Item 5a

TO: MTC Planning Committee, ABAG Administrative Committee DATE: April 5, 2013

FR: Deputy Executive Director, Policy, MTC
Executive Director, ABAG

RE: Draft Plan Bay Area

MTC and ABAG released the Draft Plan Bay Area on March 22, 2013, followed by the Draft Plan Bay Area Environmental Impact Report (DEIR) on April 2, 2013. Both documents are out for public review and comment until May 16, 2013. Both documents, as well as numerous supplemental reports, are available on the www.onebayarea.org website. At your April meeting, staff will present the Draft Plan Bay Area and DEIR and take the Committee's comments.

Plan Bay Area is the region's first integrated long-range land use and transportation plan. It calls for focused housing and job growth around high-quality transit corridors, particularly within areas identified by local jurisdictions as Priority Development Areas (PDAs). By linking housing and jobs with transit, the Plan seeks to achieve a greater return on existing and planned transit investments. The Plan proposes a set of transportation investments that will be implemented with reasonably anticipated revenues available to the year 2040.

The Draft Plan's integrated land use and transportation investment strategy is based upon the Preferred Scenario adopted at a joint meeting of the MTC and ABAG Executive Board in May 2012. The Draft Plan meets SB375 requirements by reducing per capita greenhouse gas emissions related to automobiles and light duty trucks by 18% by 2040, and by providing housing for the region's projected 2040 population at all income levels. An Executive Summary of the Draft Plan is attached (Attachment A).

Opportunities for Public Input on the Draft Plan

Throughout the month of April and early May, MTC and ABAG will be conducting nine Plan Bay Area Open Houses and Public Hearings, one in each of the nine Bay Area counties, as listed below in Table 1. Comments on the Draft Plan may also be submitted online at www.OneBayArea.org; emailed to info@OneBayArea.org, or mailed to MTC-ABAG Plan Bay Area Public Comment, 101 8th Street, Oakland, CA 94607. We have also created an on-line forum for civic engagement (Plan Bay Area Town Hall) to allow participants to read what others are saying about the proposals in Plan Bay Area and post their own statements.

As per SB 375, we will also present the Draft Plan for discussion to elected officials in every county. These briefings will occur at a regularly scheduled meeting of each of the nine county congestion management agency boards in April and May.

In addition to the public meetings, MTC and ABAG staff will brief each agency's advisory committees and partner agencies, including the Regional Advisory Working Group, the MTC Policy Advisory Council, ABAG's Regional Planning Committee, the Bay Area Partnership, the Joint

Policy Committee, the Bay Area Air Quality Management Committee, and the Bay Conservation and Development Commission.

Following the close of the comment period, staff will provide an overview of all comments received and recommendations for the final plan at a joint meeting of the MTC Planning and ABAG Administrative Committees in June. The full Commission and ABAG Executive Board are scheduled to adopt the Final Plan Bay Area, along with the Final EIR, in July.

Table 1: Plan Bay Area Open House and Public Hearings

(Note: In general, Open Houses will run from 6 p.m. to 7:30 p.m.; Public Hearings from 7 p.m. to 9 p.m.)

Date	**Location**
Monday, April 8	Napa County: Elks Lodge, Napa
Monday, April 8	Sonoma County: Friedman Center, Santa Rosa
Thursday, April 11	San Francisco: Hotel Whitcomb, Civic Center
Monday, April 22	Solano County: Fairgrounds, Vallejo
Monday, April 22	Contra Costa County: Marriott Hotel, Walnut Creek
Monday, April 29	Marin County: Marin Center, San Rafael
Monday, April 29	San Mateo County: Holiday Inn Crowne Plaza, Foster City
Wednesday, May 1	Alameda County: Mirage Ballroom, Fremont
Wednesday, May 1	Santa Clara County: Downtown Hilton, San Jose

Draft Air Quality Conformity Analysis of Plan Bay Area and the 2013 TIP

In addition, MTC released the Draft Transportation Air Quality Conformity Analysis for Plan Bay Area and the 2013 Transportation Improvement Program (TIP) on March 29, 2013. The Conformity analysis is required to ensure that the Plan and TIP are consistent with the purpose of the federal air quality plan, referred to as the State Implementation Plan (SIP). The conformity analysis determines whether motor vehicle emissions from the Plan and TIP are lower than the amounts specified in the SIP and national standards, and determines whether the Plan and TIP provide for timely implementation of Transportation Control Measures. The comment period for the Draft Conformity Analysis as well as the 2013 TIP closes on May 3, 2013.

Ann Flemer

Ezra Rapport

J:\COMMITTE\Planning Committee\2013\April\5a Draft PBA memo AF Rev.doc

Strategy for a Sustainable Region

Draft BayArea Plan

March 2013

Association of Bay Area Governments

Metropolitan Transportation Commission

Draft Plan Bay Area

Table of Contents

Introducing Plan Bay Area	Strategy for a Sustainable Region	1
Chapter 1	Setting Our Sights	17
Chapter 2	The Bay Area in 2040	29
Chapter 3	Where We Live, Where We Work	41
Chapter 4	Investments	61
Chapter 5	Performance	95
Chapter 6	A Plan to Build On	121
	What's Next for Plan Bay Area?	135
Appendix 1	Supplementary Reports and Additional Resources	137
Appendix 2	Maps	139

San Francisco Bay Area: Transportation and Land Uses
Legend
Urbanized area
Open space
Priority Development Area (PDA)
Priority Conservation Area (PCA)
ROADS
Freeway
Major Road
RAIL SYSTEM
Altamont Corridor Express
Amtrak
BART
Caltrain
Light Rail (Muni & VTA)
Cable Car (Muni)
2010 POPULATION
Oakland > 350,000
Novato 50,000–350,000
Pacifica <50,000
San Francisco Bay Area - Transportation and Land Uses | 3.20.13
0 10 20 30 Miles
0 10 20 30 40 Kilometers
Sonoma
Napa
Solano
Marin
Contra Costa
Alameda
San Mateo
Santa Clara
San Francisco
Oakland
San Jose
Santa Rosa
Petaluma
Vallejo
Fairfield
Vacaville
Novato
San Rafael
Richmond
Berkeley
Alameda
Concord
Pittsburg
Antioch
Walnut Creek
San Ramon
Pleasanton
Livermore
Daly City
South San Francisco
San Mateo
Hayward
Union City
Redwood City
Fremont
Palo Alto
Mountain View
Sunnyvale
Santa Clara
San Leandro
Milpitas

Introducing Plan Bay Area: Strategy for a Sustainable Region

Most of us living in the nine counties that touch San Francisco Bay are accustomed to saying we live in "the Bay Area." This simple phrase speaks volumes — and underscores a shared regional identity. The 7 million of us who call the nine-county San Francisco Bay Area home have a strong interest in protecting the wealth of features that make our region a magnet for people and businesses from around the globe.

"The Bay Area has made farsighted regional planning a top priority for decades."

The Bay Area is, after all, the world's 21st-largest economy. The natural beauty of San Francisco Bay and the communities surrounding it, our Mediterranean climate, extensive system of interconnected parks and open space, advanced mass transit system, top-notch educational institutions, and rich cultural heritage continue to draw people who seek better opportunities. Yet we cannot take for granted that we will be able to sustain and improve our quality of life for current and future generations.

With our region's population projected to swell to some 9 million people by 2040, Plan Bay Area charts a course for accommodating this growth while fostering an innovative, prosperous and competitive economy; preserving a healthy and safe environment; and allowing all Bay Area residents to share the benefits of vibrant, sustainable communities connected by an efficient and well-maintained transportation network.

A Legacy of Leadership

Caltrans

Plan Bay Area, while comprehensive and forward-reaching, is an evolutionary document. The Bay Area has made farsighted regional planning a top priority for decades. Previous generations recognized the need for a mass transit system, including regional systems such as BART and Caltrain that have helped make our region the envy of other metropolitan areas. Our transbay bridges add cohesion to the regional transportation system by connecting communities across the bay. Likewise, we owe our system of parks and open space to past generations of leaders who realized that a balance between urbanized areas and open space was essential to a healthy environment and vibrant communities.

Plan Bay Area extends this legacy of leadership, doing more of what we've done well while also mapping new strategies to face new challenges. Among the new challenges are the requirements of California's landmark 2008 climate law (SB 375, Steinberg): to decrease greenhouse gas emissions from cars and light trucks, and to accommodate all needed housing growth within our nine counties. By coordinating future land uses with our long-term transportation investments, Plan Bay Area meets these challenges head on — without compromising local control of land-use decisions. Each of the Bay Area's nine counties and 101 cities must decide for themselves what is best for their citizens and their communities.

Building Upon Local Plans and Strategies

For over a decade, local governments and regional agencies have been working together to encourage the growth of jobs and production of housing in areas supported by amenities and infrastructure. In 2008, the Association of Bay Area Governments (ABAG) and the Metropolitan Transportation Commission (MTC) created a regional initiative to support these local efforts called FOCUS. In recent years, this initiative has helped to link local community development aspirations with regional land use and transportation planning objectives. Local governments have identified Priority Development Areas (PDAs) and Priority Conservation Areas (PCAs), and these form the implementing framework for Plan Bay Area.

PDAs are areas where new development will support the day-to-day needs of residents and workers in a pedestrian-friendly environment served by transit. While PDAs were originally established to address housing needs in infill communities, they have been broadened to advance focused employment growth. Local jurisdictions have defined the character of their PDAs according to existing conditions and future expectations as regional centers, city centers, suburban centers or transit town centers, among other place types. PCAs are regionally significant open spaces for which there exists broad consensus for long-term protection but

California Senate Bill 375: Linking Regional Plans to State Greenhouse Gas Reduction Goals

Plan Bay Area grew out of "The California Sustainable Communities and Climate Protection Act of 2008" (California Senate Bill 375, Steinberg), which requires each of the state's 18 metropolitan areas — including the Bay Area — to reduce greenhouse gas emissions from cars and light trucks. Signed by former Gov. Arnold Schwarzenegger, the law requires that the Sustainable Communities Strategy (SCS) promote compact, mixed-use commercial and residential development. To meet the goals of SB 375, Plan Bay Area directs more future development in areas that are or will be walkable and bikable and close to public transit, jobs, schools, shopping, parks, recreation and other amenities. Key elements of SB 375 include the following.

- The law requires that the Bay Area and other California regions develop a Sustainable Communities Strategy (SCS) — a new element of the regional transportation plan (RTP) — to strive to reach the greenhouse gas (GHG) reduction target established for each region by the California Air Resources Board. The Bay Area's target is a 7 percent per capita reduction by 2020 and a 15 percent per capita reduction by 2035. Plan Bay Area is the region's first RTP subject to SB 375.
- In the Bay Area, the Association of Bay Area Governments (ABAG) is responsible for the land use and housing assumptions for the SCS, which adds three new elements to the RTP: (1) a land use component that identifies how the region could house the region's entire population over the next 25 years; (2) a discussion of resource and farmland areas; and (3) a demonstration of how the development pattern and the transportation network can work together to reduce GHG emissions.
- Extensive outreach with local government officials is required, as well as a public participation plan that includes a minimum number of workshops in each county as well as three public hearings on the draft SCS prior to adoption of a final plan.
- The law synchronizes the regional housing need allocation (RHNA) process — adopted in the 1980s — with the regional transportation planning process.
- Finally, SB 375 streamlines the California Environmental Quality Act (CEQA) for housing and mixed-use projects that are consistent with the SCS and meet specified criteria, such as proximity to public transportation.

nearer-term development pressure. PDAs and PCAs complement one another because promoting development within PDAs takes development pressure off the region's open space and agricultural lands.

Building upon the collaborative approach established through FOCUS, local input has driven the set of alternative scenarios that preceded and informed the development of Plan Bay Area.

The non-profit and business communities also played a key role in shaping the plan. Business groups highlighted the need for more affordable workforce housing, removing regulatory barriers to infill development, and addressing infrastructure needs at rapidly growing employment centers. Environmental organizations emphasized the need to improve transit access, retain open space, provide an adequate supply of housing to limit the number of people commuting into the region from nearby counties, and direct discretionary transportation funding to communities building housing in PDAs. Equity organizations focused on increasing access to housing and employment for residents of all income categories throughout the region, and establishing policies to limit the displacement of existing residents as PDAs grow and evolve. All of these diverse voices strengthened this plan.

Setting Our Sights

Developing a long-range land use and transportation plan for California's second-largest metropolitan region, covering about 7,000 square miles across nine Bay Area counties, is no simple task. We set our sights on this challenge by emphasizing an open, inclusive public outreach process and adopting objective performance standards based on federal and state requirements to measure our progress during the planning process.

Reaching Out

Noah Berger

We reached out to the people who matter most — the 7 million people who live in the region. Thousands of people participated in stakeholder sessions, public workshops, telephone and internet surveys, and more. Befitting the Bay Area, the public outreach process was boisterous and contentious. Key stakeholders also included the region's 101 cities and nine counties; our fellow regional agencies, the Bay Conservation and Development Commission and the Bay Area Air Quality Management District; community-based organizations and advocacy groups, and some three dozen regional transportation partners. (See "Plan Bay Area Prompts Robust Dialogue on Transportation and Housing," in Chapter 1.)

Establishing Performance Targets

Before proposing a land use distribution approach or recommending a transportation investment strategy, planners must formulate in concrete terms the hoped-for outcomes. For Plan Bay Area, performance targets are an essential means of informing and allowing for a discussion of quantitative metrics. After months of discussion and debate, ABAG and MTC adopted 10 targets in January 2011, reflecting input from the broad range of stakeholders engaged in the process.

Two of the targets are not only ambitious; they are also mandated by state law. The first mandatory target addresses climate protection by requiring the Bay Area to reduce its per-capita CO_2 emissions from cars and light-duty trucks by 15 percent by 2040. The second mandatory target addresses adequate housing by requiring the region to house 100 percent of its projected population growth by income level. Plan Bay Area achieves both these major milestones.

The eight voluntary targets seek to promote healthy and safe communities by reducing premature deaths from air pollution, reducing injuries and fatalities from collisions, increasing the amount of time people walk or cycle for transportation, and protecting open space and agricultural lands. Other targets address equity concerns, economic vitality and transportation system effectiveness. Plan Bay Area meets some, but not all, of the voluntary targets. (See Chapter 1, Table 1 for a summary of all the Plan Bay Area performance targets.)

Taking Equity Into Account

About one-fifth of the Bay Area's total population lives in areas with large numbers of low-income and minority populations. Promoting these people's access to housing, jobs and transportation not only advances Plan Bay Area's objective to advance equity in the region, it also increases our chances of meeting the other performance targets. MTC and ABAG adopted five Equity Analysis measures to evaluate equity concerns: housing and transportation affordability, potential for displacement, healthy communities, access to jobs, and equitable mobility. (See Chapter 1, Table 2: "Plan Bay Area Equity Performance Measures.")

MTC Archives

Planning Scenarios Take Aim at Performance Targets

Taken together, the Plan Bay Area performance targets outline a framework that allows us to better understand how different projects and policies might affect the region's future. With the targets clearly identified, MTC and ABAG formulated possible scenarios — combinations of land use patterns and transportation investments — that could be evaluated together to see if (and by how much), they achieved (or fell short of) the performance targets. An iterative process of scenario-testing begun in 2010 yielded preferred alternatives, both for transportation investments and a land use strategy. Adopted by the boards of MTC and ABAG in May 2012, they form this draft Plan Bay Area.

Looking Toward the Future

ABAG and MTC track and forecast the region's demographics and economic trends to inform and guide Plan Bay Area investments and policy decisions. The forecasts reflect the best picture we have of what the Bay Area may look like in 2040, so that today's decisions may align with tomorrow's expected transportation and housing needs. These forecasts form the basis for developing the regional land use plan for Plan Bay Area's Sustainable Communities Strategy (SCS), and, in turn, the region's transportation investment strategy.

Project-Level Performance Assessment of Transportation Projects

By developing the preferred land use and transportation investment strategies, ABAG and MTC were able to answer many big picture questions about the Bay Area's future. For example, should the region focus on expanding the transportation system or on maintaining what we have already built? And should the Bay Area invest more in transit for future generations or emphasize highway projects to improve the commutes of today's drivers? And how should our transportation investments support future growth in employment and housing?

Plan Bay Area also is based on a commitment to evaluate individual transportation projects to make sure dollars are being allocated to the most cost-effective projects. In order to take a closer look at major transportation projects, MTC performed a project performance assessment, examining billions of dollars of potential transportation projects to identify the highest-performing investments across the region. This enabled funding prioritization for the highest-performing projects. Most of them focused on leveraging existing assets and improving their efficiency, while supporting future development. Notable projects include BART Metro, which will increase service frequencies on the highest-demand segment of the BART system, and San Francisco's congestion pricing initiatives. (See Chapter 5 for a list of high-performing projects.)

Noah Berger

Projections in three main areas informed development of the plan: population, employment and housing. Here are some highlights of each.

- **Population:** By 2040 the San Francisco Bay Area is projected to add 2.1 million people, increasing total regional population from 7.2 million to 9.3 million, an increase of 30 percent or roughly 1 percent per year. This growth means the Bay Area will continue to be California's second-largest population and economic center.
- **Employment:** The number of jobs is expected to grow by 1.1 million between 2010 and 2040, an increase of 33 percent. This is a slower rate of job growth than previous forecasts.
- **Housing:** During this same time period the number of households is expected to increase by 27 percent to 700,000, and the number of housing units is expected to increase by 24 percent to 660,000.

The demographic implications of these topline numbers are far-reaching, and some trends in particular weighed heavily in the development of Plan Bay Area. These are touched on below and examined in greater detail in Chapter 2.

Aging Baby Boomers Expected to Change Travel and Development Patterns

Joyce Benna

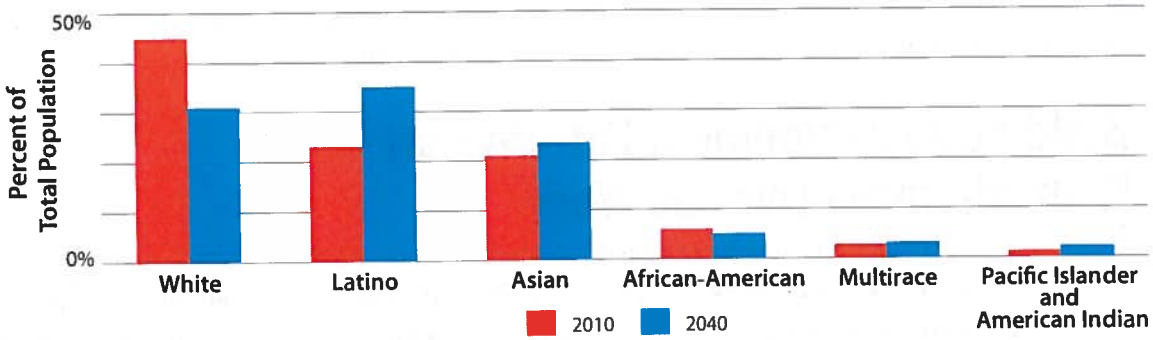
The U.S. Census Bureau defines baby boomers as people who were born between 1946 and 1964 during the post-World War II baby boom. By 2040 the oldest baby boomers will be in their 90s and the youngest will be in their 70s. Today, people who are 65 and over represent 12 percent of the Bay Area's total population, but by 2040 the number of seniors will increase to 22 percent. That's more than 1 in 5 people in our region. It is expected that many of these seniors will relocate to smaller homes in more urban locations to have easier access to essential services and amenities and the Bay Area's extensive transit system.

Mobility will be a special challenge for seniors who lose their ability to drive. MTC's Lifeline Transportation Program supports projects that address mobility and accessibility needs of low-income and disabled people throughout the region. Between 2006 and 2012, roughly $172 million was invested to support about 220 projects. Closely related are MTC programs that provide funding to sustain and improve mobility for elderly and disabled persons in accordance with and even beyond the requirements of the Americans with Disabilities Act (ADA). These types of projects have included travel training, sidewalk and bus stop improvements, supportive ride programs and other community initiatives. Plan Bay Area reaffirms the importance of Lifeline and Elderly & Disabled programs by adding over $800 million in discretionary funding for the Lifeline program, and almost $240 million for the Elderly & Disabled programs over the 28-year period of the plan.

Increased Racial and Ethnic Diversity Will Increase Demand for Multifamily Housing

The Bay Area and California are at the forefront of one of the greatest demographic changes in our nation's history: growth in the Latino population. In January 2013 the California Department of Finance projected that the state's Hispanic population will equal the non-Hispanic

Figure 1 Share of Population by Race and Ethnicity, 2010 and 2040



Sources: 2010 Census, California Department of Finance, ABAG

white population by mid-2013. By early 2014 it expects that California's Hispanic population will have become a plurality for the first time in state history.

This state forecast aligns with Plan Bay Area's projection that by 2040 the Bay Area population will become substantially more racially and ethnically diverse. Latinos will emerge as the largest ethnic group, increasing from 23 percent to 35 percent of the total population. The number of Asians also will increase, growing from 21 percent to about 24 percent of the population. Both population groups have demonstrated an historic preference for multifamily housing, and they form multigenerational households at a higher rate than the general population. This is expected to drive higher demand for multifamily housing, in contrast to the historic development pattern of building primarily single-family homes. Likewise, many Latinos and Asians rely more on public transit than non-Hispanic whites. This, too, is expected to increase demand for a robust transit system that makes it easier for people who don't own cars to commute, shop and access essential services.

Demand for Multi-Unit Housing in Urban Areas Close to Transit Expected to Increase

Single-family homes represent the majority of housing production in recent decades, but recent trends suggest that cities once again are becoming centers of population growth. Construction of multifamily housing in urban locations in the Bay Area increased from an average of 35 percent of total housing construction in the 1990s to nearly 50 percent in the 2000s. In 2010 it represented 65 percent of all housing construction.

MTC Archives

The Crossings, Mountain View

As discussed above, demand for multifamily housing is projected to increase as seniors downsize and seek homes in more urban locations. The growing numbers of Latino and Asian households will create a similar shift in the housing market. Finally, population growth of those aged 34 and younger is expected to have a similar effect, as this demographic group also demonstrates a greater preference for multifamily housing. All told, the number of people per Bay Area household is expected to increase from 2.69 in 2010 to 2.75 in 2040. Market demand for new homes will tilt toward townhomes, condominiums and apartments in developed areas near transit, shops and services.

Building a Development Pattern That Aligns With Where We Live and Work

Plan Bay Area provides a vision for how to retain and enhance the qualities that make the Bay Area a great place to live, work, and play. It builds on the legacy of leadership left to us by previous generations. In fact, many of the attributes that make the Bay Area special — a strong

economy, protected natural resources, a network of diverse neighborhoods — would not have been possible without our predecessors' forward-thinking actions.

Looking ahead to the growth expected in the Bay Area over the next several decades, we face many similar problems as past generations, while also confronting new challenges that threaten the region's economic vitality and quality of life. Our economy is still recovering from the Great Recession of 2007-2009, which has resulted in uneven job growth throughout the region, increased income disparity, and high foreclosure rates. At the same time, housing costs have risen for renters and, to a lesser degree, for home buyers close to the regions's job centers. Finally, Bay Area communities face these challenges at a time when there are fewer public resources available than in past decades for investments in infrastructure, public transit, affordable housing, schools and parks.

A More Focused Future

The planning scenarios and land use and transportation investment strategies developed during the Plan Bay Area process seek to address the needs and aspirations of each Bay Area jurisdiction, as identified in locally adopted general plans and zoning ordinances. They also aim to meet the Plan Bay Area performance targets and equity performance standards. The framework for developing these scenarios consisted largely of the Priority Development Areas (PDAs) and Priority Conservation Areas (PCAs) recommended by local governments. The preferred land use scenario identified in Chapter 3 is a flexible blueprint for accommodating growth over the long term. Pairing this development pattern with the transportation investments described in Chapter 4 is what makes Plan Bay Area the first truly integrated land use transportation plan for the region's anticipated growth.

Peter Beeler

Richmond Transit Village

2040 Employment Distribution Highlights

Plan Bay Area's distribution of jobs throughout the region is informed by changing trends in the locational preferences of the wide range of industry sectors and business place types in the Bay Area. These trends capture ongoing geographic changes, as well as changes in the labor force composition and workers' preferences. The employment distribution directs job growth toward the region's larger cities and Priority Development Areas with a strong existing employment base and communities with stronger opportunities for knowledge-sector jobs.

Table 1 SF Bay Area Total Job Growth 2010-2040, Top 15 Cities

		Total Jobs		2010-2040 Job Growth	
Rank	Jurisdiction	2010	2040	Total Growth	Percentage Growth
1	San Francisco	568,720	759,470	190,740	34%
2	San Jose	375,360	522,050	146,680	39%
3	Oakland	190,250	275,490	85,240	45%
4	Santa Clara	112,460	145,560	33,100	29%
5	Fremont	89,900	119,870	29,970	33%
6	Palo Alto	89,370	119,030	29,650	33%
7	Santa Rosa	75,460	103,930	28,470	38%
8	Berkeley	77,020	99,220	22,210	29%
9	Concord	47,520	69,310	21,790	46%
10	Hayward	69,100	89,900	20,800	30%
11	Sunnyvale	74,610	95,320	20,710	28%
12	San Mateo	52,930	73,460	20,530	39%
13	Redwood City	58,340	77,830	19,490	33%
14	Walnut Creek	41,650	57,300	15,650	38%
15	Mountain View	47,800	63,380	15,570	33%

Source: Jobs-Housing Connection Strategy, *ABAG, 2012*

Almost 40 percent of the jobs added from 2010 to 2040 will be in the region's three largest cities — San Jose, San Francisco and Oakland — which accounted for about one-third of the region's jobs in 2010. Two-thirds of the overall job growth is anticipated to be in PDAs throughout the region. Due to the strength of the knowledge sector, nine of the 15 cities expected to experience the greatest job growth are in the western and southern part of the region surrounding Silicon Valley. The remaining communities expecting high levels of job growth are in the East Bay and North Bay, owing to their strong roles in the current economy, diverse employment base, and their proximity to a large base of workers. The 15 cities expected to experience the most job growth will account for roughly 700,000 jobs, or just over 60 percent of the new jobs added in the region by 2040. (See Table 1 above.)

2040 Housing Distribution Highlights

The Plan Bay Area housing distribution is guided by the policy direction of the ABAG Executive Board, which voted in July 2011 to support equitable and sustainable development by "maximizing the regional transit network and reducing GHG emissions by providing convenient access to employment for people of all incomes." This was accomplished by distributing total housing growth numbers to: 1) job-rich cities that have PDAs or additional areas that are PDA-like; 2) areas connected to the existing transit infrastructure; and 3) areas that lack sufficient affordable housing to accommodate low-income commuters. The housing distribution directs growth to locations where the transit system can be utilized more efficiently, where workers can be better connected to jobs, and where residents can access high-quality services.

Table 2 SF Bay Area Total Housing Unit Growth 2010-2040, Top 15 Cities

		Total Housing Units		2010-2040 Housing Unit Growth	
Rank	Jurisdiction	2010	2040	Total Growth	Percentage Growth
1	San Jose	314,040	443,210	129,170	41%
2	San Francisco	376,940	469,350	92,410	25%
3	Oakland	169,710	221,200	51,490	30%
4	Sunnyvale	55,790	74,780	18,990	34%
5	Concord	47,130	65,170	18,040	38%
6	Fremont	73,990	91,610	17,620	24%
7	Santa Rosa	67,400	83,420	16,020	24%
8	Santa Clara	45,150	58,920	13,770	30%
9	Milpitas	19,810	32,430	12,620	64%
10	Hayward	48,300	60,580	12,290	25%
11	Fairfield	37,180	48,280	11,100	30%
12	San Mateo	40,010	50,180	10,160	25%
13	Richmond	39,330	49,020	9,690	25%
14	Livermore	30,340	40,020	9,670	32%
15	Mountain View	33,880	43,270	9,390	28%

Source: Jobs-Housing Connection Strategy, *ABAG, 2012*

Substantial housing production is expected on the Peninsula and in the South Bay, where eight of the top 15 cities expected to experience the most housing growth are located. Two-thirds of the region's overall housing production is directed to these 15 cities, leaving the more than 90 remaining jurisdictions in the region to absorb only limited growth. This development pattern preserves the character of more than 95 percent of the region by focusing growth on less than 5 percent of the land. (See Table 2 above.)

Transportation Investments

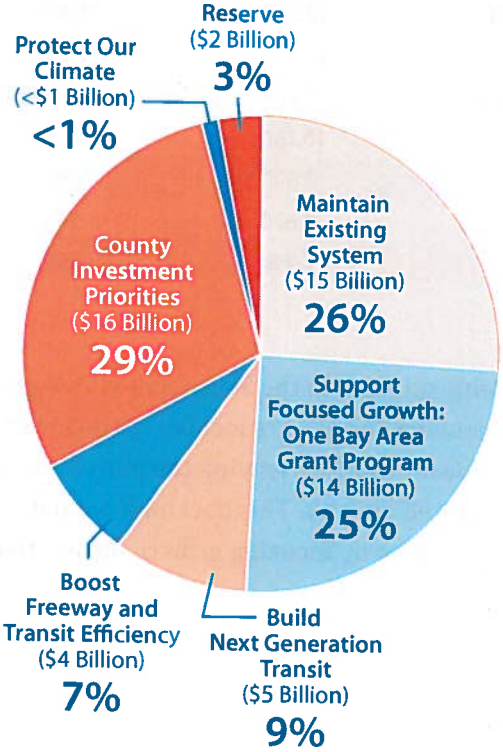
John Benson

Caltrain Baby Bullet train

Plan Bay Area structures an infrastructure investment plan in a systematic way to support the region's long-term land use strategy, relying on a performance assessment of scenarios and individual projects. The plan makes investments in the region's transportation network that support job growth and new homes in existing communities by focusing the lion's share of investment on maintaining and boosting the efficiency of the existing transit and road system. Plan Bay Area also takes a bold step with strategic investments that provide support for focused growth in Priority Development Areas, including the new One Bay Area Grant program.

Plan Bay Area transportation revenue forecasts total $289 billion over the 28-year period. Over two-thirds (68 percent) of these funds are from regional and local sources, primarily dedicated sales tax programs and bridge tolls. Making up the remainder of the pie are state and federal revenues (mainly derived from fuel taxes). Of the total revenues, $57 billion are "discretionary," or available for assignment to projects and programs through Plan Bay Area.

Figure 2 Plan Bay Area — Discretionary Investment Summary
(in year-of-expenditure $)



The plan invests those discretionary funds via six key investment strategies, as shown in Figure 2 and presented in greater detail in Chapter 4. (See Table 3 for a look at the "big-ticket" plan investments, overall.) The first two discretionary strategies merit special mention.

Maintain Our Existing System

Though its fund sources are many and varied, Plan Bay Area's overriding priority in investing those funds can be stated quite simply: "Fix It First." First and foremost, this plan should help to maintain the Bay Area's transportation system in a state of good repair. Plan Bay Area's focus on "fix it first" ensures that we maintain existing transportation assets, primarily concentrated in the region's core, which reinforces the plan's focused growth strategy.

"Top 10" Plan Bay Area Investments, by Project

(includes Committed and Discretionary funds)

Table 3 Ten Largest Plan Bay Area Investments

Rank	Project	Investment (YOE* Millions $)
1	BART to Warm Springs, San Jose, and Santa Clara	$8,341
2	MTC Regional Express Lane Network	$6,657
3	Transbay Transit Center/Caltrain Downtown Extension (Phases 1 and 2)	$4,185
4	Integrated Freeway Performance Initiative (FPI)	$2,259
5	Presidio Parkway/ Doyle Drive US 101 seismic replacement	$2,053
6	Caltrain Electrification and Service Frequency Improvements	$1,718
7	SF MUNI Central Subway: King St to Chinatown	$1,578
8	Valley Transportation Authority (VTA) Express Lane Network	$1,458
9	San Jose International Airport Connector	$753
10	Hunters Point and Candlestick Point: New Local Roads	$722

** YOE = Year of Expenditure*

In total, Plan Bay Area dedicates 87 percent of all available funding (committed and discretionary) to sustaining the existing transportation network. Given the age of many major assets — BART turned 40 last year and S. F. Muni turned 100 — this should come as no surprise.

Support Focused Growth — One Bay Area Grant Program

The OneBayArea Grant (OBAG) Program is a new funding approach that better integrates the region's transportation funding program with SB 375 and the land use pattern outlined in Chapter 3. The OBAG program rewards jurisdictions that focus housing growth in Priority Development Areas (PDAs) through their planning and zoning policies, and actual production of housing units. The OBAG program allows flexibility to invest in a community's transportation infrastructure by providing funding for Transportation for Livable Communities, bicycle and pedestrian improvements, local streets and roads preservation, and planning activities, while also providing specific funding opportunities for Safe Routes to Schools projects and Priority Conservation Areas.

Plan Bay Area Achieves Key Performance Targets

As described earlier, Plan Bay Area was developed within a framework of objective performance standards, both mandatory and voluntary or aspirational. As has been the case in past long-term transportation plans, no single strategy is able to achieve all the plan's performance targets. An analysis of the 10 main targets and five sub-targets (for a total of 15 performance measures) clearly bears this out. Specifically, the draft plan meets or exceeds six targets, including the statutory greenhouse gas emissions and housing targets, narrowly misses three targets, falls well short of two targets and unfortunately moves in the wrong direction on four of the targets. In other words, the draft plan makes great progress on nine of 15 performance

measures, which represents a solid first effort. The region will need to focus future attention on conceptualizing breakthrough strategies to achieve the four targets where we are falling behind. For a more detailed discussion of the plan's performance as measured against each individual target, please see Chapter 5.

A Plan to Build On

Plan Bay Area is a work in progress that will be updated every four years to reflect new initiatives and priorities. It builds upon the work of previous initiatives, complements ongoing work and lays the groundwork for closer examination of certain critical issues that can further prepare the region to meet the future head-on. The plan highlights the relationship between transportation investments and land use planning, and represents the region's newest effort to position itself to make the most of what the future will bring.

No single level of government can be expected to address all the critical components needed to create a stronger and more resilient Bay Area. It will take a coordinated effort among diverse partners to promote regional economic development, adapt to climate change, prepare for natural disasters, get creative about how to provide affordable housing for all Bay Area residents, ensure clean and healthy air for our communities, and prepare for emerging technologies that will change the way people work and get around. Further steps will be needed to fully realize the Plan Bay Area vision and implement some of its forward-looking plans and policies. (See Chapter 6 for a discussion of some needed "next steps.")

But we have made a strong start. Look closely at Plan Bay Area, and you will see a plan that takes great strides toward:

Tackling problems that cross boundaries and require regional solutions

Housing, air quality, traffic, jobs, economic development, open space preservation — the list is a long one.

Embodying local visions

Priority Development Areas were recommended by local governments, and land use and transportation strategies are linked to local input and priorities; different kinds of investments and development are envisioned for different parts of the region.

Helping to ensure a vibrant and healthy region for our children and grandchildren

Cleaner air, fewer greenhouse gas emissions, more housing options, improved infrastructure, better access to jobs, and access to open space and recreation — these are the building blocks of a better future.

Making Bay Area businesses more competitive

A well-constructed, sustainable regional plan can help us attract private sector investment and compete for federal and state funding.

Providing a range of housing and transportation choices

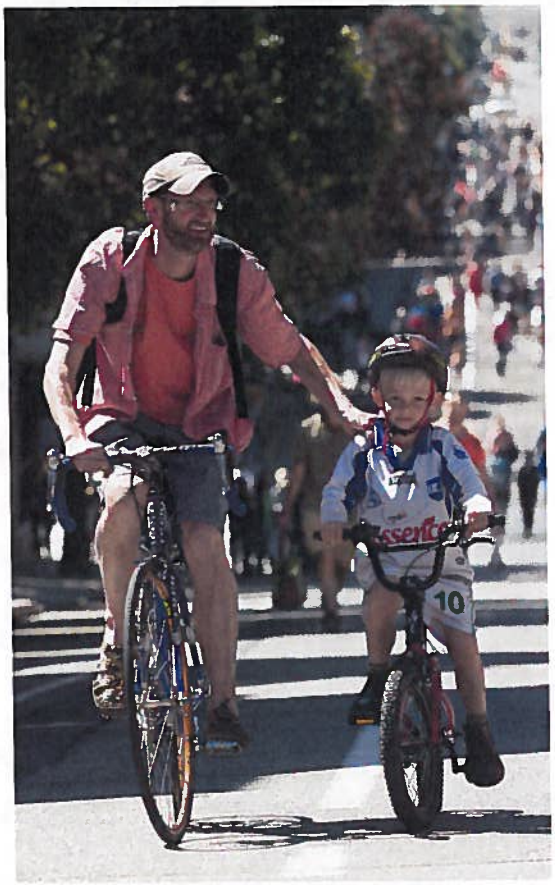
A greater variety of multifamily and single family housing will be available in places with better transit access, and improved walking conditions and local services.

Stretching tax revenues through smart investments

By making the most of existing infrastructure, using a performance-based approach to transportation investments and coordinating the location of future housing and jobs with major transportation investments, we can get more bang for our buck in public expenditures.

Preserving open spaces, natural resources, agriculture and farmland

By developing in existing downtowns, main streets and neighborhoods, we don't need to develop on open spaces or in places that over-utilize our water supply, energy resources and road capacity.



Karl Nielsen

Helping to create healthy communities

More people will be able to live in neighborhoods where they can walk to shops, transit and local parks because of the groundwork laid in this plan.

Plan Bay Area cannot guarantee these outcomes, of course, but we believe it can greatly boost the region's odds of achieving them. For surely we must work together as a region to promote sustainability, and to leave a better Bay Area for our children and grandchildren. By helping to harmonize local decision-making and regional goals, by better integrating transportation investment and land use planning, by more closely aligning our policies with our vision — in short, by creating a strategy for a sustainable region — Plan Bay Area gives us a chance to do that.

MTC and ABAG welcome your comments on this draft Plan Bay Area. An extensive outreach effort is planned during the spring of 2013 to provide ample opportunity for the region's residents to make their views known. Please see "What's Next for Plan Bay Area" at the end of this plan for details, or visit **http://onebayarea.org**

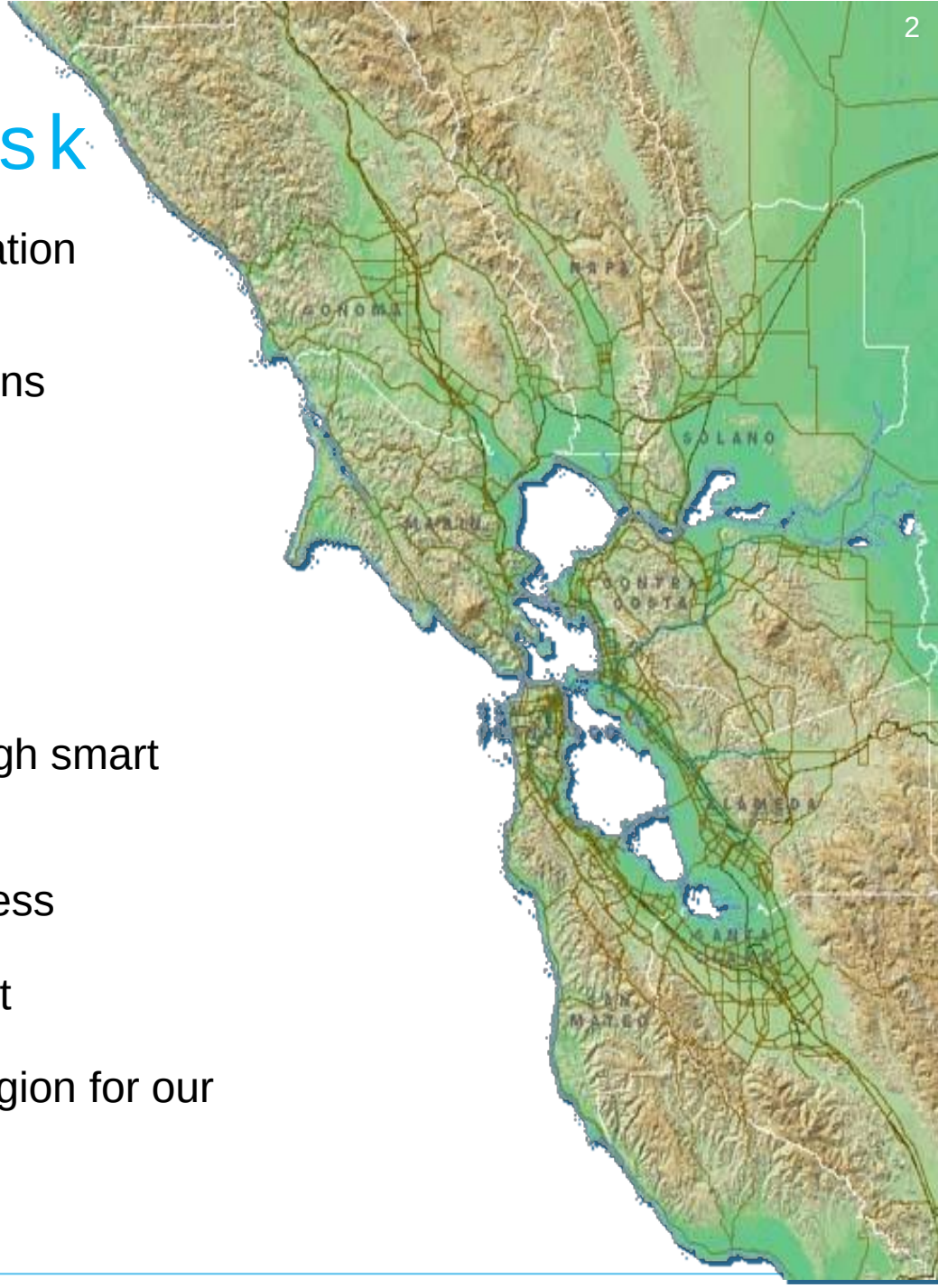
Draft Plan Bay Area Presentation

MTC Planning Committee/ABAG Administrative Committee

April 12, 2013

The Regional Task

- Integrate land use and transportation planning
- Reduce greenhouse gas emissions from by 15% per capita by 2035
- House the region's population at all income levels
- Embody local visions
- Stretch available revenues through smart investments
- Increase economic competitiveness
- Preserve our natural environment
- Help ensure a healthy, vibrant region for our children and grandchildren



Setting Our Sights: Performance *Matters*

Adopted Plan Bay Area Performance Targets

ECONOMY

ECONOMIC VITALITY
- Increase gross regional product

TRANSPORTATION SYSTEM EFFECTIVENESS
- Increase non-auto mode share
- Reduce VMT per-capita
- Maintain the transportation system

ENVIRONMENT

CLIMATE PROTECTION
- Reduce per-capita greenhouse gas emissions from cars and light-duty trucks

OPEN SPACE AND AGRICULTURAL PRESERVATION
- Direct all non-agricultural development within the urban footprint

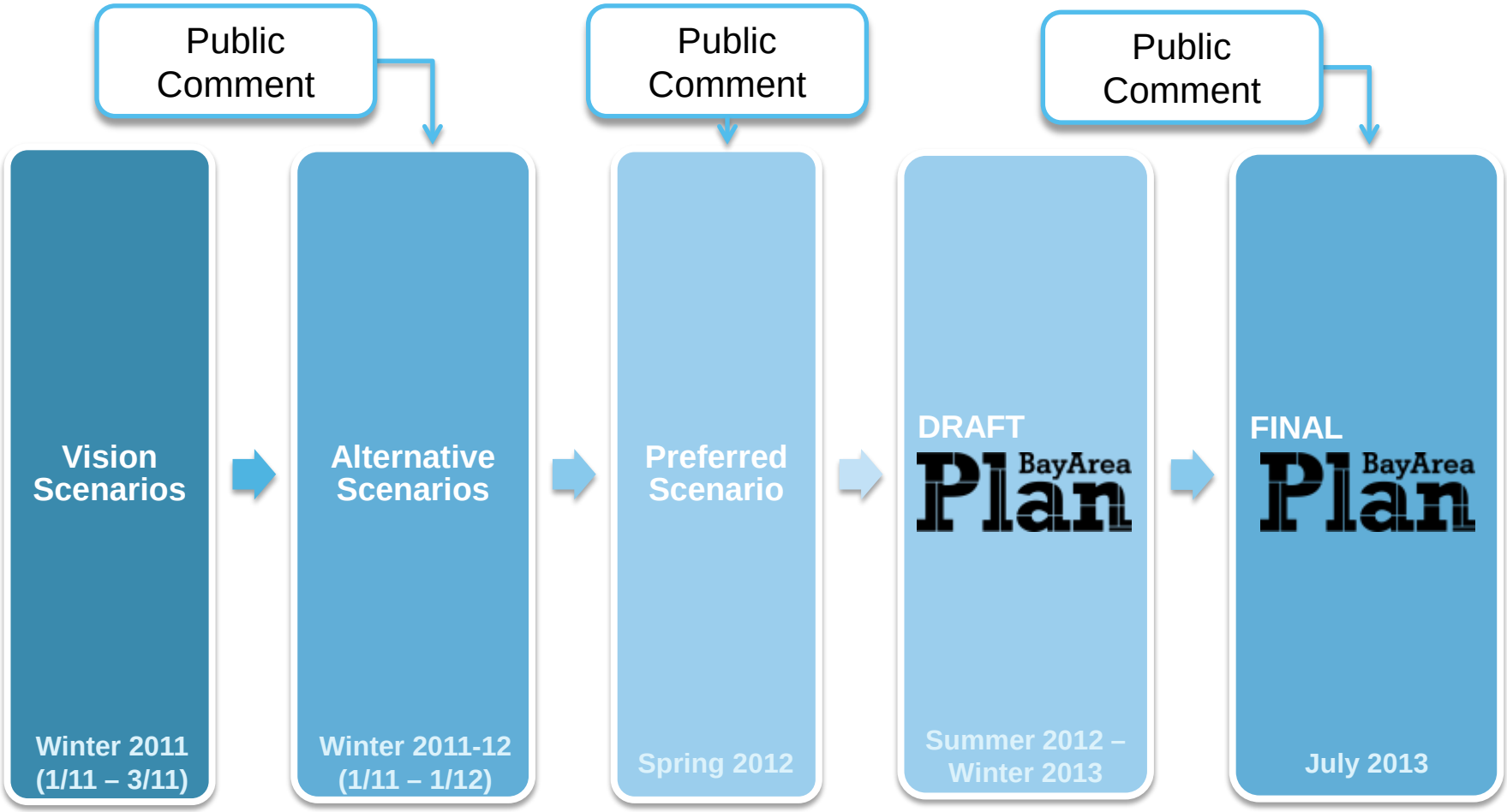
HEALTHY AND SAFE COMMUNITIES
- Reduce premature deaths from exposure to particulate emissions
- Reduce injuries and fatalities from collisions
- Increase average daily time spent walking or biking

EQUITY

ADEQUATE HOUSING
- House all of the region's projected housing growth

EQUITABLE ACCESS
- Decrease housing and transportation costs as a share of low-income household budgets

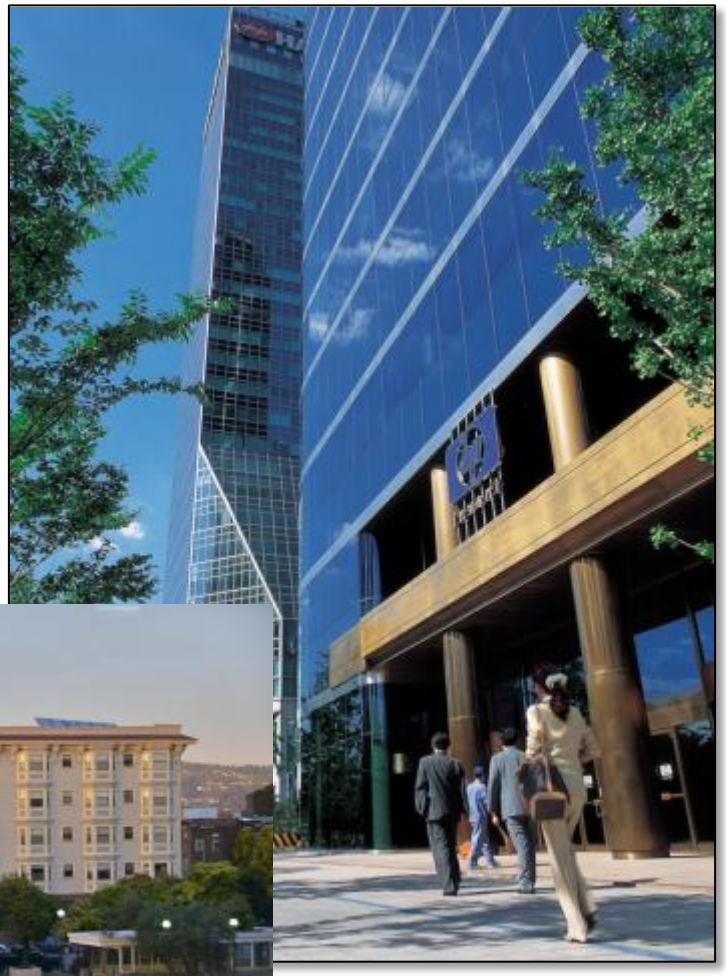
Plan Bay Area Development Process



- Adopt Performance Targets
- Adopt Equity Measures
- EIR Alternatives
- EIR
- Performance Assessment Report
- Equity Analysis Report

Draft Plan Bay Area = Preferred Scenario approved May 2012

- Jobs-Housing Connection Strategy
- Transportation Investment Strategy



Draft Plan Bay Area

Growth Trends

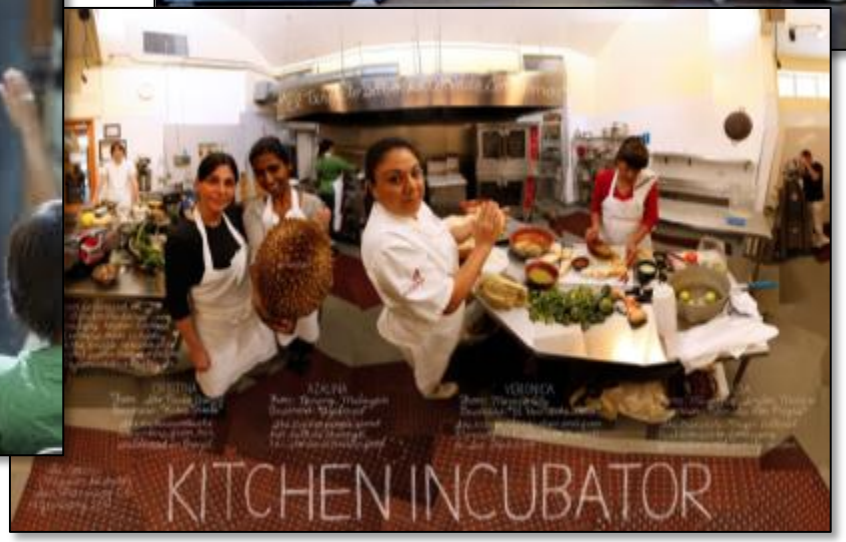
Regional Growth

	2010	2040	Growth 2010-2040
Jobs	3,385,000	4,505,000	1,120,000
Population	7,151,000	9,299,000	2,148,000
Housing Units	2,786,000	3,446,000	660,000

Employment Trends

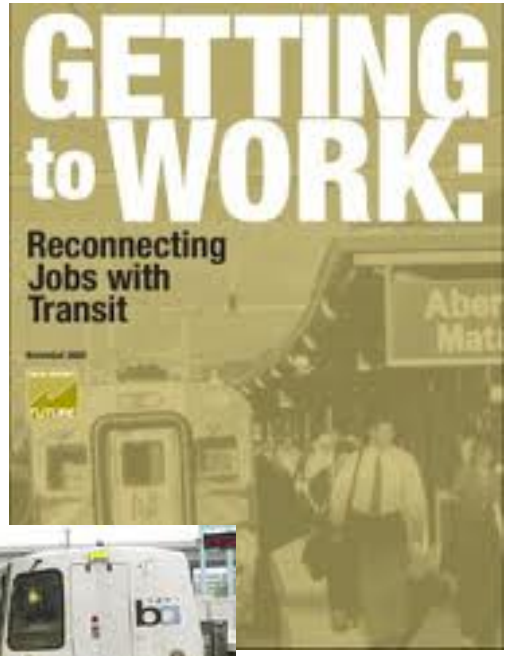
Knowledge-based and Service Industries Lead Job Growth

- Nearly 75% of new jobs in professional services, health and education, and leisure and hospitality



Employment Trends

Knowledge sector and service sectors expected to grow have shown a strong preference for locations near transit in urban centers

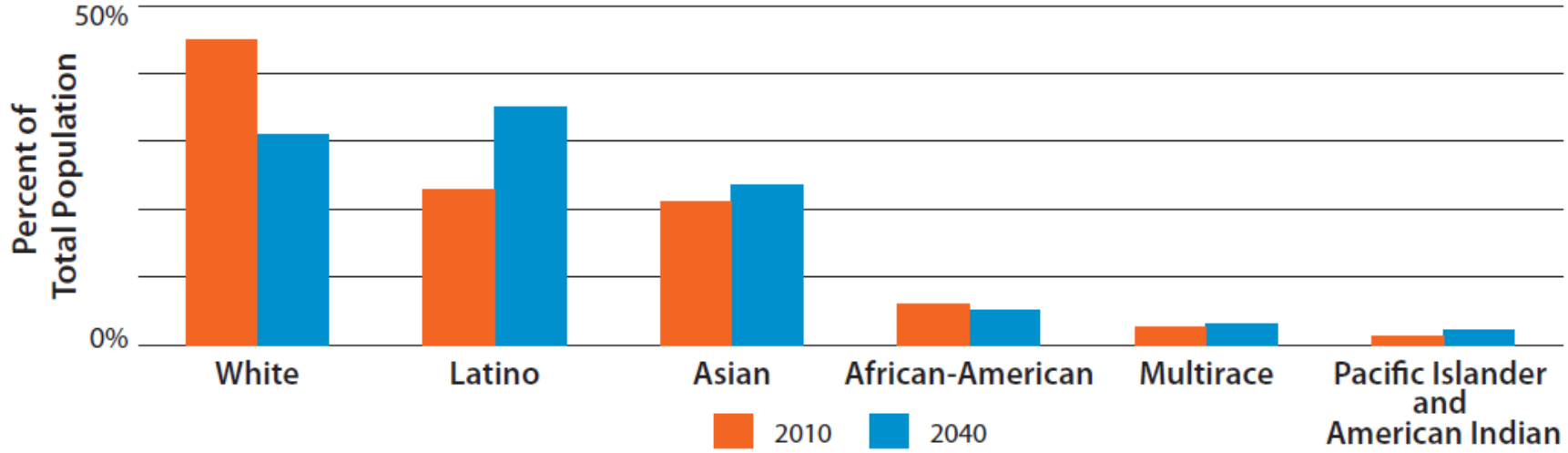


BayArea Plan

Population Trends

Region will grow significantly more diverse.

Figure 1 Share of Population by Race and Ethnicity, 2010 and 2040

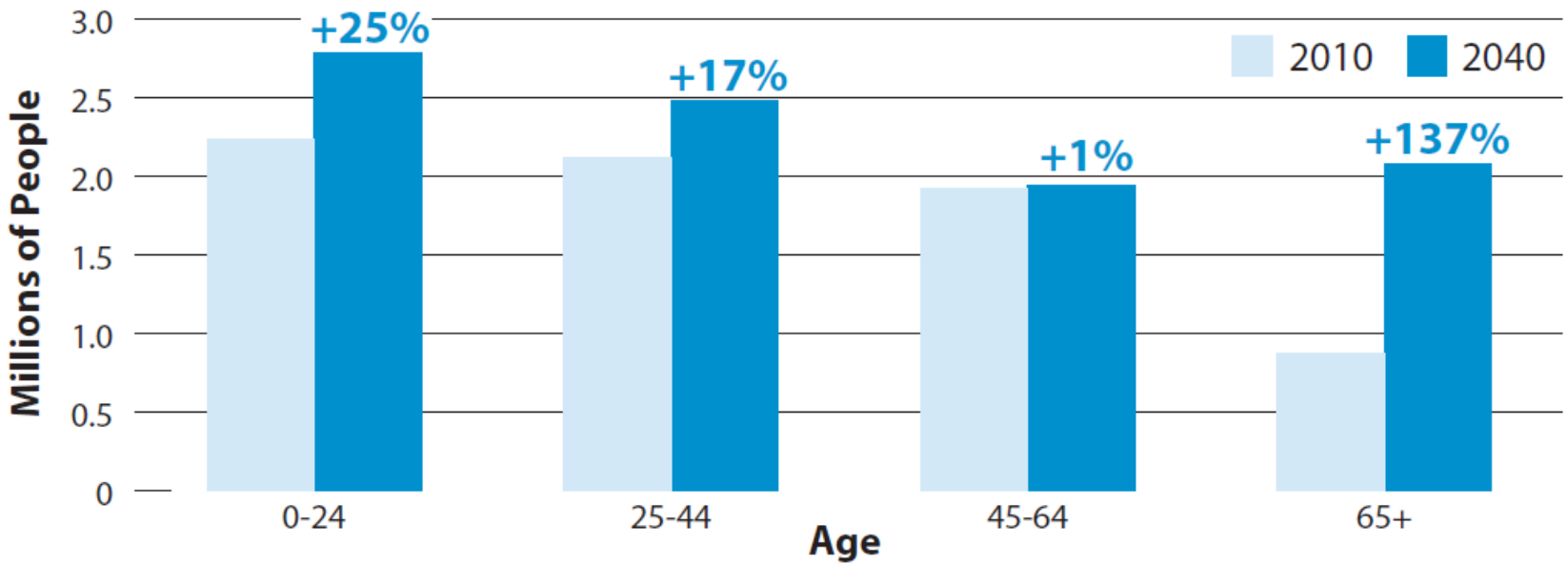


Sources: 2010 Census, California Department of Finance, ABAG

Population Trends

Senior population will grow dramatically.

Figure 2 Bay Area Population by Age, 2010 and 2040

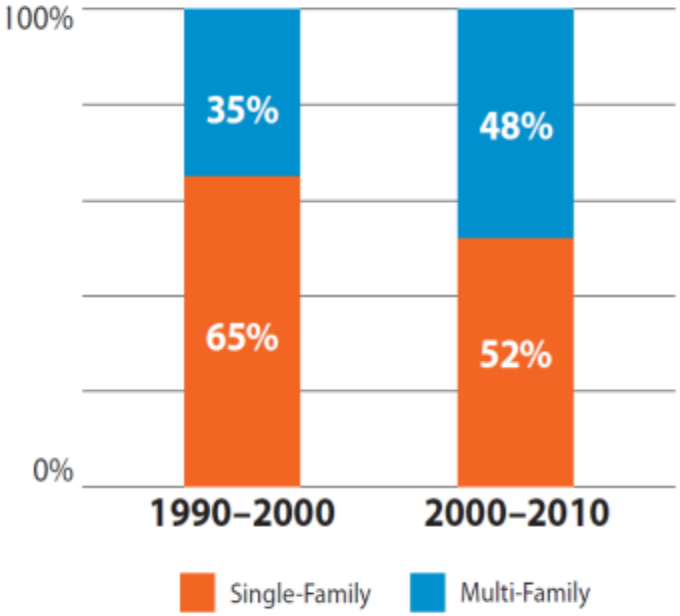


Sources: 2010 Census, California Department of Finance, ABAG

Housing Trends

Aging, more diverse population drives demand for multi-family housing near services and transit.

Figure 6 Bay Area Housing Construction By Type, 1990–2010



Source: U.S. Census

Draft Plan Bay Area

Growth Strategy

Regional Growth Strategy

Priority Development Areas

- Nearly170 city nominated-areas in over 60 cities and counties
  - Within an existing community/Infill development area
  - Near existing/planned transit
  - Providing housing and/or jobs
  - Diversity of densities and community identities

Regional Growth Strategy

Priority Conservation Areas

- Areas to be retained for open space or farmland to maintain quality of life
- More than 100 locally nominated areas

Regional Growth Strategy

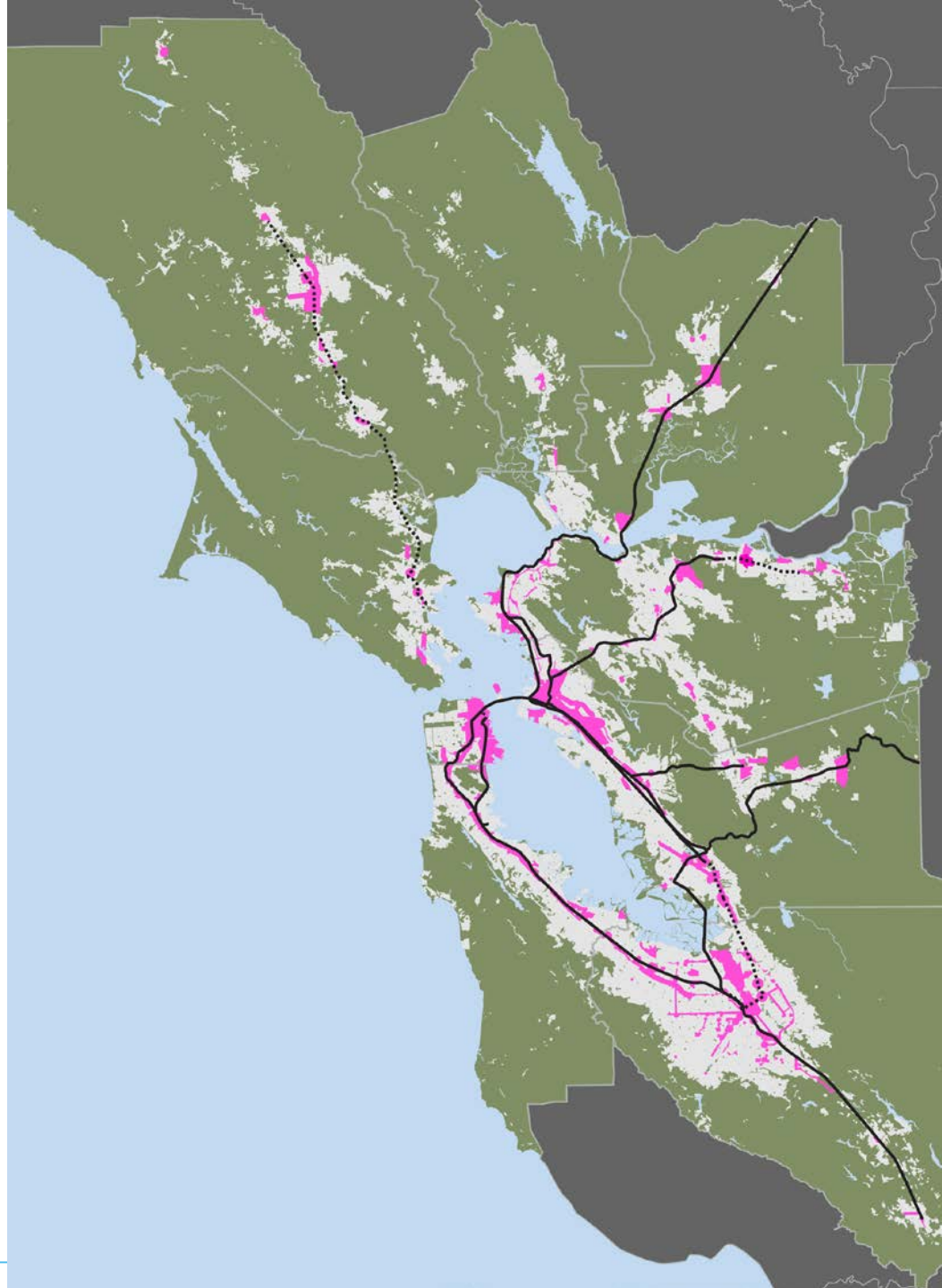
Focused Growth

Non-urbanized land

Urbanized land

PDAs

- Less than 5% of region's land
- Nearly 80% of new homes
- Over 60% of new jobs

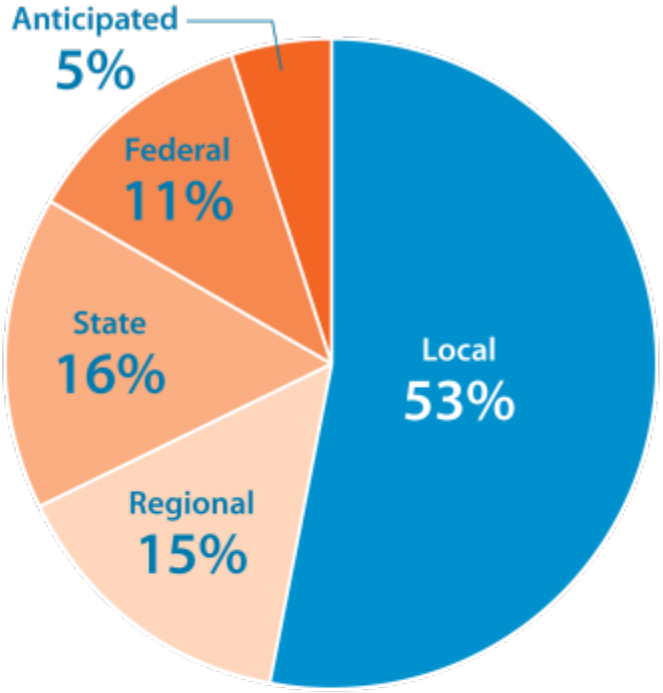


BayArea Plan

Draft Plan Bay Area

Investments

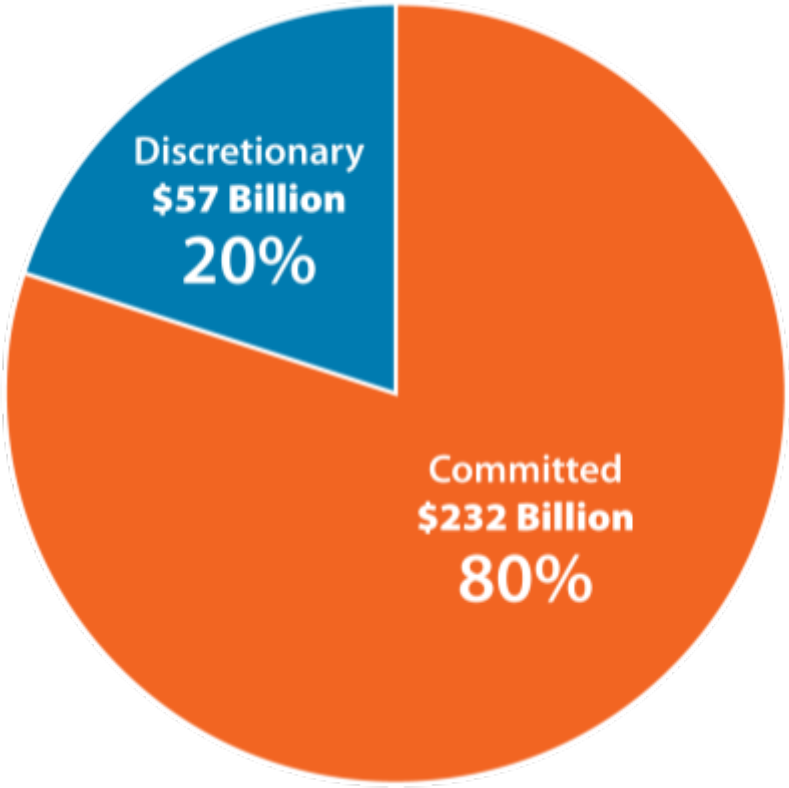
Revenue Forecast to 2040



Source	YOE$ billions	% of Total
Local	$154	53%
Regional	$43	15%
State	$45	16%
Federal	$33	11%
Anticipated	$14	5%
Total	**$289**	**100%**

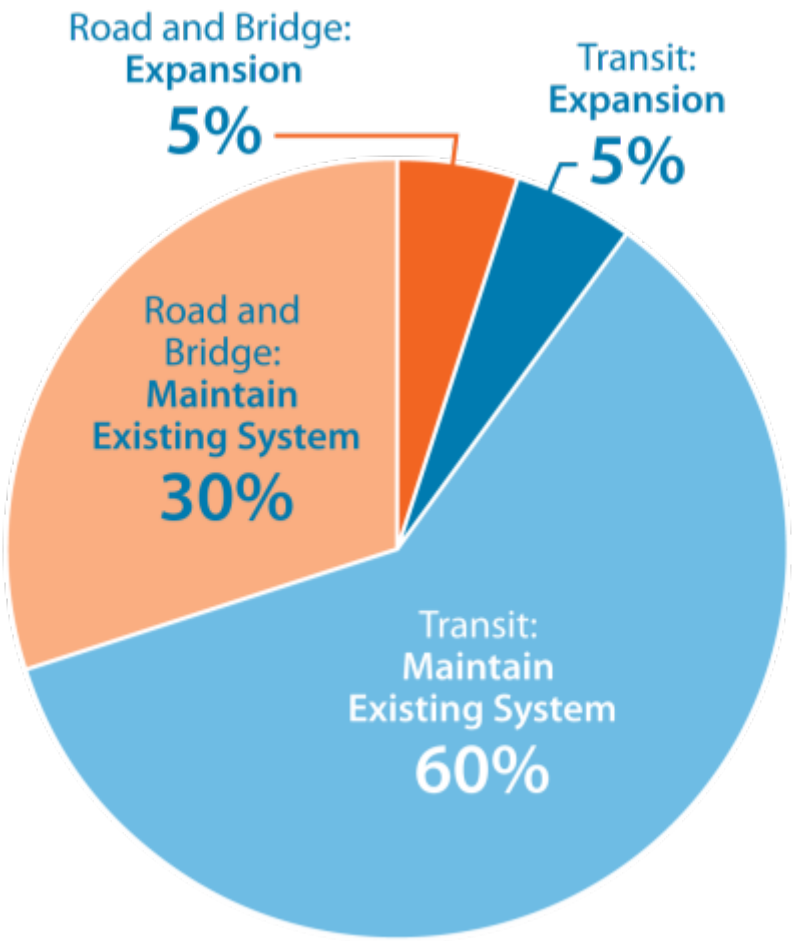
Committed and Discretionary Revenues

Total Revenue — $289 Billion



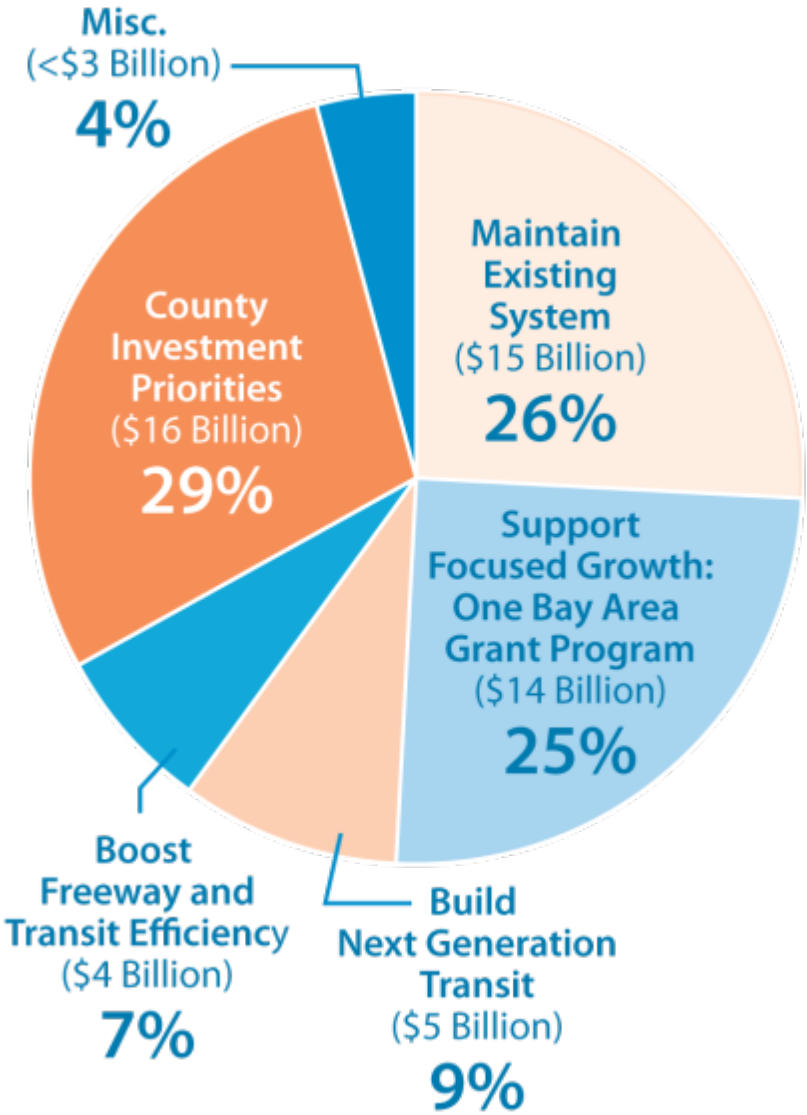
Committed Investments

Committed Revenue — $232 Billion



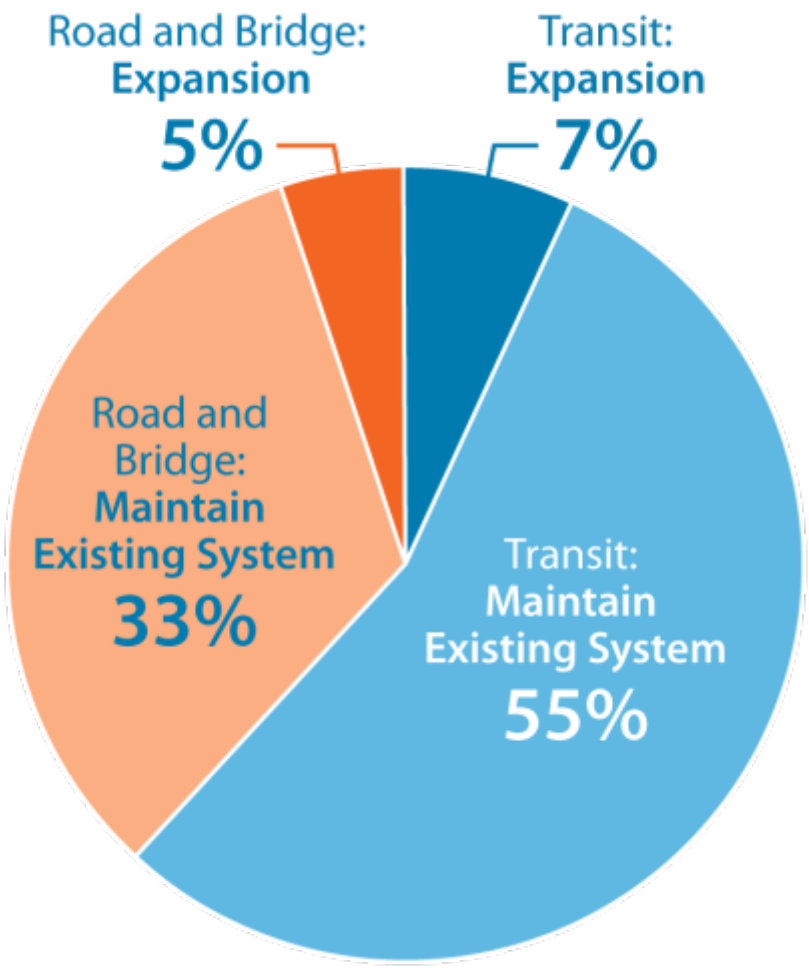
Discretionary Investments

Discretionary Revenue – $57 Billion



Total Transportation Investments

Total Revenue — $289 Billion



BayArea Plan

Highest Performing Transportation Projects

1	BART Metro Program (including Bay Fair Connection & Civic Center Turnback)
2	Treasure Island Congestion Pricing
3	Congestion Pricing Pilot
4	AC Transit Grand-MacArthur Bus Rapid Transit (BRT)
5	Freeway Performance Initiative
6	Intelligent Transportation System (ITS) Improvements in San Mateo Co.
7	ITS Improvements in Santa Clara Co.
8	Irvington BART Station
9	SFMTA Transit Effectiveness Project
10	Caltrain Service Frequency Improvements (6-train Service during Peak Hours) + Electrification (SF to Tamien)
11	BART to San Jose/Santa Clara (Phase 2: Berryessa to Santa Clara)
12	Van Ness Avenue BRT
13	Better Market Street

Performance Results

Plan Meets or Exceeds Six Targets		
Climate Protection	Reduce per-capita emissions from cars and light duty trucks by 15%	Reduces by 18% by 2040
Adequate Housing	House 100% of the region's projected growth	Houses 100% of projected growth
Healthy and Safe Communities	Reduce premature deaths from exposure to fine particulate matter by 10%	Reduces exposure by 71%
	Achieve greater reductions in highly impacted areas	Achieves greater reductions
Open Space and Agricultural Land	Direct all non-agricultural development within existing urban development and urban growth boundaries	Achieves target
Economic Vitality	Increase gross regional product (GRP) by 110%	Increases GRP by 119% to 2040

Performance Results

Plan Makes Progress toward Five Targets		
Healthy and Safe Communities	Reduce coarse particulate emissions by 30%	Reduces course particulate emissions by 17%
Active Transport	Increase average daily walking or biking per person by 70%	Plan boosts per-person active transport by 17%
Transportation System Effectiveness	Increase non-auto trips to 26% of all trips	Plan boosts non-auto trips to 20% of all trips
	Decrease auto vehicle miles traveled (VMT) per person by 10%	Plan reduces VMT per person by 9%
	Increase local road pavement condition to rating of 75 or better	Plan improves condition to rating of 68

Performance Results

Plan Moves in Opposite Direction from Four Targets		
Reduce Injuries and Fatalities from Collisions	Reduce by collisions by 50%, including bike and pedestrian	Collisions increase by 18% during plan period
Equitable Access	Decrease share of household income needed to cover transportation and housing costs from 66% to 56%	Share of household income projected to rise to 69% for low-income and lower-income households
Transportation System Effectiveness	Decrease number of poor quality highway lane miles to less than 10% of total highway system	Percentage projected to rise to 44% of total highway system
	Replace all buses, trains and other transit equipment on schedule	Share of transit assets past their useful life projected to increase to 24%

Draft Plan Bay Area

A Plan To Build On

A Platform for Advocacy

Land Use

- Support PDA Development With Locally Controlled Funding
- Modernize CEQA
- Stabilize Federal Funding Levels
- “Defiscalize” Land Use Decision-making

Transportation

- Support Local Self-Help
- Seek Reliable Transportation Funding Levels and Flexibility
- Grow State Transportation Funding

A Work in Progress

A Vibrant Economy

- Improve Permitting Process
- Implement the Plan Bay Area Prosperity Plan
- Link Housing, Transportation and Economic Development

Cleaning Our Air

- Promote Healthy Infill Development
- Curb Greenhouse Gases
- Climate Adaptation and Sea Level Rise
- Earthquake Mitigation and Recovery

Remaining Plan Milestones

Draft Plan Bay Area released

Late March 2013

Public meetings in each county

April-May 2013

Comment period closes

Mid-May 2013

Comments presented to MTC/ABAG

Early June 2013

Adoption of Plan Bay Area

July 2013

Discussion