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May 16, 2013

Amy Worth, Chair
Metropolitan Transportation Commission (MTC)

Mark Luce, President
Association of Bay Area Governments (ABAG)

Re: Comments on Plan Bay Area and the Plan Bay Area EIR

Dear MTC Chair Worth and ABAG President Luce:

SPUR offers the following comments on the complete draft of Plan Bay Area (“the Plan”) and its corresponding Environmental Impact Report. SPUR is an urban policy think tank and advocacy organization with over 4,000 members and offices in San Francisco and San Jose.

In general, SPUR supports the draft plan and encourages MTC Commissioners and ABAG Board members to adopt it, pending a few specific adjustments and other considerations we describe in this letter.

We think Plan Bay Area is an important step forward in comprehensive regional planning in the Bay Area. Ever since ABAG produced the Bay Area’s first regional plan in 1966, the Bay Area has been in need of regional planning with stronger tools to shape growth and travel behavior. While there still remains a gap between our vision of a more concentrated region and the actual tools to achieve it, Plan Bay Area contributes to the broader trend and best practice of integrating land use planning with transportation funding and decisions.

We applaud the regional agencies for producing a draft plan where the projected land use pattern places the vast majority of growth in existing urbanized areas. We also particularly applaud MTC and ABAG for analyzing specific policy levers that can be used to help achieve some of the overall goals of the Plan. Finally, we are encouraged that the Plan continues the pattern of “Fix it First” and increases the percent of investments focused on maintenance relative to T2035.

We do have some recommendations for changes to the Plan based on the results of the EIR and the previous rounds of analysis. We offer the following comments on what we like about the Plan, recommendations for how to improve the Plan, and suggested changes to include in the next Plan. These are based on our participation in the process, our reading of the results of the EIR and our thoughts generally on best practices in comprehensive regional planning.

Land use distribution and policies

SPUR supports the overall land use emphasis in Plan Bay Area, which prioritizes growth inside urban growth boundaries within existing urbanized places and along major transit routes. In addition, we support the Plan's approach to concentrating most growth in the urban core. For example, the three central cities are projected to capture 38% of 1.1 million in new jobs and 41% of 660,000 new housing units.

We support the approach of maintaining strict urban growth boundaries in all of the Plan alternatives. By our own analysis, the Plan on its own will support the preservation of 93 percent of the remaining agricultural land within the nine-counties, an important economic and environmental priority.

Even while we support the overall framework of allocating growth to locally identified Priority Development Areas (PDAs), this approach misses some key areas. There are some places that were not nominated as PDAs that are appropriate places to plan for growth (such as the western half of San Francisco and parts of San Jose). There are other places that are PDAs where transit service is marginal and unlikely to affect travel behavior and/or the planned transit service performs poorly in MTC's analysis. We should not be projecting significant growth in these places, as they will not help achieve the implied goals of the Plan. We think it is appropriate to shift growth from these places towards some of the Transit Priority Project (TPP) areas with the highest quality transit.

We think the Plan should more strongly articulate the benefits of concentrating employment near transit. Based on MTC's own analysis, commuters are more likely to take transit to work if their job is located near transit, even when their home is not. As a result, we think the concept of transit-oriented jobs is an important one and should not be lost amidst a goal of achieving a concentrated residential pattern. Specifically, we recommend that the Plan note the number of jobs that would be located within one quarter mile of high frequency transit, not just the share (66 percent) that are projected to locate in PDAs.

We support One Bay Area Grant as an investment tool, but encourage the regional agencies to more strongly condition funds to performance criteria. While we support the current criteria focused on complete streets policies and a RHNA-compliant General Plan, we encourage MTC to consider other performance criteria such as demonstrated support for transit investments and the production and preservation of affordable housing. We also support the One Bay Area Grant funding that is targeted at improving the preservation and economic viability of agricultural land within Priority Conservation areas.

We are encouraged by the inclusion and analysis of a development impact fee for high vehicle miles traveled (VMT) areas and think this should be included in the next Plan. This is one of the few tools possible to price the impact and cost of auto-oriented growth. This type of policy is one that could be implemented by the Air District and should be further studied and included in the 2017 Plan.

We also applaud MTC for including an analysis of sea level rise in this EIR even though it was not required. This provides a clear picture to many about some of the Mid Century impacts of sea level rise. We do recommend that the next SCS analyze and plan for additional sea level rise plus storm surge scenarios. This should be based on revisiting the science and using that science to redo the scenarios.

We also applaud that MTC noted the importance of conditioning future MTC infrastructure funding on an adaptation strategy. However, your recommendations stop short of calling for conditioning MTC funding on adaptation strategies for infrastructure projects that are located in potential inundation zones (as listed in the EIR or otherwise agreed upon by MTC in collaboration with other regional agencies including BCDC). We think future projects should be designed to be resilient to end of century sea level rise.

We encourage ABAG and MTC to examine ways to make development in PDAs more resilient, particularly to address earthquake hazards. These can include making improvements to the land itself to reduce hazards as well to build in special ways in hazard zones to reduce damages when earthquakes occur.

We suggest incorporating the following changes to the final preferred land use scenario based on the results of the EIR and other analysis:

1. **Shift more of the projected growth to Transit Priority Project areas (TPPs) as suggested in Alternatives 3 and 5,** particularly transit rich places like the western half of San Francisco and non-PDA places in the South Bay (such as some parts of San Jose). The suggestion would be to shift from lower density PDAs with poor quality transit to non-PDA TPP's with high quality and high frequency transit.
2. **Pursue a study of a fee on development in high VMT areas** and make this policy tool available for inclusion in the next Plan. This is a tool that would be appropriate for the Air District to lead and help implement.
3. **Pursue as many measures as feasible to help produce the affordable housing identified in the Plan,** including preparing for a regional measure to fund affordable housing and further linking future OBAG funds and other investments to actual affordable housing approvals and production.

Transportation investments and policies

SPUR is supportive of the overall transportation investment approach in the Plan, particularly the approach of “Fix it First” and the increasing share that was non-committed. Of the \$289 billion in forecasted revenue over the 28-year Plan, \$57 billion was non-committed at the beginning of the planning process, the largest amount ever and a good step towards increasingly using objective performance criteria in determining transportation priorities. Of the \$57 billion in discretionary funding, 87 percent of all funds will go to maintenance, another positive reflection of “Fix it First”.

While the Plan identifies the unfunded transit capital needs, it does not take seriously enough the consequences of not identifying this funding. The Plan assumes \$17 billion in unfunded transit capital needs, a gap that must be filled to ensure the ongoing maintenance of the region's essential

transit assets. Further, with the rapidly growing ridership on regional rail systems of BART and Caltrain, the capital funding shortfall could seriously harm those systems in the future.

We support the improved project performance assessment in this Plan but think the summation of the voluntary targets themselves are not the best reflection of a project’s merits. Some targets are also much more significant than others but the project performance assessment treats each target equally.

In terms of the investment framework, we are supportive of many of the projects. We support BART Metro, BART to San Jose, Caltrain to the Transbay Transit Center, the electrification of Caltrain, the Central Subway, various BRT projects listed in the Plan as well as other key projects. We are encouraged that these projects are included as fully funded in the Plan.

We support the creation of HOT lanes and the concept of allowing single occupant drivers able to pay to go into carpool lanes. However, we are concerned with some of the aspects of the full build-out of the MTC Express Lane Network. We suggest **eliminating the lane expansions that are included in the Plan.** Most of the gap closures could be achieved through conversion of mixed-flow to HOT/HOV.

We think the Plan should more seriously explore converting mixed flow lanes to HOV and HOT, particularly in places where there are no HOV and there is congestion (i.e. the urban core). We also support increasing the carpool occupancy from two to three passengers in some areas.

We support the notion of pricing on highways and are encouraged by the analysis of road pricing – namely the establishment of a VMT fee. There is no doubt that the federal gas tax is no longer a viable source of transportation funds and self-help at the regional level is key. MTC should further pursue a VMT fee and seek legislative authorization for a pilot project that explores a VMT fee. Such a pilot is being done in Oregon. The Bay Area should try to put itself at the vanguard of innovative policy solutions and not continue to cede that to other regions.

We also think that MTC should pursue a different form of road pricing –namely highway tolls on all lanes of certain “freeways” (such as Highway 101 and I-280 from San Francisco south and on I-80 from the Carquinez Bridge to the Bay Bridge). We have argued for the inclusion of highway tolls previously in this process. We think the results of the Plan suggest more strongly the importance of incorporating such an approach to funding transportation with user fees as well providing a clear price signal that freeways have costs that should be borne by users most directly.

On transit, we have previously expressed thoughts about the Transit Sustainability Project and how it was a missed opportunity to reshape important parts of the transit network. There is still the need to manage our regional transit operators as a more unified network and MTC should continue this discussion.

We suggest incorporating the following changes to the transportation investments and policies based on the results of the EIR (and our own analysis):

1. **Eliminate Highway expansions in the HOT /Express Lane network** and explore/study the conversion of mixed-flow lanes to HOV/HOT.
2. **Include the VMT fee/tax in the final version of the Plan** and begin studying how to implement tolls on all lanes on key Bay Area highway segments.
3. **Increase funding for transit operators to support increasing capacity in the urban core** where most of the transit ridership is. In particular, there is need for additional transit capital funding to close the capital deficit. We also support an increase in funding for transit in places with transit-supportive land uses and political support for such growth. Yet we think that MTC should strongly condition the increase in any transit operating funds on performance criteria beyond what was addressed in the Transit Sustainability Project.
4. **Eliminate the Electric Vehicle Purchase incentive from the Climate Protection program.** There is already significant private market support for expanding clean vehicles. This program produces a small GHG reduction for a high cost. A more promising climate program is the Clean Vehicles Feebate. We think MTC should consider targeting that program for low and moderate income households as an incentive to switch to automobiles with reduced emissions and lower operating costs.
5. **Establish a Higher Peak Toll on Bay Bridge.** The current peak pricing program is successful and such pricing tools are an effective way to manage limited roadway supply.
6. **Expand the Transit Performance Initiative** and strengthen an incentive program focused on paying a bounty to transit properties based on increased ridership.

Advocacy going forward

Many of the ideas in the Plan will require legislative changes in Sacramento and/or Washington. We wanted to highlight a few here that the Plan suggests and a few that we encourage MTC and ABAG (with other partners) to push for.

We support the Plan's suggestions of pursuing the following policy changes:

- **Securing a lower vote threshold (such as 55 percent) to pass transportation measures and other local taxes.**
- **Identifying and funding a replacement for redevelopment.**
- **Reforming CEQA.**

In addition to the policy platform listed in the Plan, we suggest adding the following to the legislative agenda:

- **Secure support from the State and Caltrans to convert mixed-flow highway lanes to HOV/HOT.**
- **Secure support from the State and Federal government to toll all lanes on state and federal highways.**
- **Explore reductions in the fiscalization of land use through** a sales or other local tax sharing or deleveraging from Proposition 13 through the analysis of a split roll.

Suggestions for the Next Plan

In addition to what was written above, for the next plan, we are interested in the following changes:

- **Separate out effects of different policy levers:** We applaud MTC in analyzing different policy levers. For future plans it would help the Plan process for MTC to separate out the effects of each policy lever. This would allow participants to understand the relative impact of each policy lever.
- **Rethink PDA framework:** We also think it is appropriate to take stock of the PDA framework. For the future we suggest you make changes to the future definition of the PDAs to include employment density and employment centers as a criteria for PDAs.
- **Include additional Sea Level Rise Scenarios:** We suggest that the next plan establish two sea level rise scenarios: Scenario 1 would be sea level rise plus King Tide (this is minimum impact). Scenario 2 would be the 100 year storm event but would include the expanding range of uncertainty with both a low and high range, not just the midpoint. Given the rapidly changing climate projections, both scenarios should be done based on the updated science at that time.

Thank you for the opportunity to share these comments. This is a very important planning process and the level of interest and involvement in this Plan encourages us.

Regards,



Egon Terplan
Regional Planning Director
SPUR

cc. Steve Heminger (MTC), Ezra Rapport (ABAG), Jack Broadbent (BAAQMD), Larry Goldzband (BCDC)