



**Jobs and Housing Coalition**  
"Improving Oakland Together"



May 16, 2012

The Hon. Adrienne Tissier, Chair, Metropolitan Transportation Commission

The Hon. Mark Luce, Chairman, ABAG Executive Board  
and Commissioners and Members

Dear Chair Tissier, Chair Luce and Commissioners and Members:

The Bay Area Business Coalition appreciates the opportunity to comment on the important action items MTC and ABAG will consider at their joint meeting on May 17, 2012. While we feel strongly that successful implementation of the SCS will require further analysis, it is clear that the Commission and Executive Board intend to approve the Draft Preferred Scenario on May 17. With that in mind, we encourage you to take the following specific actions:

1. Conduct a PDA-by-PDA economic and market feasibility assessment, in collaboration with the business and development community. We agree with Mayor Green's observation at the May 11 joint MTC Planning/ABAG Administrative Committee meeting that undertaking a thorough assessment of each PDA is essential to ensuring that the final SCS is not only ambitious, but achievable.

We strongly support the goals and intent of the PDA program want this analysis to inform the process so that an ambitious infill development strategy can be successfully implemented.

The formal PDA assessment could be completed during the EIR process and the results used to inform adoption of the final SCS. We think the analysis should be done by an independent private sector real estate development and finance firm that has experience making actual development and project investment decisions. Relatedly, it is important that the scope of the alternatives studied in the draft EIR for the RTP/SCS be such that the results of the PDA assessment play a meaningful role in shaping the adopted SCS. We will follow up on the EIR alternatives issue during the EIR scoping process.

Current market conditions and realities are an important foundation for planning. In addition, policies also play a role in shaping market and consumer demands. We support efforts to find that sweet spot where the private sector is pushed, but not so much to make projects infeasible.

2. Regarding the OneBayArea grant proposal—We are encouraged that the MTC Planning and ABAG Administrative Committees unanimously approved a motion by Supervisor Spering to add language addressing private sector incentives and local regulatory burdens on the development of the jobs and housing envisioned in the PDAs to the OBAG proposal, one of the Coalition's top priorities for the grant. As stated in previous letters to MTC and ABAG, the Coalition continues to believe that it is imperative for the OBAG program to include such language, and we request the following be added to Attachment 5 of the May 4, 2012 memo titled *Final Cycle 2 OneBayArea Grant Program* (PDA Investment & Growth Strategy).

- In Section 2 Planning Objectives, in both the short and long terms:

Analyze progress of local jurisdictions in identifying and eliminating or reducing local regulatory constraints on the private sector's production of the housing and jobs envisioned in PDAs.

- In Section 3 Establishing Local Funding Priorities:

In addition, because a fundamental purpose of the OBAG program is to create incentives for the private sector to create the housing and jobs envisioned in the PDAs, the guidelines shall support projects in jurisdictions that have adopted effective incentives and shall not be applied in a manner that directly or indirectly incentivizes local jurisdictions to adopt or expand policies that increase the cost or regulatory burden on the private sector's provision of housing and jobs.

3. Include a baseline trend scenario in the EIR as well as alternatives that make “apples-to-apples” land use comparisons. This will help stakeholders understand how land use changes truly impact outcomes and performance.

As the development of the SCS moves into its next phase, we appreciate your consideration of our recommendations and requests for information. We hope that our suggestions are helpful in creating a strategy which advances the goals of our region.

Sincerely yours,

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