



Re: Plan Bay Area 2050

To: Metropolitan Transportation Commission and the Association of Bay Area Governments

From: Non-Profit Housing Association of Northern California, TransForm, and Urban Habitat

January 31, 2020

Dear MTC Commissioners, ABAG Executive Board, and Staff,

As the Non-Profit Housing Association of Northern California (NPH), TransForm, and Urban Habitat, we are writing to provide initial input on Plan Bay Area 2050 (PBA 2050) and to support the conversation and analysis at the MTC and ABAG workshop taking place on January 31st.

As regional advocacy organizations committed to housing, transportation, and environmental justice and equity, we have worked together since the passage of SB 375 (Steinberg) to ensure a transformative and equitable Plan Bay Area that guides our region's growth and development. Representatives from our organizations have been involved throughout the Horizon and Blueprint processes, attending Regional Equity Working Group (REWG) and Regional Advisory Working Group (RAWG) meetings and day-long workshops, providing extensive feedback throughout.

PBA 2050 is critically important to our organizations and our allies, many of whom are low-income, youth, people with disabilities, communities of color, and others with unequal access to our region's vast resources, because it is our primary regional long-range planning tool. Plan Bay Area 2050 will help us envision the region that we all want and deserve to live in; direct a substantial pool of transportation funding to geographies, transportation modes, and transformative projects across the region; and have real impacts on people's lives at the local and regional level. Moreover, PBA 2050 comes at a critical juncture in terms of stemming the tide of displacement and resegregation across the region, getting cars off the road in favor of public transit, and committing to tackling climate justice. The fundamental question this process asks of us all is: Will we take this opportunity to develop housing, land use, and transportation systems that actually work for everyday people and our environment, or will we continue to fall short?

Based on our ongoing engagement with the process, we suggest the following priorities for the Draft Blueprint, with details articulated below.

Land Use

- Shift the focus of PBA 2050's growth framework to include both high-resource areas (HRAs) and transit-rich areas (TRAs), in addition to priority development areas (PDAs), to meet climate and equity goals.
- Align PBA 2050's growth framework with new state-level Regional Housing Needs Allocation (RHNA) and Affirmatively Furthering Fair Housing (AFFH) mandates by pursuing strategies that open up high-opportunity, racially segregated communities, with great schools and amenities, to low-, very low-, and extremely low-income households of color, who historically have not had access to those communities and opportunities.

Housing

- Lay out how MTC and ABAG plan to use their considerable influence and financial resources to advance and formally integrate the 3Ps framework (production, preservation, and tenant protection) in all of the work both agencies do.
- Include actionable strategies that incentivize local jurisdictions to plan for and build significantly more affordable homes for very low-income and extremely low-income households and invest and condition significant resources to encourage jurisdictions to do so.
- PBA 2050 should also integrate strategies that encourage jurisdictions to adopt anti-displacement, homelessness prevention, and no net loss of affordable housing policies and strategies to stem the tide of community disruption and housing instability.
- Continue to work closely with local and regional stakeholders to evaluate the new opportunities afforded the agencies via AB 1487 (Chiu), passed in the 2019 legislative session, to be placed on the ballot to create and fund new affordable housing production programs, tenant protection programs, and policies and provide resources for affordable housing preservation to develop and support local solutions at scale for housing across the Bay Area.

Transportation

- Evaluate transportation projects for their equity impacts as part of the regional network, combining projects, and programs that enhance outcomes.
- Compare costs, impacts, and benefits between projects across the region, and not just analyze any one project in isolation, in order to understand the tradeoffs between funding priorities.

Climate

- There is no inherent contradiction between equitable planning and addressing the climate crisis. Inequitable transportation investments and land use and housing policies have contributed to our climate crisis; planning for affordable, walkable communities near great transit is key to achieving better transportation, climate, and equity outcomes.

I. Land Use:

Land use is at the center of PBA 2050's mandate to reduce greenhouse gas emissions, and it directly affects housing, transportation, and equity outcomes. For those reasons, we support the staff proposal and strongly recommend that PBA 2050's growth framework shift to focus on both high-resource areas (HRAs) and transit-rich areas (TRAs), in addition to priority development areas (PDAs). Moreover, we recommend that the Plan's land use and housing strategies be consistent with RHNA's requirements to affirmatively further fair housing and ensure that high-opportunity areas accept their fair share of housing growth. Lastly, we recommend that the RHNA allocation methodology integrate racial segregation and racial exclusion as a specific factor in the methodology to determine how growth is distributed throughout the region.

Priority Development Areas are self-nominated areas that local jurisdictions have determined are best suited for future housing growth. However, as staff analysis has indicated, PDAs have not lived up to their promise. Our region's PDA-reliant growth framework did not address the region's increasing jobs-housing imbalance or spur the production of more affordable housing for low-income and very-low income residents; there are also critical fair housing concerns with many high-resource communities not self-designating PDAs. Furthermore, self-designated PDAs have failed to stem the tide of displacement of low-income communities of color from core areas, such as Oakland and San Francisco. Conveniently, many of the jurisdictions that chose not to designate themselves as PDAs, were located in high-resource and high-opportunity areas.

Additionally, as we recognize that PBA 2050 and the RHNA process must be consistent, and that as part of this process exclusionary communities must embrace their fair share of housing growth in order to better distribute the region's assets and opportunities. We have a once in an eight-year opportunity with Plan Bay Area 2050 as it coincides with the RHNA process that determines how much housing each city and county will need to plan for over the next eight years. To address our region's legacy of racial exclusion, we respectfully request that the Housing Methodology Committee and the Regional Planning Committee work with staff to develop a RHNA methodology that explicitly uses race as a factor, rather than using proxies such as high-resource areas or high-opportunity areas, that miss the mark, and ultimately perpetuate racial inequality and segregation.

This shift is necessary if PBA 2050 is to meet one of its key equity outcomes: inclusive communities where disadvantaged populations can stay in place and have increased access to the region's assets and opportunities.¹ This outcome can be strengthened by clarifying that, as part of the strategy to get us there, exclusionary communities must embrace their fair share of housing growth in order to better distribute the region's assets and opportunities.

II. Housing:

As indicated in the Plan Bay Area needs assessment, the estimated affordable housing production and preservation needs would total \$473 billion through the year 2050. PBA 2050 should require communities to address their severe need for affordable housing production especially in traditionally exclusionary jurisdictions that have not built their fair share of affordable housing or met their RHNA goals for low-income (LI) and very low-income (VLI) households in prior cycles.

Affordable housing production is critical in not only addressing racial inequality and segregation in these communities, but also in addressing our housing crisis and ensuring that low-income communities of color are not displaced from communities of high-opportunity, jobs, and well-resources schools and neighborhoods. Moreover, the Plan must adopt strategies that clearly articulate the need for historically exclusionary jurisdictions to adopt their fair share of housing growth, so that are region is able to effectively address our corresponding transportation and climate crisis. Together, both agencies must use all of the tools at their disposal, especially Plan Bay Area 2050, to strengthen the linkages between housing and transportation. In particular, we urge MTC to explicitly enforce compliance with state housing laws laws pertaining to housing production, preservation, and tenant protections by conditioning transportation investments on housing law compliance and specific housing outcomes.²

As we expect RHNA numbers for this cycle to be significantly higher than in previous cycles, we respectfully recommend that Plan Bay Area 2050 include actionable strategies that incentivize local jurisdictions to plan for and build significantly more affordable homes for very low-income and low-income households and invest and condition significant resources to encourage jurisdictions to do so. PBA 2050 strategies should state clearly that these jurisdictions will be at risk of losing funding for transportation investments if they do not demonstrate progress in affordable housing production.

¹ REWG presentation, January 22, 2020

² For example, in OBAG 3, additional points could be assigned for jurisdictions that already have explicit housing policies, like inclusionary zoning and housing trust funds above and beyond state law on the books.

PBA 2050 should lay out how MTC/ABAG plans to use its considerable influence and financial resources to advance and formally integrate the 3Ps framework (production, preservation, and tenant protection) in all of the work both agencies do. We recommend that PBA 2050 strategies encourage local jurisdictions to adopt anti-displacement, homelessness prevention, and no net loss of affordable housing policies and strategies to stem the tide of community disruption and housing instability. Cities that are making it more difficult for the region to achieve its agreed upon objectives and not actively working to stabilize communities and provide housing for low-income residents should not at the same time be rewarded with additional resources and investments.

Lastly, we respectfully request that PBA 2050 encourages both agencies continue to work closely with local and regional stakeholders to evaluate the new opportunities afforded the agencies via Assembly Bill 1487 (Chiu), passed in the 2019 legislative session, to create and fund tenant protection programs and policies and provide resources for affordable housing preservation and production to develop and support local solutions at scale for housing across the Bay Area. This new state law and the recently formed Bay Area Housing for All campaign represents the opportunity to raise approximately \$1 billion per year in new funding for affordable housing should MTC Commissioners and ABAG Executive Board members approve the measure for the November 2020 ballot in all nine Bay Area counties. These are all critical components that must be reflected in the Housing Element of PBA 2050.

III. Transportation:

We were encouraged to see equity metrics employed to evaluate transportation projects, with an understanding that equity outcomes might be different across the three futures. In addition, we were excited by the opportunity for non-profits and community groups to submit project proposals, and applaud your approach to project evaluation that allows for iteration, creating an opportunity for projects to be improved with feedback and collaboration. We are also pleased to see a clear description of the need to change policies and projects to achieve more equitable outcomes and even more stringent greenhouse gas reduction targets--that not only were the previous plan's targets too generous, but the chosen projects and approach were not sufficient to meet them.

However, we are still concerned about the equity analysis employed for proposed transportation projects and believe there is room for improvement. While an equity score is helpful, it is a limited understanding of how these projects individually and how the plan collectively will impact disadvantaged communities. Our transportation system, and the projects proposed, do not work in isolation, and should not be evaluated as such. For example, transit fare reforms (which

staff analysis has found to potentially have significant impact on ridership and mode shift) applied to any particular project proposal would logically impact ridership and access for low-income communities. The Regional Express Transit Network (ReX) proposal, submitted by TransForm, is designed to serve a variety of communities, especially low income communities of color. However, an express bus network affordable to low income populations will have different equity outcomes than a system that assumes fares tailored towards choice riders. As staff analysis has shown, many investments will maintain the status quo of disproportionately benefitting high-income residents unless paired with additional strategies and specifically oriented toward serving low-income, disadvantaged residents and communities of color.

Further, some transportation investments will work against each other, while other investments will enhance each other. For example, widening highways parallel to existing or planned rapid transit - as has taken place in Santa Clara and San Mateo Counties along Highway 101 parallel to the Caltrain corridor - lead to depressed transit ridership, a waste of taxpayer dollars, higher greenhouse gas emissions, and other unproductive outcomes. On the other hand, an interconnected express transit network like ReX that is co-planned and integrated with a regional bicycle and micro mobility network and with assumed affordable transit oriented development around its stations will lead to better outcomes than could be achieved by either of these investments or strategies independently.

When evaluating projects, it is essential to build in the ability to compare costs, impacts, and benefits between projects across the region, and not just analyze any one project in isolation. For example, when analyzing a Peninsula BART extension, the analysis must go beyond a comparison of who would benefit and what it would cost if it was built vs. not built, but also who is *not* benefitting, and what other project is *not* being built or programs won't be funded. Indeed, staff's analysis shows that lower-cost transit improvements such as urban buses and BRT lines fare best across futures rather than redundant and high-cost rail extensions. How many low income residents are not being served by high-performing projects because resources are being diverted to low cost-benefit projects? Project analysis must take into account regional tradeoffs, and prioritize service, access, and improvements for disadvantaged communities.

In addition, we encourage the development of the draft Blueprint to prioritize fix it first investments and transit operations over new expensive transit extension capital investments. As staff found in both their public outreach and from understood best practice, fast, frequent, reliable, and affordable service is what motivates ridership. Given the failure of previous Bay Area Sustainable Communities Strategies to meet CARB GHG reduction targets, any plan must include sufficient resource allocation to maintain the system we have and prioritize the necessary transit operations funding. In previous rounds of PBA, advocates have asked for an analysis of the transit service levels and transit operations funding necessary to meet the proposed PDA

densities. This analysis is essential in demonstrating the viability of PBA 2050 and should be clearly analyzed in the final Blueprint.

In reviewing available revenues to fund transportation projects, Blueprint Basic assumes only existing funding streams, and Blueprint Plus assumes an infusion of new transportation funds from a regional transportation funding measure. The Blueprint Plus scenario assumes the passage of a one-cent sales tax, and therefore a potential \$100 billion new source of revenue. This is a proposal of one business group advocating for a transportation funding measure, but is not the assumption of the current state enabling legislation SB 278. The Silicon Valley Community Foundation produced a study³ in coordination with Voices for Public Transportation⁴ that found a variety of other viable revenue sources that are not regressive, and still raise billions for transportation. In line with its stated prioritization of equitable outcomes, MTC should analyze, pursue, and assume progressive revenue sources when analyzing potential future revenue.

In both the transportation and environment workshops, advocates and other attendees raised the issue of the need to plan for and manage the proliferation of transportation network companies (TNCs) and other private transportation services. Achieving the new CARB GHG reduction targets without a reduction in the number and growth of TNCs will seriously undermine our region's ability to reduce VMT. Specifically, MTC's legislative agenda needs to include legislation that would allow regulatory authority currently held by the California Public Utilities Commission (CPUC) to be devolved to the regional level in order to allow the Bay Area and other metropolitan regions to develop pilot programs, including flexible "caps" on the number of TNCs, and other mitigation strategies currently being implemented in New York City.

IV. Climate:

At the recent RAWG Environment Workshop, staff indicated they felt it would be a challenge to meet state-mandated greenhouse gas and VMT-reduction goals while still prioritizing equity concerns. We are very concerned to hear this sentiment from the staff charged with planning for the future of the region. There is no inherent contradiction between meeting our climate goals and meeting the needs of communities of concern. That is a false choice that must not be allowed to dictate our planning choices. In fact, it is inequitable transportation investments and land use policies that have led us to the current climate crisis, and equitable investments and planning are required in order to adequately address the crisis.

For example, a serious investment in electrified bus service that is fast, reliable, frequent, and affordable and makes transit a competitive alternative to driving at any hour of the day, both

³<https://www.siliconvalleycf.org/blog/announcements/how-can-we-fund-our-transportation-investments-equitably>

⁴ <https://www.mobilizethebay.org/>

during commute times and on nights and weekends, will benefit both communities of concern and the climate. Low income residents will be able to access a variety of employment opportunities and community resources, and all residents will be incentivized to take public transportation, reducing greenhouse gas emissions and car use simultaneously.

Additionally, building more affordable housing near existing and new transportation investments is both an equity and a climate strategy. Low-income residents are more likely to use transit when they live near it than high-income residents, making affordable housing developments a better climate strategy than market-rate housing developments.

Thank you for considering our comments. We look forward to working with you during the PBA 2050 process to develop improved housing, transportation, and land use strategies and achieve our shared climate and equity goals.

Sincerely,

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