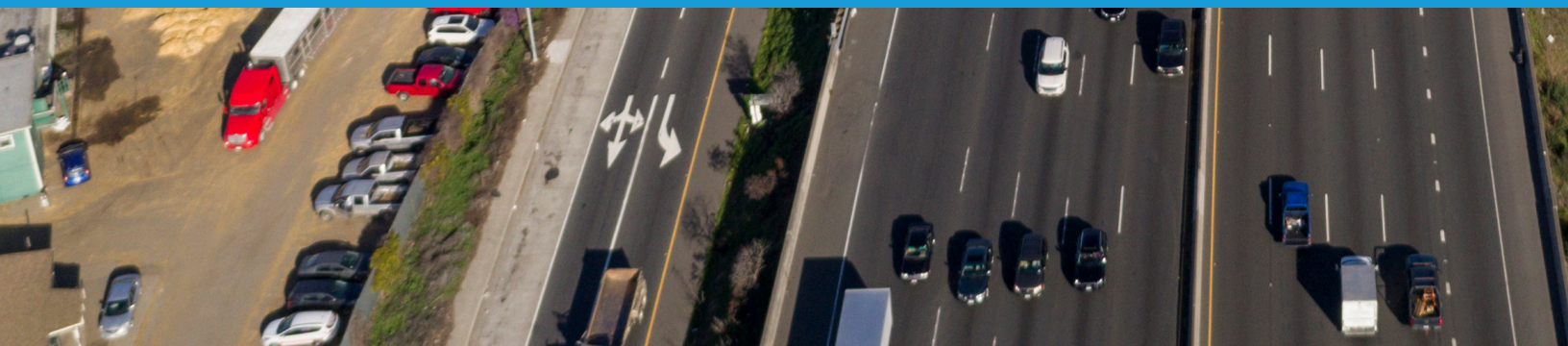




03

Economic Conditions Affecting Transportation





I-80 and I-580 and surroundings, City of Albany



ALAMEDA COUNTY CARRIES A HEAVY REGIONAL TRANSPORTATION BURDEN

With the combination of a large residential population and role as the East Bay's transbay gateway and regional goods movement hub, Alameda County carries a substantial portion of the region's daily travel needs. Alameda County is the second-most populous county in the Bay Area, with almost 1.7 million residents. The county is home to 22 BART stations, the Bay Area's second-largest bus transit system, and all four road and rail gateways between the East Bay and San Francisco Peninsula. Transportation facilities in the county therefore shoulder a heavy burden of regional transportation needs, as most travelers crossing the San Francisco Bay use these facilities.

GOODS MOVEMENT IS A BOOMING INDUSTRY IN ALAMEDA COUNTY

GOODS MOVEMENT AND EMPLOYMENT GROWTH

About one-third of all jobs in Alameda County are related to goods movement-dependent industries. Transportation, Warehousing, and Utilities was the fastest growing employment sector in Alameda and Contra Costa Counties in 2018 (+4.4 percent).¹

INCREASING TRADE VOLUMES

International trade volumes in the Bay Area are expected to grow from 66 million tons in 2012 to 159 million tons by 2040, increasing the demands on Alameda County goods movement infrastructure. In 2018, the Port of Oakland handled \$29.9 billion of imports (+4.5 percent) and \$19.8 billion of exports (+1 percent).²

CRITICAL GOODS MOVEMENT INFRASTRUCTURE

Alameda County contains goods movement infrastructure critical to the local, regional, and national economy:



The Port of Oakland



Oakland International Airport



The Union Pacific (UP) Railport and BNSF Railway's Oakland International Gateway



Major truck routes: I-80, I-238, I-580, I-680, I-880, and SR-92

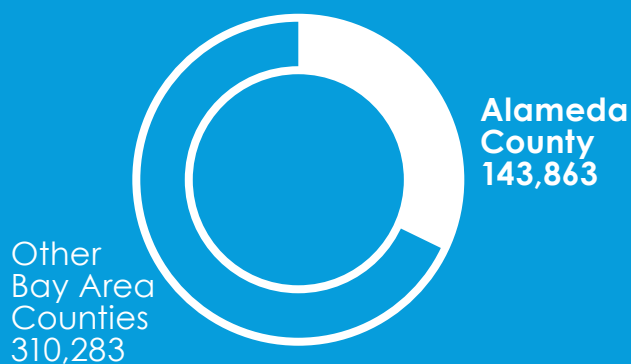


THE COUNTY SERVES AS A PRIMARY FREIGHT HUB FOR THE MEGAREGION

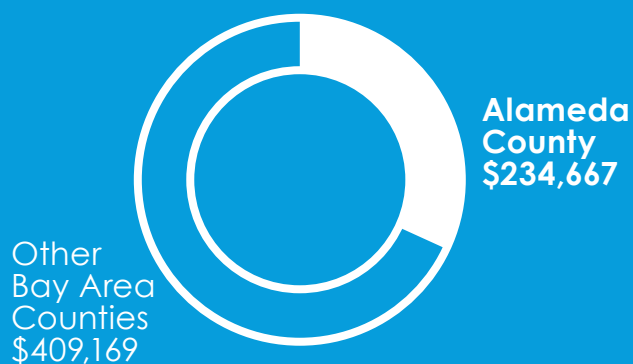
Alameda County also contains most of the critical goods movement infrastructure that the Northern California megaregion relies on to transport goods to and from international and national marketplaces. The Port of Oakland is the fifth-largest container port in the United States, and the Oakland International Airport serves as a major international gateway for goods movement, driving local, regional, and national economic growth. In addition to these gateways, an even greater amount freight utilizes the rail and interstate highway infrastructure in Alameda County to transport goods between the Bay Area and the rest of the United States.

ALAMEDA COUNTY MOVES A LARGE SHARE OF REGIONAL FREIGHT³

**2012 GOODS MOVED
BY WEIGHT (KTONS)**



**2012 GOODS MOVED BY VALUE
(MILLIONS OF DOLLARS)**

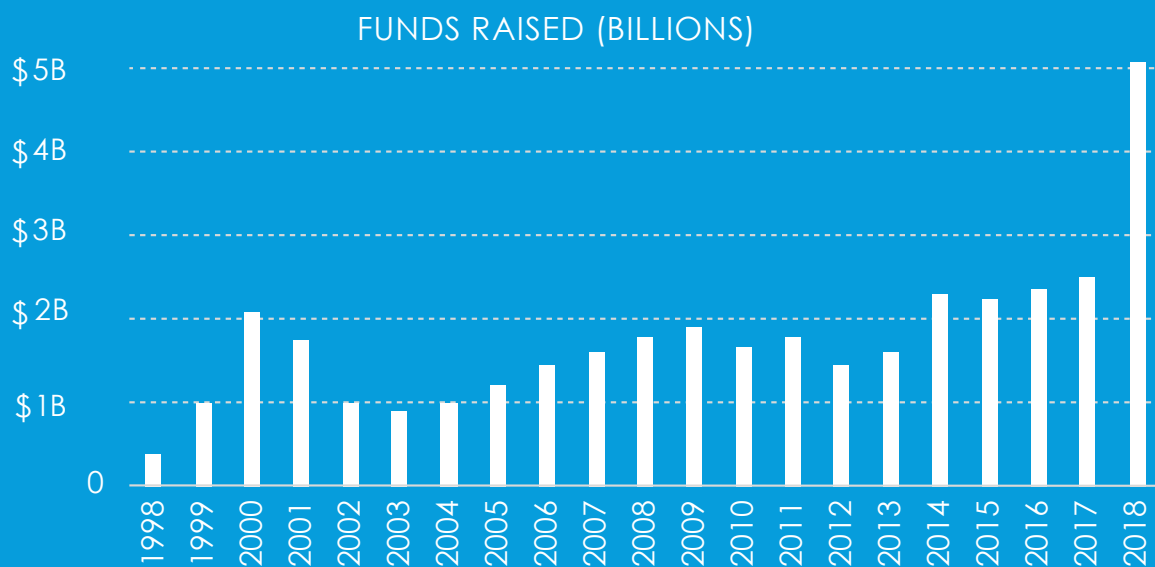




ECONOMIC GROWTH HAS BEEN STRONG OVER THE PAST DECADE

The annual unemployment rate in Alameda County dropped from 10.9 percent in 2010 to 2.9 percent in 2019.⁴ Over that time, real median household income in the county increased by 32 percent, from \$77,193 in 2010 to \$102,125 in 2018. Business investment in Alameda County has also surged over the past decade. This includes substantial investment in start-up firms, as venture capital funding in the East Bay has increased from less than \$2 billion in 2010 to more than \$5 billion in 2018. As companies shift location preferences, significant commercial growth has occurred in Oakland, Hayward, Fremont, and Emeryville.

VENTURE CAPITAL FUNDING IN ALAMEDA AND CONTRA COSTA COUNTIES⁵

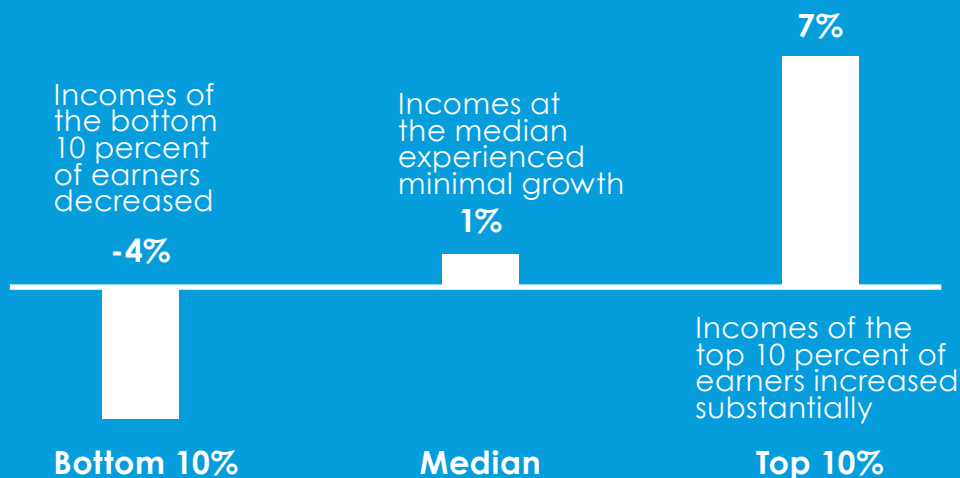




INEQUALITY HAS INCREASED ALONGSIDE ECONOMIC GROWTH

However, benefits have not been equitably distributed among all communities in the county. The share of Alameda County households earning more than \$200,000 increased from 9 percent in 2010 to 21 percent in 2018.⁶ This change was driven primarily by an influx of more educated, higher-income earners, rather than increasing incomes of existing residents.⁷ Low-income workers actually experienced declining incomes during this time, as workers with incomes in the bottom 10 percent of earners in Alameda County had 6 percent lower earnings in 2015 than in 2010.

INCOME GROWTH IN ALAMEDA COUNTY, 2010-2015⁷

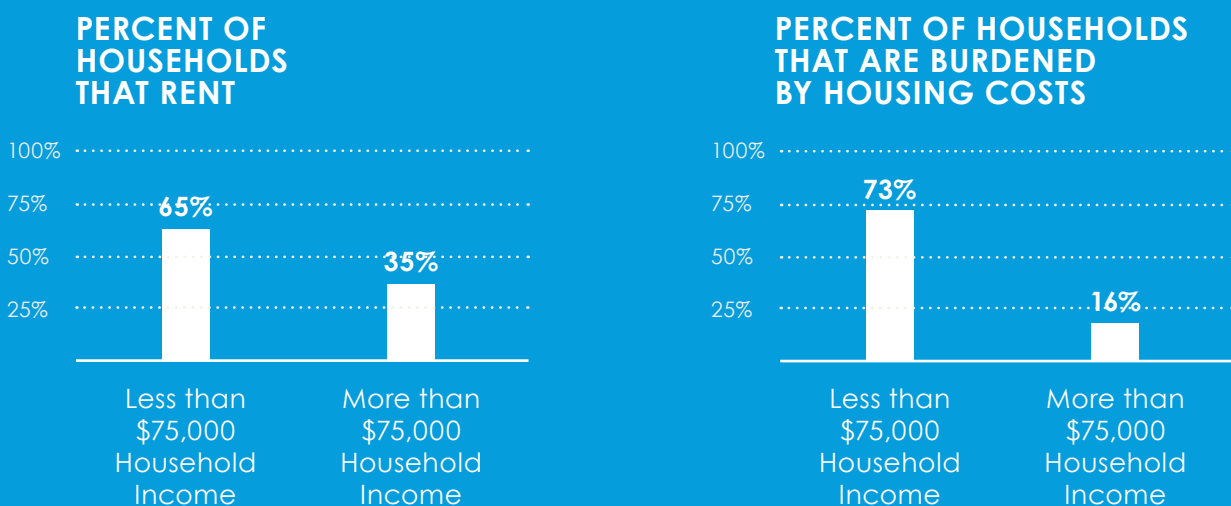




HIGH HOUSING COSTS LED TO AFFORDABILITY CHALLENGES

High housing costs harm residents of all incomes, but it hits lower- and middle-income households the hardest. These households are more likely to face housing instability, as they are more likely to be renters and are more likely to pay a high percentage of their income for housing. The apartment vacancy rate in Alameda and Contra Costa Counties in 2018 was only 3.9 percent, resulting in increasing rents and difficulties finding housing.⁸ Because of this, many individuals and families leave the county to find housing that is affordable to them, resulting in a net population loss from domestic migration each of the past three years and slower growth overall.

HOUSING INSTABILITY IN ALAMEDA COUNTY⁹





COMMUTES LENGTHENED AS RESIDENTS MOVED FURTHER FROM JOBS

The movement of residents to locations outside Alameda County in search of more affordable housing directly results in longer commutes for these people as they continue to travel to jobs in Alameda County and on the west side of the San Francisco Bay. This also results in more travel that passes through Alameda County, increasing traffic volumes and commute times for county residents. In 2018, 19 percent of Alameda County residents had daily commutes longer than 60 minutes, a figure that has risen alongside increased overall traffic volumes and congestion. Those displaced to neighboring counties face even longer commutes, as 27 percent of Contra Costa County residents and 25 percent of San Joaquin County residents have daily commutes longer than 60 minutes.¹

LIMITED HOMEBUILDING AND SOARING HOUSING COSTS



LIMITED REGIONAL HOMEBUILDING

Residential permitting in the Bay Area is consistently less than half the rate of the Seattle metropolitan area, which represents a similar land use and transportation context under similar economic conditions.¹⁰



INCREASING HOUSE PRICES

Median home price in Alameda County was \$842,000 in 2018 and has increased by 8 percent or more every year since 2012. About one-third of owner-occupied units in the county are valued at \$1 million or more.¹¹



INCREASING RENTS

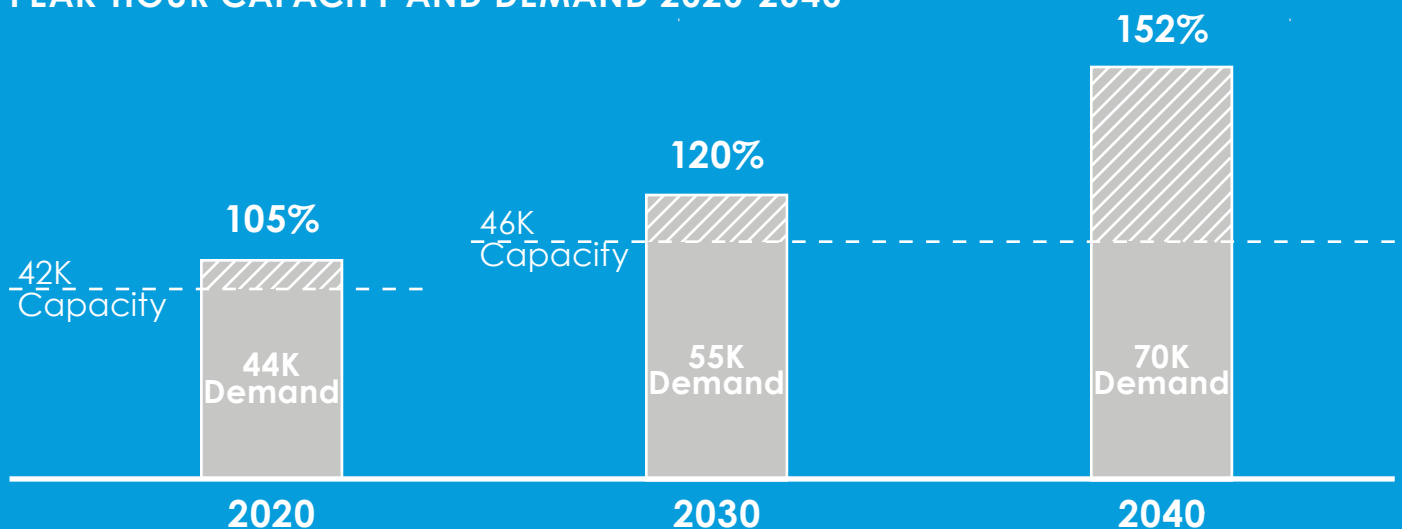
Median gross rent in Alameda County was \$1,875 per month in 2018 and has increased by 7 percent or more each year since 2014. About one-quarter of occupied units rent for \$2,500 per month or more.



THESE TRENDS STRESS THE REGIONAL TRANSPORTATION SYSTEM

As described in detail later in this report, increased travel demand in and through Alameda County over the past decade has resulted in challenges for all users of the transportation system, from longer travel times and decreased reliability to reduced safety and accessibility. The economic and housing conditions discussed in this section further stress the ability of the transportation system to provide mobility and access for all Alameda County residents, negatively impacting health, safety, and quality of life. The strain on the county's transportation system is particularly detrimental to lower- and middle-income residents who cannot afford to live near job centers and transportation facilities.

FORECAST TRANSBAY CORRIDOR PEAK-HOUR CAPACITY AND DEMAND 2020-2040¹²





AN UNCERTAIN FUTURE REQUIRES ADAPTATION AND FLEXIBILITY

Many Alameda County residents rely on single-occupant vehicles for their transportation needs due to historical investments, user preferences, and land use patterns. Surface transportation represents the county's largest source of greenhouse gas (GHG) emissions,¹³ and decisive action is needed to meet the GHG reduction target of 40 percent below 1990 levels by 2030 established in California Senate Bill 32.

As of April 2020, unemployment in Alameda County has risen to 14.1 percent due to the COVID-19 pandemic and shelter-in-place orders. Long-term economic effects and changes to travel patterns from the pandemic are uncertain, but the issues of economic development, income inequality, housing affordability, long commutes, and transit capacity constraints discussed in this chapter are likely to remain significant issues facing the county during and after the crisis.

EMERGING SOCIAL AND TECHNOLOGICAL TRENDS



AGING POPULATION

The senior population in Alameda County has increased from 11 percent of the population in 2010 to 14 percent in 2018, and more than one in five Alameda County residents is expected to be 65 or older by 2040. With an aging population comes more complex transportation needs and the consideration of alternative transportation options.



NEW TRANSPORTATION TECHNOLOGIES

Transportation network company (TNC) use has grown enormously since 2013, contributing to increases in vehicle miles travelled (VMT) and impacts to transit ridership in some areas. With autonomous vehicles on the horizon, public agencies must manage and leverage new technologies to offset these impacts.



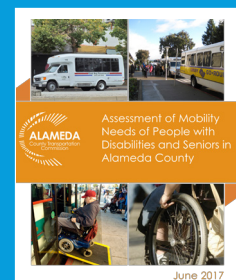
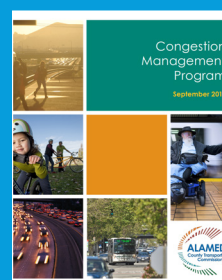
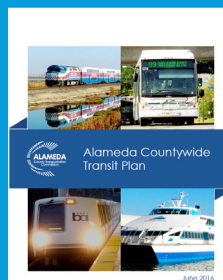
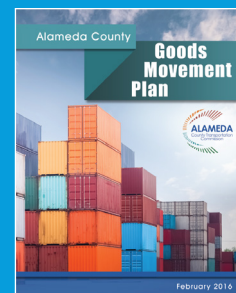
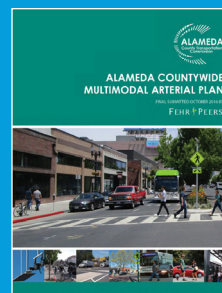
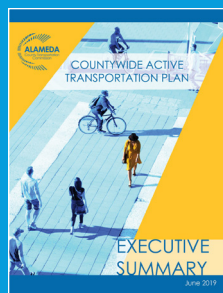
OPPORTUNITIES TO ADDRESS THESE ISSUES IN THE 2020 CTP



The 2020 CTP helps address the transportation issues described in this chapter by identifying a list of 10-Year Priority Projects and Programs and developing a set of Strategies to guide agency priorities and transportation investments throughout the county. These represent an ambitious vision for the future that will require partnership and leverage to deliver. Together with partner agencies, they can have a transformative impact on moving Alameda County towards the vision for 2020 and beyond and have a profound impact on how transportation improvements are delivered in the coming years.

COUNTYWIDE PLANNING EFFORTS INFORMING THE NEEDS ASSESSMENT

- Active Transportation Plan (2019)
- Multimodal Arterial Plan (2016)
- Goods Movement Plan (2016)
- Transit Plan (2016)
- Congestion Management Program (2019)
- Assessment of Mobility Needs of People with Disabilities and Seniors in Alameda County (2017)





To successfully achieve the vision and goals, the 2020 CTP will consider the following challenges:

- Coordinating multi-jurisdictional investments to deliver projects of countywide and regional significance
- Delivering major infrastructure projects in a timely and cost-effective way
- Funding transportation infrastructure improvements in a tightly budget-constrained environment, with increasing construction and maintenance costs
- Planning for resilience to both expected and unexpected disruptions to the transportation system

IMPROVING THE REGIONAL TRANSPORTATION SYSTEM AND QUALITY OF LIFE THROUGH INCREASED INVESTMENTS



Helping attract further job growth and investment



Shaping regional investments to deliver local benefits like trails and improved placemaking



Taking advantage of the transit network and improving connections between transportation and land use