



TO: MTC Commission and the
ABAG Executive Board

DATE: November 10, 2016

FR: ABAG Deputy Executive Director and
MTC Executive Director

RE: Plan Bay Area 2040 Final Preferred Scenario and Investment Strategy

Background

The Plan Bay Area 2040 Preferred Scenario encompasses a 2040 regional pattern of household and employment growth and a prioritized set of transportation investments comprising \$303 billion of projected revenues. Staff presented the *Draft Preferred Scenario* in September and provided an update on local jurisdiction and stakeholder feedback in October. On November 4, the Joint MTC Planning Committee and the ABAG Administrative Committee referred approval of the Final Preferred Scenario to the MTC Commission and ABAG Executive Board.

Action Plan

The Joint Committees also discussed a proposed resolution submitted by a coalition of community organizations. The resolution requests that MTC and ABAG establish an action plan for Plan Bay Area 2040 focused on steps for achieving the Plan's performance targets. At the committee's direction, staff engaged with community organizations, congestion management agencies, and other stakeholders on how to incorporate this type of work product into the Plan Bay Area 2040 process. In general, the community organizations have requested including specific language on the actions to be undertaken by the two staffs (e.g. incentives and partnerships, regional funding, policy and programmatic actions and state and federal advocacy) while the congestion management agencies have requested an emphasis on advocacy for new funding resources.

Based on the Joint Committees direction to focus on establishing a process and timeframe for an action plan and in recognition of implementation work already initiated by ABAG and MTC staff, staff proposes that the Commission and Executive Board approve the following policy statement below related to an action plan:

The Metropolitan Transportation Commission (MTC) and the Association of Bay Area Governments (ABAG) shall establish an Action Plan to be adopted concurrent with the final Plan Bay Area 2040, currently scheduled for late summer 2017.

The Action Plan will be developed starting in early 2017 following adoption of the Preferred Scenario, in consultation with local jurisdictions, interested public agencies, and non-governmental organizations representing the economy, environment and social equity.

The Action Plan will identify concrete near and medium-term action items for MTC, ABAG, and other stakeholders to make meaningful progress on the Plan's performance targets, with a focus on those targets where Plan Bay Area 2040 is moving off trajectory - housing affordability, displacement risk, and access to jobs.

November Election Results

In the recent election, Bay Area voters approved approximately \$11 billion of the possible \$19 billion in local transportation revenue measures. This corresponds to three of the five measures assumed in the revenue forecast for the draft and final scenarios of Plan Bay Area 2040: the BART bond, the Santa Clara County sales tax and the AC Transit parcel tax. The two measures that did not pass were the sales tax measure in Contra Costa County and the charter amendment in City and County of San Francisco. Combined, these two revenue measures would have generated approximately \$7 billion.

After consultation with the Contra Costa and San Francisco sales tax authorities and project sponsors, staff recommends removing the revenue for the measures that did not pass and reprioritizing the project lists for those two counties. The main impact of removing these revenue measures is to increase the local streets and roads shortfall and reduce several other program areas, given the largely programmatic nature of the two measures. At the meeting, staff will provide detailed information on affected programs and projects. The attached chart illustrates the overall change in revenue before and after the November election. However, if either county returns to the voters and passes a measure in the future, we will be able to amend or update the plan and include the projects and revenues accordingly.

Next Steps

Once adopted, the preferred scenario will undergo an environmental assessment under CEQA to inform decision-makers, responsible and trustee agencies, and Bay Area residents of the range of potential environmental impacts that could result from its implementation. This analysis along with federal air quality conformity requirements will incorporate a deeper level of transportation analysis to inform the final 2040 air quality results and other transportation-related performance results of the preferred scenario. The environmental analysis will also analyze a range of reasonable alternatives to the adopted preferred scenario that could feasibly attain most of the Plan's objectives and would avoid or substantially lessen any of the significant environmental impacts. Staff will present potential alternatives for the environmental analysis at the December meeting of the Joint MTC Planning Committee and ABAG Administrative Committee.

Recommendation

We recommend the following actions: 1) Adoption of the Final Preferred Scenario and Investment Strategy; and 2) Approval of the proposed Action Plan policy statement.



Brad Paul



Steve Heminger

Attachments

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