

COMMUNITY DEVELOPMENT DEPARTMENT

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CITY COUCIL STUDY SESSION Attachment A: Plan Bay Area 2050 Memo Meeting Date: <u>May 19, 2020</u>

<u>Key Takeaways</u>

- As part of preparation of Plan Bay Area 2050, the Association of Bay Area Governments (ABAG) and Metropolitan Transportation Commission (MTC) have adopted Growth Geographies – areas within the 9 county Bay Area, including Cupertino, where future growth may be accommodated – in February 2020 for purposes of analysis. These Growth Geographies may be amended following further analysis, in conjunction with adoption of the Final Plan.
- The City has an opportunity to nominate new/expanded Growth Geographies through May 31, 2020 rather than accept the MTC/ABAG adopted Growth Geographies.
- Growth Geographies will likely inform the Regional Housing Needs Allocation (RHNA) process and the final Cupertino RHNA.

What is Plan Bay Area (PBA)?

PBA is the Bay Area Region's Sustainable Communities Strategy (SCS) required pursuant to Senate Bill (SB) 375. SB 375 requires metropolitan planning organizations (ABAG in the Bay Area) to adopt an SCS as part of its Regional Transportation Plan (RTP) to achieve greenhouse gas (GHG) emission reduction targets.¹ The RTP is prepared and adopted by the regional transportation planning agency (MTC in the Bay Area).² Pursuant to state and federal law, the

¹More about SB 375 online here: <u>https://ww2.arb.ca.gov/our-work/programs/sustainable-communities-climate-protection-program/about</u>

² Unlike in most regions in California, the Bay Area has a separate metropolitan planning organization (ABAG) and regional transportation agency (MTC). In an effort to improve regional planning, the two agencies are working toward a merger. More information online at: <u>https://abag.ca.gov/news/abag-mtc-merger-update</u>.

RTP must be updated every four to five years. SB 375 requires CA Air Quality Board (CARB) to update GHG emission reduction targets on the same schedule.

- The first SCS (PBA 2040) was adopted in 2013.
- PBA 2040 was updated in 2017 as part of the 4-year update to the RTP.
- PBA 2050 is being prepared as part of the 2021 RTP update.

PBA 2050 Process

Horizon Initiative

In preparation for the adoption of PBA 2050, ABAG and MTC conducted a public outreach process, the "Horizon" initiative, between 2018 and 2019. During this iterative outreach process, possible strategies to address regional transportation, housing, economic, and environmental issues through 2050 were stress tested using a regional land use and transportation model. In addition, several perspective papers were also prepared to identify high-impact policies related to each topic area that would support the region's Guiding Principles.³ The Horizon process culminated in a final report that explores a suite of strategies that could be implemented if incorporated in PBA 2050.⁴

PBA 2050 Blueprint

Creating the PBA 2050 Blueprint is the first step toward developing PBA 2050. This will integrate strategies in all four elements of the Plan – economy, environment, housing and transportation. Findings from the Draft Blueprint analysis are expected to be released in spring 2020 for further public feedback and policymaker refinement. The MTC and ABAG Executive Board are then expected to adopt the Final Blueprint in December 2020 for advancement to environmental analysis (California Environmental Quality Act (CEQA) review).⁵ The final PBA 2050 will ultimately build on PBA 2040, the Horizon initiative, and the Blueprint analysis. MTC and ABAG are expected to adopt the final PBA 2050 in September 2021.

Growth Geographies and Strategies

The two main components of PBA 2050 – Growth Geographies & Growth Strategies – are intended to address future growth by answering the questions of "where" and "how" do we grow. These are also designed to help align the Plan with the 8-year RHNA allocation.

³ Horizon Process information: <u>https://mtc.ca.gov/our-work/plans-projects/horizon</u> ⁴ Futures Final Report available at:

https://mtc.ca.gov/sites/default/files/Horz_Futures_Report.web_.pdf

⁵ PBA 2050 Blueprint information: <u>https://www.planbayarea.org/2050-plan/plan-bay-area-2050-blueprint</u>

Growth Geographies

On February 20, 2020 and February 26, 2020, the ABAG Executive Board and the MTC respectively approved the expanded Growth Geographies for integration into the Plan Bay Area 2050 Draft Blueprint <u>for analysis purposes only</u> as follows:

- *Priority Development Areas (PDAs):* Areas with convenient public transit service prioritized by local governments for housing, jobs, and services.
- Priority Production Areas (PPAs): Industrial districts prioritized for more spaceintensive activities.
- *Priority Conservation Areas (PCAs):* Areas prioritized for open space conservation and improved community health. *Note: PCAs are not Growth Geographies but are included in the plan.*
- Transit-Rich Areas (TRAs) Fixed Rail: Areas within ½ mile of a regional rail station e.g. BART and CalTrain Baby Bullet Stations.
- Transit-Rich Areas (TRAs) Other*: Areas within ½ mile of a bus line with headways of 15 minutes or better during AM (6 10am) and PM (3 7pm) peak periods.
- High Resource Areas (HRAs)*: Areas of high opportunity with low residential density that are within ¹/₄ mile of a bus stop with 16 to 30-minute peak period headways.⁶

* **Note:** Portions of areas in "TRAs – Other" and "HRAs" were adopted as Growth Geographies only in jurisdictions that nominated less than 50% of their PDA-eligible areas (discussed further below).

MTC and ABAG staff have been discussing the form of development envisioned in the different Growth Geographies. For example, in the HRA's with a basic bus service, multi-family development in the form of two-story tri- and four-plexes are envisioned while in TRA's, larger multi-family development in the form of three- to five- story buildings are envisioned.⁷

⁶ See Govt. Code Section 65913.6(a)(2) for more information:

https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=201920200AB1279 7 MTC Presentation:

https://www.planbayarea.org/sites/default/files/pdfs_referenced/Strategies_for_Plan_Bay_Area_2050_Blu eprint-Feb_2020_MTC_Commission_Presentation.pdf

MTC and ABAG staff used the above criteria to identify and release a map of PDA-eligible areas in the region, which has since been updated to include locally nominated PDAs as a result of the first call for Letters of Interest by MTC/ABAG staff in 2019.8,9 At that time, Cupertino committed to keeping the existing PDA in the City (a VTA Cores and Corridors PDA) and reevaluating its growth potential by the end of 2025. Figure 1 indicates Cupertino's PDAeligible areas. In addition, MTC and ABAG have created a table indicating existing and potential PDA acreage.¹⁰ According to the PDA-eligible area table, Cupertino has 2,783 PDA-eligible acres (existing transit + fully funded transportation projects through 2019), with 554 acres (~19.4% of PDA-eligible areas) designated as a PDA.

ABAG and MTC tested the initial list of locally nominated PDAs and PPAs and found that these alone would not be

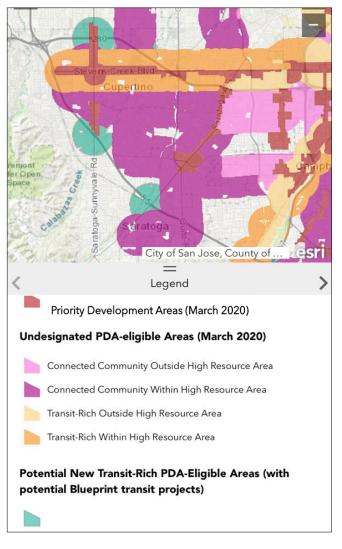


Figure 1. PDA-eligible areas in Cupertino

adequate to reach the state mandated GHG reduction target and the region's future housing needs at all income levels. In addition, new state law places emphasis on social equity and obligates governments at all levels to take meaningful actions to affirmatively further fair housing, including when planning for growth.¹¹

⁹ An interactive map of PDA-eligible areas can be found here:

⁸ MTC/ABAG requested locally nominated new and/or expanded PDAs and PCAs by September 2019 and new PPAs by January 2020 in a first call for Letters of Interest in 2019.

https://mtc.maps.arcgis.com/apps/webappviewer/index.html?id=a077e9adab904055a56aa088ac0c1122 ¹⁰ Share of jurisdictions PDA-eligible areas designated Table:

https://www.planbayarea.org/sites/default/files/pdfs_referenced/PBA_2050_Draft_Blueprint_for_Study_P_DA_and_PDA_Eligible_Area_by_Jurisdiction.pdf

¹¹ More information at:

http://leginfo.legislature.ca.gov/faces/codes_displayText.xhtml?lawCode=GOV&division=1.&title=2.&par t=&chapter=15.&article=

In order to meet the GHG emissions reduction targets and future the housing needs, MTC and ABAG staff identified three potential growth options to include in the Draft Blueprint analysis at the February 11, 2020 Regional Advisory

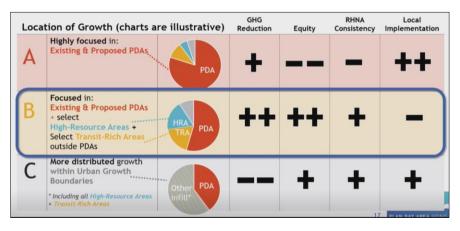


Figure 2. Proposed Growth Geography Options

Working Group meeting and the February 14, 2020 joint MTC Planning Committee and ABAG Administrative Committee meeting. The three options presented were: (1) Option A: Highly focus growth in Existing and Proposed PDAs, (2) Option B: Focus growth in Existing and Proposed PDAs plus select HRAs and select TRAs outside PDAs and (3) Option C: More distributed growth within Urban Growth Boundaries (including all HRAs and TRAs). Figure 2 indicates the potential of each of the options in meeting the following four areas: (1) GHG Reduction, (2) Social Equity, (3) RHNA Consistency and (4) Local Implementation. MTC/ABAG staff indicated that of the three options, Option B had the highest potential for achieving GHG reduction, social equity, and RHNA consistency, but had the lowest potential for local implementation.

The ABAG Executive Board and MTC adopted Option B, (see Figure 3) to Growth expand the Geographies regionally, by combining existing and locally new nominated PDAs and PPAs with select TRAs and HRAs outside of PDAs, for existing purposes of analysis.¹²

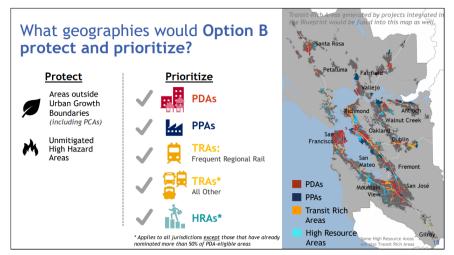


Figure 3. Growth Geography Option B

¹² Please see Attachment 2 at the following link for the list of Growth Geographies: <u>https://mtc.legistar.com/LegislationDetail.aspx?ID=4334976&GUID=62AAF5EB-36A1-418C-986C-15FED329F63D&Options=&Search=</u>

On March 11, 2020 ABAG and MTC opened a second call for Letters of Interest¹³ for locally nominated new and modified PDAs through May 31, 2020 to advance in the PBA 2050 Final Blueprint. If new and/or modified PDAs are nominated by local jurisdictions, the analysis will be based on these amended Growth Geographies as opposed to the currently adopted Growth Geographies.

<u>Strategies</u>

While the Geographies will define where growth will be focused, the Strategies will shape what kind of growth takes place throughout the region. MTC and ABAG staff recommended further analysis of 25 strategies identified through the Horizon Initiative, organized into 9 themes, as follows:

- 1. Maintain and optimize existing infrastructure
- 2. Create healthy and safe streets
- 3. Enhance regional and local transit
- 4. Reduce risks from hazards
- 5. Reduce impact on the environment
- 6. Spur housing production and create inclusive communities
- 7. Protect, preserve, and produce more affordable housing
- 8. Improve economic mobility
- 9. Shift location of jobs

The ABAG Executive Board and MTC approved the Blueprint strategies in February 2020.¹⁴ ABAG and MTC will obtain feedback on Final Blueprint strategies in summer 2020 following analysis.

Potential Local Impacts

Current Local Growth Geographies

As previously mentioned, with the first call for Letters of Interest for locally nominated PDAs, the City committed to retaining its existing "VTA Cores & Corridors" PDA, which covers a ¼ mile radius along Stevens Creek and N De Anza Boulevards. (*see area colored maroon in Figure 4*). In addition, the City of San Jose nominated one existing and one new PDA as follows:

- 1. South De Anza Boulevard between Hwy-85 and Bollinger Road (*area colored in maroon new locally nominated by the City of San Jose*) and
- 2. Stevens Creek Transit Oriented Development Corridor (area colored in maroon existing).

 ¹³ Information about the second call for Letters of Interest can be found here: <u>https://www.planbayarea.org/2050-plan/plan-bay-area-2050/spring-2020-priority-area-call-letters-interest</u>
¹⁴ Growth Strategies are available online here:

https://www.planbayarea.org/sites/default/files/pdfs_referenced/Strategies_for_Plan_Bay_Area_2050_Blu eprint-Feb_2020_Memo_and_Attachement_B.pdf

Since less than 50% of Cupertino's PDA-eligible areas (*see Figure 1 for PDA-eligible areas*) were nominated, MTC and ABAG adopted the following four areas as local Growth Geographies for Blueprint analysis:

- Transit-Rich Area (Within High Resource Area) (see areas colored teal):
 - ¹/₂ mile radius from Stevens Creek Boulevard (*expansion of existing Growth Geography in Cupertino & San Jose*)
 - ¹/₂ mile radius from Miller Avenue between Bollinger and edge of TRA along Stevens Creek Boulevard (*new – in Cupertino*)
- High Resource Area with Basic Bus Service* (see areas colored light blue):
 - ¹/₂ mile radius from N Wolfe Avenue north of I-280 (*new – in Cupertino & Sunnyvale*)
 - ¹/₄ mile radius from Bollinger Road between Lawrence Expressway and Hwy 85 (*new*)

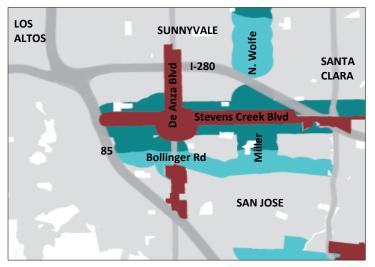


Figure 4. Local Growth Geographies Map

Expressway and Hwy 85 (new – in Cupertino & San Jose)

Local RHNA Impacts

Both ABAG and MTC recognize that local implementation of Option B (*Growth focused in Existing* + *locally proposed PDAs and select HRAs and TRAs* – *Other outside PDAs*) would be weaker than the other alternatives (*see Figure 2*). Particularly since SB 375 does not require a local jurisdiction's General Plan to be consistent with the regional plan.^{15 16}

However, in the RHNA process, one of the objectives of ABAG's Housing Methodology Committee is to ensure that the local housing allocation is compliant with PBA 2050. I.e., when determining the local allocation, the committee need not consider whether a local General Plan currently has capacity to accommodate the local RHNA generated by the adopted RHNA distribution methodology. A local jurisdiction may consequently receive large RHNA numbers due to increased areas for growth identified in PBA 2050 (which

¹⁵ Govt. Code Section 65080(b)(2)(J): "Neither a sustainable communities strategy nor an alternative planning strategy regulates the use of land... Nothing in this section shall require a city's or county's land use policies and regulations, including its general plan, to be consistent with the regional transportation plan or an alternative planning strategy."

¹⁶ Note that should this be the case, there may be grant funding opportunities that the City will not be eligible for should the General Plan not be consistent with PBA 2050.

may be a factor in the adopted RHNA methodology). Therefore, while the City does not have to amend its General Plan to be consistent with the RTP, the City would likely still have to consider areas for growth to accommodate its RHNA, which may differ from the Growth Geographies identified by PBA 2050.

New Local Growth Geographies

Finally, as mentioned earlier, ABAG and MTC are calling for additional locally nominated PDA's for inclusion in the Final Blueprint and environmental analysis, through May 31, 2020. In order to nominate a new PDA, the City must submit a letter of interest form signed by the City Manager indicating commitment to consider this area for a plan to accommodate growth. In addition, City Council resolutions must be adopted or agendized by May 31, 2020 and all agendized resolutions adopted by June 30, 2020.

Should Cupertino nominate at least 50% of its PDA-eligible areas, those areas would be used for analysis instead of the additional HRAs and TRAs selected by MTC and ABAG (*see Figure 4*). The City would have to identify and nominate 838 acres of PDA-eligible areas – an area equal to roughly 1.5 times that of the Heart of the City Specific Plan Area – in order to reach the 50% threshold.

Upcoming Meetings

- 5/21/2020: ABAG Executive Board
- 5/27/2020: MTC
- 6/9/2020: Regional Advisory Working Group