



SAN FRANCISCO BAY AREA

**PEOPLE  
PLACES  
AND PROSPERITY**



Association of Bay Area Governments



# Acknowledgements

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**SECTION 1**

**Promote Regional Economic Vitality and Shared Prosperity**

**Use public policy to support a healthy business climate and job growth**

- Ensure communities that pursue infill development have the resources to provide and maintain necessary services
- Ensure State and local regulations and permitting processes support business retention and expansion

**Address the growing strains on traditional and 21st century infrastructure**

- Rebuild and expand traditional infrastructure
- Expand investments in 21st Century Infrastructure
- Invest in public transit to make it easier to travel around the region
- Improve the resilience of the region's infrastructure systems to natural hazards

**Expand opportunities for middle-wage employment**

- Collaborate to improve local economic development strategies, with an emphasis on growing middle-wage jobs
- Reform California's education system to generate a globally competitive workforce
- Strengthen pathways to help lower-wage workers move into better jobs

**Ensure the Bay Area has space for all activities that contribute to the regional economy and facilitate goods movement**

- Integrate employment activities into the PDA framework to encourage more jobs near transit
- Evaluate a Priority Industrial Area Program
- Re-envision office parks
- Identify policies and funding to meet the Bay Area's housing needs



**SECTION 2**

**Increase Housing Choices and Affordability**

**Build more housing, particularly in PDAs**

- Diversify housing choices to meet the needs of the region's changing population
- Repurpose under-utilized publicly owned sites near transit and jobs

**Increase affordable housing options**

- Increase funding and financing for affordable housing
- Build community support for affordable housing and housing affordability
- Pursue State regulatory changes to support affordable housing
- Develop local incentives to encourage affordable housing
- Remove barriers to providing housing, especially for the region's most vulnerable populations

**Preserve affordable housing to maintain neighborhood economic diversity and stability**

- Increase funding and financing resources for preservation
- Promote alternative housing ownership models
- Advocate for policies that encourage preservation
- Encourage local policies that preserve housing affordability and neighborhood stabilization

**Reduce housing and community vulnerability to natural disasters**

- Reduce development in the highest hazard areas
- Retrofit fragile housing in seismic hazard areas
- Increase building standards for new construction in seismic hazard areas
- Plan for replacing affordable housing lost during a natural disaster



**SECTION 3**

**Build Healthy and Resilient Communities**

**Reduce the impact of natural hazards on communities**

- Support communities to integrate resilience planning into all planning activities
- Provide in-depth planning assistance to implement resilience actions
- Develop financial incentives to spark resilience action
- Adopt policies and strategies to prepare for post-disaster recovery
- Support local implementation of shelter-in-place programs

**Support multi-jurisdiction initiatives to strengthen PDAs**

- Support the Grand Boulevard Initiative
- Advance the East Bay Corridors Initiative
- Facilitate future multi-jurisdiction PDA coordination

**Use placemaking to strengthen community vitality**

- Ensure infill development contributes to a sense of identity for an area
- Support local dialogs to define the character of streets and places

**Encourage development that protects the health and welfare of residents**

- Reduce the negative impacts of poor air quality on residents and workers
- Use green infrastructure and low impact development to enhance neighborhoods and improve stormwater management

**Improve conservation and management of the region's water and energy resources**

- Reduce water consumption
- Prioritize a diverse water supply
- Improve coordination of water delivery systems in the region
- Increase the energy efficiency of existing and future buildings



**SECTION 4**

**Protect and Enhance the Region's Natural Assets**

**Preserve the region's most important natural assets**

- Advocate for protection of Priority Conservation Areas
- Enhance the region's agricultural economy and preserve its agricultural lands
- Protect, restore, and enhance the San Francisco Bay Delta Estuary ecosystem

**Expand and enhance the Bay Area's trails and parks**

- Complete the unfinished segments of the Bay Trail and Ridge Trail and expand the Water Trail
- Increase access to parks



SAN FRANCISCO BAY AREA

**PEOPLE  
PLACES  
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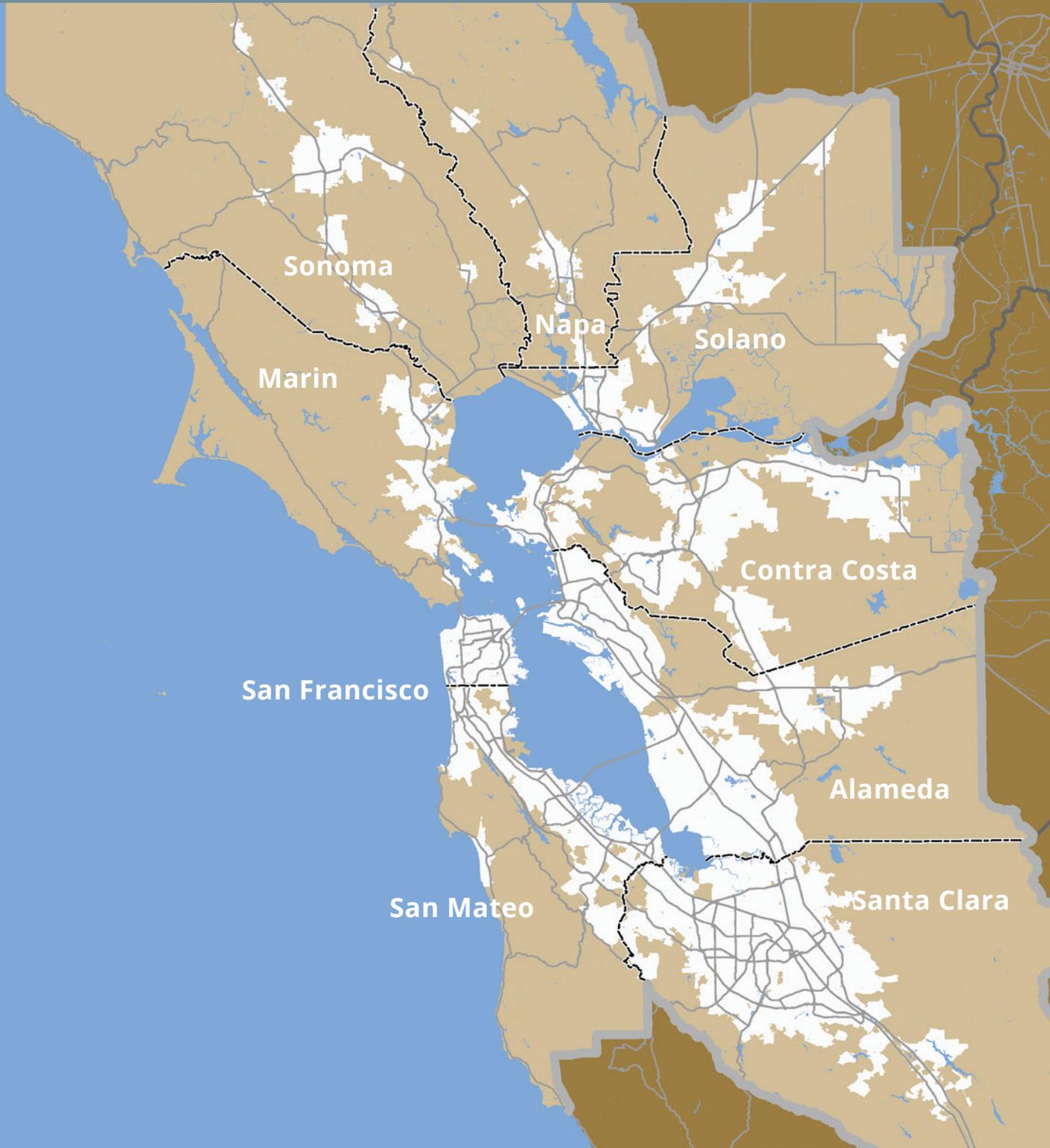
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*Sunnyvale*

# EXECUTIVE SUMMARY





Sonoma

Marin

Napa

Solano

Contra Costa

San Francisco

Alameda

San Mateo

Santa Clara

## EXECUTIVE SUMMARY

# People, Places, and Prosperity

In 2013, the Association of Bay Area Governments (ABAG) and the Metropolitan Transportation Commission (MTC) jointly adopted *Plan Bay Area 2013*—the region’s long-range regional land use and transportation strategy. By emphasizing growth in Priority Development Areas (PDAs) and promoting preservation of Priority Conservation Areas (PCAs), *Plan Bay Area 2013* identifies a strategy for future housing and job growth and transportation investments that will allow the region to develop an efficient transportation network, provide more housing choices, and grow in a financially and environmentally responsible way.

ABAG has produced this report to provide context for the regional dialogue that is under way as part of development of *Plan Bay Area 2040*—a scheduled update to the plan adopted in 2013. This report highlights the activities ABAG has undertaken in partnership with local governments, regional agencies, business groups, community organizations, and other stakeholders to advance implementation of the land use pattern in *Plan Bay Area 2013*. These implementation efforts have focused on supporting economic vitality, promoting “complete communities” in PDAs, fostering a more resilient region, and encouraging preservation of PCAs.

**People, Places, and Prosperity** provides a more comprehensive and in-depth look at the ways in which economic, housing, and environmental issues relate to one another and how they are currently affecting local communities and the region as a whole. While transportation strategies and investments will, of course, be critical to achieving the goals outlined in *Plan Bay Area 2013*, this report primarily focuses on the challenges and opportunities related to land uses in the region. The report consists of an introduction; four sections discussing the major issues and trends facing the Bay Area related to the economy, housing, local communities, and natural assets; and a brief conclusion. ABAG staff hopes the ideas and information in this report will contribute to the *Plan Bay Area 2040* discussions about how we, as a region, prioritize the actions needed to protect and enhance our quality of life and achieve our goals for a more prosperous and sustainable region.

## SECTION 1:

### Promote Regional Economic Vitality and Shared Prosperity

Although the Bay Area has an enviable economy, sustaining economic vitality—and expanding the number of people who experience that vitality—should be a priority for the region. To support job growth and create a more resilient economy we, as a region, need to increase housing affordability, ensure adequate space for all of the activities that are part of the regional economy, and invest in critical infrastructure systems and public transit. As the share of employment in middle-wage jobs is shrinking, one of the key questions for the Bay Area's future is how the region's rising economic tide can provide more opportunities for low- and moderate-income households.

## SECTION 2:

### Increase Housing Choices and Affordability

The Bay Area is facing a chronic and acute housing affordability problem that puts stress on households, threatens economic competitiveness, contributes to traffic congestion, and encourages conversion of open space and agricultural land to housing. To address this challenge, the region needs tools and funding to produce more affordable homes and preserve the ones that already exist, while also protecting people from being displaced from their current homes. The region should also consider expanding the range of housing types to prepare for evolving housing preferences as the population becomes older and more diverse. Taking steps to increase the region's resilience to natural disasters, can help preserve vulnerable homes.

## SECTION 3:

### Build Healthy and Resilient Communities

The major investments in Plan Bay Area and ABAG's efforts to implement the long-range regional land use strategy are directed to PDAs to support local communities' efforts to develop complete communities. Although the specific vision for how each PDA might develop differs based on the local context and the community's needs and aspirations, the essence of the complete communities envisioned in these areas encompasses their physical and social health, which both contribute to a community's resilience. To encourage more complete and resilient communities, we should take steps to create places that foster a stronger sense of community identity, reduce the impacts of air pollution

and the risks of flooding and water pollution from stormwater runoff, decrease potential disruptions caused by a natural disaster and prepare for the process of recovering and rebuilding communities afterward, and ensure sufficient water and energy to meet our existing and future demand. Neighboring communities often face the same challenges and opportunities for meeting the long-term needs of residents and businesses so collaboration is essential to ensure local decisions will maximize the potential benefits for the local community and the region as a whole.

## SECTION 4: Protect and Enhance the Region’s Natural Assets

The Bay Area’s identity is largely defined by its stunning parks, open spaces, farmland, trails, and natural landscapes—particularly the San Francisco Bay and Estuary. These assets are vital to the region’s quality of life, robust economy, and sustainability. While the Bay Area has been remarkably successful in

preserving its iconic landscapes, we should continue to look for opportunities to preserve natural assets that are under threat of development. There is a growing understanding that embracing more focused and efficient growth helps protect open spaces and agricultural lands from being converted to urban uses. The inclusion of both PCAs and PDAs in Plan Bay Area reflects the integral relationship between resource protection and more compact growth. Communities are also considering how to better integrate open spaces, trails, and parks into developed areas and how to increase access to parks and natural areas.



*Stinson Beach, Marin County*



San Jose

# INTRODUCTION







# Introduction

The San Francisco Bay Area has many desirable attributes: distinctive communities of all sizes, with varied populations and cultures; beautiful natural environments and recreation areas; and a robust and innovative economy. This vast region stretches from Cloverdale at the northern edge of Sonoma County to Gilroy at the southern edge of Santa Clara County and includes a total of 101 cities and nine counties with San Francisco Bay as a focal point. Although it can be difficult to imagine what these different areas have in common, we—by which we mean the individuals who live and work in the Bay Area—are connected by complicated webs of housing markets, job locations and commute patterns, and critical environmental linkages. A goal of this report is to help all of us to see how and where we fit into the region and to distill its complexity to three principles that matter most for the region’s future: **people, places, and prosperity.**

In 2013, the Association of Bay Area Governments (ABAG) and the Metropolitan Transportation Commission (MTC) jointly adopted *Plan Bay Area 2013*—the region’s long-range regional land use and transportation and land use strategy. As the Council of Governments (COG) for the Bay Area, ABAG is responsible for regional land use planning and coordination with local governments. MTC is the transportation planning, coordinating, and financing agency for the region. As mandated by the Climate Protection and Sustainable Communities Act of 2008, or SB 375, *Plan Bay Area 2013* was the first time a Sustainable Communities Strategy (SCS) was included in the Regional Transportation Plan (RTP). By emphasizing growth PDAs and promoting preservation of PCAs, *Plan Bay Area 2013* identifies a strategy for future housing and job growth and transportation investments that will allow the region to develop an efficient transportation network, provide more housing choices, and grow in a financially and environmentally responsible way.

## Purpose of this report

ABAG has produced this report to provide context for the regional dialogue that is under way as part of development of *Plan Bay Area 2040*—the update to the plan adopted in 2013. Although *Plan Bay Area* established a vision for how the Bay Area will evolve over the next several decades, ABAG and MTC are required to update it every four years.

These frequent updates allow us to refresh the vision to reflect current circumstances and incorporate new information and perspectives based on what we, as a region, have learned from efforts to implement *Plan Bay Area 2013*.

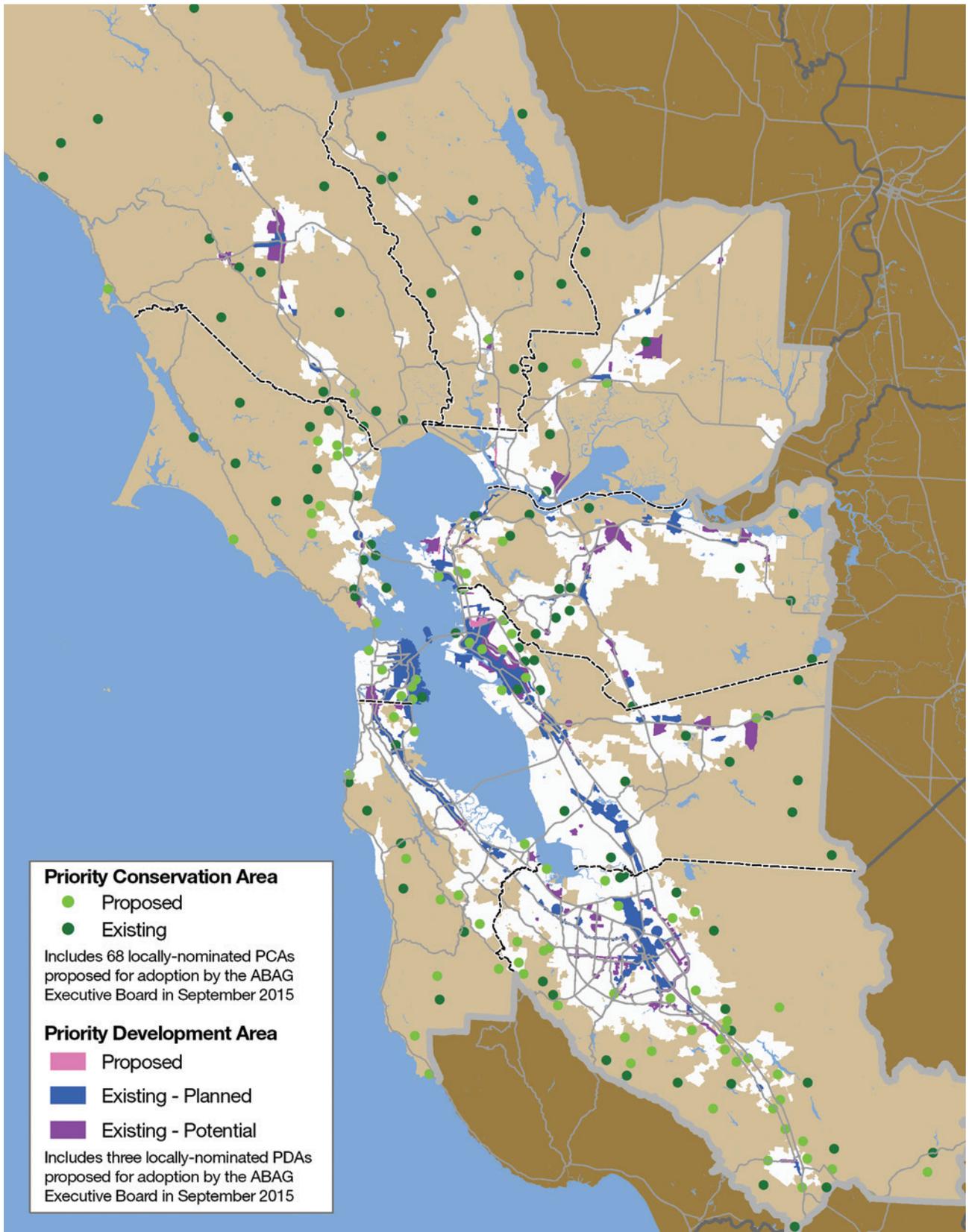
To inform conversations about renewing the vision from *Plan Bay Area 2013*, this report documents the region’s efforts to address some of the key challenges highlighted in *Plan Bay Area 2013* as critical to achieve the region’s long-term vision. Many of these issues are complicated, and may require many years to resolve. However, important progress has been made and this report highlights the activities that ABAG has undertaken in partnership with local governments, regional agencies, business groups, community organizations, and other stakeholders to advance the land use pattern articulated in *Plan Bay Area 2013*.

The purpose of *People, Places, and Prosperity* is to provide a more

comprehensive and in-depth look at the ways in which economic, housing, and environmental issues relate to one another and how they are affecting local communities and the region as a whole. While transportation strategies and investments will, of course, be critical to achieving the goals outlined in *Plan Bay Area*, this report focuses on the challenges and opportunities related to land uses in the region. The objectives put forth in this report highlight actions to promote regional economic vitality and shared prosperity, increase housing choices and affordability, build healthy and resilient communities, protect and enhance the Bay Area’s natural assets. ABAG staff hopes the ideas and information in this report will contribute to the *Plan Bay Area 2040* discussions about how we, as a region, prioritize the actions needed to protect and enhance our quality of life and achieve our goals for a more prosperous and sustainable region.



*Downtown Oakland*



# Local communities laying the groundwork for future growth

Since local governments are responsible for land use decisions for their communities, the Bay Area's success in moving toward a more sustainable future depends on cities and counties choosing actions that support the pattern of development outlined in *Plan Bay Area 2013*. For this reason, *Plan Bay Area 2013's* vision for a more sustainable future builds on the planning work that local communities have been doing for the past decade or more. The region's PDAs and PCAs are the foundation for the *Plan*. PDAs are locally nominated areas where amenities and services can be developed to meet the day-to-day needs of residents in a pedestrian-friendly environment served by transit. The compact growth envisioned through these PDAs is based in large part on local aspirations and community context. The Bay Area has a range of existing communities and the 188<sup>1</sup> adopted PDAs reflect this diversity.

PDAs are projected to accommodate most of the Bay Area's new homes and jobs, and the *Plan's* major investments in transportation and planning assistance are focused in the PDAs to support future growth. The regional vision is based on the concept that local governments know best how to build "complete communities" that capitalize on the region's extensive transportation and transit infrastructure. The planning principles behind complete

communities are not new—indeed they represent a return to development patterns common to older cities and towns throughout the world. The flexibility offered by complete, compact communities prepares these areas for future changes in population; job locations; or housing, lifestyle, and job choices.

The PDAs are complemented by Priority Conservation Areas (PCAs), which are areas of regional significance that have broad community support and an urgent need for protection. The PCA program helped spur collaboration between local governments, public agencies, and non-profit organizations to nominate 168<sup>2</sup> PCAs that provide important agricultural, natural resource, scenic, cultural, recreational, and/or ecological values and ecosystem functions. The PCAs represent opportunities for land conservation, and regional agencies are working with state agencies and funding entities to protect PCAs through purchase of land or conservation easements with willing landowners.

When planning for future growth, most Bay Area communities no longer have the option to simply push outward. As a result, more attention has to be paid to how to fit new development into an existing context. There is a greater emphasis on how people experience the places in which they live and work and what works (or doesn't work) for them in their daily lives, as they try to get their job on time, find a safe place for their kids to play, visit the doctor, or spend an evening out with friends.

Increasingly, discussions about how and where to grow are focusing on issues such as increasing access

## Complete Communities

Complete communities are places that:

- **Provide choices:** a range of housing options provides for people with different needs
- **Encourage accessibility:** people can walk, bike, or take transit for short trips and for commuting
- **Offer connections:** people are linked to jobs, health care, parks, services, and stores
- **Promote health:** aids quality of life for individuals, families, communities, and the environment
- **Improve social and economic equity:** offer access to opportunity for people of all incomes.

## OneBayArea Grant

The OneBayArea Grant (OBAG) Program supports *Plan Bay Area* by directing investments into the region's PDAs, rewarding housing production, encouraging preservation of PCAs, and providing a larger and more flexible funding program to deliver transportation projects. The OBAG Program is conducted by MTC in partnership with the counties' Congestion Management Agencies, who are responsible for distributing OBAG funding to meet each county's priorities.

to employment opportunities and affordable housing (and particularly the relationship between the two) as well as access to amenities such as



Santa Rosa

good schools, healthy food options, and services. These discussions get at what it means to have a complete community and the difficult questions of who has the opportunity to live in our communities and who does not, and what steps we can take to make sure that as our communities grow and change over time, they work for everyone. The answers to these questions will vary for every community in the region.

## Regional snapshot: the Bay Area in 2015

The Bay Area's high quality of life has always attracted new residents and businesses, but the regional economy's concentration of innovative industries has led to volatile periods of job change. With the economy's recovery from the Great Recession, the Bay Area has experienced significant employment growth and housing development.

This growth has allowed many areas, particularly PDAs, to realize their local visions with the addition of new homes and commercial spaces, infrastructure improvements, and lively public spaces. However, the accelerated pace of recent growth has led to widespread anxiety about its impact on the region's quality of life. The most noticeable concerns have been the region's escalating housing costs, increased traffic congestion as people travel between available jobs and homes they can afford, and uncertainty about retaining the diversity and character of neighborhoods in the face of rapid change.

Another concern is that the effects of growth—both positive and negative—are not shared equally in the region. While some cities and towns struggle to hold onto their identity in the face of intense development pressure, others cannot attract the jobs their residents so desperately need. The region is also grappling with a new economic reality of increasing income

### State of the Region 2015: Economy, Population, Housing

The *State of the Region* examines the present economic, population, and housing conditions in the nine-county San Francisco Bay Area in the context of historic trends and expectations for the future. The report describes the recovery of the economy and identifies driving factors influencing industry expansion, employment opportunities, and income consequences throughout the region. This report provides necessary data and analysis for the update to *Plan Bay Area 2013*. State of the Region is available as a dynamic, interactive microsite at: <http://reports.abag.ca.gov/sotr/2015/>.

### Vital Signs

The San Francisco Bay Area has established an innovative monitoring initiative to track our region's performance related to transportation, land use, environmental, and economic trends. Led by MTC, this effort relies upon extensive collaboration with ABAG, the Bay Area Air Quality Management District (Air District), and the San Francisco Bay Conservation and Development Commission (BCDC). This data-driven website quantifies and assesses our regional performance compared to similar data from cities, counties, and other peer metropolitan areas. Many of these measures originate from the performance targets developed in *Plan Bay Area 2013*.

View the Vital Signs website at: [www.vitalsigns.mtc.ca.gov](http://www.vitalsigns.mtc.ca.gov)

inequality, where the incomes and wealth of those at the top of the economic scale are much higher than those at the bottom. Many middle- and lower-income households face increasing financial barriers to essential resources—such as housing, transportation, and education—within the region.

The trends described above have led to an increased emphasis on improving the resilience of the entire Bay Area. Resilient communities are able to respond to chronic social stresses and acute shocks by being socially, economically, and environmentally adaptive. The concept of resilience is often mentioned as a component of preparing for and recovering from a natural disaster, such as an earthquake. However, the region will also benefit by being more adaptive when facing less acute (but no less significant) threats, such as the region's chronic housing affordability challenge, growing income imbalances and the need to weather the next inevitable (and yet often unexpected) downturn, or the expected impacts of climate change such as sea level rise.

Creating a more resilient region will require a comprehensive approach that encompasses critical investments to repair and expand our aging infrastructure, improvements to our educational systems to better prepare people for the changes ahead, and helping people succeed by improving access to jobs, education, transportation, and other amenities. And, while the Bay Area has a long history of protecting its cherished open spaces, trail systems, and working landscapes—which are essential to the Bay Area's quality

of life—we should consider ways to ensure these assets continue to thrive in the face of development pressures, economic shifts, and a changing climate. As a region, we are at a critical moment for making choices about how and where we want to grow in order to preserve what we love about the region and be better prepared for the future with all of its opportunities and uncertainties. The PDAs and PCAs provide a shared framework for future growth that can help guide and coordinate our efforts toward a Bay Area that sustains the well-being of its people, cultivates vital places, and fosters and shares prosperity.

## The role of ABAG

In 1961, elected officials from the Bay Area's towns, cities, and counties formed ABAG to provide a forum to discuss common issues that transcend local boundaries and affect the region as a whole—particularly those related to land use planning. As the council of governments for the Bay Area's nine counties and 101 cities and towns, ABAG facilitates communication among jurisdictions, organizations, and

other stakeholders to foster greater collaboration and understanding around regional economic, housing, and environmental issues. ABAG provides data and information to support these regional dialogues and advocates at the state, regional, and local levels to give communities the policies and tools they need to prepare for and capitalize on future growth.

Since adoption of *Plan Bay Area* in 2013, ABAG has used these strengths to engage a variety of stakeholders and support partnerships to advance implementation of *Plan Bay Area 2013*. These efforts have focused on the following key objectives for the region, which are described in more detail in the rest of this report:

- **Promote regional economic vitality and shared prosperity:**

ABAG has collaborated with local and regional agencies, business groups, and community-based organizations to conduct research and develop strategies to support the continued vitality of the Bay Area economy and to increase the extent to which regional prosperity is shared among all businesses and residents. These efforts have



*Contra Costa County*



*ABAG General Assembly, Breakout Session*

focused on strengthening the competitiveness of the regional economy, enhancing local business districts and job centers in PDAs, expanding access to opportunities for all Bay Area residents, improving the region's resources for workforce development, and exploring best practices for goods movement and industrial businesses.

- **Increase housing choices and affordability:** ABAG has been working with policymakers at the state, regional, and local levels, as well as regional stakeholders, to address the Bay Area's acute and chronic housing affordability challenges. The recent surge in demand for housing has also heightened the need for strategies to prevent the displacement of existing residents. The focus of these collaborative efforts has been on identifying policies, strategies,

and, in particular, new funding sources, to increase housing production and preservation—especially affordable and workforce housing units. ABAG has supported these endeavors with research and tools to monitor housing production across the Bay Area and with discussions with state agencies about potential adjustments to state housing policies and the creation of new sources of funding for affordable housing.

- **Build healthy and resilient communities:** ABAG has worked with local governments, transit agencies, regional agencies, and other partners to promote complete communities in jurisdictions throughout the Bay Area. These efforts have been particularly focused on creating networks of thriving neighborhoods and downtowns along the major transportation corridors that are

expected to experience the most housing and job growth in coming years. This includes facilitating discussions between San Francisco and Oakland about their shared challenges and opportunities related to housing production, economic development, and transportation infrastructure. In San Mateo and Santa Clara Counties, ABAG has supported the work of the Grand Boulevard Initiative, which focuses on El Camino Real; and in the East Bay has partnered with jurisdictions from Rodeo in the north to Union City in the south to form the East Bay Corridors Initiative. Both initiatives promote collaboration to address common challenges, capitalize on shared opportunities, and coordinate policies and strategies across jurisdictional boundaries. ABAG's work in these areas has emphasized development feasibility

and entitlement and supporting local PDA planning processes.

ABAG has also capitalized on its longstanding leadership in addressing the risks of earthquakes and natural hazards by integrating community resilience to natural hazards into the complete communities framework. ABAG and the BCDC staff have worked collaboratively with local jurisdictions to identify housing, communities, and infrastructure that are at risk from earthquakes and sea level rise and have developed policy recommendations to address these risks. ABAG has also worked with the Air District and jurisdictions to ensure that new developments take steps to reduce the health impacts of air pollution.

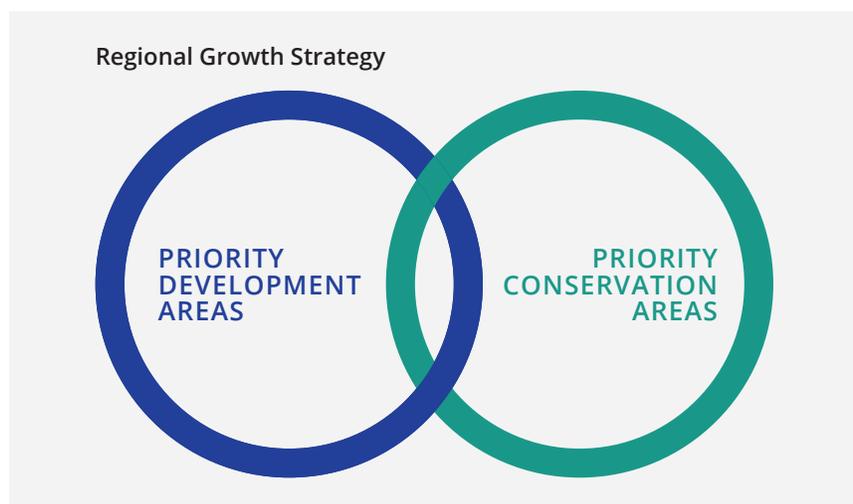
- **Protect and enhance the Bay Area's natural assets:**

In partnership with open space advocates, local jurisdictions, and other stakeholders, ABAG has worked to strengthen the PCA framework by supporting targeted efforts to both protect the region's open spaces and habitat and enhance the agricultural economies of our rural communities. The PCA framework was also updated to further define the role of different kinds of PCAs in supporting habitat, agriculture, recreation, and various ecological functions. As part of this program, ABAG worked with state and local partners to provide grants for regionally significant conservation easements, land acquisition, and transportation projects.

In addition to efforts related to the PCAs, ABAG has continued to add new segments of the planned 500-mile San Francisco

Bay Trail, which is a critical part of the region's network of PCAs, a popular resource for Bay Area residents seeking a healthy lifestyle or an alternative commute, and an increasingly important part of the region's tourist industry. ABAG has also expanded the recently launched San Francisco Bay Area Water Trail, which provides public access to the historic, scenic, cultural, and environmental resources of the San Francisco Bay. Through its San Francisco Estuary Partnership (SFEP), ABAG has also worked with municipal, scientific, and non-profit partners to protect and restore water quality and estuarine habitats throughout the region. These efforts have included helping to obtain and to manage grants supporting local governments' green infrastructure projects and habitat restoration, providing guidance about how to plan for and adapt to sea level rise, and managing over \$90 million for regional partners in grants through the Integrated Regional Water Management Plan (IRWMP) to improve management of the region's water supply.

In recognition of the many interwoven threads that define our daily experiences in the Bay Area, this approach to implementing the vision for the region's future integrates efforts across economic development, housing production and affordability, infrastructure improvements, open space, and resilience. ABAG has collaborated with local jurisdictions and stakeholders to support the development of complete communities as well as the protection of rural and industrial areas and natural resources. ABAG helps its member cities and counties create and preserve inclusive neighborhoods that—although they may vary in size, scale, mix of uses, and ambiance—all offer places in which it is affordable and enjoyable to live, work, and play. As people who love the Bay Area, we want to create places that will endure for future generations and produce a legacy that we are proud to leave for our children and grandchildren.



# PROMOTE REGIONAL ECONOMIC VITALITY AND SHARED PROSPERITY







## SECTION 1

# Promote Regional Economic Vitality and Shared Prosperity

Bay Area residents take great pride in our robust regional economy, which includes innovative companies that gave us the semiconductor and revolutionized the Internet, a rapidly emerging cluster of social media activities, other centers of technological innovation cropping up throughout the region, one of the largest shipping ports in the US, internationally acclaimed wines, world-class universities, and renowned tourist attractions. The Bay Area economy has made a decisive recovery from the effects of the Great Recession and is poised for expansion.

## Regional prosperity shared unevenly

The region has regained all of the jobs lost since the peak of the dot-com boom in 2000.<sup>3</sup> Much of the job growth has been in industries and locations that are already areas of competitive advantage for the region. In addition, some of the region's strengths, including high labor force participation and a highly educated workforce, are expected to continue into the future.

However, the impacts of the recovery and the benefits of prosperity are shared unevenly throughout

the region. While San Francisco and Silicon Valley are booming, other areas of the region are still struggling to attract jobs. The share of employment in middle-wage jobs is shrinking, and *Projections 2013* estimated the proportion of very low- and low-income households in the Bay Area is projected to increase in the future. Income inequality in the region is greater than in California or the US, and there is a risk that many people in the region will not share in the Bay Area's continued economic success.

Although the Bay Area has an enviable economy, sustaining economic vitality—and expanding the number of people who

experience that vitality—should be a priority for the region. One of the key questions for the Bay Area's future is how the region's rising economic tide can provide more opportunities for low- and moderate-income households. We need to invest in our workers, especially by improving the quality and availability of education and training opportunities to ensure workers have the skills and expertise that businesses need. Doing so will allow low- and moderate-income workers to advance into higher-paying jobs and support businesses by ensuring that there is a sufficient pool of talented workers to fill new positions.

### Regional Economic Strategy

**The Regional Economic Strategy Subcommittee** of ABAG's **Regional Planning Committee** is developing a *Regional Economic Strategy* for regional economic development that will build local capacity, economic prosperity and resiliency. The Bay Area would benefit significantly from a regional approach that builds on local plans to manage its economic growth. Each local government has its own economic and workforce development strategy with little coordination across the region. A regional approach could support a stronger and more equitable economy, particularly in distressed communities and cities with limited resources. The Subcommittee will summarize and synthesize recommendations from the local, regional and state level relating to the Bay Area economy, drawing from the region's highly regarded business, economic and workforce organizations.

### Roadmap of Economic Development Actions

The Bay Area Council Economic Institute (BACEI) is a partnership of business, labor, government, higher education and philanthropy that works to support the economic vitality and competitiveness of the Bay Area and California. ABAG is a founder and key institutional partner. Through economic and policy research and partnerships, the Economic Institute addresses major issues impacting the competitiveness, economic development and quality of life of the region and the state, including infrastructure, globalization, science and technology, and governance.

BACEI is producing a "Roadmap," composed of actions to support continued regional growth and development that is designed to be a flexible, living document responsive to changing economic conditions. It is being developed at the request of the Bay Area's regional agencies (MTC, ABAG, BAAQMD, and BCDC), the Joint Policy Committee leadership (which represents the four regional agencies), and regional business and economic development organizations. As a tangible economic policy platform the Roadmap will inform the next iterations of Plan Bay Area. For more information visit: [www.bayareaeconomy.org](http://www.bayareaeconomy.org)

## Balanced land uses necessary for economic vitality

One of the major challenges to economic prosperity is the lack of affordable homes in the region. Bay Area business leaders have regularly cited the high cost of housing as a barrier to hiring and retaining workers which stifles economic growth. Section 2 provides more detail about strategies for addressing the need for more homes, and particularly homes that are affordable to lower-income and moderate-income households.

While adding homes is essential to economic vitality, land use plans should also include space for all activities that are a part of the regional economy. Collaboration among regional and local governments, the business community, and other stakeholders will be needed to identify the best

locations for offices and businesses, with a particular focus on the needs of industrial businesses and those related to moving materials and goods throughout the region. Local governments can also better support these businesses by updating industrial zoning and permitting processes to match contemporary needs.

## Government policies to support businesses

There are also a number of steps that governments—whether state, regional, or local—can take to support a healthy business climate and promote job growth. Many communities in the Bay Area are encouraging new homes and businesses in locations within already-developed areas, particularly near public transit. Although this emphasis on infill development is consistent

with State sustainability goals, some State policies and regulations, such as Proposition 13, undermine local governments' ability to implement a more focused development pattern. Although addressing these challenges would require coordinated action at the state level, local governments can also make it easier to attract and retain businesses by streamlining their regulations and permitting processes and by collaborating with industry leaders and other stakeholders to develop economic development strategies.

## Strengthening the region's infrastructure

Interconnected layers of infrastructure—including transportation, waste, water, communications, and energy systems—are essential to Bay Area quality of life and economic vitality. However, many communities rely on aging infrastructure systems that are approaching, or have already passed, their expected lifespans. Investments to repair, replace, or seismically retrofit these systems are crucial to return the infrastructure to a state of good repair, support job growth, and increase the region's resilience to natural disasters. Improvements to the region's public transit system are needed to sustain and increase ridership, helping to relieve traffic congestion. The Bay Area cannot rely on Federal and State governments alone to provide sufficient funding for investments in infrastructure. The region will have to identify additional funding sources to augment these resources.



Mountain View

## ABAG's role in supporting the regional economy

ABAG works to promote the economic vitality of all Bay Area businesses and residents by encouraging public policies that support a healthy business

climate and job growth, promoting investments in infrastructure, improving the alignment between workforce skills and business needs, and ensuring the Bay Area has space for all activities that contribute to the regional economy and facilitate goods movement. ABAG convenes jurisdictions, organizations, and stakeholders from across the region to foster greater collaboration and understanding around land

use planning, housing, energy and infrastructure.<sup>4</sup> This is a natural outgrowth of ABAG's established regional research, analysis, and forecasting practice. As an organization that works at the state, regional, and local levels, ABAG can collaborate with business and community stakeholders to develop policy recommendations to elevate local concerns to higher levels of government to effect needed change.



*Straus Family Farm*

## OBJECTIVE

# Use public policy to support a healthy business climate and job growth

An effective partnership between businesses and government on the economic issues facing the region is needed to sustain our economic vitality. Most communities in the Bay Area are focusing future job and housing growth in PDAs and other infill locations to make best use of existing infrastructure and investments. Some State and local policies limit the success of PDAs by overemphasizing retail development instead of a mix of land uses, while it is also difficult for local governments to secure funds to invest in the infrastructure and other public services needed to support infill growth. The State and local governments can take steps to reduce the complexity of regulations and permitting processes to decrease the amount of time and money businesses spend complying and increase the likelihood plans will lead to successful outcomes. Local economic development strategies will be most successful if designed and implemented through collaboration among all levels of government and with business leaders.

### **Ensure communities that pursue infill development have the resources to provide and maintain necessary services:**

Although infill development is essential to achieving the State's goals for a more efficient and sustainable

development pattern, several State regulations and policies inhibit this type of growth. Proposition 13 limits local government's ability to raise property taxes, so local land use decisions are often based on their short-term fiscal effects rather than whether they make the most long-term sense for the community. For example, even though a lack of new homes is contributing to high housing costs, most communities prefer new retail development because it provides higher sales taxes. The dissolution of Redevelopment Agencies and some State tax policies, such as the requirement that two-thirds of voters must approve local sales taxes or bonds, make it difficult for local governments to secure their own funding sources to invest in infrastructure and other amenities to support infill development. In the face of these problems, State, regional, and local governments should collaborate with business leaders and other stakeholders to consider changes to these policies to give local communities the flexibility they need to implement their visions for new infill development and community revitalization.

### **Ensure State and local regulations and permitting processes support business retention and expansion:**

The State and local governments can attract new businesses and help existing businesses thrive by developing clear, consistent rules and by simplifying and streamlining the permitting and licensing processes. These efforts can be particularly beneficial for small businesses, which represent a significant share of business growth and employment. Specific strategies include creating a one-stop-shop where businesses can obtain multiple permits or providing business starter kits for common business types (such as restaurants or retail shops) with step-by-step guides, required permits, and other resources. Benefits are magnified when local tax policy, fees, permitting processes, and other regulations are aligned among neighboring jurisdictions. This type of coordination can reduce costs for businesses with operations in multiple jurisdictions, make the overall area more attractive, and reduce competition between cities for employers.



*Career Pathways Participant*

## OBJECTIVE

# Address the growing strains on traditional and 21st century infrastructure

A renewed focus on repairing and enhancing the region's infrastructure is needed to maintain the Bay Area's economy and quality of life. New investments are needed to fix what is already in place, make improvements to accommodate future needs, make these systems more resilient to potential disruptions from natural hazards, and ensure business competitiveness. Without these investments, congestion will slow the movement of goods and people on roads, transit, and airports; we will not be able to adapt to the latest technologies; and we will face the possibility of cascading infrastructure failures in the event of a natural disaster. However, planning for the necessary maintenance and expansion of these services is hindered by divided responsibilities among state agencies, local governments, and private utilities. Improved collaboration will be needed among these different groups to ensure we make the investments needed to secure the region's future.

**Rebuild and expand traditional infrastructure:** Traditional infrastructure, such as roads and sewers, is a critical component of our everyday lives, and the effects of a failure or disruption in service can be felt throughout a community. The major challenge to making the critical investments needed

to maintain, expand, and retrofit infrastructure assets is a lack of funding. Regional agencies, local governments, business leaders, and other stakeholders should work together to identify potential sources of funding to address the region's infrastructure needs. Local governments can consider generating funds through local measures, such as issuing bonds, raising sales taxes, or implementing fees on the use of roads, as well as leveraging private capital through public-private partnerships. Another option is to create a regional infrastructure bank that would provide loans for selected infrastructure projects. An infrastructure bank would facilitate private sector investment in public projects and encourage cooperation among local jurisdictions in planning and financing necessary infrastructure investments.

**Expand investments in 21st Century Infrastructure:** The Bay Area's "21st Century Infrastructure"—its communications and energy systems—complement more traditional types of infrastructure and are increasingly important to economic vitality. Communications and energy systems tend to be driven by more rapid changes in technology and user preferences. To support economic growth, the Bay Area needs to expand the quality and capacity of its communications infrastructure and to update the electricity grid to increase energy efficiency and storage capacity to accommodate the expanded use of renewable energy, rooftop solar systems, electric vehicles, and smart appliances. All levels of government can facilitate improvements to communications infrastructure

## Taking Steps to Improve Regional Transit

MTC has partnered with transit operators, congestion management agencies, and other stakeholders to undertake several initiatives to improve the transit rider experience and ensure transit agencies have the resources they need to provide sufficient service to meet the needs of current and future residents and businesses. The **Transit Performance Initiative** provides financial rewards to transit agencies for improved ridership and productivity and offers competitive grants for infrastructure investments to increase performance along major transit corridors. The **Means-Based Transit Fare Study** seeks to make transit more affordable for low-income residents and encourage more consistent fare discount policies across transit agencies.

The **Core Capacity Transit Study** is a multi-agency study to identify and prioritize the major investments needed to serve the growing demand for quality transit service into the San Francisco Core (which includes portions of the Financial District, South of Market (SoMa), Mid-Market, and Mission Bay neighborhoods). The study focuses on the Transbay Corridor—investments to transport commuters on BART, AC Transit, and ferries from the East Bay (including potential new connections across the Bay) and the San Francisco Metro Corridor—strategies focused on SF Muni's light rail and bus network, Caltrain's peninsula service to San Francisco, and BART service through the eastern neighborhoods of San Francisco. The priorities identified as part of this study will be incorporated into *Plan Bay Area 2040*.

by developing more detailed and specialized plans, considering system-wide upgrades rather than project-by-project approvals, and ensuring that regulations are reviewed regularly and are flexible enough to accommodate technological advances and changes in how people use services. Energy infrastructure can be improved by pursuing innovative approaches to ratemaking and regulation that allow more decentralized operation of the electricity grid and provide flexibility to meet changes in technology and consumer demands.

**Invest in public transit to make it easier to travel around the region:**

There are 27 different agencies that provide public transit services in the Bay Area. Although residents and workers often must travel from one county to another, most of the transit agencies operate solely within one county. For riders, trying to figure out the different schedules, fares, and how to transfer from one system to another can be a challenge. Transit agencies should work together to coordinate their

policies and provide information in ways that make the transit experience more seamless. Since most jobs in the region are more than a half-mile away from a regional transit stop, it is also essential that we expand the quality and availability of “last-mile” solutions to enable people to easily travel between transit and their job. Some options include shuttles, better bicycling and walking environments, or ridesharing. Transit agencies should also consider focusing their service and infrastructure improvements on the most-used routes. Finally, we need to identify new sources of funding to support our major transit systems, such as San Francisco Muni, BART, AC Transit and Santa Clara Valley Transportation Authority, which need to replace old buses and trains to meet the growing demand as more people choose transit.

**Improve the resilience of the region’s infrastructure systems to natural hazards:**

The region’s critical infrastructure is aging and vulnerable to earthquakes, flooding, fire, drought,

and other hazards, many of which are expected to increase in severity due to climate change. These systems are very reliant upon one another, so if one system fails or is damaged, it can disrupt other systems. For example, an undamaged highway system without fuel is a broken transportation system, and the ability to make repairs to one system may depend on other systems (such as electric or communications) working. Currently the vulnerability of many infrastructure systems is neither well known nor well communicated to the public. The region has previously invested billions into improving the ability of its transit, highway, and water systems to withstand earthquakes. Similar improvements are needed across all infrastructure systems to protect against damage from all hazards and to address the cascading impact a single failure can have across systems.

**Cascading Failures: Earthquake Threats to Transportation and Utilities**

In 2014, ABAG’s Resilience Program developed a report examining the vulnerability and interconnectedness of regional transportation and utilities to earthquakes. The report produced key findings on the region’s airports, ground transportation, fuel, electric, and water systems and identified how the dependencies among these systems contribute to vulnerability or provide redundancies and backups to keep utilities functioning after a major earthquake. The report supports the development of a regional Lifelines Council to further study and address critical infrastructure vulnerabilities and keep the region functioning after a disaster. For more information visit: [http://resilience.abag.ca.gov/projects/transportation\\_utilities\\_2014](http://resilience.abag.ca.gov/projects/transportation_utilities_2014).



Caltrain Baby Bullet

## OBJECTIVE

# Expand opportunities for middle-wage employment

A strong middle class is critical to the continued vitality of the Bay Area economy. However, middle-class wages are increasingly out of reach for many people, as more than a third of Bay Area workers earn less than \$18 per hour (or less than \$36,000 per year for full-time work) and most of those earn less than \$12 per hour.<sup>5</sup> To support these households, we need to explore strategies to increase middle-wage jobs and create pathways for lower-wage workers to move into better jobs. Most of the projected middle-income job openings will become available as workers retire or change occupations, rather than from growing industries or occupations. For the region to remain competitive we must invest in our workforce so businesses can find skilled workers to fill open positions that might otherwise be outsourced.

**Collaborate to improve local economic development strategies, with an emphasis on growing middle-wage jobs:** While middle-wage jobs are available in many different industries, some of the employment sectors where these jobs are especially prevalent include professional services, construction, healthcare, government, and education. To successfully encourage growth in these industries, local economic development strategies should be based on an understanding of how the local economy interacts with the regional economy—particularly how local industries

poised for expansion relate to the Bay Area's primary growth clusters. Although local governments are very interested in local economic development opportunities, most lack the resources or experience to conduct this type of detailed analysis. Data and insights from industry leaders, suppliers, policy makers, workforce development providers, and other stakeholders are essential to help local governments identify promising industry clusters and develop a detailed economic development strategy to ensure they are supporting businesses at all stages of development, so businesses do not leave the Bay Area. The benefits of local economic development strategies are magnified when done in collaboration with economic development agencies and neighboring jurisdictions.

**Reform California's education system to generate a globally competitive workforce:** For many people, public education is the key that unlocks the opportunity for a better life. However, years of budget cuts have limited the ability of California's education system to adequately and affordably meet the needs of students. Additional funding for the State's K-12 schools and public universities and colleges is necessary to ensure these institutions remain accessible to students of all income levels and can prepare students to adapt to a rapidly evolving economy. California's higher education system, in particular, could do more to align courses and training to the skills and knowledge that businesses need. For example, Community Colleges could offer more classes that prepare people to work in high-demand occupations, such as those in health-related fields. Training for

## Regional Prosperity Plan

The Bay Area Regional Prosperity Plan is a recently completed, three-year initiative funded by a \$5 million grant from the U.S. Department of Housing and Urban Development (HUD) to ABAG and MTC. As part of HUD's Sustainable Communities Partnership Program, it aims to create stronger, more sustainable communities by integrating housing and jobs planning, fostering local innovation, and building a clean energy economy. The Prosperity Plan builds on local and regional planning efforts to address the needs of people who face barriers to economic opportunities and who are least likely to participate in local and regional planning and decision-making processes.

The Prosperity Plan includes two key, interconnected areas of work:

1. **Economic Prosperity Strategy:** a regional approach for expanding economic opportunities for low- and moderate-income workers.
2. **Housing the Workforce Initiative:** tools and resources to improve housing affordability near transit, while stabilizing low-income neighborhoods as new investments raise property values.

MTC and ABAG worked with elected officials, local city and county staff, community-based and regional non-profits, and business and labor groups to fund and oversee over 50 pilot projects and publicize regionally applicable findings. For more information visit: <http://planbayarea.org/resources/Bay-Area-Prosperity-Plan.html>

jobs in the green economy should also be a priority. These efforts are particularly effective if done regionally, since the training can be directed to growing industries with many job opportunities.



Job Training Participant

**Strengthen pathways to help lower-wage workers move into better jobs:** The region's economic vitality depends, in part, on ensuring existing workers and new entrants to the labor force have the skills necessary to take advantage of available job opportunities. Partnering with businesses to develop industry-driven, sector-based training programs helps ensure workers learn skills that are in demand. Many lower-wage workers also need job-focused training to improve their basic skills and digital literacy. Workers can also benefit from the creation of certificate programs for occupations that currently do not have them, since they will be able to demonstrate to employers that they have skills in that occupation. Helping workers navigate online job searches and applications, creating networking opportunities, and encouraging apprenticeship programs and paid internships are also essential to assisting workers to build their careers.

## OBJECTIVE

# Ensure the Bay Area has space for all activities that contribute to the regional economy and facilitate goods movement

In an effort to preserve the region's remaining open spaces and working landscapes, most communities are encouraging more growth in infill

locations. There has been a particular emphasis on building new homes near transit to encourage more transit use, but people are more likely to ride transit if their job is also near a transit stop. In addition, the surging demand for housing has created competition between housing and other types of land uses, which can lead to the displacement of jobs in industry sectors that are clustered on lower-priced land, such as warehouses. Housing is essential for the region's economic vitality. However, housing should not crowd out employment uses that often provide middle-wage jobs and are critical to the regional economy,

### Goods Movement Study

MTC is updating the *Regional Goods Movement Plan*, last updated in 2008, to inform development of *Plan Bay Area 2040*. This effort is closely integrated with the Alameda County Transportation Commission's (ACTC) countywide goods movement planning effort, as well as ongoing state and federal freight planning and policy activity to ensure consistency among all plans and to provide a more complete picture of the goods movement system in the Bay Area. This report will:

- Evaluate regional existing conditions and key trends, issues, and opportunities, while looking at neighboring regional connections and localized urban goods movement needs.
- Develop and recommend strategies to improve the efficiency of the regional goods movement system while reducing impacts on communities.
- Assess importance of goods movement to support jobs and the economy throughout the diverse region.

### Industrial Land and Jobs Study

ABAG, MTC, and UC Berkeley are collaborating on an *Industrial Land and Jobs Study* to gain a better understanding of industrial land needs today and in the future and potential land use tradeoffs. The study will complement the MTC/ACTC *Goods Movement Study*. This study will:

- Analyze the function of and demand for industrial land in today's and future economy.
- Evaluate the economic, employment and transportation impacts of land conversion on job quality and accessibility, other industry sectors, and vehicle miles traveled.
- Develop strategies to support retention of industrial land (as needed) and the efficient movement of goods within and outside the region.

especially industrial space for production, distribution, and repair as well as the facilities necessary to move materials and supplies throughout the region.

**Integrate employment activities into the PDA framework to encourage more jobs near transit:**

The PDA framework that is the foundation for *Plan Bay Area* has emphasized the need for new homes in areas near transit. However, people are more likely to ride public transit to work if their job is also located close to a transit stop. ABAG and MTC should evaluate potential strategies for increasing the intensity and mix of uses in PDAs with an emphasis on increasing jobs that are oriented toward transit. Regional agencies should also work with local governments, transit agencies, and the business community to encourage employers—particularly those in industries that have a lot of middle-wage jobs, such as health care, educational services, and government—to locate in transit-served locations.

**Evaluate a Priority Industrial Area Program:**

Establishing a regional program to designate Priority Industrial Areas could help ensure there is enough land for these critical uses, and would complement the existing PDAs and PCAs identified as part of the regional planning framework. Industrial and goods movement businesses are essential to our economy and need stable, affordable, and centrally located space to provide products and services to the Bay Area’s residents and businesses. These businesses support high-growth industries,

tend to pay better wages for less skilled workers, and when located in central locations, may decrease vehicle miles traveled and costs to consumers. Industrial businesses have unique needs when it comes to finding suitable space to operate and, given the strong market demand for new housing and other uses, these businesses often cannot compete for new space where needed and are sometimes forced out of their existing locations. A Priority Industrial Area program would encourage greater regional coordination related to developing and preserving industrial land and supporting the transportation investments and policies needed to make it easier to move goods and materials throughout the region.

**Re-envision office parks:** The region’s continued economic growth is increasing demand for existing office space, especially in places that are both centrally located and transit accessible. Many of the Bay Area’s existing suburban office parks—even those close to transit—were built with the expectation that workers would drive to work. Promoting a more efficient use of these office parks can help meet the demand for jobs in a more urban environment that can be reached by transit. Increasing density in office parks makes it more efficient to provide transit for them, while improving the safety and connectivity of bicycle and walking paths enables employees to travel from home or a nearby transit stop to their job without needing a car. Adding restaurants, retail, or other services within office parks allows workers to take care of some of their daily needs without a car or by driving less.

**Priority Industrial Areas**

The region’s industrial areas are home to thousands of businesses providing a wide range of products and services that support all aspects of our economy. At the request of cities, ABAG is evaluating creating Priority Industrial Areas to complement the existing PDAs and PCAs. Including places for employment as part of the regional planning framework would promote a balanced strategy for considering future land uses.

Priority Industrial Areas could be developed similarly to PDAs and PCAs via a local government nomination. The concept of Priority Industrial Areas was presented in June of 2015. It is expected that a coordinated review with local jurisdictions will occur in Spring 2016 and that the Draft Priority Industrial Area Guidelines will be presented to ABAG’s Regional Planning Committee and Executive Board in Fall 2016.

**Identify policies and funding to meet the Bay Area’s housing needs:**

The high cost of housing in the Bay Area presents a significant challenge for maintaining the region’s economic and job growth. Every community should contribute to increasing the region’s housing supply. Ensuring a sufficient supply of housing that is affordable to the region’s workforce encourages greater economic mobility for lower-wage workers and helps businesses attract and retain workers so jobs remain in the region. While the points regarding streamlining development described earlier in this section relate to housing production as well as nonresidential activities, Section 2 discusses the Bay Area housing context more fully.

# INCREASE HOUSING CHOICES AND AFFORDABILITY







## SECTION 2

# Increase Housing Choices and Affordability

2

By almost any measure, the Bay Area is facing a housing crisis. Demand for housing in some communities is causing rents to rise so rapidly that families are priced out of their homes. Many working families cannot afford to live in locations that offer access to employment opportunities and high-quality services, such as schools, health care, public transit, and shopping. Rents and mortgages are consuming a growing share of most households' incomes.

## The Bay Area's acute—and chronic—housing affordability problem

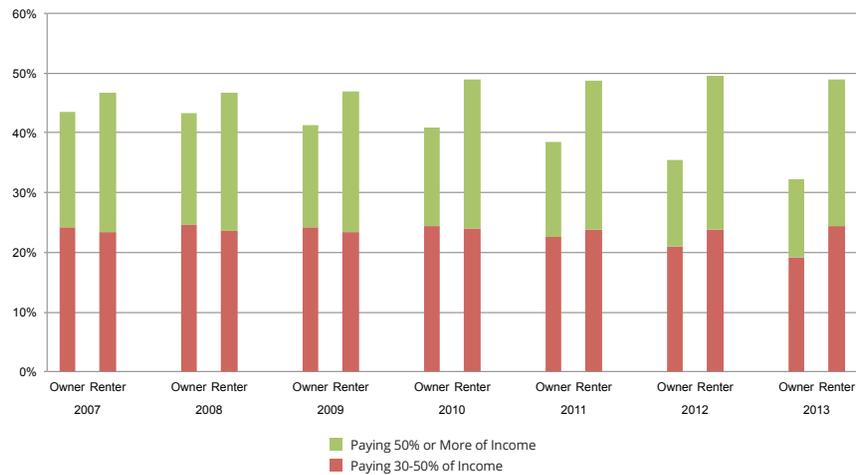
Households are coping with the shortage of affordable homes by paying too much, living in overcrowded homes, facing uncertainty about being evicted or priced out of their home, moving to outlying areas or out of the region entirely, or, in some cases, becoming homeless. The lack of a stable and affordable home makes it harder for people to maintain steady employment, do well in school, remain healthy, and participate fully in community life.

These stresses do not affect all households directly, but cumulatively they negatively impact the region as a whole. Bay Area business leaders have consistently cited the high cost of housing as a barrier to hiring and retaining workers, threatening the region's economic competitiveness. Traffic congestion increases when people have to travel longer distances between available jobs and homes



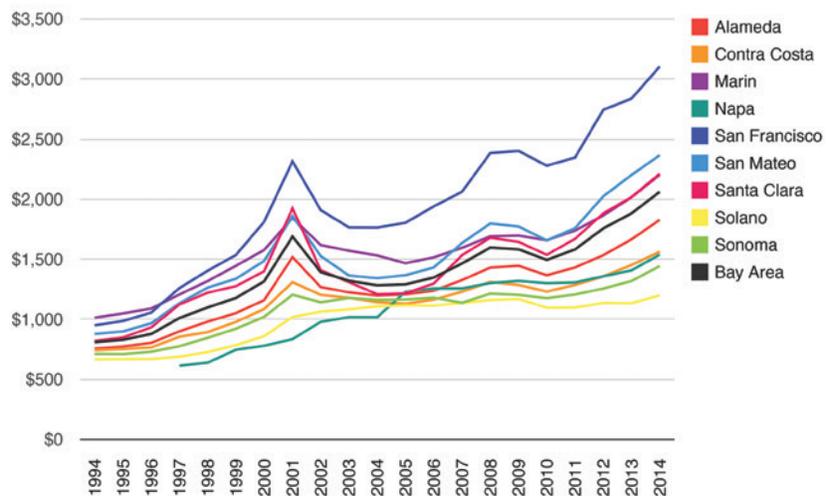
Point Reyes

### Households Paying 30 Percent or More of Income on Housing in the Bay Area



Source: ABAG from US Bureau of the Census, American Community Survey 1-Year Estimates

### Average Monthly Rent, 1994-2014



Calculations are based on data from RealFacts. Data includes only developments with 50 or more units. Not all jurisdictions are represented in the dataset. Rents are not adjusted for inflation because they are a key component within the CPI. As such, it would not be appropriate to use the CPI (or the rental or housing component of the CPI) to adjust housing prices.

Source: RealFacts, calculations bay ABAG. Not adjusted for inflation

they can afford, making it harder for everyone to travel around the region and contributing to air pollution. The hours spent stuck in traffic take away from the time people can spend with their families and friends, and reduce the region's economic productivity. Demand for less expensive housing in

outlying areas contributes to the loss of open space and agricultural land.

Although many in the Bay Area have focused on the recent crisis of rapidly escalating housing costs, in reality the region has faced a chronic housing affordability problem for a long time. The Bay Area consistently

ranks as one of the most expensive housing markets in the United States. This is, in part, because of its economic vitality and high quality of life compared to other regions. And, it is also because the number of new homes added in the region over the last several decades has not matched the number of new jobs, resulting in an unmet demand for housing. This unmet demand pushes rents and prices upward, and makes it nearly impossible for low- and moderate-income households to find affordable homes, unless the homes have been built with public subsidy and are cost-controlled, or they are willing and able to commute by car over long distances. With the Bay Area's robust economy, any future job growth will likely result in continued high demand for housing.

Unfortunately, if this pattern continues, the region's housing affordability problem is likely to get worse. Structural changes in the economy mean the shares of high-wage and low-wage jobs are expected to increase, while the share of middle-wage jobs decreases. These trends indicate there will be an increased need for affordable and workforce housing. To address this challenge, the region needs tools and funding to produce more affordable homes and preserve the ones that already exist, while also protecting people from being displaced from their current homes.

## Expanding choices to meet changing housing preferences

The Bay Area should also prepare for the evolving housing preferences of a changing population. Over the next several decades, the region's population is expected to become older and more diverse. A greater variety of housing types, such as apartments, condominiums, and townhouses, is needed to meet the housing needs of people at all stages of life. This could include seniors who want to stay in their community but are ready to give up the responsibilities of maintaining a single-family home or young workers who want to stay in the community in which they grew up but aren't ready (or can't afford) to buy a home.

Already, Bay Area residents have shown a desire for more of these kinds of choices. Recent development trends show that most new homes in the Bay Area are apartments, condominiums, and townhouses—which complement the region's existing prevalence of single-family homes. This emphasis on multi-family housing is evident in both suburban and urban areas. In many cases, these homes are smaller, which helps to reduce greenhouse gas emissions by requiring less construction material and using less energy. Many of these new homes are located in PDAs and other areas near rail stations or bus stops, consistent with the goal of creating complete communities where homes are clustered in walkable, transit-served neighborhoods with many different shops and services. Developing in existing communities revitalizes these areas, capitalizes on existing investments in infrastructure and public transit, expands housing and transportation choices, and protects undeveloped lands.



Oakland

# ABAG's work related to housing choice and affordability

ABAG works with local governments, stakeholders from throughout the region, and state and federal policymakers to expand housing choices and increase housing affordability. These collaborative efforts focus on encouraging new housing—particularly more affordable homes—and protecting people from being priced out of their homes because of new development. To achieve these outcomes, ABAG advocates for increased State, regional, and local sources of funding to make homes more affordable and promotes more policies and resources to support preservation of existing affordable homes. ABAG also facilitates dialogue and information sharing among local governments and

other stakeholders in order to enable coordinated action and provides data about housing planning, production, and market trends to inform these discussions.

## OBJECTIVE Build more housing, particularly in PDAs

Increasing the number of available homes, particularly in PDAs and other locations with good access to jobs and other opportunities, is key to addressing high housing costs and sustaining economic vitality. The locally-designated PDAs are the places in the region where most growth is expected to occur. ABAG encourages local governments to plan for these areas to be complete communities that provide a range of housing and

### ABAG's Regional Housing Datasets

ABAG has developed several datasets that provide new insights into housing trends in the Bay Area and the work that local governments are doing to plan for meeting the region's housing needs. These efforts include:

- **Mapping locations where housing is planned:** All California jurisdictions are required by state law to identify sites where they plan to accommodate new homes to meet their projected housing need. ABAG is mapping and making publicly available the data about these locations for all Bay Area jurisdictions.
- **Tracking where housing growth is happening:** To evaluate whether housing growth in the region is aligned with Plan Bay Area, ABAG is tracking at the neighborhood level where housing is being permitted throughout the nine-county Bay Area.
- **Identifying how jurisdictions promote housing:** ABAG created California's first comprehensive housing policy database which tracks 30 housing policies and programs for all 109 Bay Area jurisdictions and will continue to update and expand the information in the database.

More information is available at: <http://abag.ca.gov/planning/housing/research.html>

### HOLISTIC APPROACH TO AFFORDABLE HOUSING



- Acquire and rehabilitate affordable homes at-risk
- Advance new home ownership models
- Create supportive financing environment
- Link to seismic and energy retrofits
- Simplify regulations
- Use available public land for affordable housing
- Expand funding at all levels
- Adopt proven policies

transportation choices in areas with easy access to jobs, services, shopping, and other amenities. Given the strong demand for housing in transit-served locations, it is also important for communities to preserve existing affordable units in these areas, and promote community stability by protecting existing residents from displacement due to development.

**Diversify housing choices to meet the needs of the region's changing population:**

As the sizes and configurations of Bay Area families become more diverse, the region's housing choices will need to diversify as well. Since they are a large segment of the region's population, the choices that Baby Boomers make about housing will influence the options available to others. Seniors will need housing that allows them to remain independent and engaged in their communities for as long as possible, as well as facilities that can care for them compassionately when living independently is no longer an option. We need more homes that can comfortably accommodate multiple generations. And we need more homes to accommodate those seniors and younger generations alike who prefer more compact homes with access to urban amenities.

**Repurpose under-utilized publicly-owned sites near transit and jobs:**

There are a number of public agencies—such as cities, counties, transit operators, and school districts—that own land in PDAs and other areas close to job centers and public transit. Given the regional importance of increasing affordable housing, these publicly owned sites offer a prime opportunity to develop housing in transit-accessible places where land prices have become too high for many affordable housing developers to effectively compete. Public agencies should identify unneeded or under-utilized sites and prioritize affordable housing on these sites by passing ordinances that require inclusion of permanently affordable homes in any developments and/or give nonprofit housing developers or community land trusts the first opportunity to buy the sites.

## OBJECTIVE

# Increase affordable housing options

Building more homes will help reduce the high costs of housing in the Bay Area. However, land and development costs are so high in the region that most new homes are not affordable to middle- or lower-income residents unless they are cost-controlled and were built with some public subsidies. These subsidies allow residents to pay rents or mortgages they can afford, and the homes have long-term deed restrictions to ensure they remain affordable to middle- or lower-income households in the future. Although the need for these types of affordable homes continues to increase, building them has become more difficult in recent years with the steady reduction of federal and state subsidies and the elimination of redevelopment

agencies and their requirements for building affordable housing. To encourage construction of more affordable homes, we need to increase the subsidies available, improve local communities' understanding of and support for more affordable housing options, and promote regulatory changes to facilitate planning and building more affordable homes.

**Increase funding and financing for affordable housing:**

To fill the growing need for subsidies, we need to identify additional funding mechanisms at the state, regional, and local levels. ABAG supports efforts by the State Legislature to create new funding sources for affordable housing. Ideas for regional solutions include a regional parcel tax or general obligation bond, an expansion of the Transit-Oriented Affordable Housing (TOAH) fund which currently helps finance affordable housing development, and a regional housing trust fund that could coordinate with



San Carlos

sub-regional housing trust funds to pool locally-generated funding and leverage private investment. Some actions local jurisdictions can take include use of fees that link construction of new office space or market-rate housing to development of affordable homes or contracts that mandate additional community benefits on a case-by-case basis in particularly large developments.

**Build community support for affordable housing and housing affordability:**

As in other parts of the country, many people in the Bay Area perceive the need for affordable housing as something that affects just a few, select groups of people. However, with an economy that creates many high-wage and low-wage jobs with very few middle-wage jobs, there is and will continue to be a need in the Bay Area for deed-restricted affordable housing for many working households. ABAG can work with local governments, housing organizations, and other stakeholders to expand understanding among Bay Area residents about who benefits from affordable housing, the role it plays in sustaining communities and the regional economy, and strategies for successfully integrating affordable homes into existing neighborhoods.

**Pursue State regulatory changes to support affordable housing:**

A court ruling in 2008 invalidated one popular affordable housing strategy, known as inclusionary housing, which requires developers of new market-rate rental housing to include some affordable units in their housing developments. ABAG supports statewide legislative efforts to enable jurisdictions to use inclusionary housing policies for rental housing if they choose. In addition, while the

**Who is Being Left out of California’s Housing Market?**

*This list shows some of the occupations where the median income for workers in California is less than half of the State median household income of \$28,150.*

50% of State Median Household Income: \$28,150	
Job Category	Median Income in CA
Nursing Assistants	\$27,900
Security Guards	\$24,120
Janitors and Cleaners	\$23,590
Restaurant Cooks	\$23,200
Retail Salespersons	\$22,000
Home Health Aides	\$21,870
Cashiers	\$20,540

Source: California Housing Partnership Corporation Analysis of 2012 Bureau of Labor statistics and Census data, excerpted with permission from *How California’s Housing Market is Failing to Meet the Needs of Low-Income Families, Recommendations to the Leaders of the State of California*, February 2014

California Environmental Quality Act (CEQA) provides valuable insights into the environmental impact of new development, it is often used as a tool to stop growth altogether. It is worth considering refining and expanding CEQA exemptions for affordable housing projects that meet strict environmental standards and are located near transit or jobs.

**Develop local incentives to encourage affordable housing:**

Every community in the Bay Area has a role to play in providing sufficient affordable housing choices for the region’s residents. There are a variety of tools and strategies available, so communities can find solutions that make the most sense for their size, location, and housing market. Jurisdictions should consider a full suite of options to build and preserve affordable housing including the acquisition, rehabilitation, and conversion of older buildings into affordable housing. Some might want to develop local funding sources

for affordable housing or dedicate publicly-owned land to affordable housing. Others might give affordable housing developers exemptions from local development fees. Since many households are driving less and purchasing fewer cars, communities can also make housing less expensive by refining their parking policies to require less parking in places that offer alternatives to driving or by unbundling parking from rent and mortgage payments so residents pay for housing and parking separately and have the option of forgoing a parking space.

**Remove barriers to providing housing, especially for the region’s most vulnerable populations:**

Local communities should look for ways to make sure that regulations, development standards, and permit approval processes do not create barriers to developing affordable housing, especially supportive housing for residents with chronic disabilities.

## OBJECTIVE

# Preserve affordable housing to maintain neighborhood economic diversity and stability

Considering how difficult and expensive it is to create new homes that are affordable to middle- and lower-income households, preserving existing affordable homes is an essential strategy for making the Bay Area a more affordable place to live. One strategy is to extend the affordability limits on homes when the deed restrictions are set to expire. Another approach is to acquire homes and convert them into affordable homes with deed-restricted limits on household incomes, which can help ensure homes remain affordable in places where the demand for housing is driving up rents and prices. This strategy increases the supply of permanently affordable housing, helps revitalize neighborhoods that have concentrations of aging rental housing, and can help prevent displacement of longtime residents.

### **Increase funding and financing resources for preservation:**

As with the production of deed-restricted affordable housing, funds for preserving affordable units (both deed-restricted and otherwise) are scarce. State, regional, and local governments should work together to identify funding sources and financing tools that facilitate affordable

housing preservation. Currently, leaders statewide are discussing reform of the tax credit programs that enable the acquisition, rehabilitation, and conversion of small apartment buildings to permanently restricted affordable units. Another idea to consider is creation of a regional revolving loan fund program to provide financing for time-sensitive acquisition of properties for preservation. As Federal and State funding diminishes, we also need to identify new funding for the popular and effective home repair and rehabilitation programs operating in most cities and counties that enable seniors and others on fixed incomes to stay in their homes. Similarly, we should support programs to promote energy efficiency upgrades for low-income households, which benefit the environment and increase housing affordability by reducing households' utility costs. These programs are described in more detail in Section 3.

### **Promote alternative housing ownership models:**

The Bay Area will also need to be creative about the types of homeownership used to preserve the affordability of existing and future units. One promising strategy is community land trust programs where a community group buys land and holds it in perpetuity to keep the homes on it permanently affordable. Another option is to form cooperatives among existing tenants in smaller rental properties near transit or jobs, where both the owner and a majority of the tenants are willing to convert the units into a joint-ownership property with permanent affordability.

### **Advocate for policies that encourage preservation:**

At the state level, California's housing element law only counts newly constructed homes toward a jurisdiction's mandated affordability goals. ABAG promotes reform of that law to ensure that jurisdictions receive the credit they deserve for other types of housing "production," such as the acquisition, rehabilitation and conversion of formerly market-rate units to deed-restricted affordable homes. ABAG also advocates that federal, state, and regional funds made available for natural disaster recovery require one-to-one replacement (or no-net-loss) for deed-restricted affordable housing units that are rendered uninhabitable as a result of the disaster.

### **Encourage local policies that preserve housing affordability and neighborhood stabilization:**

Local governments can consider a variety of policies to promote preservation of affordability and neighborhood stability in ways that fit their local context. Some options include limiting the number of rental homes that can be converted to condominiums, rent stabilization laws that limit the amount and pace of rent increases so renters are not forced out by rapid rent growth, and requiring one-to-one replacement of deed-restricted affordable housing units that are damaged in a natural disaster or demolished for new development. Local communities should consider developing plans for how best to preserve at-risk affordable homes near transit or jobs.

## OBJECTIVE

# Reduce housing and community vulnerability to natural disasters

As anyone who lives in the Bay Area knows, our region is susceptible to the effects of natural hazards such as earthquakes and flooding. If the damage from a disaster is severe, many residents will not be able to live in their homes. Right after a disaster, this can overwhelm temporary shelters and city services and can then lead to increased demand for temporary housing or rental housing. In a region where demand for housing is already high, the loss of many housing units might drive costs even higher. The impact of this disruption and potential cost increases would be a bigger obstacle for the most vulnerable people in the Bay Area, such as seniors and low-income residents, since finding housing that is affordable and near jobs, schools, medical facilities, and other services on which they rely would be challenging. This could lead to many people being forced to leave the region, which could permanently alter the demographics of a community and the region as a whole. The more we can protect our community services and infrastructure—particularly housing—from being disrupted by a natural disaster, the more likely it is that residents will be able to stay within their communities afterward, and the faster the region will be able to recover.

**Reduce development in the highest hazard areas:** One strategy for protecting our communities from the effects of natural hazards

is to reduce the amount or type of development that occurs in the areas that are most at risk. Different areas of the region are susceptible to different risks, which include liquefaction, landslides, fault rupture, and flooding. To minimize these risks, local communities could avoid planning for dense uses in high hazard areas, and instead emphasize parks, open space, and light development in these areas. Some California laws already regulate construction in high hazard areas, such as near fault zones. Another option is to make improvements or changes to the land to reduce the hazard. This includes strategies such as soil densification in areas at risk for liquefaction or stabilizing hillsides to reduce the potential for landslides. It is also possible to construct buildings in ways that are more likely to withstand the effects of earthquakes or floods.

**Retrofit fragile housing in seismic hazard areas:** Certain types of homes are particularly vulnerable to damage in an earthquake. These include single-family homes built before World War II, older multi-family buildings with open parking or retail on the ground floor, and those built (usually before 1970) from concrete that is not properly reinforced. Depending on the number of units, damage to multi-family housing can displace a large number of residents, many of whom are likely renters. To enable more residents to remain in their homes after a disaster, we should identify policies and funding tools to prioritize seismic retrofits for fragile homes in hazard areas. This is particularly important for multi-family housing, which does not always receive an equitable share of state or federal financial and technical assistance during recovery efforts and therefore may not always be rebuilt in a timely manner.

### Stronger Housing, Safer Communities

ABAG's Resilience Program published *Stronger Housing, Safer Communities* in 2015, which studied the vulnerability of Bay Area housing and its residents to natural disasters. The report identified and mapped the housing types in the Bay Area most likely to be damaged by earthquake ground shaking or liquefaction and flooding as well as ten indicators of social vulnerability, including income, race, and education levels. Forty strategies to address these specific vulnerability types were developed and are available for jurisdictions online at: [http://resilience.abag.ca.gov/projects/stronger\\_housing\\_safer\\_communities\\_2015/](http://resilience.abag.ca.gov/projects/stronger_housing_safer_communities_2015/). The Resilience Program continues to offer local assistance to implement these and other hazard mitigation strategies.

### Increase building standards for new construction in seismic hazard areas:

The existing building code is designed to protect the lives of people in a building during an earthquake, but does not ensure that a building will still be usable once the shaking stops. We can minimize the disruption of daily lives and protect one of the world's largest economies by building schools, homes, and job centers to standards that will increase the likelihood that they will be repairable and reusable after an earthquake. The costs of building more resilient buildings can be recouped with lower losses costs related to damage and rebuilding after a disaster.

### Plan for replacing affordable housing lost during a natural disaster:

As noted earlier, many of the affordable homes in the Bay Area were built using public subsidies that have deed restrictions limiting the





*Union City*

# BUILD HEALTHY AND RESILIENT COMMUNITIES







## SECTION 3

# Build Healthy and Resilient Communities

*Plan Bay Area 2013* plans for two-thirds of the future growth in the Bay Area to be in locally designated PDAs. Much of this will be in PDAs in the largest cities and along major transportation corridors, including BART station areas, El Camino Real and Caltrain on the Peninsula, and San Pablo Avenue and International Boulevard/East 14th Street in the East Bay. The major investments in *Plan Bay Area 2013* and ABAG's efforts to implement the vision in the *Plan* are directed to PDAs in the regional centers and along these corridors to support local communities' efforts to develop complete communities.

## Fostering more resilient communities

The essence of the complete communities envisioned in these areas encompasses both their physical attributes and social health, which both contribute to a community's resilience. As noted in previous sections, our region can become more resilient if people have the tools to better manage chronic and acute stresses—including stable, affordable housing; access to opportunity; and places that foster a cohesive sense of community. The potential disruptions for which a community must be prepared range from climate change and earthquakes to economic recessions and the displacement of residents because of development pressure. A resilient Bay Area has to be socially, economically, and environmentally adaptive with individuals, organizations, and communities responding affirmatively to change. Taking proactive steps to decrease potential disruptions caused by a natural disaster and to prepare for the process of recovering and rebuilding communities can make communities stronger today and help them stay intact in a stressful post-disaster environment.

## Collaborating to support local visions for complete communities

The specific vision for how each PDA might develop differs based on the local context and the community's needs and aspirations. At the same time, neighboring communities are bound to each other by transportation and environmental linkages as well as shared housing, employment, and retail markets. Local communities often encounter the same challenges and opportunities for meeting the long-term needs of residents and businesses. In many cases, the impact of local strategies is magnified when communities work together. Collaboration, particularly along transportation corridors, is essential to ensure that local decisions are coordinated and that actions will maximize the potential benefits for the local community and the region as a whole. This is particularly true for issues that transcend local boundaries, such as improving resilience to natural hazards or planning for future water needs.

### Adapting to Rising Tides

BCDC's Adapting to Rising Tides (ART) program is a collaborative effort among local, regional, state, and federal agencies and organizations as well as non-profit and private associations to increase the Bay Area's preparedness and resilience to sea level rise and storm events while protecting critical ecosystem and community services. The ART program recognizes that adaptation actions to reduce the vulnerability of the built and natural environment to the effects of climate change are a necessary complement to strategies to reduce greenhouse gas emissions. Through the ART program, BCDC and its partners have gained a better understanding of how sea level rise and other climate change impacts will affect the Bay Area's ecosystems, infrastructure, and economy and developed strategies to address these challenges. The ART program is a collaborative partner to ABAG, aligning regional planning processes to address hazards and risk and to support long-term safety, sustainability, and livability. For more information visit: [www.adaptingtorisingtides.org](http://www.adaptingtorisingtides.org).



*Home Damaged in 2014 Napa Earthquake*

## Promoting healthy and vital places

The spaces we encounter in our daily lives—the streets, buildings, parks, and stores—influence our health, happiness, and productivity. “Placemaking” bridges the physical and social features of a community by addressing the characteristics that affect how a person experiences a place. Placemaking practices help communities define the assets they want to preserve and identify opportunities to improve public spaces in ways that celebrate local culture and provide a sense of identity. Paying attention to what a place feels like to residents, employees, and visitors when adding new homes and jobs helps promote the long-term health of the neighborhood by fostering a stronger sense of community identity and encouraging residents to develop stronger relationships with neighbors. Communities can also improve public health and increase neighborhood resilience by taking steps to reduce the impacts of air pollution and the risks of flooding and water pollution from stormwater runoff.

### Bay Area Regional Collaborative

The Bay Area Regional Collaborative (BARC) addresses crosscutting issues of regional significance, with the goal of improving the quality of life for all Bay Area residents. BARC coordinates the planning activities of ABAG, the Air District, BCDC, and MTC. BARC is currently focused on the Bay Area Climate & Energy Resilience Project to support and enhance the climate adaptation efforts of cities, counties, and other organizations. For more information, visit: [www.abag.ca.gov/jointpolicy](http://www.abag.ca.gov/jointpolicy).

## Conserving precious water and energy resources

Ensuring the Bay Area will have sufficient water and energy to meet our existing and future demand is also critical to preserving the region’s quality of life, economic vitality, and environmental sustainability. Similar to other types of infrastructure, our water and energy systems are aging and are in need of forward-looking investments to be ready to adapt to the unpredictable changes that future population growth and climate change might bring. To be a more resilient region, we have to reduce water and energy consumption, diversify our sources for these critical resources, and manage them better.

## ABAG’s work related to strengthening communities

ABAG partners with local governments, transit agencies, regional agencies, and other Bay Area stakeholders to collaboratively advance the vision for focused growth and complete communities articulated in *Plan Bay Area*. By focusing on the PDAs along major transportation corridors, this effort encourages local communities to recognize the need to work together to overcome obstacles and capitalize on opportunities in order to achieve their own local visions of complete communities. In its work on the corridors and placemaking, ABAG emphasizes the importance of considering the ways in which

### ABAG PLAN Risk Management and Insurance

ABAG PLAN Corporation promotes the long-term financial stability of its member jurisdictions by providing pooled property, liability, and crime insurance coverage to 28 cities and towns in the greater Bay Area, which can provide significant premium savings for members. ABAG PLAN also assists members with their risk management efforts by helping them identify and minimize potential risks of injury to people and property.

ABAG PLAN offers members a wide array of resources including grants, training, best practice guidelines, and specialized consultation. The resources and cost savings provided by ABAG PLAN help members maintain or improve the health and safety of their citizens and employees and use scarce public resources to provide needed services to their residents. ABAG PLAN is also working with ABAG’s Resilience Program to assess vulnerabilities and design plans to address natural catastrophes. For more information, visit <http://abag.ca.gov/services/insurance.html>.

the physical environment, including streets, buildings, and public spaces, can enhance community identity and a sense of social cohesion. ABAG also works with local governments to foster the long-term health and resilience of their communities by promoting more energy- and water-efficient buildings and by reducing peoples’ vulnerability to the effects of natural disasters, air pollution, flooding, and the potential impacts of climate change. Finally, ABAG advocates for additional State and Federal policies and resources to assist local communities in fulfilling their local plans for how to meet the future needs of residents and businesses.

## OBJECTIVE

# Reduce the impact of natural hazards on communities

Complete communities are those that are not devastated by the impacts of natural hazards but can prepare for, respond to, and recover from them. This includes reducing the disruption caused by the event as well as providing tools for quick recovery. Disasters can impact residents in their homes as well as damage local businesses. When people are displaced because of damage to their homes, it disrupts existing social networks and can permanently change the demographics of communities and the region as a whole. Without local businesses, residents are less able to meet their daily needs within their own community, jobs are lost, and the local economy is weakened. Jurisdictions can help keep communities intact by implementing strategies that address natural hazards and support community members where they live.

**Support communities to integrate resilience planning into all planning activities:** There are many ways in which jurisdictions can integrate planning for natural hazards into daily decision-making. Stand-alone plans, such as local hazard mitigation and climate adaptation plans help local communities think through how to adapt to changes brought on by a natural disaster or climate change. However, natural

hazards planning and strategies to reduce community vulnerability should also be integrated into General Plans, Specific Plans, sustainability plans, post-disaster recovery plans, and other local policy documents.

### **Provide in-depth planning assistance to implement resilience actions:**

While developing plans for how to respond to a disaster to minimize damage and potential loss of life is important, communities should also take steps to implement those plans. Given that many jurisdictions have limited resources to take on these projects, ABAG aims to partner with several cities to develop policy tools for implementing hazard mitigation strategies, focusing on developing housing retrofit programs and developing and adopting pre-disaster recovery ordinances. Some of the assistance and implementation tools ABAG intends to provide include model ordinances, guidance and best practices, one-on-one technical assistance, and even pre-qualification for future resilience financing tools.

### **Develop financial incentives to spark resilience action:**

Even with its well-documented history of natural disasters, the Bay Area lacks dedicated sources of funding for ongoing hazards planning and climate adaptation. Recent California legislation and creative financing tools developed by Bay Area cities are making seismic, energy, and water retrofits a reality for more homes and businesses. Property assessed financing and pay-as-you-save programs could be used in the Bay Area to finance more resilient and sustainable homes and businesses.

### **Adopt policies and strategies to prepare for post-disaster recovery:**

After a disaster occurs, it can take decades for an area to fully recover and rebuild. Amidst the chaos created by the disaster, decision makers are under immense pressure to make decisions quickly to get things back to the way they were before. Unless post-disaster recovery issues have been considered beforehand, this pressure can lead to decisions that are uncoordinated, hasty, or contrary to a community's long-term goals. Outdated rules and regulations may also present unforeseen problems. Before a disaster occurs, local governments should consider creating a recovery taskforce to manage and coordinate recovery across various departments and adopt a recovery and reconstruction ordinance that outlines specific post-disaster authorities and decision making processes.

### **Support local implementation of shelter-in-place programs:**

Jurisdictions should consider developing comprehensive shelter-in-place programs to help residents cope with the immediate impacts of a disaster. Strategies can include changes to building codes to ensure buildings will be habitable after a disaster, so people are not displaced by extensive damage to their homes. In addition, communities can sustain existing social networks by planning for neighborhood support centers where residents can access the services they need.

## OBJECTIVE

# Support multi-jurisdiction initiatives to strengthen PDAs

Issues such as expanding affordable housing choices, promoting economic vitality, and improving transportation linkages transcend jurisdictional boundaries. These issues are difficult to successfully address alone, but are critical to implementing local plans. As a result, coordination and collaboration among neighboring jurisdictions is essential to resolving many of the challenges to creating complete communities in our region's PDAs. Creating a platform for discussion and collective action

allows neighbors to identify solutions to shared challenges and take advantage of shared opportunities. Cities and counties in the East Bay, the Peninsula, and Silicon Valley have created models for this kind of collaboration. Continuing to advance these efforts while supporting future collaboration elsewhere in the region can move the Bay Area's PDAs closer to becoming the thriving places envisioned by local communities.

### Support the Grand Boulevard Initiative:

Through the Grand Boulevard Initiative (GBI), nineteen jurisdictions along the Peninsula and in Silicon Valley are working together to create a vision for transforming El Camino Real from an aging arterial into a centerpiece of the communities it connects and revitalizing surrounding

neighborhoods. GBI provides a forum for local communities to discuss ways to rethink the corridor's potential for housing and urban development and identify strategies that local governments can use to create "a grand boulevard with meaningful destinations."<sup>6</sup> ABAG has participated in GBI since its inception and will continue to offer its support and expertise in housing and economic development as the Initiative focuses increasing attention on these issues.

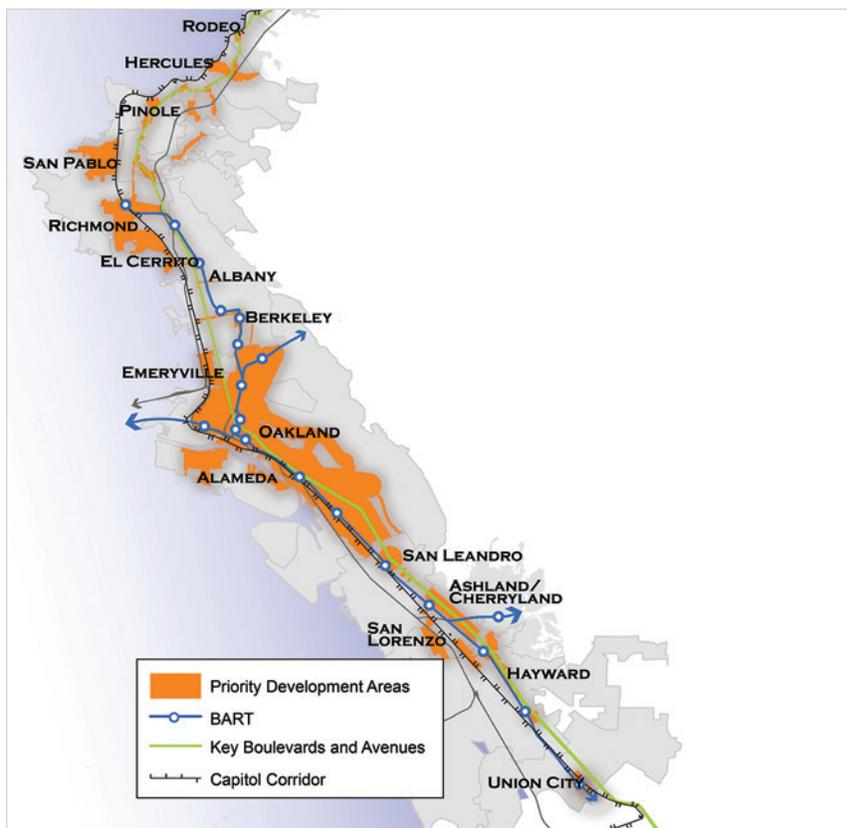
### Advance the East Bay Corridors Initiative:

In the East Bay, thirteen jurisdictions and ABAG recently created the East Bay Corridors Initiative to pursue shared objectives, focusing first on the infrastructure and quality of life in PDAs. Corridor jurisdictions identified a set of priorities to advance the Initiative, including coordinating resilience planning, improving neighborhood amenities, and focusing funding on catalyst projects. Over the next several years, the regional agencies can work with cities to build partnerships with private, non-profit, and public sector stakeholders to implement these priorities.

### Facilitate future multi-jurisdiction PDA coordination:

The regional agencies can support PDA-based collaboration initiated by local jurisdictions and partner agencies or help facilitate dialogs that set the stage for more formal coordination through initiatives similar to Grand Boulevard or the East Bay Corridors. These efforts could be organized by commute area, transportation network, or based upon shared issues. The key at the regional level is to share lessons learned and allow collaboration to take place organically, tailored to unique local needs.

## East Bay Corridors Initiative



## OBJECTIVE

# Use placemaking to strengthen community vitality

Communities across the Bay Area have consistently said that *how* PDAs grow is just as important as *how much* they grow. Our response to a particular neighborhood and how we feel about it are often based on our experience in its public spaces—including streets, sidewalks, plazas, and parks—and how the buildings interact with those spaces. Good placemaking is essential to ensuring that new development enhances a community and is integrated into its existing fabric.

### Ensure infill development contributes to a sense of identity for an area:

Many communities in the Bay Area are going through a period of fundamental change. As the region's population has grown and become more diverse, many of the suburbs from the decades after World War II that consisted primarily of single-family neighborhoods are evolving to include a wider variety of homes and businesses. Without the ability to expand outward, these communities are frequently seeing development intensity and building heights increase. Technical assistance and planning grants provided by MTC and ABAG as well as collaboration among neighboring jurisdictions about shared opportunities related to placemaking can help PDAs experiencing a transition in the scale and density of their community.

### Support local dialogs to define the character of streets and places:

A key strategy for making good places is to ensure members of the community are involved in identifying the steps necessary for defining the character of public spaces. To support communities that want to engage in this type of community dialog, ABAG will sponsor forums and speaker series highlighting opportunities to infuse community identity and character into the development of streets and public places. ABAG will also develop a website with a space where communities throughout the Bay Area can describe aspirations for their neighborhoods and downtowns and share ideas with one another. Local communities can also sponsor community-based projects to shape neighborhoods and key public spaces such as parks led by schools and community organizations with assistance from academic design and planning programs.

### Placemaking

In past regional planning efforts, Bay Area residents have consistently told us that *how* our communities grow is just as important as *how much* they grow. One approach to considering *how* we grow is placemaking—the process of shaping streets, buildings, and public spaces. This involves policymaking, design and development, but also everyone that lives and works in a place. Adding placemaking to the dialog about our region's future allows us to consider the short- and long-term impact of our choices as policymakers and residents on the health and vitality of our communities.

Following a year-long process involving design professionals, developers, and community members, ABAG released the *Placemaking in the Bay Area Report*, highlighting key issues and future opportunities. The report is available here: <http://reports.abag.ca.gov/placemaking/2015/index.php>.



San Rafael, Italian Street Painting Festival

## OBJECTIVE

# Encourage development that protects the health and welfare of residents

Encouraging new homes and jobs in PDAs and other infill locations helps revitalize neighborhoods, capitalizes on existing infrastructure investments, increases housing and transportation choices for residents and workers, and helps improve local and regional air quality by reducing how much people drive. However, many PDAs are disproportionately impacted by poor air quality from nearby sources of air pollution, soil contamination, and risks from natural hazards. The transformation brought by new development and investment in PDAs provides an opportunity to integrate solutions to these issues through smart building, street, and infrastructure design.

### **Reduce the negative impacts of poor air quality on residents and workers:**

Although air quality in the Bay Area has improved greatly over the past several decades, some communities in the region still experience relatively higher pollution levels and corresponding negative health impacts. Not surprisingly, air pollution levels are highest near air pollution sources such as freeways, busy roadways, heavily trafficked seaports, and large industrial facilities. There are also smaller sources of air pollution, including gas stations and back-up diesel generators, which exacerbate conditions in communities where levels of air pollution are

already high. These localized areas of elevated pollution present many challenges because of their close proximity to where people live and work. When developing new land use plans or considering approving a new development, local governments should partner with the Air District to implement strategies to reduce peoples' exposure to air pollution.

### **Use green infrastructure and low impact development to enhance neighborhoods and improve stormwater management:**

Streets are social, economic, and environmental assets. Properly designed, they can be welcoming settings for walking and shopping and cool places on hot days. Planting trees and vegetation can help reduce the effects of heat islands in urban areas that occur when heat is trapped by concrete buildings and asphalt streets. Greening a neighborhood can make it more beautiful and increase property values, reduce energy use for heating and cooling, and improve air quality and reduce global warming by absorbing greenhouse gases. Green infrastructure and low-impact development use vegetation, soils, and natural processes to soak up and store urban runoff so it does not overwhelm gutters and sewers or pollute waterways—reducing flood risk. Collaborations between local jurisdictions and transportation agencies—such as the San Pablo Green Stormwater Spine—can create great public spaces in PDAs and address flood and water quality risks at the same time. ABAG's SFEP is working with local jurisdictions to scale up these collaborative efforts as well as help cities and counties identify the green infrastructure required to satisfy complex state water requirements.

### **San Pablo Avenue Green Stormwater Spine**

The San Pablo Avenue Green Stormwater Spine is a seven-city collaboration to create a network of green infrastructure between Oakland and San Pablo. Green infrastructure is an innovative way to improve water quality, reduce flooding risk, and create attractive public space at the same time by capturing stormwater with native plants, trees, and other natural features.

For more information visit: [www.sfestuary.org/our-projects/water-quality-improvement/sanpabloavenue/](http://www.sfestuary.org/our-projects/water-quality-improvement/sanpabloavenue/)

### **Proposed Requirements for Green Infrastructure Planning**

The San Francisco Regional Water Quality Control Board (Water Board) regulates stormwater discharge for most Bay Area municipalities. In October 2015, the Water Board will consider changes to the permit covering these communities to require that Permittees develop and implement plans and procedures for transitioning from gray to green infrastructure. This includes prioritizing locations for green infrastructure retrofit; developing standard specifications (e.g., for green streets); working to develop funding mechanisms; and ensuring Permittee staff have the support of their decision-makers in this process. This planning work provides the foundation for Permittees to develop more resilient and sustainable urban infrastructure, which can enhance the beauty and comfort of streetscapes while also reducing the adverse impacts of stormwater runoff on the region's waterways. Visit [http://www.waterboards.ca.gov/sanfranciscobay/water\\_issues/programs/stormwater/Municipal/mrp\\_sw\\_reissuance.shtml](http://www.waterboards.ca.gov/sanfranciscobay/water_issues/programs/stormwater/Municipal/mrp_sw_reissuance.shtml) for more information about the permit reissuance process (details about green infrastructure requirements are in provision C3).

## OBJECTIVE

# Improve conservation and management of the region's water and energy resources

Our water system is aging and the current drought has demonstrated that, without new investments and more efficient management, it will not meet the needs of our future population or be prepared for the future impacts of climate change—which will likely include greater variations in rain and snow, more frequent and intense droughts, and increased flooding as a result of sea level rise. Reducing energy demand and increasing the efficiency of buildings lowers our energy costs, reduces greenhouse gas emissions, and decreases the need for new energy sources, whether fossil fuels or renewables.

**Reduce water consumption:** The amount of water each person uses has declined in recent years, largely because of requirements for low-flow plumbing fixtures and appliances. Many Bay Area communities have already achieved the State-mandated target of reducing the amount of water used per person by 20 percent by 2020. However, in the face of the current drought and with the potential for more severe droughts in the future, we should take additional steps to conserve since demand for water will grow as the region's population increases—even if the

amount used per person is lower. Today, approximately 40 percent of water consumed within urbanized areas is used for landscaping. Communities can reduce water demand by encouraging landscaping that uses less water and by planning for a more compact growth pattern that includes more apartments and condominiums with smaller yards and less landscaping. Local governments can also consider adopting building standards that require more efficient water use and expanding the use of recycled water—especially for irrigation. Regional and local governments should work with the region's water agencies to identify tools and strategies for reducing water use, including model ordinances, incentive programs, and public engagement. For example, ABAG is working toward regional implementation of the Bay Area Regional Energy Network (BayREN) Pay as You Save On-Bill Water-Energy Efficiency Program (aka PAYS) that enables water utility customers to make efficiency upgrades with no up-front costs and then use the savings to pay off the costs through their utility bill.

### **Prioritize a diverse water supply:**

Approximately two-thirds of the water used in the Bay Area is imported from outside the region. Climate science tells us that we will have much less winter snowpack storage in the Sierra Nevada Mountains by mid-century with less runoff into our reservoirs. And much of this supply is at risk of being disrupted if portions of the Sacramento-San Joaquin Delta's fragile levee system fail. Reducing our reliance on imported water will increase the region's resilience to climate change and natural disasters and reduce the amount of energy used to transport water. Strategies for increasing the amount of water available locally include better managing groundwater supplies, recycling water for reuse, capturing and treating stormwater for reuse, and desalinating seawater. Bay Area communities are increasingly re-using treated gray water from showers, bathroom sinks, washing machines, or selected industrial processes for irrigation and other uses that do not need potable water. These efforts are key to creating a more sustainable water supply because

### **Integrated Regional Water Management Plan**

In response to State statutes, the nine-county San Francisco Bay IRWMP was developed to encourage regional strategies for managing water resources and to provide funding for project implementation. Efforts address increasing water supply reliability, protecting water quality, managing flood protections, maintaining public health standards, protecting habitats and watershed resources, and enhancing the overall health of the bay. The ABAG Executive Board adopted the Plan in 2006.

The Bay Area IRWMP is managed by the Coordinating Committee, which is made up of water, wastewater, flood protection and stormwater management agencies; cities and counties; watershed management interests, planning agencies and organizations; and non-governmental organizations. SFEP participates on the Coordinating Committee and acts as grant manager for the region. Once the latest round of funds is awarded by the State, SFEP, in partnership with the Coordinating Committee, will be managing over \$90 million in total IRWMP grants. Visit [www.bairwmp.org](http://www.bairwmp.org) for details.

### Bay Area Regional Energy Network

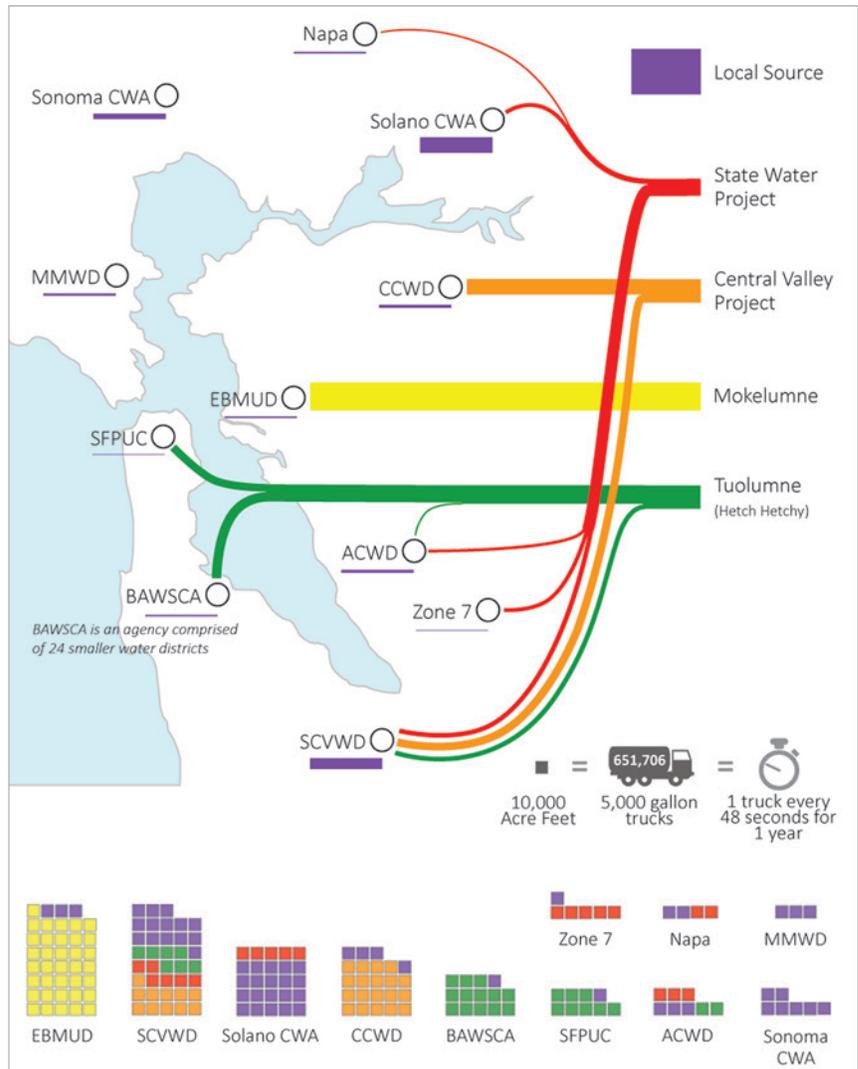
BayREN is a critical part of the solution for the State's reliable and sustainable energy future that considers water, greenhouse gases, and resiliency. Administered by ABAG and working within the nine-county Bay Area, BayREN provides a wide range of targeted, integrated, and regional-scale climate solutions that advance the capacity of local governments to offer, implement, and deliver energy efficiency and other sustainable services to their constituents. BayREN's programs include energy-saving retrofits for single-family homes and multi-family homes, assistance to improve compliance with energy codes and standards, and on-bill financing tools to facilitate water and energy efficiency upgrades (such as the PAYS program). ABAG was awarded a total contract of over \$39 million for this program, and BayREN is seeking to expand its funding sources in 2016. For more information visit: [www.bayren.org](http://www.bayren.org).

recycled water can reduce the need for imported water and can also be used to recharge local groundwater aquifers. Bay Area water, wastewater, flood protection, and stormwater management agencies should partner with cities, counties, and other stakeholders to develop long-term actions that improve local water supply reliability and reduce our reliance on supplies from outside the region.

#### Improve coordination of water delivery systems in the region:

The Bay Area's water supply is distributed by 89 different water providers, including districts, agencies, and cities—although 11 providers distribute water to 94

### Sources of Bay Area Water



Source: 2010 Urban Water Management Plans

ABAG Resilience Initiative

percent of the Bay Area's population. These agencies work together to meet the region's need, each using a unique mix of sources to meet customer demands. Every five years each of these providers must develop a plan that shows how it will meet projected demand, including planning for potential droughts, for at least 20 years into the future. However, these agencies should consider developing plans that look further into the future to consider potential changes in precipitation amounts and

timing because of climate change; the systems' vulnerabilities to disruption because of climate change or earthquakes; and possible changes in demand because of population growth, economic change, and the impacts of a changing climate. Improved coordination between agencies doing water resource planning and the local governments that do land use planning is essential to ensure that communities will have sufficient water to support their expected future populations.

**Increase the energy efficiency of existing and future buildings:**

In California, residential and commercial buildings account for nearly 70 percent of statewide electricity use and 55 percent of natural gas use.<sup>7</sup> While our state currently has the most advanced building standards in the US, approximately half of all buildings were built before energy efficiency standards were implemented in 1978.<sup>8</sup> Improving the efficiency of these existing buildings is critical if we want to reduce the Bay Area's energy consumption. Energy upgrades can make homes more comfortable, improve health, and increase property values. More detailed data about energy use and the benefits of energy upgrades can help building owners make informed decisions about how to change their behavior or upgrade

**PAYS: BayREN On-Bill Water-Energy Efficiency Program**

ABAG is working toward regional implementation of BayREN's Pay as You Save On-Bill Water-Energy Efficiency Program (aka PAYS). Through PAYS, member municipal water utilities can offer customers a simple path to make efficiency upgrades with no up-front costs. Participating customers pay for upgrades through a monthly surcharge on their utility bill, with the assurance that the savings exceed the surcharge.

By providing access to capital to pay for up-front project costs and promoting efficient delivery of services, PAYS provides BayREN and member municipal water utilities with unique solutions to overcome common challenges to the widespread adoption of efficiency measures. As a result, the BayREN PAYS program will facilitate the large-scale adoption of efficiency upgrades required to meet California's mandated drought response and greenhouse gas reductions. For more information visit: [www.bayren.org/pays](http://www.bayren.org/pays).

their homes to reduce energy consumption. Through BayREN, ABAG is also working with local governments and utility providers to make it easier for consumers to implement energy reduction measures, through retrofits for single-family and multi-

family homes, assistance to improve compliance with energy codes and standards, and on-bill financing tools to facilitate water and energy efficiency upgrades (such as the PAYS program).



*San Francisco Bay Water Trail*



# PROTECT AND ENHANCE THE REGION'S NATURAL ASSETS





## SECTION 4

# Protect and Enhance the Region's Natural Assets

The Bay Area's identity is largely defined by its stunning parks, open spaces, and natural landscapes—particularly the San Francisco Bay and Estuary. Those of us who live here can explore the bay, ocean, forests, hillsides, and farmland—often in a single day. These natural resources are vital to the Bay Area's quality of life, robust economy, and sustainability. The Estuary supplies water for drinking and irrigation, provides habitat for fish and wildlife, supports migratory birds on the Pacific Flyway, and protects against flooding and sea level rise.

## Preserving natural assets essential to Bay Area quality of life

The produce, meats, and dairy produced locally on the region's thousands of acres of farms and ranches contribute to the economy and make the region more sustainable and resilient. Open spaces and natural areas shape our communities and provide scenic vistas, diverse habitats for native plants and animals, and recreation opportunities. Parks and trails provide space to enjoy nature, connect with neighbors, and get out and play and are cherished as part of what makes a community a great place to live.

In recognition of the fact that open space land is a limited and valuable resource that should be conserved whenever possible, every community is required to plan for how it will preserve these lands while accommodating future population growth. As of 2010, only about 18 percent of the region's approximately 4.4 million acres were developed. The remaining undeveloped area includes open space and agricultural lands as well as water bodies (excluding the San Francisco Bay) and parks. Comparatively, 28 percent of the region is identified as protected open space.<sup>9</sup> The Bay Area has been remarkably successful in preserving its iconic landscapes and, with this record of leadership in environmental stewardship, it is almost impossible to imagine that there once was a plan to fill in the Bay.

## Embracing focused growth to protect critical natural resources

There are still important natural assets in the region that are under threat of development, and we should continue to look for opportunities to preserve them. However, Bay Area residents, environmental leaders, and other stakeholders have begun to develop an expanded vision of environmental stewardship. There is a growing understanding that restricting areas from development is not enough to truly protect our environment. The Bay Area's population is expected to continue to grow—in part because people are drawn to the region for its beautiful landscapes and quality of life. Embracing new growth that is more focused and efficient helps protect open spaces and agricultural lands from being converted to urban uses and is essential to our ability to protect the natural assets we love. There is also growing recognition that preserving and restoring natural resources, particularly tidal marshes, supports the health of the Estuary while also protecting communities from flooding from sea level rise.

The inclusion of both PCAs and PDAs in *Plan Bay Area 2013* reflects the integral relationship between resource protection and more compact growth. In 2015, the PCA program was updated to recognize the role of different kinds of PCAs in supporting the vitality of the region's natural systems, rural economy, and human health. The four categories

used to classify PCAs are natural landscapes, agricultural lands, urban greening, and regional recreation. These designations highlight the ways in which PCAs and natural areas relate to developed areas for the region as a whole and for local communities. In recognition of the importance of PCAs, *Plan Bay Area 2013* dedicated \$10 million from the first cycle of the OBAG program to fund projects to construct trails and access improvements, acquire land for parks, and plan new parks.

## Expanding access to parks and trails

At the local level, more communities are considering how to better integrate open spaces, trails, and parks into developed areas. The Bay Area's trail systems connect communities, function as alternative commute corridors, and promote health by enabling residents to get outside and play. Access to parks and playgrounds, as well as open spaces, are essential components of a complete community and contribute greatly to residents' quality of life. However, many local communities are struggling with how to find space and funding to provide additional parks as more residents and workers are added to existing neighborhoods. Additional funding sources are needed to pay the capital and maintenance costs for both new and existing parks. Finally, since many people are choosing to drive less and own fewer cars, it is important to consider strategies to increase access to parks and natural areas by public transit.

## ABAG's work related to protecting natural assets and expanding access to trails and parks

ABAG partners with local governments, the State Coastal Conservancy, open space districts, and other stakeholders to advance the region's conservation priorities through the PCA program, and will continue to work collaboratively to

promote protection of these areas. This includes advocating for additional funding through OBAG and other sources to improve trails, increase access, and protect critical areas. ABAG's SFEP is a coalition of resource agencies, non-profits, citizens, and scientists working together to restore wetlands and wildlife habitat, reduce pollution and improve water quality in and around the San Francisco Bay Delta Estuary. ABAG will also continue its efforts to implement the Bay Trail and Water Trail. Both of these trail systems seek to enhance the quality, diversity, and accessibility of opportunities for outdoor recreation around the Bay.



*San Francisco Pier 24 Bay Trail Dedication*

### San Francisco Bay Trail and Water Trail

ABAG is responsible for administering both the San Francisco Bay Trail and San Francisco Bay Area Water Trail. When complete, the Bay Trail will be a continuous 500-mile bicycling and walking path around the entire shoreline of San Francisco Bay that connects neighborhoods, schools, parks, and transit centers to the Bay and each other. To date, approximately 340 miles of the alignment has been completed. The Water Trail is a growing network of designated launching and landing sites, or "trailheads," that enable non-motorized small boat users to enjoy the historic, scenic, cultural, and environmental richness of San Francisco Bay and its nearby tributary waters.

One of the many ways ABAG plays a primary role in advancing the completion of the Bay Trail and the Water Trail is through the administration of grants to local jurisdictions. Since 1999, the Coastal Conservancy awarded over \$22 million in state park bond funds to the ABAG/Bay Trail grant program. ABAG allocates these funds in the form of competitive grants to shoreline management agencies in all nine counties for planning, design, engineering and construction of Bay Trail segments, substantially increasing the momentum of trail completion. These state funds have been leveraged at a ratio of 4:1 by other sources. In addition, nearly \$900,000 is available through the Water Trail grant program to site managers for improvements to shoreline launches along the expanding Water Trail network. For more information visit: [www.baytrail.org](http://www.baytrail.org) and <http://sfbaywatertrail.org>.

## OBJECTIVE

# Preserve the region's most important natural assets

Despite the Bay Area's success in protecting open space, retaining our natural assets remains a long-term challenge. The region's diverse ecosystem depends on a network of open spaces extending from the hills to the Bay, in some cases traveling through urban areas. The PCA program and Estuary Partnership provide a framework for continued coordination to preserve these assets. We should also take steps to protect the farmland that is crucial to the region's economy and quality of life.

### Advocate for protection of Priority Conservation Areas:

ABAG will continue to partner with local governments, the State Coastal Conservancy, open space districts, and other stakeholders to support local efforts to protect the full range of designated PCAs. Our success will largely depend on identifying funding to purchase land or obtain easements to protect these areas or to create new parks or trails. Our efforts to identify our regional priorities for conservation, including the designation and benefits of each PCA, should help make the case for additional funding and facilitate decision-making once funds are identified. ABAG will continue to support funding tailored to different parts of the region through the OBAG Program and will coordinate with local jurisdictions to seek additional funding opportunities for PCAs.

### Enhance the region's agricultural economy and preserve its agricultural lands:

Nearly two-thirds of the 3.6 million acres of open space that surround our cities and towns are agricultural lands.<sup>10</sup> The region's farmland—characterized by fertile soils, mild climate, adequate water supply, and proximity to population centers—is limited. Over the past decades, strong developmental pressures and sharp increases in land values at the edges of urbanizing areas have resulted in the large-scale conversion of agricultural land to urban uses. Agricultural landowners are incentivized to sell their land because of the challenges of staying in business, which include the high land prices that make it difficult to consolidate profitable farming operations, inadequate infrastructure for processing and distributing their products, and difficulty obtaining financing to improve their operations. Local communities should consider land use policies that contain urban growth and prevent subdivision of agricultural lands. We should also

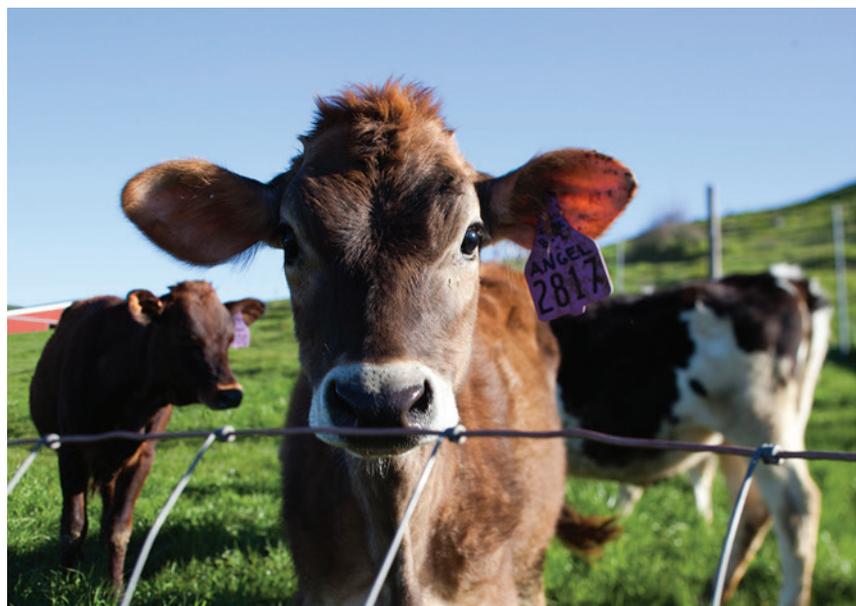
### Marin Agricultural Land Trust

West Marin County's farmland provides milk and cheese, meat, vegetables, fruit, and wine to homes and restaurants in the Bay Area and beyond. In the 1960s, a development proposal for a city of 125,000 threatened to remove much of this land from agricultural use. Residents formed a coalition that successfully opposed rezoning the land and in later years, formed a land trust that permanently preserved it for use by operations such as Strauss Farms.

For more information visit:  
[www.malt.org](http://www.malt.org).

explore ways to support farming and ranching in the region and consider the ways in which infrastructure investments can be used to help farmers get their products to market.

**Protect, restore, and enhance the San Francisco Bay Delta Estuary ecosystem:** At 1,600 square miles, the San Francisco Estuary is the largest on the West Coast and



*Straus Family Farm, Marin County*



*Bay Area Ridge Trail Equestrians*

drains over 40 percent of California's land area. The Estuary provides water for drinking and irrigating farmland, sustains fish that we eat, and supports significant wildlife and migratory birds along the Pacific Flyway. Given the importance of the Estuary to our region, we should be proactive in ensuring it is prepared to handle the expected effects of climate change, including sea level rise. Strategies include ensuring adequate freshwater flow into the estuary to protect and sustain all the beneficial uses of the estuary, creating new wetlands, and improving the health of existing wetlands and riparian corridors. The SFEP has conducted

research about the effects of climate change on the ecology of the Estuary, but more data is needed to inform efforts to adaptively manage the health of our waterways. Increasing active partnerships in the region is a key strategy for improving water quality and habitat health within key watersheds, from headwaters to tidal waters. Actions to improve water quality should focus on pollution prevention and expanding the use of green infrastructure projects that decrease stormwater runoff, improve water quality and aesthetics, and provide wildlife habitat and opportunities for outdoor recreation.

### **San Francisco Estuary Partnership**

SFEP is a coalition of resource agencies, non-profits, citizens, and scientists working to protect, restore, and enhance water quality and fish and wildlife habitat in and around the San Francisco Bay Delta Estuary. Working cooperatively, SFEP shares information and resources result in on-the-ground projects and programs that improve the Estuary and communicate its value and needs to the public. SFEP's goals for the next five years include building Estuary readiness to deal with the effects of climate change; increasing watershed health; improving water quality; championing the Estuary; and continuing to improve the Partnership and diversify funding. For more information visit: [www.sfestuary.org](http://www.sfestuary.org).

## OBJECTIVE

# Expand and enhance the Bay Area's trails and parks

Whether we visit them infrequently or every day, the Bay Area's trails and parks are critical to residents' quality of life. Open spaces provide a chance to connect with nature or find refuge from the challenges and stresses of everyday life. The neighborhood park or playground offers a chance for the kids to run and play and opportunities to connect with family or neighbors. Trails in the Bay Area allow access to the region's spectacular natural landscapes, connect communities, provide recreational opportunities, and promote health by enabling residents to get outside and be active. In recognition of the vital ways these assets contribute to the health and beauty of our communities, we must identify additional funding for maintaining existing parks; building new ones in underserved areas; and increasing connections among the

region's parks and trails, including the many sub-regional trail systems.

### **Complete the unfinished segments of the Bay Trail and Ridge Trail and expand the Water Trail:**

**Water Trail:** The Bay Area's regional trail systems—the Bay Trail, Water Trail, and Bay Area Ridge Trail—complement one another, with the Bay Trail circling the Bay at the shoreline, the Ridge Trail circling it along the ridgelines, and the Water Trail offering opportunities to be on the Bay itself. Both the Bay Trail and Ridge Trail have completed more than half of their loops around the Bay, while the recently established Water Trail has 11 designated sites. Completing these trails will require the continued collaboration among regional agencies, park districts, and local governments that has been essential to successful implementation of the trails to date. It will be critical to identify additional funding sources to provide the public improvements that will close the gaps in these trail systems.

### **Increase access to parks:**

Statewide, the demand for local parks is eight times greater than the

amount of available funding, with particularly high demand in urban, disadvantaged communities.<sup>11</sup> This lack of access limits residents' ability to experience the outdoors, improve their physical and emotional health, exercise, and connect with their communities. Continued investment in parks, natural resources, and greening urban areas will mitigate the effects of climate change, making cities more livable, and protecting the region's natural resources for future generations. ABAG will work with state and regional partners to promote increased funding for parks. While expanding the region's trail networks can improve the accessibility of the region's parks and open spaces, we must also take additional steps to make these areas—some of which are remote from developed areas—more accessible to residents who do not have access to a car. Local communities, park districts, public transit agencies, and other stakeholders should consider strategies to increase transit connections to parks and natural areas.



San Francisco 24th/York Pocket Park



*San Francisco Bay Trail*





# CONCLUSION







## Conclusion

The Bay Area is a great place to live, work, and play. Those of us who live and work here enjoy a robust economy, diverse and vital communities, and superb natural assets and we want to preserve these resources for future generations. Building on the PDAs and PCAs that are the region's shared framework for growth, this report highlights actions to promote regional economic vitality and shared prosperity, increase housing choices and affordability, build healthy and resilient communities, and protect and enhance the Bay Area's natural assets.

ABAG has produced *People, Places, and Prosperity* to inform discussions about *Plan Bay Area 2040*. This report shows some of the complex ways economic, housing, and environmental issues and trends in the Bay Area are intertwined and how they impact the day-to-day lives of the region's residents and workers. Understanding these connections provides a foundation for conversations about what actions and strategies to prioritize as we seek

to sustain economic vitality, increase housing choices, promote complete communities in PDAs, foster a more resilient region, and encourage preservation of natural assets.

Collaboration among local governments, regional agencies, business groups, community organizations, and other stakeholders is essential to achieve the region's vision for growth. ABAG and MTC will engage local governments, stakeholders, and the public in

discussions about possible land use and transportation scenarios for *Plan Bay Area 2040* beginning in the fall of 2015. These dialogs will lead to adoption of a preferred land use and transportation scenario in summer 2016 and adoption of the final plan and environmental impact report in 2017.

For more information about *Plan Bay Area 2040*, visit: <http://planbayarea.org>.



*Santa Clara County*

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## Endnotes

- <sup>1</sup> This includes three proposed locally-nominated PDAs that the ABAG Executive Board will consider for adoption at its September 2015 meeting.
- <sup>2</sup> This includes 68 proposed locally-nominated PCAs that the ABAG Executive Board will consider for adoption at its September 2015 meeting.
- <sup>3</sup> Cynthia Kroll, *Association of Bay Area Governments, et. al; State of the Region*, March 2015, p. 6
- <sup>4</sup> We would like to thank the following organizations that helped shape Section 1: *Promote Regional Economic Vitality and Shared Prosperity*: Bay Area Council, Bay Area Council Economic Institute, Building Industry Association, California Economic Summit, East Bay Economic Development Alliance, North Bay Leadership Council, Silicon Valley Community Foundation, Silicon Valley Leadership Group, SPUR, University of California.
- <sup>5</sup> Egon Terplan, SPUR; et. al, *Economic Prosperity Strategy*, p.8., October, 2014
- <sup>6</sup> "About Us," reviewed July 9, 2015, <http://www.grandboulevard.net/about-us/grand-boulevard-initiative.html>
- <sup>7</sup> California Energy Commission, State of California, *Existing Buildings Energy Efficiency Action Plan*, August 2015, page 8.
- <sup>8</sup> California Energy Commission, State of California, *Existing Buildings Energy Efficiency Action Plan*, August 2015, page 8.
- <sup>9</sup> Association of Bay Area Governments and Metropolitan Transportation Commission, *Plan Bay Area Draft Environmental Impact Report*, July 2014, page 2.3-2.
- <sup>10</sup> "Barriers to Farming and Ranching," reviewed July 9, 2015, <http://www.greenbelt.org/barriers-to-farming-and-ranching>
- <sup>11</sup> *The Safe Neighborhood Parks, Rivers, and Coastal Protection Bond Act of 2016, SB-317, Session 2015-2016, Section 1.*

An aerial photograph of the San Francisco Bay Area, showing the bay, surrounding cities, and mountains. A semi-transparent blue overlay covers the central and eastern parts of the region, representing the area served by ABAG. The overlay follows the coastline and extends inland into the hills.

## ABOUT ABAG

Founded in 1961, the Association of Bay Area Governments (ABAG) is the regional planning agency for the nine counties and 101 cities and towns of the San Francisco Bay Area. ABAG was created by local governments to meet their planning and research needs related to regional economic, social, and environmental challenges. ABAG builds coalitions and partnerships to identify and promote strategies related to land use planning, environmental and water resource protection, disaster resilience, energy efficiency and hazardous waste mitigation, and to provide risk management, financial services, and staff training to local counties, cities, and towns. ABAG is committed to leading the region through advocacy, collaboration, and excellence in planning, research, and member services to support and enhance the quality of life for the more than seven million people that call the Bay Area home. ABAG is governed by local elected officials from member communities.



**Association of  
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