



# SAN FRANCISCO PLANNING DEPARTMENT

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## MEMORANDUM

HEARING DATE: OCTOBER 4, 2012

**DATE:** September 27, 2012  
**TO:** Members of the Planning Commission  
**FROM:** Steve Wertheim, Planning Department  
Sarah Dennis Phillips, Planning Department  
**RE:** Update on the Sustainable Communities Strategy, Regional Housing Needs Analysis and Regional Transportation Plan

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Senate Bill 375 (SB 375), adopted in October 2008, calls upon each of California's 18 regions to develop an integrated transportation, land-use and housing plan known as a Sustainable Communities Strategy (SCS). This SCS must demonstrate how the region will reduce greenhouse gas emissions through long-range planning. The law requires the Regional Transportation Plan (RTP) and its funding decisions to be consistent with the SCS, and as such may provide an opportunity to leverage more state and federal funding to prioritize sustainable transportation investments in San Francisco. It also requires the Regional Housing Needs Allocation (RHNA), which anticipates housing need for local jurisdictions, to conform to the SCS, which an opportunity to advocate for increased access to and distribution of affordable housing across the region. Since that time, the region's planning agencies, the Association of Bay Area Governments (ABAG), the Metropolitan Transportation Commission (MTC), the Bay Area Air Quality Management District (BAAQMD), and the Bay Conservation and Development Commission (BCDC) have been working with county transportation planning and housing agencies as well as interested stakeholders to develop the SCS for the Bay Area. This effort, dubbed "Plan Bay Area" built upon the region's FOCUS program from 2006-2008, which itself was an unprecedented effort to more closely integrate land use and transportation planning. Staff from the San Francisco Transportation Authority, Planning Department and Mayor's Office of Housing will give a presentation on the land use, housing and transportation components of the SCS on October 4<sup>th</sup>; this memorandum is intended to provide background for that hearing.

### PREFERRED LAND USE SCENARIO

The Preferred Land Use Scenario, entitled the "Jobs Housing Connection Strategy," is founded on the notion that between 2010-2040 the Bay Area will grow by 2.1 million people (30%) and 1.1 million jobs (33%). To accommodate this growth in an equitable and sustainable way requires a shift in land use patterns away from suburban sprawl to an infill development and infrastructure in walkable, well-connected communities. Fulfilling this vision will require the commitment of local jurisdiction that maintain control over their zoning, and thus growth potential. It will require changes to state and federal

policy to support infill development and investments. And it will require the participation of the private and non-profit sectors to help direct and shape growth appropriately.

For San Francisco, growth is anticipated to keep pace with the region, adding an additional 92,410 housing units and 191,000 jobs. This is a departure from recent decades, where San Francisco has grown at a much slower pace than the other counties. Within San Francisco, much of this development is directed towards “Priority Development Areas”, which are those areas for which the City has a completed plan or strategy for growth. City staff worked closely with ABAG to ensure that growth projections in the Preferred Land Use Scenario aligned with our local planning efforts. The Preferred Land Use Scenario was adopted by the regional entities on May 18, 2012, and can be found at [http://planbayarea.org/pdf/JHCS/May\\_2012\\_Jobs\\_Housing\\_Connection\\_Strategy\\_Main\\_Report.pdf](http://planbayarea.org/pdf/JHCS/May_2012_Jobs_Housing_Connection_Strategy_Main_Report.pdf)

## **REGIONAL HOUSING NEEDS ALLOCATION**

The Regional Housing Needs Allocation (RHNA) process, which occurs every seven years, strives to create fair housing access throughout the Bay Area to all neighborhoods for people of all income levels. This was the first time the RHNA needed to correlate with a larger land-use strategy (the SCS), which contained potentially conflicting imperatives to increase infill development. As described in the recent August 30<sup>th</sup> memo to the Planning Commission, the RHNA Methodology was updated to direct 70% of new housing allocation into the region’s Priority Development Areas. It simultaneously assigns a fair share of housing overall, allocating more growth to cities with strong transit networks, high employment rates, higher income, or those that failed to meet housing targets in previous RHNA cycles. The draft RHNA, adopted on July 12, 2012, allocates 28,745 housing units to San Francisco in the period from January 2014 through October 2022. This represents roughly 1/3 of the growth San Francisco is projected to attract by 2040 under the SCS, meaning that later periods should result in even lower RHNA. The adopted Regional Housing Need Allocation Methodology and allocations can be found at [http://apps.mtc.ca.gov/meeting\\_packet\\_documents/agenda\\_1882/EB\\_071912\\_Item\\_06\\_RHNA\\_Methodology\\_Combined.pdf](http://apps.mtc.ca.gov/meeting_packet_documents/agenda_1882/EB_071912_Item_06_RHNA_Methodology_Combined.pdf).

## **TRANSPORTATION INVESTMENT STRATEGY**

The Regional Transportation Plan (RTP) is a 25-year plan that establishes the Bay Area region’s vision for transportation with supporting policies and investment strategies, including a list of specific projects and programs. As the congestion management agency (CMA) for San Francisco, the Transportation Authority is responsible for coordinating San Francisco’s project submittals for inclusion in the RTP. Inclusion of projects and programs in the RTP is a prerequisite for receiving state and federal transportation grants, as well as a requirement for capacity expanding projects that may have air quality impacts. The San Francisco Transportation Plan the city’s 25-year plan to identify goals, needs, and investment priorities for our transportation system, and provides guidance for which San Francisco priority projects are carried forward into RTP. More information about the SFTP can be found at <http://www.sfcta.org/content/view/822/423/>.

The regional Transportation Investment Strategy is focused on a “Fix It First” strategy, which supports maintenance of existing transportation infrastructure and restores recent service cuts. The Preferred

Scenario includes funding for all projects submitted by San Francisco, and most notably commits some discretionary funding towards the Transportation Effectiveness Project (TEP), Van Ness Bus Rapid Transit, the Better Market Street Project, San Francisco's pricing initiatives downtown and on Treasure Island, the extension of Caltrain to Downtown San Francisco and Caltrain electrification and service frequencies, and the first phase of the BART Metro project that would enable more frequent service through San Francisco. The proposal also includes a \$500 million investment in a new regional Transit Performance Initiative program that would fund projects that improve transit travel time and efficiency in existing transit corridors. Importantly, the Regional Transportation Plan for the first time meaningfully ties land use and transportation policy together, through the proposed One Bay Area Grant (OBAG) program, which re-defines long-standing transportation funding formulas to focus on local jurisdictions' past and planned housing growth. The City is in the process of applying for the first round of OBAG grants.