Production outside PDAs
- **Increase diversity of housing affordability in all jurisdictions**



Feedback from Housing Methodology Committee

- General agreement with the RHNA methodology
- Adjustments needed in Unincorporated Areas
- Adjustments needed in some medium-size cities

10 Cities with Highest Percentage of 2014-2022 RHNA (52% of Region Total)

Santa Rosa
3.34 %

Fairfield
2.87 %

Concord
1.83 %

San Francisco
13.28 %

Oakland
6.54 %

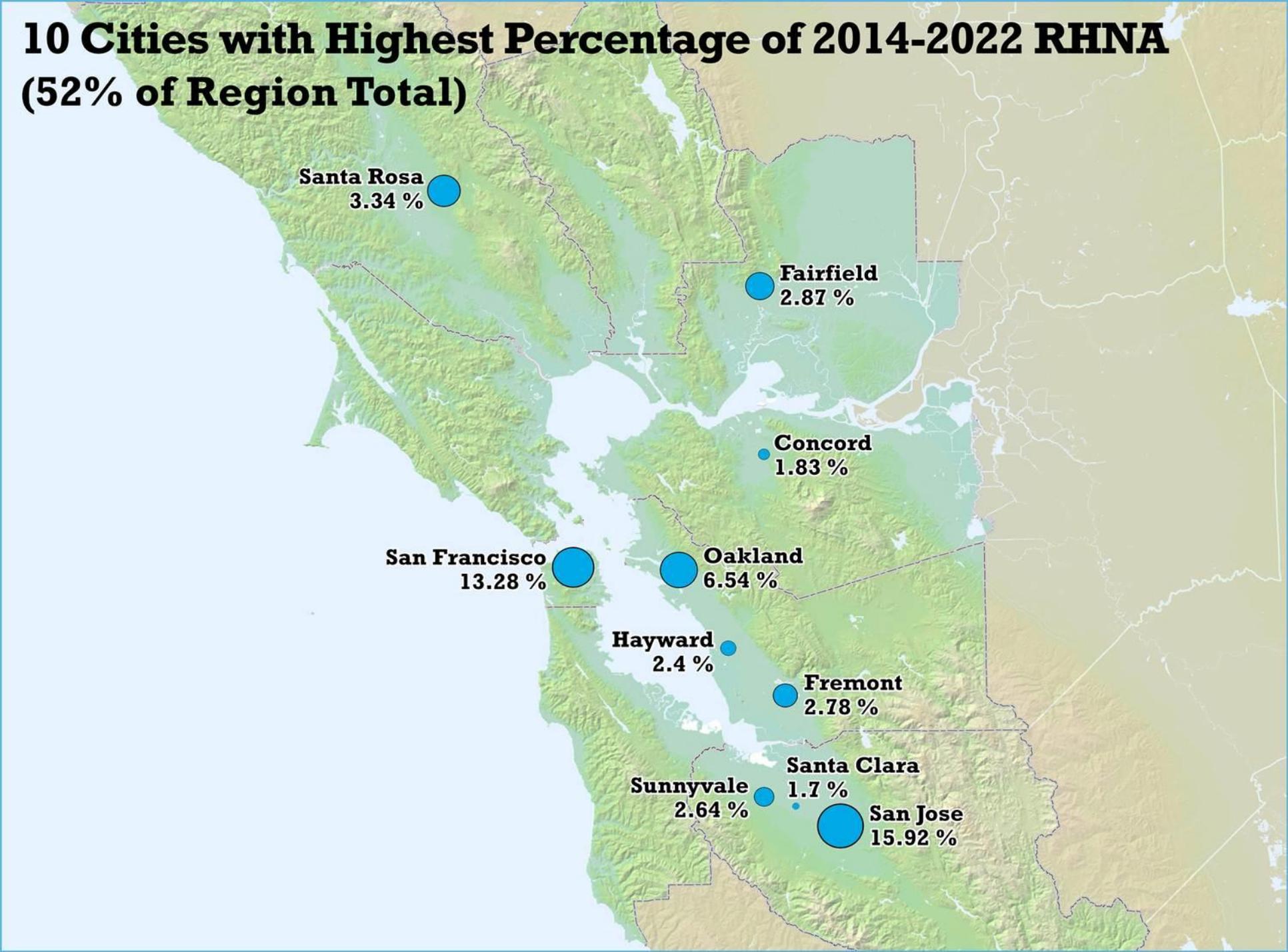
Hayward
2.4 %

Fremont
2.78 %

Sunnyvale
2.64 %

Santa Clara
1.7 %

San Jose
15.92 %



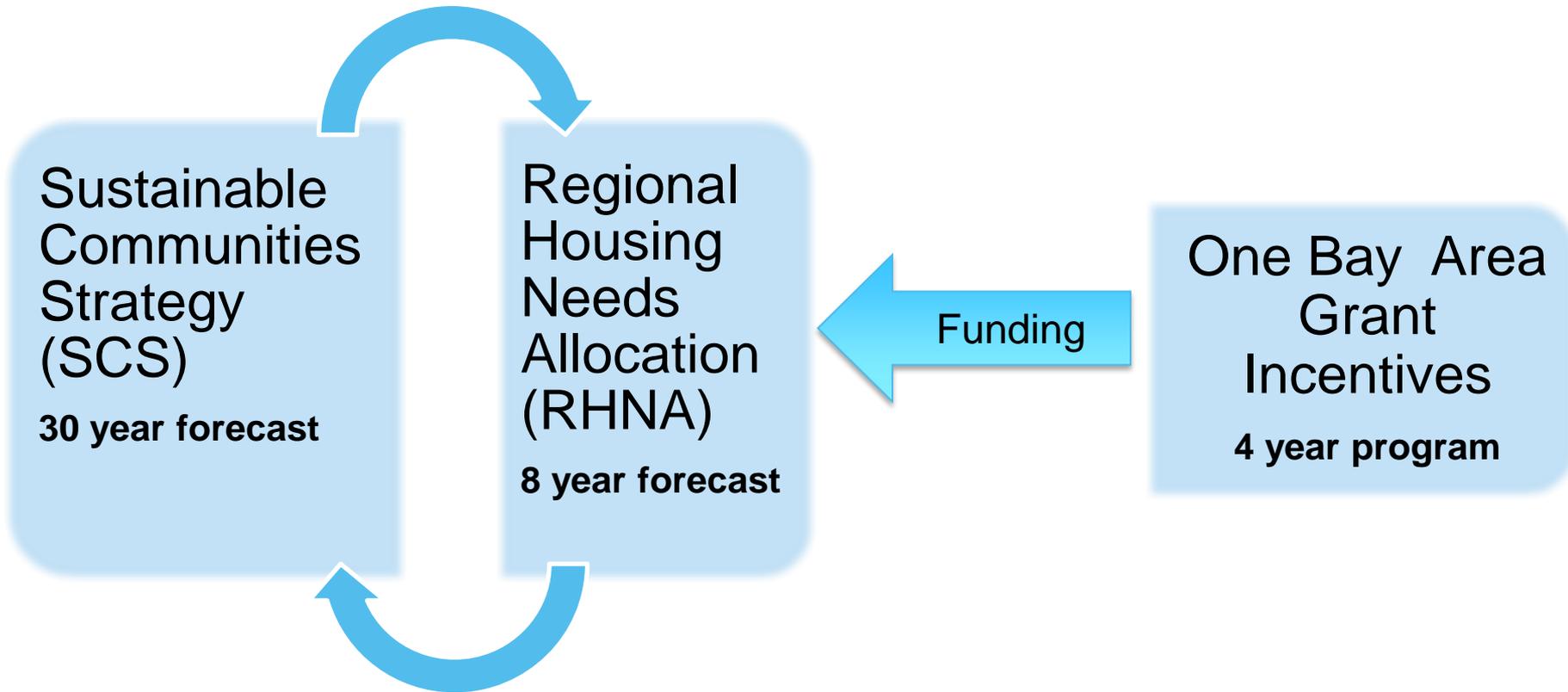
Draft Regional Housing Need Determination from HCD

2007-2014 RHND	2014-2022 RHND
214,500	187,990

- Bay Area's total housing need for 8-year RHNA period
- HCD's methodology accounts for recession and vacant / foreclosed units

SCS, RHNA & OBAG

Coordinating our regional efforts



Timeline

Plan Bay Area Schedule

- **March 15, 2012:** The Jobs-Housing Connection Scenario and the resulting Preliminary RHNA Allocations were released for comment
 - **April 13, 2012:** Release transportation scenarios and performance targets
 - **May 2012:** Approval of Draft Jobs-Housing Connection Scenario; RHNA Methodology, and OneBayArea Grant
- Through **September 2012:** Additional Community Input
- **November 2012:** Release Draft SCS/RTP and Draft EIR
 - **April 2013:** Adopt Plan Bay Area – Sustainable Communities Strategy