

City of Brisbane

Agenda Report

TO: Honorable Mayor and City Council

FROM: Community Development Director via City Manager

SUBJECT: **ABAG Draft Sustainable Communities Strategy**

DATE: Meeting of April 16, 2012

City Council Goals:

To promote transportation opportunities that maximize safety, reliability, enhance circulation and create options, thereby reducing reliance on the use of the automobile. (Goal #5)

To develop plans and pursue opportunities to protect natural resources. (Goal #8)

To preserve the unique current character of Brisbane. (Goal #16)

Purpose:

To provide the City Council with an update on the Sustainable Communities Strategy (SCS) that is currently under preparation by the Association of Bay Area Governments (ABAG) and Metropolitan Transportation Commission (MTC) for the 9-county bay region

As mandated pursuant to SB 375, the SCS is a 25-year regional land use/transportation strategy to achieve state-established regional per capita greenhouse gas emission (GHG) reduction targets for vehicles (automobiles and light trucks) and house the region's entire population. The SCS is also important in that the 8- year Regional Housing Need Allocation (RHNA) cycles for the City will need to be consistent with the SCS, and transit and transportation funding administered through MTC will be aligned to support implementation of the SCS as well.

Recommendation:

That the City Council authorize the Mayor to send a letter to ABAG expressing the City's position on the Sustainable Communities Strategy as outlined in the body of this staff report.

Background:

MTC/ABAG has been involved in an extensive process to develop the SCS pursuant to SB 375. This process began with ABAG/MTC publishing an "Initial Vision Scenario" in Spring 2011. Through Summer 2011 and into early 2012 several alternative scenarios were subsequently developed and evaluated against a series of performance targets that were established by MTC and ABAG. This process culminated in the release of a Draft Preferred Scenario in March 2012 called the Jobs-Housing Connection Scenario. In summary, this scenario is intended to accommodate new population and job growth in a way that maximizes the use of existing infrastructure and transit, improves access to services and amenities, and reduces the cost and time of work-related commutes and other day-to-day trip needs. Much of the housing and employment growth is projected to occur within Priority Development Areas (PDAs) which have already been designated by ABAG. The attached presentation from ABAG provides a broader overview of the Jobs-Housing Connection Scenario.

Discussion:

The draft Jobs-Housing Connection Scenario includes jurisdiction-specific projections for employment and housing, and the table below shows future projections for Brisbane:

	2010 Existing Conditions	March 2012 Jobs-Housing Connection Scenario	
		2040 total	Added between 2010-2040
Citywide Housing Units	1,930	7,030	5,100
Baylands PDA Housing Units	--	4,850	4,850
Non PDA Housing Units	1,930	2,180	250
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Citywide Jobs	7,220	22,760	15,540
Baylands PDA jobs	577	10,412	9,835
Non PDA jobs	6,643	12,348	5,705

While the employment figures are generally within a reasonable range, the housing projections are on concern, in that they not only assume housing will be permitted on the Baylands, but that the amount of housing (4,850 units) exceeds even what the developer is proposing. Given that the existing City General Plan prohibits housing and the Baylands Specific Plan process is underway and will likely not be completed before the SCS is adopted, it is inappropriate and premature for the SCS to assume that any amount of housing might be approved for the Baylands in the future. This projection also creates an impression that ABAG is endorsing a particular land use concept for the Baylands or attempting to influence the City's independent planning process.

In order to address these concerns, Mayor Lentz, Councilmember Richardson and city staff participated in a conference call with ABAG's Director of Planning, Mr. Ken Kirkey. Mr. Kirkey stated that ABAG staff had made an error in collecting data regarding the Brisbane Baylands, and indicated it was not ABAG's intent to get out in front of the City's planning process for the Baylands. Mr. Kirkey verbally concurred that it would be appropriate for the SCS to reflect the City's existing General Plan and remove all residential units from the Baylands PDA. Mr. Kirkey noted that the SCS will need to be revisited in several years, and can be updated as needed to reflect the outcome of the City's Baylands planning process at that time.

In removing the 4,850 residential units from the Baylands PDA, the question arises as to how many units Brisbane might be able to accommodate outside the Baylands PDA limits. Staff believes the current ABAG projection of 250 total additional units through 2040 in non-PDA areas is a realistic number, particularly given the constraints in providing robust transit to residential areas within the City. However, it is recognized that every jurisdiction has an obligation to do its part in meeting the region's housing needs. Something on the order of 400 additional units by 2040 would be an aggressive target that would be consistent with historic trends in good economic times and would reflect existing and potential opportunity sites for housing that were identified in the 2007 Housing Element. Once the SCS is corrected, the housing numbers will be reflected in the RHNA process which is currently underway for the San Mateo County subregion.

In summary, staff recommends that a letter be sent to ABAG regarding the Jobs-Housing Connection Scenario including the following comments:

1. Confirm that the SCS will be respectful of the City of Brisbane General Plan and ongoing Baylands planning process and will include no residential units within the Baylands PDA; and
2. Suggest that the SCS incorporate on the order of 400 new residential units within the non-PDA portion of Brisbane by 2040.

ABAG staff has requested that any comments on the draft scenario be received by April 20 so they can be incorporated into the scenario review process tentatively scheduled for ABAG's Board in May.

Fiscal Impact:

Ensuring that the SCS is aligned with the City's General Plan will help the City remain competitive for transportation and transit funding through MTC.

Measure of Success:

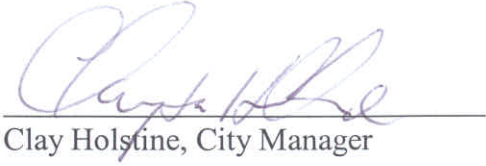
That the adopted SCS and City General Plan are compatible and work together to further the goals of SB 375 to reduce greenhouse gas emissions and house the region's expected population growth.

Attachments:

ABAG Presentation on the Jobs-Housing Connection Scenario



John Swiecki Community Development Director



Clay Holstine, City Manager

BayArea Plan

Jobs - Housing Connection Scenario

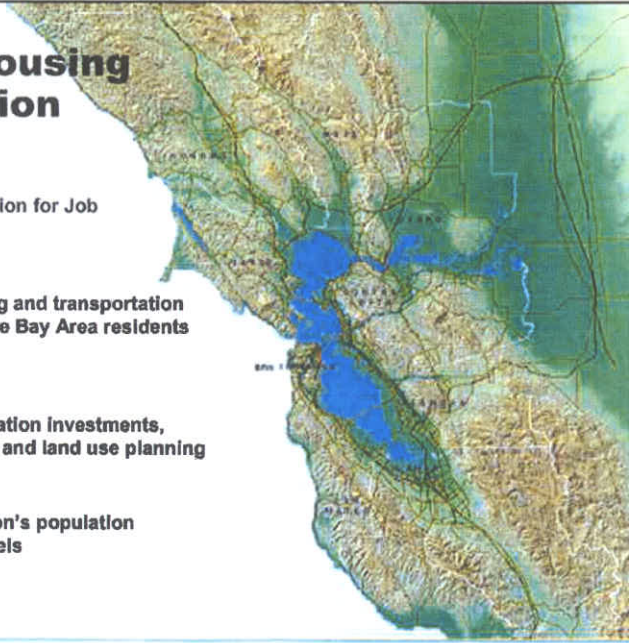
Draft

San Mateo County
SCS/Sub-RHNA Policy Committee meeting
March 29, 2012

Jobs - Housing Connection

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

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2. Past Trends & Future Projections

**Bay Area
Plan**

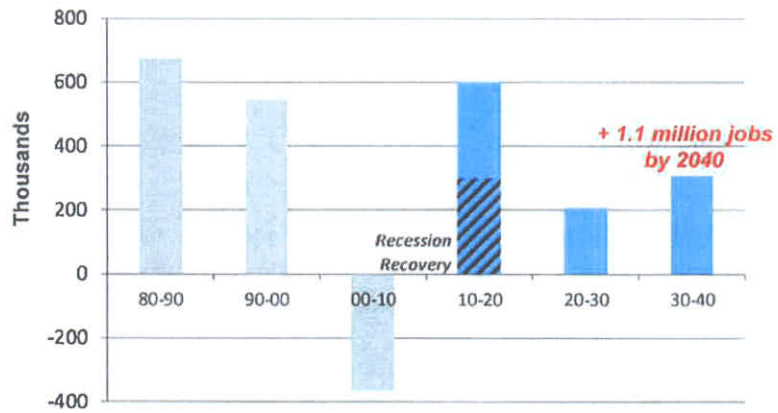
Regional Growth

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

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

**Bay Area
Plan**

Employment Growth Total Growth by decade

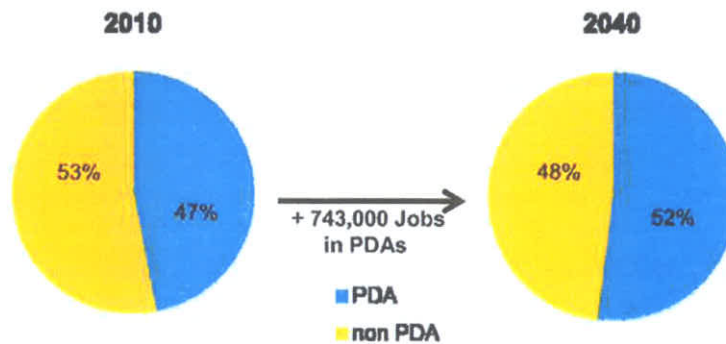


Recession Recovery:

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

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Employment in PDAs Share of Jobs located in PDAs



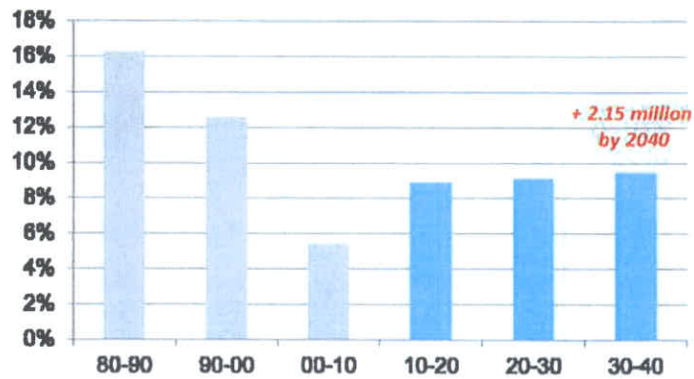
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Locations for new employment

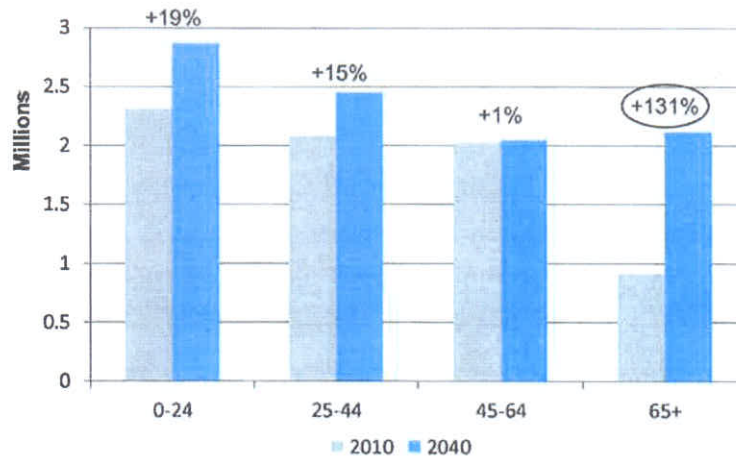
- Renewed regional centers
- Office parks
- Downtown areas and transit corridors
- Industrial and agricultural land



Population Growth Growth Rate by decade

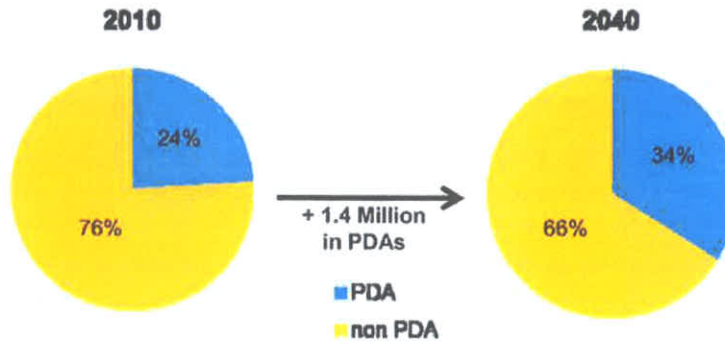


Population by Age and Decade



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Population in PDAs Share of Population located in PDAs



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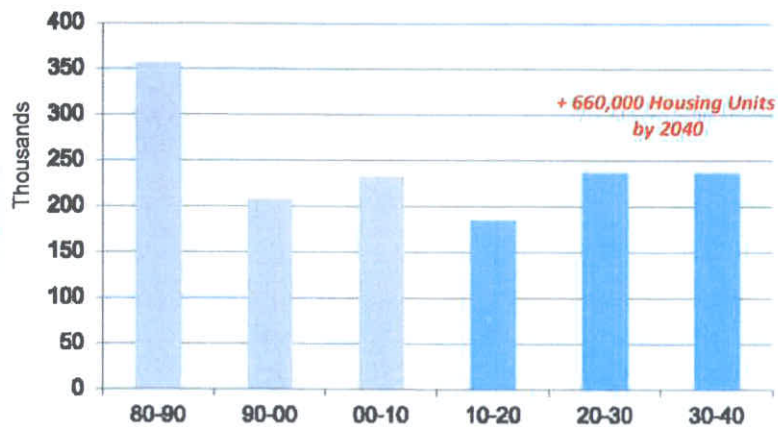
Housing Unit Forecast

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



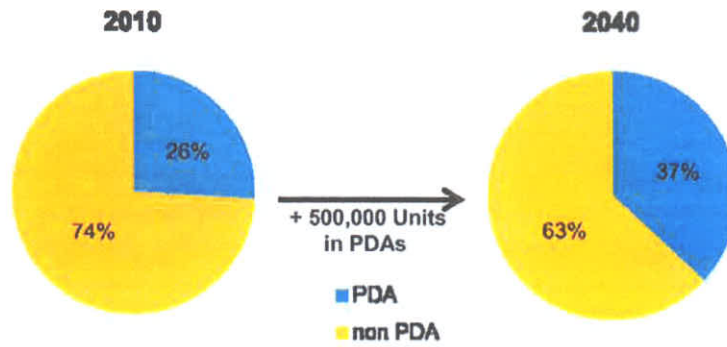
Housing Production

Total Production by decade



Housing in PDAs

Share of Housing Units located in PDAs

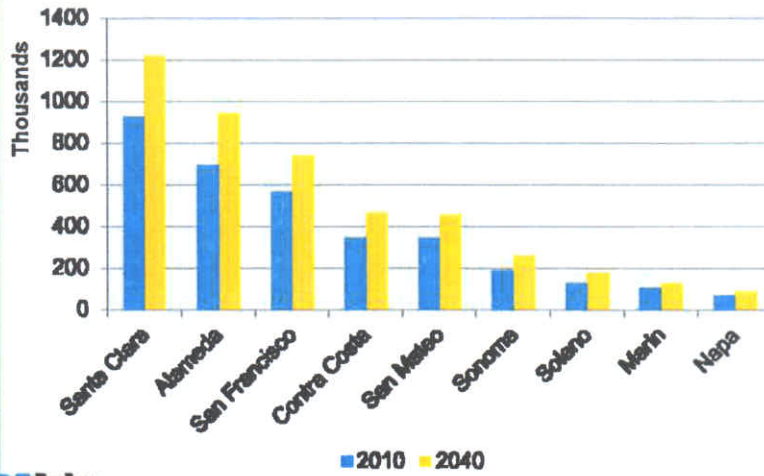


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3. Regional Employment and Housing Distribution

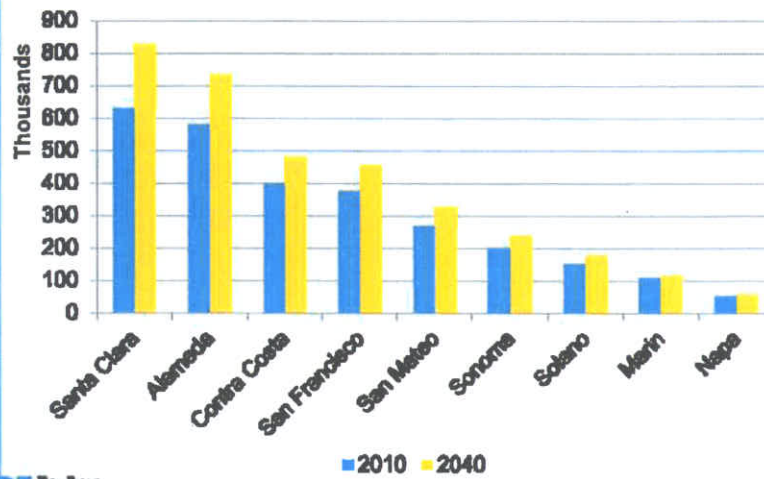
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Total Jobs in 2010 and 2040



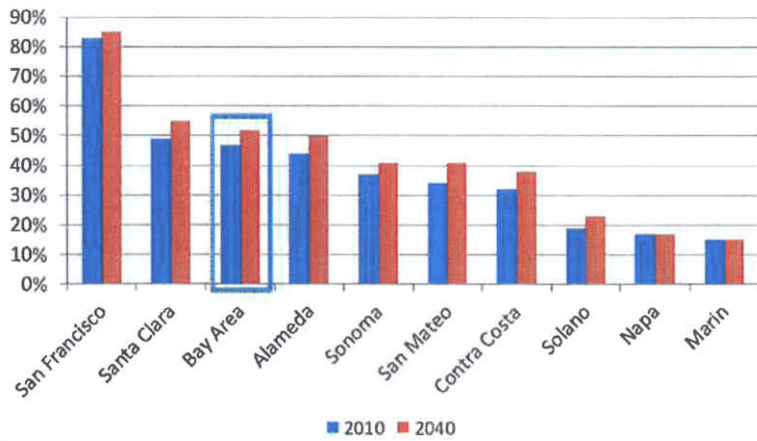
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Total Housing Units in 2010 and 2040



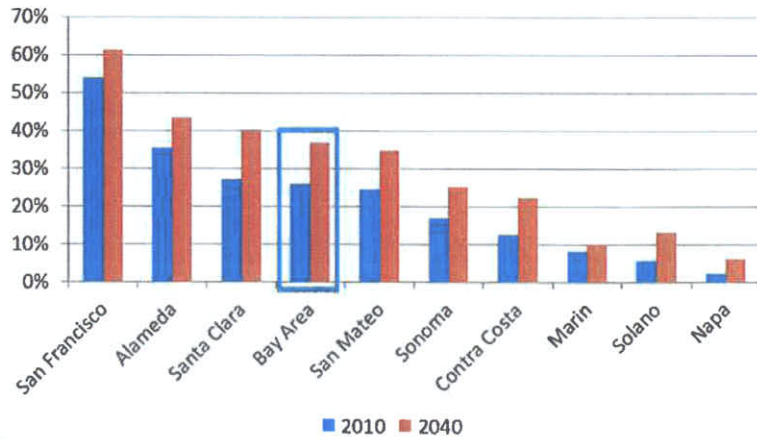
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% of Employment located in PDAs in 2010 and 2040

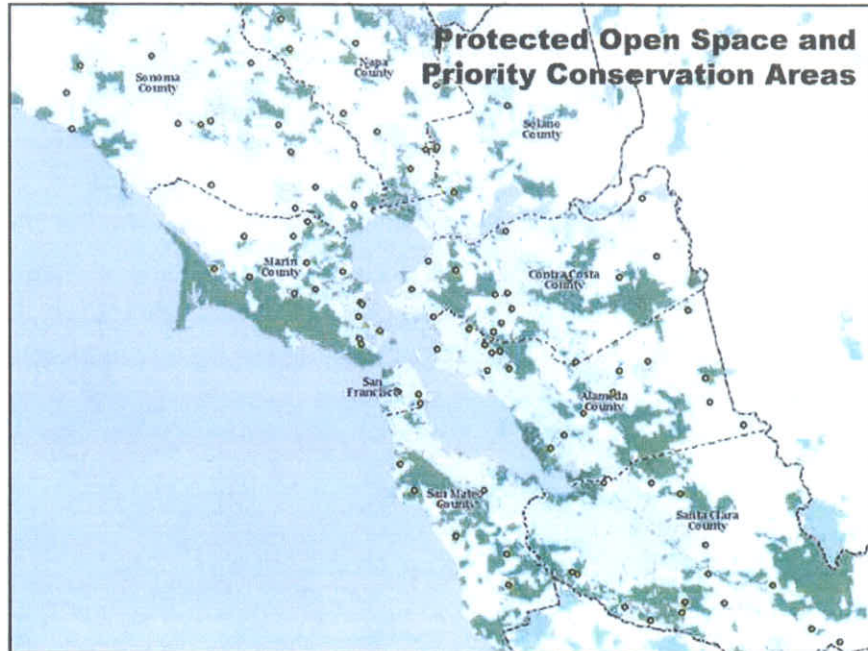


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% of Housing Units located in PDAs in 2010 and 2040



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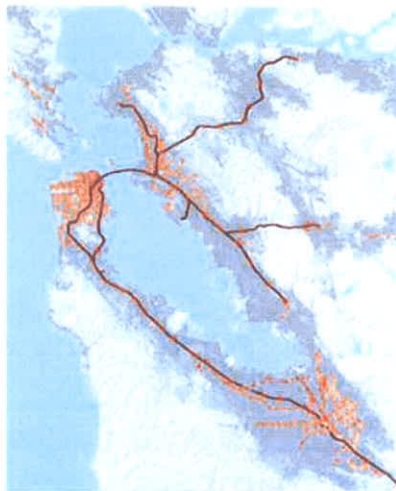
4. Key Challenges & Opportunities

Jobs – Housing Connection

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

MapPlan

Employment concentration not well served by transit



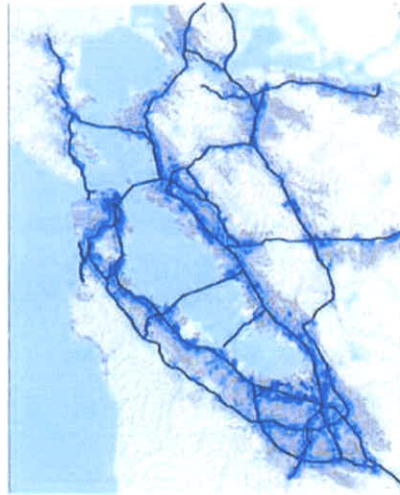
44% of Jobs
are within ½
Mile of
Regional
Transit Stations
or ¼ Mile of
Frequent Local
Bus

Employment Data Source:
National Establishment Time
Series (NETS)

Maps produced by Mark
Shorett, Arup

MapPlan

Employment concentration not well served by transit



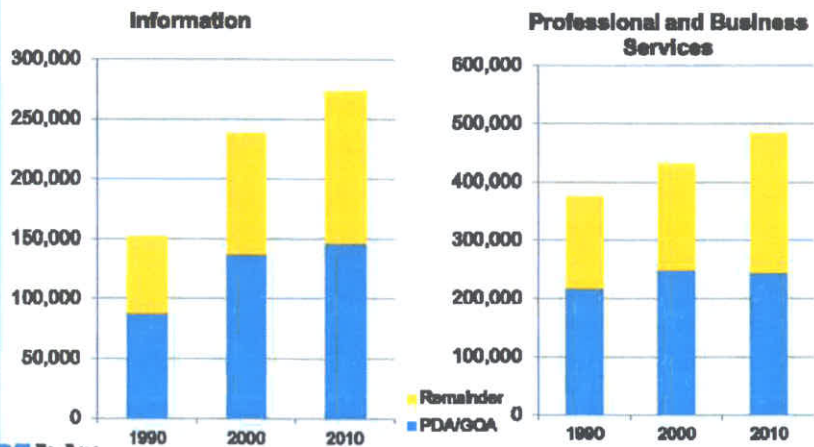
75 % of Jobs are within 1/2 Mile of Highway Off-Ramps

Employment Data Source: National Establishment Time Series (NETS)

Maps produced by Mark Shorett, Arup

MapPlan

“Knowledge based” jobs have grown in PDAs



MapPlan

Job Growth Strategies

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

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Least Affordable Housing Markets in the U.S.



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Housing Production Challenges

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



Housing Market Trends

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



Housing Production Strategies

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



Per Capita GHG Reductions by 2035

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

