



East Bay Housing Organizations



September 8, 2022

Re: September 9, 2022 Planning Committee Item 8a: Transit-Oriented Communities (TOC) Policy

Dear Committee Chair Sperling and Vice Chair Ahn:

We appreciate the Commission and staff for the thoughtful work given to updating MTC's Transit-Oriented Communities (TOC) Policy. Our organizations have been engaging with staff on designing an effective TOC policy since the process began almost two years ago, and we are eager to see the TOC Policy approved by the Commission later this month so that jurisdictions across the region can take steps towards the goals of the TOC Policy and Plan Bay Area 2050. The TOC policy is a critical tool in our toolbox to start making a meaningful impact towards achieving our goals. Now is the time to take action: our converging crises of housing unaffordability, climate change, and racial and economic inequities have deepened in scale and urgency.

The draft policy includes many important provisions to advance our regional goals for housing, climate, and access to opportunity. It is essential that the Committee approve the policy at the September 9th meeting so that it can be approved by the Commission in late September; this timeline will allow jurisdictions the opportunity to reasonably integrate the policy requirements with housing element rezoning over the next several years. While we support the policy broadly, and commend staff and Commissioners for progress on various aspects of the policy design, there are several areas where the policy must be improved to follow through on its stated goals, and the imperatives unanimously approved in Plan Bay Area. We are particularly concerned by several recent changes that we believe significantly undermine the climate and equity goals of the policy.

Therefore, we strongly recommend that the Committee approve the policy on September 9th and call on staff to create alternative options for the full Commission in response to the following three concerns:

- 1) Eliminate the last-minute exemption for residential densities for some of the region's most exclusive cities with abundant access to opportunity.** The current draft policy includes a new exemption for a small subset of cities with Tier 3 transit (i.e., served by 1 BART line, Caltrain, light rail transit, or bus rapid transit) that are home to less than 30,000 people. In practice, this exemption is targeted specifically to some of

the region's most exclusive, racially segregated cities that have some of the highest median incomes and rank high on access to opportunity: Albany, Atherton¹, Belmont, Brisbane, Lafayette, and Orinda.

We recognize MTC's challenging role of furthering goals that at times may be in tension with one another, including affirmatively furthering fair housing and greenhouse gas emissions reduction. This only underscores how imperative it is that we commit to equitable development in areas that are both high opportunity and transit rich areas given the multiple co-benefits it would provide. This exemption does not further the goals of the TOC policy, nor does it appear to be designed to respond to any place-specific constraints on development capacity.

This last-minute exemption would be acting in direct opposition to MTC and ABAG commitments to both affirmatively further fair housing and reduce GHG emissions; it would allow jurisdictions that have long excluded multifamily housing to continue to be exempted from engaging in our collective efforts for a more sustainable, and less racially and economically segregated, region. We strongly urge you to remove this exemption in the final policy.

- 2) **As we stated in our letter on July 6th, 2022, it is critical that the "3 P's menus be consolidated and strengthened if the policy is going to incentivize genuine impact for affordable housing and anti-displacement for the region; at present, the menus have left jurisdictions with too many low-impact options, and leave ample opportunity for jurisdictions to meet their affordable housing requirements without meaningfully changing local policy or funding. We recommend specifically:**
 - a) **The policy should require no-net-loss and the right to return for demolished homes as a baseline requirement.** Requiring no-net-loss and right to return for demolished homes (specifically ensconcing current state law, SB 330, without a sunset date) is a commonsense baseline policy to prevent direct displacement, and it presents no cost to the local jurisdiction.
 - b) **The policy should focus its affordable housing production menu options on high impact policies that have a specific focus on affordable housing production.** The affordable housing production menu has been updated and now includes three options that require only that local jurisdictions adopt various components of current state law (SB 330) without a sunset date, including a new policy that is not even specific to affordable housing. **We recommend that the production aspects of SB 330 be either consolidated to count as a single policy in the menu or that they be removed from the menu and made baseline requirements.**
 - c) In addition, there are several other lower-impact and/or duplicative policies currently included in the affordable housing and anti-displacement policy menus that should be collapsed and refined to ensure that jurisdictions are not incentivized to select policies from the menu that do not achieve the intended goals and scale of the policy. We outlined these recommendations in our [previous memo to staff](#).

Failing to consolidate the 3 P's menus will undermine the affordability and equity commitments for the policy that MTC has committed to from the outset of this policy development process. The affordable housing and equity community has provided extensive feedback on how to design the menus to reflect best practices and focus on high-impact policies, and we urge you to incorporate this feedback in the final policy.

- 3) **Eliminate Tier 4 minimum parking requirements.** All versions of the policy prior to the one published last week have prohibited minimum parking requirements, thus preventing jurisdictions from forcing the construction of parking adjacent to great transit. It is [well-documented](#) that minimum parking requirements increase congestion and GHG emissions while making conditions worse for walking, biking, and transit. In short, minimum parking requirements directly contradict TOC policy goals.

¹ While the Atherton Caltrain station has closed, roughly 60 acres of Atherton are within ½ mile of the Menlo Park Caltrain station.

Some jurisdictions use minimum parking requirements in an effort to avoid spillover parking from new development, but minimum parking requirements fail to achieve this desirable goal. For example, forcing a developer to build 1.5 parking spaces per unit does nothing to prevent occupants from owning 3 vehicles per unit. If a jurisdiction wishes to successfully manage spillover parking from new development, it must do so directly, by managing residential and commercial parking through strategies such as time-limits, parking permits, pricing, and enforcement. Thankfully, committee agenda item 7a explains MTC's strategy to devote \$15 million dollars to support jurisdictions implementing such policies, which are described in MTC/ABAG's excellent [Parking Playbook](#).

Minimum parking requirements in Tier 4 areas will undermine the TOC policy's stated goals, will fail to deliver the desired benefit, and distract from policies that can actually prevent spillover parking. Please reconsider this last-second policy change and eliminate minimum parking requirements in Tier 4 zones.

Thank you again for your time, engagement, and consideration.

Respectfully,

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