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COMMISSION

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MTC Advisory Council
January 14, 2004
Minutes

Attendance

Vice-Chair Michael Cunningham called the meeting to order at 12:40 p.m. In attendance were members Stan Burford, Darlene Gee, Scott Kamena, Bruce Kern, John Landis, Bernard Norman, Peter Oswald, Bob Planthold, Don Rothblatt, Diana Williams, and Kimberly Winston. Also in attendance was Commissioner Dorene Giacomini. Appointees from the Minority Citizens Advisory Committee to the Advisory Council as of next month were announced: Bernard Norman with BART and Leilani Luia, a past member of the Advisory Council, with LIFETIME in Alameda County.

Minutes of the Dec. 10, 2003 meeting were approved.

Staff Liaison Report

Ashley Nguyen reported that the core of Transportation 2030's Phase One is now complete. In December, the Commission adopted new draft goals for the Plan, a 5-point transportation-land use platform, and the investment strategy that identified the regional take-downs and county discretionary funding targets. Phase Two, essentially public outreach efforts by counties via the congestion management agencies (CMAs), is slated to begin between now through May, at which time the CMAs will forward the county project investments to MTC.

Vice-Chair Cunningham added that Commission discussions of the Phase One recommendations, particularly the investment priorities, were consistent with staff recommendations. Ms. Nguyen pointed out that the Commission's action was consistent with the Advisory Council's position with exception to the funding levels for lifeline transportation and the regional bicycle and pedestrian program. She also added that the Commission reaffirmed tripling the funding for Transportation and Livable Communities (TLC) and the Housing Incentive Program (HIP), with a note that other initiatives such as specific plans would need to be funded out of the tripled amount.

**Transportation for Livable Communities (TLC):
Review of Proposed Changes to TLC Program Guidelines**

As background, Ms. Nguyen said MTC conducted an evaluation last summer to determine how well its programs for TLC planning, capital, and housing incentives were working, and which areas needed improvement before beginning the next round of programming under upcoming federal transportation reauthorization (TEA 3). In parallel, representatives from congestion management agencies and the Advisory Council (Abelson, Kern, Planthold, Shoemaker,

Williams, and others) examined results from MTC’s program evaluation and ways to coordinate between the regional and county-level TLC and HIP programs.

Ms. Nguyen provided highlights on proposed changes to TLC program guidelines, including:

- Goals were made more specific
- Planning program changes require a 20% local match, and for sponsors to describe their outreach strategy to underrepresented stakeholders
- Capital program changes increase grant sizes to \$500,000 minimum (from \$150,000) and \$5 million maximum (from \$2 million)
- Housing Incentive Program changes increase grants to \$5 million (from unspecified); retain 1/3 mile walking distance to bus/ferry transit but allow 1/2 mile walking distance for projects near rail; allow exception to 15-minute peak headways for the North Bay if housing is located in a downtown and/or at a Resolution 3434 transit stop; modify density threshold to start at 20 units per acre; and add a sliding scale for the affordable housing bonus.

Member comments:

- Discouraged use of the phrase “community identity” -- it raises the possibility of red flag issues by inviting communities to say, “we’ve been like this for 30 years” and then dismiss consideration of a new rail station, transit depot, or low-income senior housing.
- Explained the “North Bay exception” by way of encouraging an area to build up from a lower base where infrastructure, population nodes, and density are lacking. [Ms. Nguyen added that during the heated debate, representatives from CMAs in more urbanized counties were willing to forfeit relaxed requirements and instead encourage higher densities via use of higher standards, i.e., they were okay with the compromise for North Bay but wanted not to send the same message in their own counties.]
- Explained that a sliding scale not only makes a project more attractive to developers to build and eligible groups to live in, but also makes a project attractive to neighborhood, civic, business and merchant groups who recognize that a good project yields sidewalks, bikeways, parks, playgrounds -- bonuses that go beyond just the building. Also, such recognition might minimize opposition to the project and let it be completed and rented up sooner.
- Advised MTC that follow-up will be required for sponsors to address their “outreach strategy to underrepresented stakeholders” with conviction. Underrepresented groups do not appear in census data. Project proposals ought not just be good in writing but also in practice. Include performance measures so that project sponsors’ outreach is effective.
- Despite studies that show people are willing to walk further to a rail station than to a bus depot or ferry terminal, consider relaxing the requirement for bus and ferry transit as well.
- “Units per acre” is planner-speak -- consider instead a percentage increase over existing housing density. [Ms. Nguyen said that the consultants considered percentage increases and concluded that new housing development often occurs in a mixed-use setting with retail, office space, etc., and that measuring by units per acre was more understandable.]

In response to a member comment that the dollar incentives are small by developer standards, James Corless, who introduced himself as MTC’s new senior planner, clarified that HIP is a program that rewards cities, not developers. Larger housing projects accumulate as capital for the city, and build significant amenities, such as widened sidewalks, improved streetscapes, installing bike paths -- all things that neighbors clamor for. He reiterated that reward money to cities for approving an increase in density does not go into developers’ pockets.

Discussion followed on how to find the tipping point whereby developers are more likely to pursue, for example, 30 units/acre vs. 20 because of higher financial returns; the main questions being what are the front-end barriers to developments, and will the carrot on the back end sway decisions. A project in Redwood City was cited as being built because San Mateo County was able to offer the city \$750,000 in transportation money, which by all accounts changed the city's mind and put the project over the top. Mr. Corless explained that MTC raised its cap to \$5 million to achieve dollar amounts sizeable enough to be the tipping point.

Ms. Nguyen said that she would seek comments from the Partnership Board, and return to the Advisory Council next month with final changes to the program based on comments received, and that final TLC/HIP guidelines go before the Commission in March for review and approval. It was moved, seconded, and unanimously agreed to acknowledge receipt of changes to TLC's program guidelines proposed to date. Vice-Chair Cunningham thanked everyone who spent so much time on the matter.

Transportation/Land Use Activities

Mr. Corless made a presentation of the region's new smart growth vision. In addition to MTC, four other agencies are helping in implementation, particularly stepped-up coordination with the Association of Bay Area Governments, but also the Bay Area Air Quality Management District, Bay Conservation and Development Commission, and the Regional Water Quality Control Board. A key piece of the larger effort is Transportation 2030.

He provided a context and history for smart growth, showed the larger vision and the need to take it to smarter development patterns with better mobility and a wider range of transportation options, especially for the region's seniors, disabled, and low-income residents, which would require better transit investment. He said three alternatives emerged in preparing the larger vision: central cities (build up, not out); network of neighborhoods; and smarter suburbs. He pointed to goals of minimizing greenfield development, affecting the proximity of new housing and jobs to existing transit (putting jobs close to rail/bus service). He showed what implementation will look like via the adopted 5-point transportation and land use platform:

- 1) Develop transportation-land use policy
- 2) Develop program to fund area planning around transit stations and along corridors
- 3) Encourage changes to local general plans around major transit stations and corridors and condition funds on minimum development standards
- 4) Encourage smarter growth patterns off major transit corridors
- 5) Coordinate with regional neighbors on smart growth, particularly growing commute sheds in Stanislaus, San Joaquin, Central Valley, and to the south as well with San Benito, Monterey, and Santa Cruz counties

Mr. Corless said that an MTC-ABAG joint policy committee will form to provide guidance from the board side. He welcomed participation in the smart growth working group, announced their initial planning meeting on Jan. 29, 2pm, at ABAG (he suggested Advisory Council send a representative who could report back). He then sought feedback on developing the 5-point platform.

Member comments included the following:

- Make the goal "develop transportation-use policy" less vague (without having to form a subcommittee for each of the 5 points).

- As policies are typically nothing more than fancified goals, the policy statement ought to articulate rules that bind the implementing body to a bargain that binds future commissioners and policymakers.
- Make the most of MTC paying for community planning via TLC.
- Broad goals are advisable but it ought to be self-evident that the inextricable link between land use and transportation places joint responsibility on multiple Bay Area agencies.
- Ensure participation by groups who answer to constituencies different than regional planners do, i.e., leaders with local land use authority.
- Policy guidelines ought to focus on creating transit-oriented residential and job centers, and create disincentives to big box retail, or forbid outright.
- The grim state budget reinforces the importance of working with the newly appointed Secretary of Business, Transportation, and Housing agency Sunne McPeak [Mr. Corless said that given the state budget and its impact on funding for transportation projects (particularly Traffic Congestion Relief Program (TCRP) projects), Ms. McPeak suggested giving funding priority to those transportation projects that meet local and regional housing needs.]
- Develop much-needed legislation regarding land use [Mr. Corless said that legislation is developing around reform of the Calif. Environmental Quality Act as CEQA relates to in-fill development, and that MTC will be involved].
- Address goods movement and local constraints on when trucks can deliver goods, and trends in local land uses for warehousing.
- Consider underrepresented neighborhood groups and existing neighborhoods that are not revitalized with transit [Mr. Corless said that he inadvertently omitted mention of transit investment in existing areas, and that Resolution 3434 includes rapid bus transit on San Pablo Ave all the way from North Oakland through Richmond, International Blvd in Oakland, Geary Blvd and Third St light rail in San Francisco, and corridors in San Jose].
- Be cautious about using code words such as underrepresented and disadvantaged; people can be disadvantaged yet represented by being stakeholders through membership in civic and neighborhood groups. Underrepresented can be construed as those with need but aren't at the table (the blind, immigrant newcomers, Native Americans, etc.).

Vice-Chair Cunningham acknowledged Craig Yates, a licensed contractor and vice-Chair of MTC's Elderly and Disabled Advisory Committee, who clarified that smart growth would include the train proposed for the Sonoma-Marín (SMART) corridor (the corridor is in Res. 3434). Mr. Yates noted that SMART isn't planned to go to the minority area of Marin City, or include amenities for disabled passengers, and suggested MTC contact staff at SMART.

At the close of discussion, the Advisory Council requested Mr. Corless return to a future meeting to develop the main policy statement further, and to receive more specific suggestions. Also, Mr. Corless agreed to e-mail agendas of smart growth working group meetings to Advisory Council members.

Brainstorm Session on 2004 Work Plan

In response to Vice-Chair Cunningham asking members for ideas:

- Explore ways to leverage transportation dollars in the region and use them more strategically to generate jobs, purchase equipment, contribute to the local economy, etc.

- Explore ways to promote common specifications for equipment (tires, bus hydraulic jacks, etc.), which could encourage equipment vendors to do business here, maybe even re-locate here
- Consider additional ways of exercising, and reviewing, MTC's statutory authority and responsibility for coordinating funds granted to transit operators
- Further explore measures to promote transit efficiency, even return to the idea of operator consolidation
- Find ways to encourage operators to develop business and finance plans that are stress-tested virtually, and not in reality as they have been recently when operator funds decreased from the downed economy
- Explore new or existing institutional structures and arrangements for working with MTC's regional neighbors [Mr. Corless noted state senator Tom Torlakson's work on an interregional partnership that recognized the 9 counties as getting larger]

Ms. Nguyen agreed to draft a 2004 work plan to incorporate the above ideas, adding the important issue of transportation funding, and carryover issues of Transportation 2030.

Next Meeting/Other Business/Public Comment

Mr. Planthold announced that the American Planning Association would hold its annual convention in San Francisco next year on Apr. 5, 2005, and that a local host planning and programming committee had already formed. He said that APA will examine housing and accessibility issues, and that they're searching for topics and presenters. The next meeting of the Advisory Council was scheduled for Feb. 11, 2004. There was no other business or public comment, and the meeting was adjourned at 2:30 p.m.