

M E M O

Date: June 5, 2012

To: Regional Advisory Working Group (RAWG)

From: Kenneth Kirkey, ABAG Planning Director

Re: For Information:
Rural Community Investment Areas and Employment Investment Areas

Summary

Staff is presenting a proposal for approval of Rural Community Investment Areas and Employment Investment Areas described in attached documents as four-year pilot programs to the Regional Planning Committee (RPC). No action is requested by the RAWG.

Background

At its March 7, 2012 meeting, the RPC deferred action on three new types of proposed Priority Development Areas (PDA)—Rural Town Centers, Rural Corridors, and Employment Centers—until its June 6, 2012 meeting. The Committee requested further study and clarification of each place type. RPC members and stakeholders expressed concern that adding these place types could compromise the overall objectives of the PDA program, reduce the impact of funding dedicated to PDAs, promote development inconsistent with the regional growth strategy, and potentially reduce the equity of funding to jurisdictions across the region.

At its March 15, 2012 meeting, the ABAG Executive Board deferred action on these place types except for approving Downtown Dixon (previously proposed as a Rural Town Center) and Benicia Northern Gateway (previously proposed as an Employment Center) as PDAs.

During the past two months, ABAG staff has conducted additional analysis of the rural and employment place types to ensure that they help achieve the overall objectives of the adopted Jobs-Housing Connection Strategy and support development in the region's other PDAs. Following review of comments from RPC members, consultation with jurisdictions and stakeholders, and additional analysis, staff created two proposed place types—Rural Community

Investment Areas and Employment Investment Areas—to replace Rural Town Center, Rural Corridors and Employment Center PDAs, and to better align with the Jobs-Housing Connection Scenario and help ensure that investments in these places are of an appropriate scale and cost.

Employment Investment Areas and Rural Community Investment Areas will play a unique and important role in implementing the Jobs-Housing Connection Strategy. Both types were conceived in consultation with local jurisdictions as opportunities to meet the specific needs of different parts of the region while supporting a larger regional growth pattern that helps meet our GHG reduction targets and achieve other environmental, economic, and equity goals. In Sonoma County, for example, Rural Community Investment Areas provide an opportunity to focus the limited growth anticipated in rural parts of the county in walkable places within the urban footprint and reduce development pressure on the agricultural and conservation lands critical to the economic well-being of these communities and to the food supply of the region. In Santa Clara County, investments in employment centers can improve affordable transit and pedestrian access to places that provide a wealth of job opportunities but are currently poorly linked to communities with limited affordable transportation options. The county PDA growth strategies that will be completed during the next year will help ensure that both Rural and Employment Investment Areas play an appropriate role in supporting a sustainable growth pattern that prioritizes the development of housing in transit-accessible locations.

To provide an opportunity for review and adjustment, Employment and Rural Investment Areas are proposed as four-year pilot programs that will be evaluated as part of the planning process for the next SCS.

Attached to this memo are descriptions and criteria for Employment and Rural Investment Areas and letters of support from jurisdictions for adoption of individual Employment and Rural Investment Areas. Also attached are letters from Sonoma County and the City of Napa requesting a shift in place type. Sonoma County is requesting that its Airport/Larkfield PDA be divided into an Employment Investment Area and a Rural Investment Area, while Napa is requesting that its proposed Downtown Napa and Soscol Corridor (previously proposed as a Rural Town Center and Rural Corridor) be combined and adopted as a Transit Town Center PDA. Staff support adoption of these these designations based upon jurisdictions' visions for these areas and refinements to the place types described in this memo and its attachments.

Requested Action

- No action is requested.

Next Steps

- By the ABAG Regional Planning Committee:
 - Recommend adoption of Rural Community Investment Areas and Employment Investment Areas as pilot programs by the Executive Board at its July 2012 meeting, contingent upon adjustments (if needed) by jurisdictions according to the proposed criteria
 - Recommend designation of Benicia Northern Gateway and Downtown Dixon, previously adopted as PDAs, as an Employment Investment Area and a Rural Community Investment Area, respectively, by the Executive Board at its July Meeting
 - Recommend adoption of Downtown Napa and the Soscol Corridor, previously proposed as a Rural Town Center and Rural Corridor, as a Transit Town Center PDA by the Executive Board at its July 2012 meeting

- By the ABAG Executive Board:
 - Adoption of Rural Community Investment Areas and Employment Areas at its July Meeting
 - Designation of Benicia Northern Gateway as an Employment Investment Area and Downtown Dixon as a Rural Community Investment Area at its July Meeting
 - Adoption of Downtown Napa and the Soscol Corridor as a Transit Town Center at its July Meeting

Attachments

- Proposed Rural Community Investment Area Guidelines
- Proposed Employment Investment Area Guidelines

Employment Investment Areas Description and Criteria

Description

Employment Investment Areas are significant centers of economic activity that can be enhanced by local-serving retail, pedestrian and bicycle access improvements, focused growth around station areas, and last mile transportation solutions. Planning for Employment Investment Areas provides an opportunity to increase travel options for commuters, focus new jobs in locations accessible to the region's workforce—including transit dependent households—and allow employees to walk to daytime destinations, such as restaurants and coffee shops, that today would require auto trips.

Role in Regional Growth Strategy

Employment Investment Areas will join Priority Development Areas (PDAs), Priority Conservation Areas (PCAs) and Rural Community Investment Areas (pending approval) in implementing the Bay Area's Jobs-Housing Connection growth strategy and other regional efforts to integrate transportation investments with land use planning. Jurisdictions in which Employment Investment Areas are located must have a jobs/housing ratio at or below the regional average, or be planning to move toward providing more housing relative to jobs. The PDA growth strategies pursued by Congestion Management Agencies will seek opportunities to support the development of affordable housing along transit corridors with frequent service to Employment Investment Areas and other concentrations of employment.

Criteria for Eligibility

- **Transit Service** (current or planned with dedicated funding):
 - Peak headways of 20 minutes or less within a half-mile, shuttle services with these frequencies connected to a fixed rail station, or planned fixed rail service within a half mile.
Where some portions of an Employment Investment Area do not meet this guideline, OBAG funding and technical assistance will support projects in only those portions of the Area with service consistent with the guideline.
- **Land Use Mix** (current or planned):
 - Office; Research and Development; employee-serving food, retail, and services
- **Jobs/Housing Balance¹**:
 - 2010 jurisdiction jobs/housing ratio at or below regional ratio (1.3); or
 - Projected 2010-2040 incremental growth improves current Jobs/Housing balance
- **Density** (current or planned):



¹ Based upon 2010 figures in Appendix A of the Jobs-Housing Connection Strategy

- For jurisdictions with a 2010 jobs-housing ratio above the regional average, Floor Area Ratio (FAR) of at least 1.0

Table 1. Comparison: Employment Centers and Employment Investment Areas Criteria²

	Employment Centers	Employment Investment Areas
Transit Service	Service with peak headways of 20 minutes or less within a half-mile; shuttle services with these frequencies connected to a fixed rail station with peak headways of 20 minutes or less; or planned fixed rail service within a half mile.	No change
Land Use Mix	Greater intensity and mix of use	Specifies office, research and development, and employee-serving food, retail, and services
Jobs/Housing Balance	Sufficient housing near employment center to merit investment; 2035 general plan used to evaluate projected future jobs	Jurisdiction jobs/housing ratio ³ at or below regional ratio of 1.3; or projected 2010-2040 incremental growth improves jurisdiction's share of housing relative to jobs
Density	Commercial and mixed-use projects: ≥ 1.5 FAR; Minimum jobs/acre: ≥ 20	Density requirement applicable to jurisdictions with a 2010 jobs/housing ratio above the regional ratio; Minimum FAR changed to 1.0; Minimum jobs/acre criteria removed

Funding Opportunities

Staff is proposing that Employment Investment Areas would be eligible for competitive PDA technical assistance from ABAG and MTC. In addition, some projects in portions of Employment Investment Areas served by transit that meet the guidelines shown in Table 1 would be eligible for competitive One Bay Area Grant (OBAG) funding dedicated to PDAs. These projects should support the overall PDA growth strategy by expanding access to employment opportunities for households that live in transit-served PDAs (particularly low-income households), increasing the labor pool available to employers, and reducing vehicle miles travelled. Potential projects include shuttles linked to nearby regional transit stations, complete streets and pedestrian improvements, and Transportation Management Associations (TMAs) responsible for administering comprehensive TDM strategies for an Investment Area.

² Employment Centers proposal included in Staff Report submitted to ABAG executive board on 8/30/11. Available at:

<http://abag.ca.gov/abag/events/agendas/e091511a-Item%2010.pdf>

³ Based upon 2010 figures in Appendix A of the Jobs-Housing Connection Strategy

Table 2. Jobs/Housing Ratios in Jurisdictions with Proposed Employment Investment Areas

County	Jurisdiction	2010		2010 Ratio	2040 Ratio
		Jobs	Households		
Contra Costa	San Pablo	7,460	9,570	0.8	0.8
Santa Clara	Mountain View	47,800	31,960	1.5*	1.5
	San Jose	375,360	301,370	1.2	1.2
	Sunnyvale	74,610	53,380	1.4**	1.3
Solano	Benicia	14,240	10,690	1.3	1.5
Sonoma	Sonoma County Unincorporated	47,150	56,950	0.8	0.9
Bay Area Total		3,385,000	2,608,000	1.3	1.4

*Above regional ratio; 2010-2040 jobs/housing ratio is 1.6, making jurisdiction ineligible for an Employment Investment Area

**Above regional ratio; 2010-2040 jobs/housing ratio is 1.1, making jurisdiction eligible for an Employment Investment Area

Table 3. Employment Investment Areas

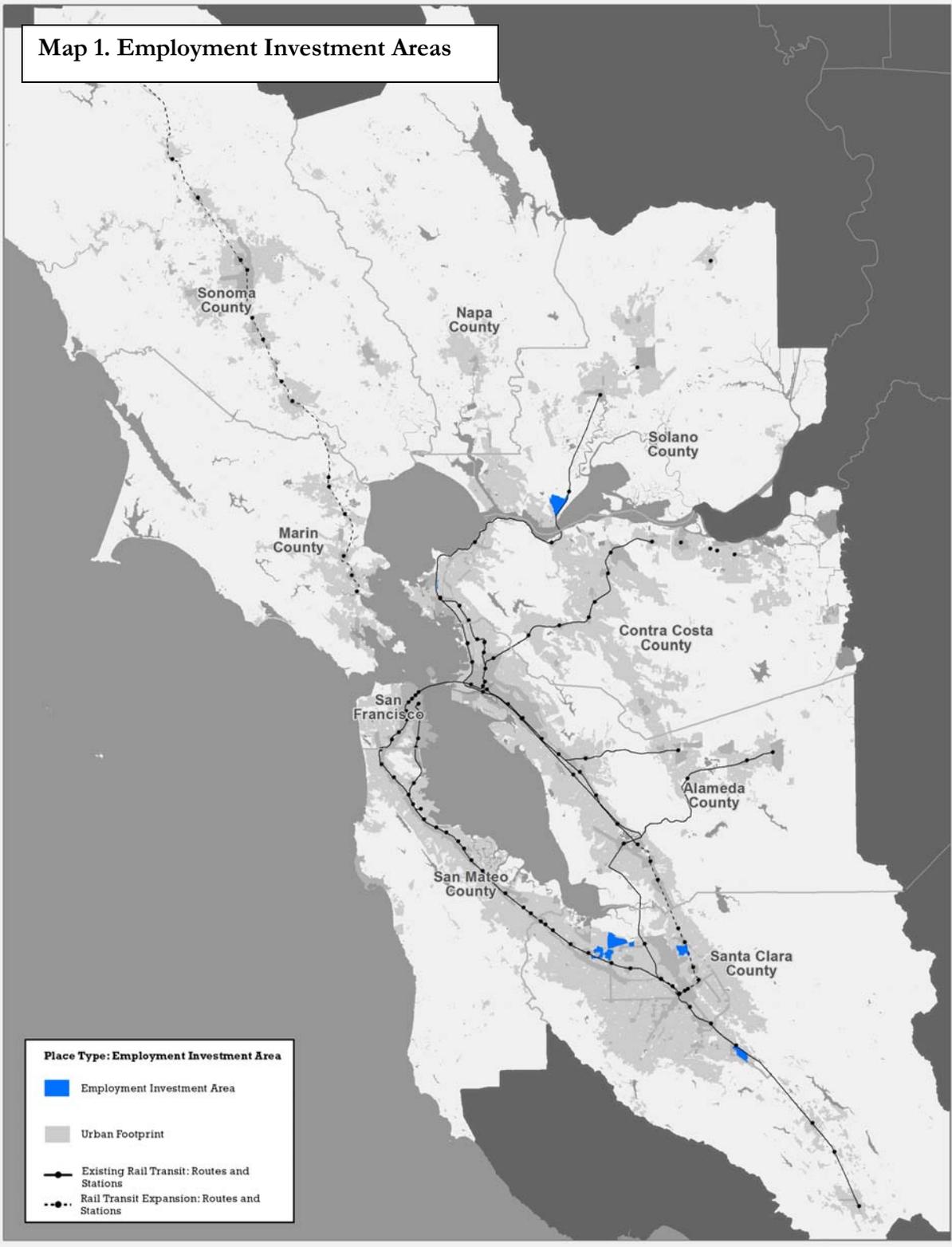
(Some Areas will be adjusted in advance of the July 2012 ABAG Executive Board meeting to achieve consistency with guidelines indicated above)

County	Employment Investment Area	Proposal for Approval
Contra Costa	San Pablo - Rumrill Boulevard	Approve with adjustment: clarification of portion of area served by qualifying transit
Santa Clara	Mountain View – East Whisman	Do not approve (jurisdiction does not meet jobs/housing criteria)
	San Jose – International Business Park	Approve with adjustment: clarification of portion of area served by qualifying transit
	San Jose – Old Edenville Employment Area	Approve with adjustment: clarification of portion of area served by qualifying transit
	Sunnyvale – Moffett Park	Approve with adjustments: clarification of portion of area served by qualifying transit; clarification of planned FAR
	Sunnyvale – Peery Park	Approve with adjustment: clarification of portion of area served by qualifying transit
	Sunnyvale – Reamwood	Approve with adjustments: clarification of portion of area served by qualifying transit; clarification of planned FAR
Solano	Benicia – Northern Gateway	Approve ⁴ with adjustment: clarification of portion of area served by qualifying transit
Sonoma	Sonoma County Airport Business Center ⁵	Approve with adjustment: clarification of portion of area served by qualifying transit

⁴ Already approved as PDA, proposal is to approve as Employment Investment Area with identified adjustment.

⁵ Previously included in a joint application with the Larkfield Rural Town Center; see attached letter supporting modification of place type.

Map 1. Employment Investment Areas



Rural Community Investment Areas Description and Criteria

Description

Rural Community Investment Areas are centers and corridors of economic and community activity surrounded by agricultural, resource, or protected conservation lands. These districts present an opportunity to preserve a rural character and scale while integrating a range of housing types, local retail, and cultural and civic activities. In some cases, these elements are already in place, while in others additional planning and investment can help create a more complete community. In addition to a diversity of land uses and an inviting public realm, strong pedestrian and bicycle connectivity between the area and surrounding neighborhoods are key components of Rural Community Investment Areas.

Role in Regional Growth Strategy

Rural Community Investment Areas join Priority Development Areas (PDAs), Priority Conservation Areas (PCAs), and Employment Investment Areas (pending adoption) as central components of the Jobs-Housing Connection growth strategy and other regional efforts to integrate transportation investments with land use planning. Rural Community Investment Areas differ from PDAs in that they are not intended to draw significant amounts of new jobs and housing, but are critical to maintaining the Bay Area's rural areas and reducing vehicle miles travelled (VMT) in these communities. These areas complement PCAs by accommodating much of the (limited) new economic activity and development anticipated in rural areas, reducing development pressure on the greenbelt.

Criteria for Eligibility

- **Location:**
 - Focal point of a distinct community's social, economic, and civic activity; not contiguous with other urban communities
 - Within an established urban growth boundary or comparable policy protected area (e.g. urban service boundary)
 - Within existing urban footprint (excludes non-urbanized land that is not policy protected)
- **Size:**
 - 20-160 gross acres
- **Land Use Mix** (existing or planned):
 - *Commercial:* local-serving retail; cultural and entertainment activities
 - *Civic:* health and social services; plazas and parks; community centers; schools
 - *Residential:* small lot single-family; townhomes; low-rise multi-family, including some ground floor retail



- **Guidelines for New Development Projects** (existing or planned):
 - Floor Area Ratio: ≤ 1.0 FAR

- **Supportive Local Planning** (existing or planned):
 - Zoning supporting a local-serving commercial and civic/institutional land use mix and a variety of housing options, including senior and affordable housing
 - Identified connectivity improvements, such as pedestrian and bicycle improvements and increased transit service
 - Complete streets ordinance



Funding Opportunities

Staff is proposing that rural Community Investment Areas would be eligible for competitive PDA Planning (up to \$250,000) and Technical Assistance grants administered by MTC. In addition, projects that improve the pedestrian environment, enhance access for bicyclists and transit riders, and provide innovative ways to reduce VMT will be eligible for competitive One Bay Area Grant (OBAG) funds reserved for Priority Development Areas (PDAs). The scale and cost of these projects would be consistent with the existing character and planned densities of the rural communities in which investment areas are located. Examples of potential projects include bicycle and pedestrian infrastructure improvements, enhanced community transit service, and plans and ordinances that increase the mix of land use, housing diversity, pedestrian experience, quality of public services, and multi-modal connectivity.

Table 1. Comparison: Rural PDA¹ and Rural Community Investment Areas Criteria

	Rural PDAs	Rural Community Investment Areas
Area Size	None provided	20-160 gross acres
New Project Density	None provided	Up to 1.0 FAR
Location	Existing town centers or corridor; within area with a UGB or comparable policy protection (e.g urban service boundary) in place	Additional requirement that area be within existing urban footprint
Supportive Planning	Being planned for mix of services to reduce VMT and/or a mix of housing with supportive services, as well as greater connectivity	Additional reference to planning for affordable and senior housing
Funding eligibility	Eligible for OBAG PDA-dedicated funds; PDA planning grants (up to \$250,000), and technical assistance grants	No change except clarification of scale and intensity of projects eligible for PDA-dedicated OBAG funds

¹ Rural PDA proposal included in Staff Report submitted to ABAG executive board on 8/30/11. Available at: <http://abag.ca.gov/abag/events/agendas/e091511a-Item%2010.pdf>

Table 2. Rural Community Investment Areas

(Specific location and size of some Investment Areas will be adjusted in advance of July 2012 ABAG Executive Board meeting to achieve consistency with criteria indicated above; some may be split into multiple areas to meet criteria)

County	Rural Community Investment Area	Proposal for Approval
Napa	Downtown Napa	Approve as Transit Town Center ²
Solano	Dixon	Approve
	Rio Vista	Approve
Sonoma	Forestville	Approve with adjustments: size of area
	Guerneville	Approve with adjustments: size of area/number of areas
	Larkfield	Approve with adjustments: size of area
	Graton	Approve with adjustments: size of area
	Penngrove	Approve with adjustments: size of area
	The Springs	Approve with adjustments: size of area/number of areas
San Mateo	MidCoast	Approve with adjustments: size of area/number of areas

² See attached letter from City of Napa indicating request for re-designation as Transit Town Center

Map 1. Rural Community Investment Area

