

November 4, 2011

Steve Heminger, Executive Director
Metropolitan Transportation Commission
101 Eighth Street
Oakland, CA 94607

Ezra Rapport, Executive Director
Association of Bay Area Governments
101 Eighth Street
Oakland, CA 94607

Subject: One Bay Area Grant Proposal

Dear Mr. Heminger and Mr. Rapport:

Thank you for the opportunity to provide comments on the proposed One Bay Area Grant (OBAG) program. The San Francisco County Transportation Authority (Authority) appreciates the effort the Metropolitan Transportation Commission (MTC) and the Association of Bay Area Governments (ABAG) have made to create an OBAG proposal which supports the integrated transportation, housing, and land use goals of the Sustainable Communities Strategy (SCS).

The SCS along with the 2013 Regional Transportation Plan (RTP) and the Regional Housing Needs Allocation (RHNA) process have the potential to transform our region by focusing transportation investment and new housing construction in Priority Development Areas (PDAs). Development in PDAs offers the Bay Area its best opportunity to house future population growth within the region and to meet the greenhouse gas emission reduction targets established in Senate Bill 375 (Steinberg).

San Francisco is a strong supporter of the OBAG goal to link transportation funding to local housing and smart growth policies as a way to incentivize regionally-supportive decisions at the local level.

At its October 25 meeting, the Authority Board unanimously endorsed the following specific comments on the proposed OBAG guidelines:

1. San Francisco strongly supports the effort to link land use with transportation investment for the first time.

- Although San Francisco would receive about the same funding as under the prior framework when we account for San Francisco's historic share of the regional programs that would be reduced to fund OBAG, the framework could result in positive regional changes by incentivizing jurisdictions throughout the region to adopt sustainable growth policies such as those San Francisco already has in place, aiding both San Francisco and the region to reduce vehicle miles traveled and greenhouse gas production.
- We strongly oppose a change, proposed by some other stakeholders in the region, that would remove Local Streets and Roads funds from the OBAG program as it is an important policy lever to encourage jurisdictions to put into place the land use policies necessary to achieve SCS goals. Further, it is an essential component of *complete streets* projects, which the block grant is intended to encourage.

2. Opportunities exist to strengthen the impact the proposal would have on



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achieving the region's SCS goals. Specifically:

- A portion of the OBAG formula should be tied to historical affordable housing production, rather than all housing production because market rate housing production is primarily a function of market forces, rather than public sector intervention. San Francisco, in particular, has been a leader in providing affordable housing.
- The supportive policy to prevent displacement of residents living in affordable housing should be mandatory rather than an option. In addition, the region needs to define this policy in such a way that it has a strong impact in achieving desired outcomes of preventing displacement.
- Congestion Management Agencies should be required to establish an appropriate public vetting threshold(s) for project sponsors in their county.

3. Opportunities exist to increase flexibility, while preserving OBAG goals. Specifically:

- Expanding the 70% requirement to include projects not just within a PDA, but projects supportive of a PDA. Not only would this give San Francisco more flexibility, but would help other counties with small or limited PDAs deliver projects that accommodate transit-oriented growth (e.g. funding a bike lane connecting to a PDA).
- Converting the Regional Bicycle Program back to the Regional Bicycle and Pedestrian Program to provide more flexibility to fund pedestrian projects, including safety projects.

4. Support for potential slight modifications to OBAG to allay the concerns of other stakeholders. These include:

- Support for goal that jurisdictions must adopt supportive policies, but recognize that this may need to be refined to allow documentation of a good faith effort to comply given timing and resource constraints associated with local policy adoption.
- Should MTC reduce the 70% PDA requirement to a lower threshold, MTC should maintain a share of OBAG funds as an incentive pot (i.e., reducing the amount guaranteed to the CMAs by formula), where counties that meet the 70% threshold would receive additional funding.

Thank you for considering our comments and requests. The Authority looks forward to working with MTC and ABAG over the coming months to finalize the OBAG guidelines and to implement the OBAG program. Please feel free to have your staff contact the Authority's Chief Deputy Director for Policy and Programming, Maria Lombardo at 415.522.4802, or Deputy Director for Planning, Tilly Chang at 415.522.4832, with any questions.

Sincerely,



Ross Mirkarimi
Chair of the Board

cc: Com. Campos, Weiner
A. Bockelman, D. Kimsey, A. Nguyen – MTC
JLM, AL, MEL, TC, BS, BB, LB – Chron, File: OBAG