

March 8, 2012

Metropolitan Transportation Commission
101 Eighth Street
Oakland, CA 94607

Dear Mr. Chairman and Fellow Commissioners:

Thank you for your dedicated work on Plan Bay Area and particularly the proposed One Bay Area Grant Program.

As we stated in our letter dated October 28, 2011, the Bay Area Business Coalition is pleased with several of the main components of the grant proposal, specifically that it provides counties with additional, more flexible resources. We like that the proposal includes a variety of funding pots including local streets and roads funding, as this will allow counties to prioritize their needs and allocate resources appropriately.

The Bay Area Business Coalition has carefully looked at the One Bay Area Grant revised proposal, drafted on January 13, 2012, and we have a few additional comments and suggestions on the program based on our original letter.

The objective of Plan Bay Area and specifically the One Bay Area Grant Program is to align transportation investments with sustainable land use choices. The critical principle to ensure this alignment occurs is proper planning. We think the success of this program will be based on including measures that guarantee the funds distributed to the CMAs through the One Bay Area grant are used for planning implementation measures as well as necessary infrastructure and related investments.

Based on our examination of the revised One Bay Area Grant proposal, our coalition of business associations and regional economic development organizations offer the following comments and recommendations which, we believe, will strengthen the One Bay Area grant requirements to better address the goal of strategic growth planning throughout the Bay Area.

- The grant should make it easier for regions to grow in their PDAs, in accordance with the SCS. The One Bay Area grant should advance the concept and effective use of CEQA streamlining, including use of the streamlining provisions for Specific Plans and Community Plans. This point was not addressed in the revised proposal, and we maintain our stance that CEQA streamlining is imperative and critical to the success of the SCS's implementation across local jurisdictions.

- With regards to a reasonable phased-in approach of the 70/30 spending breakdown for PDAs/non-PDAs, we believe that the revised proposal's compromise of 50/50 for the four North Bay counties is not enough. Specifically, we are concerned with the status of many of our region's PDAs and whether or not these areas can be financially feasible and successful given the current economic climate. Before the ambitious 70/30 breakdown is adopted, we encourage the regional agencies to review the status of all existing PDAs, as well as examine how the closure of many counties' Redevelopment Agencies will impact the status and success of these pre-determined PDAs. The Coalition




suggests opening up the qualifications for PDAs and allowing the private sector suggest potential PDAs for adoption, since industries including private developers and real estate firms keep a strong pulse on the regional marketplace. Only with more PDAs and the ensured success of our existing PDAs can the 70/30 breakdown be fiscally feasible for the CMAs.

- In our first letter, we stated the importance that the grant funding be sufficiently flexible to support PDAs and not so rigid as to be impractical. We are pleased to see that the revised proposal considers projects with a significant nexus to one or more PDAs, but which may not be within the boundaries of a PDA, to be eligible for funding. The Coalition would like to stress the importance of this clause and encourage its adoption in the final grant proposal.
- We suggest that the “Performance and Accountability” section of the proposal be refined to better reflect the goals of the SCS Process. To that end, we have the following comments and suggestions regarding criteria for access to funding:
 - We support making a commitment to undertake CEQA streamlining measures such as those described above a condition of funding, with funding going toward those efforts.
 - In our first letter, we supported making demonstrated removal of regulatory government constraints to housing a condition of funding, and we would urge this discussion to continue. As part of the housing element review process, local governments identify government constraints to the production of housing types and for all income levels. Although HCD reviews this information, we believe the grant funding process presents an excellent opportunity to make the constraints identification and removal process much more relevant and effective. We propose that as part of the application process, applicants be required to include the governmental constraints analysis contained in their housing element, as well as copies of HCD review letters commenting on the jurisdictions' identification and elimination/mitigation of its local policies that are potential or actual constraints. Each jurisdiction's progress (or lack thereof) in mitigating or removing constraints would be monitored across housing element update cycles and eventually become a factor in grant decisions.
 - Job centers are key drivers of transit-usage, with commuters most likely to take transit to work if their job is located a very short walk from a transit station (particularly rail), even if they have to drive to a transit stop from their home. High density commercial development should also be encouraged within priority development areas. Some possible ways to encourage this through the One Bay Area Grant Program is to reward communities that establish the following for commercial development within PDAs:
 - High minimum floor to area ratios (FARs)
 - Low parking maximums
 - Transportation demand management programs that encourage workers to use commute alternatives.
 - Finally, the Coalition thinks there should be a performance measure on how funding is being spent by the CMAs that receive Cycle 2 funding.

Thank you for the opportunity to comment on the draft proposal for the One Bay Area Grant program. We hope that our comments are helpful in the creation of a program that advances the goals of our region.

Sincerely,



Jim Wunderman
Bay Area Council



John Coleman
Bay Planning Coalition



Paul Campos
BIA Bay Area



Linda Best
Contra Costa Council



Karen Engel
East Bay EDA



Gregory McConnell
Jobs & Housing Coalition



Cynthia Murray
North Bay Leadership Council



Carl Guardino
Silicon Valley Leadership Group



Rosanne Foust
SAMCEDA



Sandy Person
Solano EDC

Cc:
Steve Heminger
MTC
101 Eighth Street
Oakland, CA 94607

Ezra Rapport
Association of Bay Area Governments
101 Eighth Street
Oakland, CA 94607