

Metropolitan Transportation Commission and the Association of Bay Area Governments
Joint MTC Planning Committee with the ABAG Administrative Committee

November 20, 2020

Agenda Item 7a

Plan Bay Area 2050 Final Blueprint: Alternative to Strategy EN7 (Telecommuting)

- Subject:** Proposed action on MTC Resolution No. 4437, Revised, integrating a potential alternative to the Plan Bay Area 2050 telecommuting strategy (EN7).
- Background:** Under Senate Bill 375, the Plan Bay Area 2050 Final Blueprint must meet or exceed this 19 percent per-capita greenhouse gas (GHG) emission reduction target from cars and light-duty trucks for the region to continue to receive key transportation monies. In September 2020, the ABAG Executive Board and the Commission approved the Final Blueprint Strategies, Growth Geographies, and Regional Growth Forecast for Plan Bay Area 2050. One of these 35 strategies focused on requiring major office-based employers to significantly increase future levels of telecommuting, with an intent to reduce auto trips. Ultimately this could enable up to 25 percent of the regional workforce to telecommute on a typical day in 2035, reducing GHGs and congestion as a result.
- Last month, the Joint MTC Planning Committee with the ABAG Administrative Committee was provided additional context on the strategy, including public engagement feedback specific to telecommuting, as well as requirements for any alternative to the telecommute strategy. Staff has explored a number of options that would meet these requirements – that is, having the **same scale of GHG reductions** as the telecommute strategy, **not duplicating other strategies** in the Final Blueprint, and **operating within the fiscal constraint** of the Plan.
- After discussions with key stakeholders in October and November to better understand the concerns of the business community with the original strategy, one alternative emerged as the viable path forward – changing the strategy to **“Expand Commute Trip Reduction Programs at Major Employers”** as listed in **Attachment B**. By expanding the scope beyond telecommuting to recognize the importance of other alternative modes like transit, walking, and bicycling, the revised strategy would provide greater flexibility for business while achieving the same greenhouse gas emission reductions. Furthermore, the revised strategy reduces impacts on small businesses by raising the threshold to employers with 50 or more employees, consistent with the existing Commuter Benefits Program. To accommodate these changes, the strategy scope was expanded to all major employers, given the reduced focus on telecommuting.
- Issues:** None
- Recommendation:** Refer MTC Resolution No. 4437, Revised to the Commission for approval, which updates Strategy EN7 in the Plan Bay Area 2050 Final Blueprint analysis currently underway.
- Attachments:** Attachment A: Presentation
Attachment B: Alternative Strategy EN7 Description
Attachment C: MTC Resolution No. 4437, Revised


Therese W. McMillan

PLAN BAY AREA 2050

Final Blueprint: Alternative to Strategy EN7 (Telecommuting)

Dave Vautin, MTC/ABAG

November 20, 2020

Image Source:
Flickr, Creative Commons

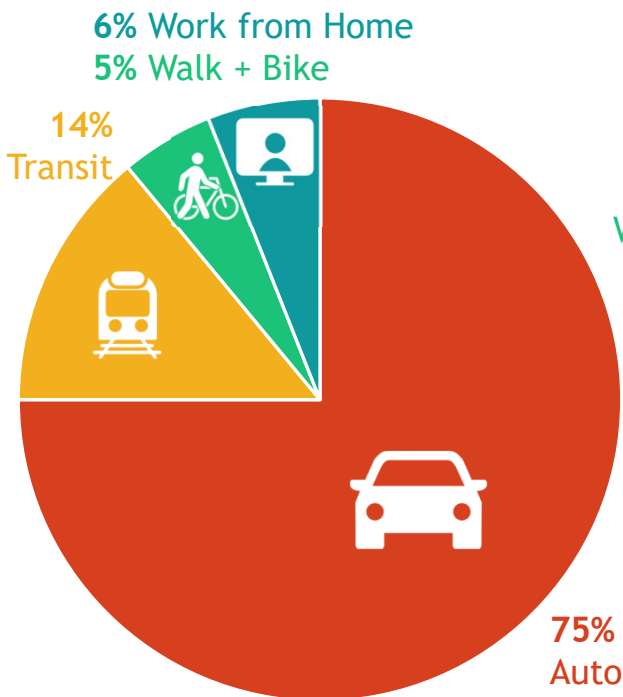
Template1												
G25												
	A	B	C	D	E	F	G	H	I	J	K	L
1	No.	Marketing Budget	Categories	Unit	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16
2	10460	Benefits	1-Personal	0	12,034	13,565	10,674	13,095	16,392	12,357	20,775	24,765
3	35246	Payroll taxes	1-Personal	0	345	347	154	1,953	374	534	-	-
4	76745	Salaries	1-Personal	1	521	434	178	519	1,850	543	764	133
5	78023	Commissions and bonuses	1-Personal	0	0	2,300	189	90	23	456	246	346
6	23674	Personnel Total	1-Personal	1	12,900	16,646	11,195	15,667	18,639	13,890	25,326	25,599
7	14678	Web Research	2-Marketing	2	6,000	2,300	5,000	1,500	1,200	1,266	1,500	4,600
8	10567	Independent Research	2-Marketing	1	2,000	5,420	3,000	2,100	900	580	4,252	3,674
9	96643	Firm Research Fees	2-Marketing	0	8,200	4,900	2,000	8,000	-	4,500	6,800	7,550
10	17695	Market Research Total	2-Marketing	3	16,200	12,620	10,000	14,600	10,100	5,312	10,252	15,074
11	94015	Promotions	3-Commu	2	1,239	190	1,245	432	134	357	2,466	-
12	75321	Branding	3-Commu	1	522	431	573	323	612	453	355	-
13	95235	Web Advertising	3-Commu	1	10,432	-	10,430	14,093	12,890	13,555	24,890	45,780
14	32564	Direct Marketing	3-Commu	0	-	532	156	1,090	234	425	236	3,688
15	68508	Newspaper Advertising	3-Commu	0	-	1,243	12	567	34	346	865	3,467
16	06342	Communication Total	3-Commu	4	12,662	19,330	12,416	16,505	13,904	15,136	28,812	56,965
17	89063	Travel	4-Other	0	19,300	15,333	15,000	15,890	12,009	1,367	247	478
18	07421	Phone	4-Other	0	200	150	155	200	120	145	207	109
19	93012	Computer/Office Equipment	4-Other	2	400	500	100	200	500	100	500	770
20	24601	Postage	4-Other	0	683	153	356	235	746	462	678	346
21	35151	Other Total	4-Other	2	20,583	16,136	15,611	16,525	13,375	2,074	1,632	1,703
22	10460	Benefits	1-Personal	0	12,034	13,565	10,674	13,095	16,392	12,357	20,775	24,765
23	35246	Payroll taxes	1-Personal	0	345	347	154	1,953	374	534	-	-
24	76745	Salaries	1-Personal	1	521	434	178	519	1,850	543	764	133

Recap: Key Themes from Discussions in Past Month

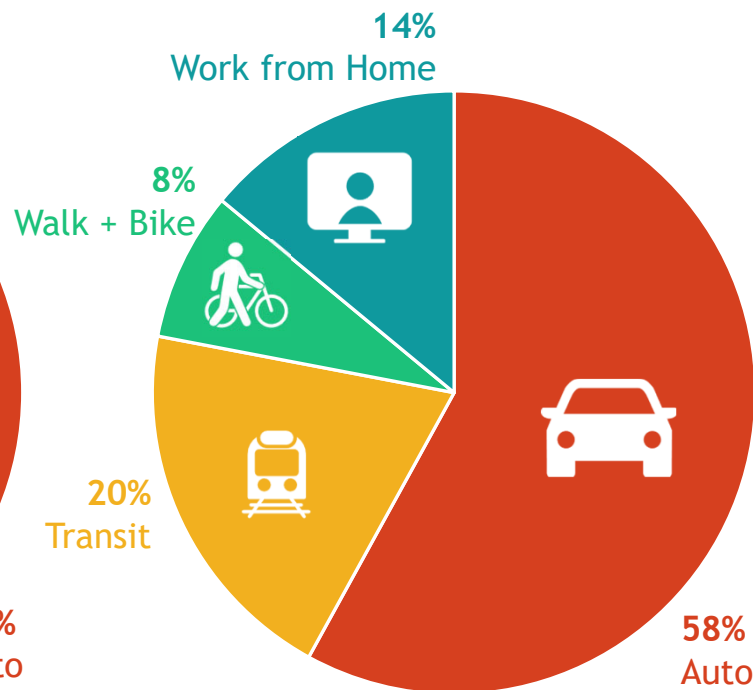
- While we recognize that there is strong public support for telecommuting strategies in Plan Bay Area 2050, there are also significant concerns from businesses, elected officials, and transit agencies about economic impacts.
- Most of the alternative approaches suggested to staff were already in the Final Blueprint. Focusing housing near transit, building new rail lines, investing in transit service increases, incentivizing carpooling, pricing freeways, and more - all of these ideas are already in the Final Blueprint.
- All of the funding in the Final Blueprint is already committed to transportation projects. Only strategies that generate new revenues, or rely on shifting revenue away from proposed projects, can be accommodated due to “fiscal constraint”.
- Bottom line: there are no easy alternatives to the telecommute strategy.

Recap: Intent of Telecommuting Strategy (EN7)

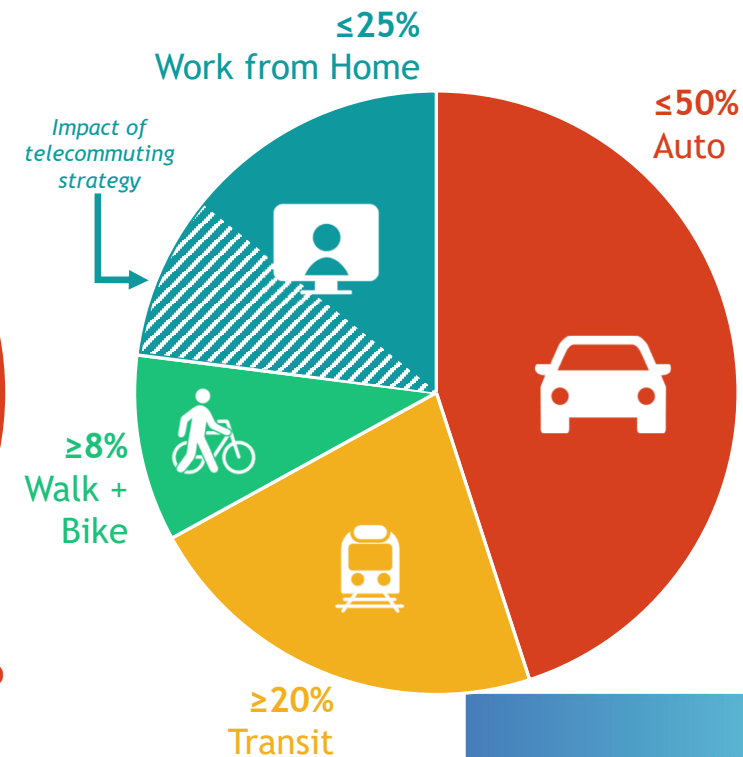
Commute Mode Choice
2015



Commute Mode Choice
2050 Draft Blueprint

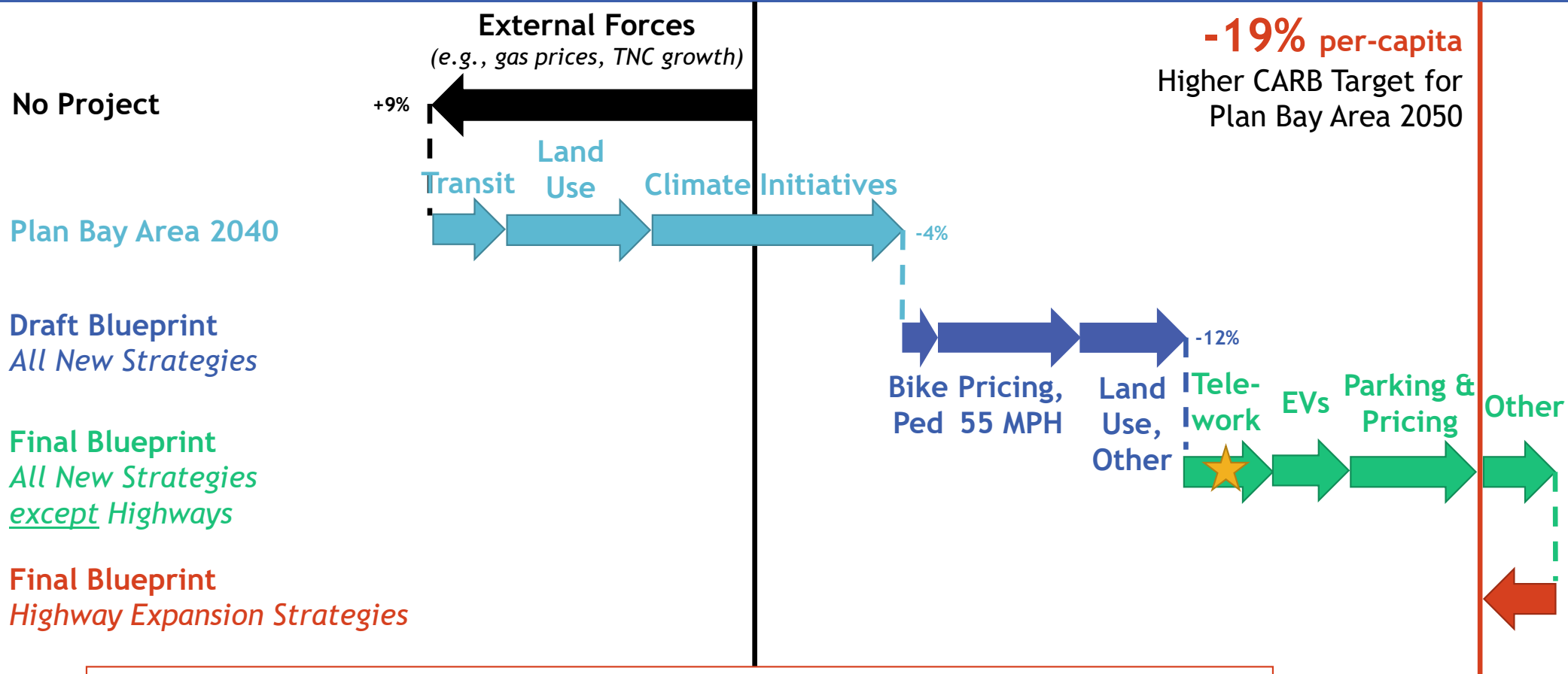


Commute Mode Choice
2050 Final Blueprint**



** Envisioned modal shift; analysis now underway to understand combined effect of 35 approved strategies. 3







-19% GHG Target: Bold Strategies Required



Note: this is a sketch-level breakdown based on limited data/information. Modeling is now underway; CARB has final approval and could require even more conservative assumptions. This graphic integrates CARB's October 2020 approval of a more consistent auto operating cost.

-19% GHG Target: Costs of Traditional Approaches

On average, traditional transportation investments **require many billions of dollars of investment** to achieve marginal reductions in greenhouse gas emissions, despite meaningful mobility & safety benefits.

Infrastructure-Oriented Transportation Strategies		Strategy Costs & Approximate GHG Effect	
	Build a Complete Streets Network	\$13 billion	
	Enable a Seamless Mobility Experience Reform Regional Transit Fare Policy Enhance Local Transit Frequency, Capacity & Reliability Expand and Modernize the Regional Rail Network	\$126 billion	
	Improve Interchanges and Address Regional Bottlenecks Build an Integrated Regional Express Lane/Bus Network	\$20 billion	

*Strategy costs are in year-of-expenditure dollars over the Plan lifespan.
Per-capita GHG reductions are between year 2005 and 2035; estimates are sketch-level and will be refined in ongoing modeling work.*

-19% GHG Target: What If We Don't Hit the Target?

The San Francisco Bay Area would be the **first major metropolitan area in California** to fail to meet its climate targets set under Senate Bill (SB) 375.

- In addition to moving forward with the non-compliant plan, MTC/ABAG would need to develop a fiscally- and politically-unconstrained **Alternative Planning Strategy (APS)** document this winter in submit to the State in concert with Plan Bay Area 2050.

Transportation agencies throughout the Bay Area would **immediately lose eligibility for at least \$100 million** in annual state funding starting in early 2022; this also diminishes our competitive position.

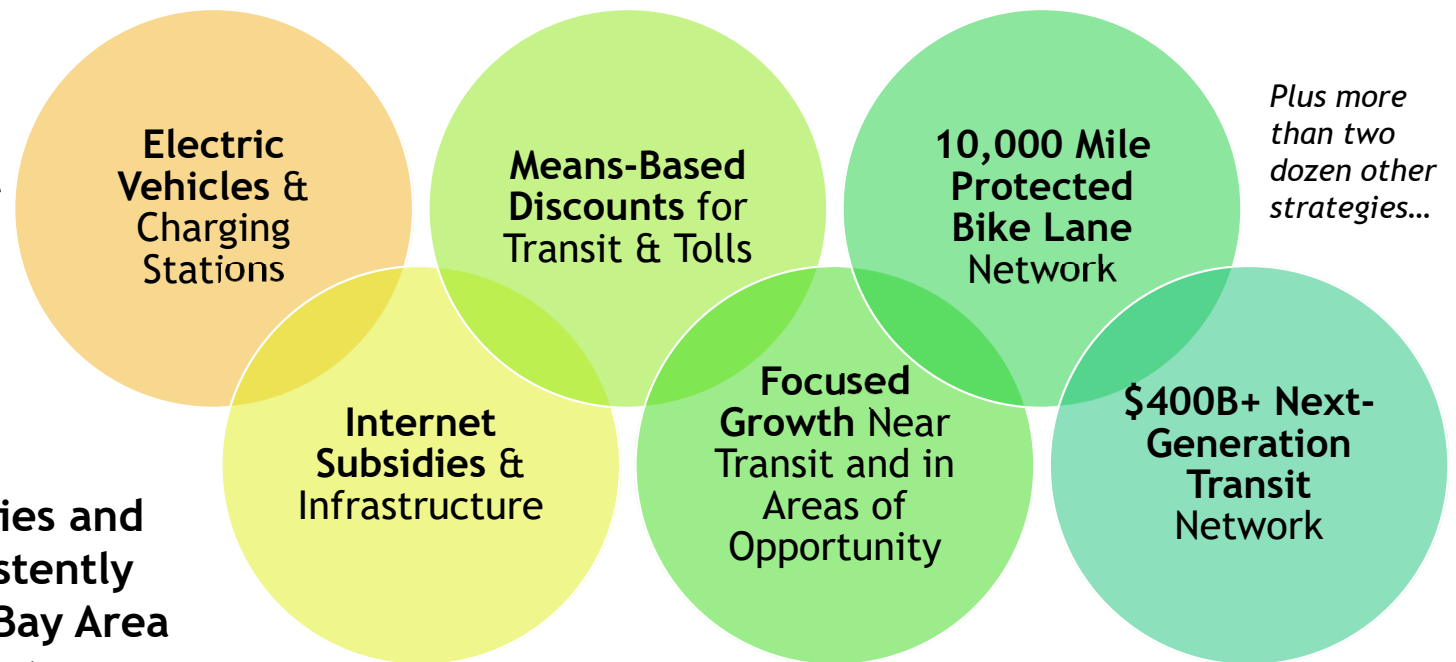
- **Senate Bill 1 Solutions for Congested Corridors Program** - ineligible under State law
- **Senate Bill 1 Trade Corridor Enhancement Program** - ineligible under CTC policy

This would likely **accelerate efforts, already underway, to reform SB 375**, but it may also have adverse unforeseen impacts for the Bay Area.

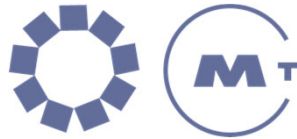


















Key Complementary Strategies

It's essential to remember that the telecommuting strategy - as well as the alternative presented today - does not live in a vacuum. It must be pursued in concert with the other 34 strategies approved in the Final Blueprint to achieve the Plan Bay Area 2050 Vision.

Furthermore, equity strategies and mitigations have been consistently integrated throughout Plan Bay Area 2050. The telecommuting strategy, or any alternative, must also make progress on this critical goal.



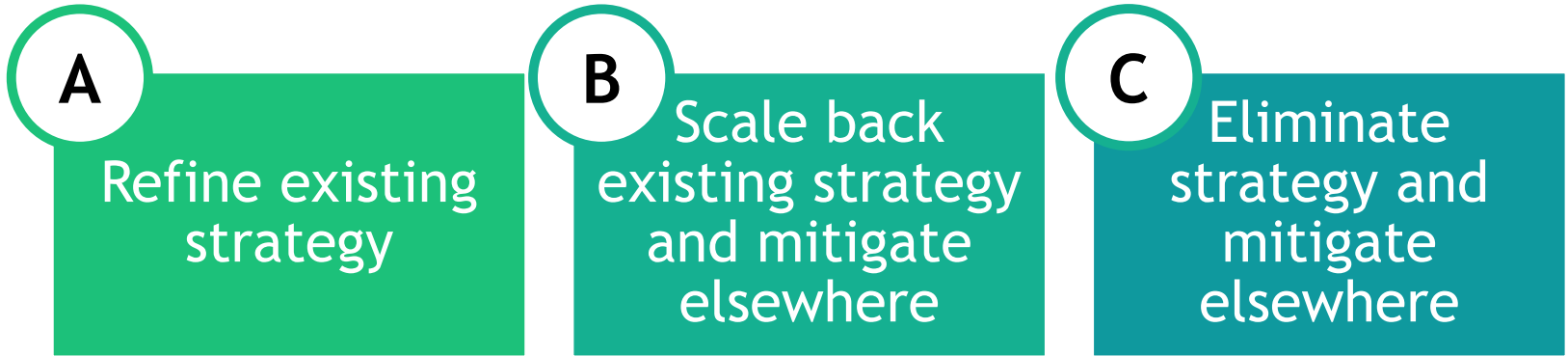
We Are Not Alone: Actions by Other Regions

Key Climate Strategies Beyond Land Use & Transportation Investments	 Plan Bay Area 2050 (Final Blueprint)	 2020 Plan (Adopted)	 2020 Plan (Adopted)	 San Diego Forward (2021 Draft)
 Roadway Pricing Strategies	 All-lane tolling + cordon pricing (<i>SF</i>)	 Regional VMT fee	 Regional VMT fee + cordon pricing (<i>LA</i>)	 Tolling of select general-purpose lanes
 Parking Pricing Strategies	 Expanded pricing in growth geographies		 Expanded pricing in job centers	 Expanded pricing in mobility hubs
 Telework Strategies		 <i>Adopted pre-COVID</i>	 <i>Assumes exponential growth</i>	

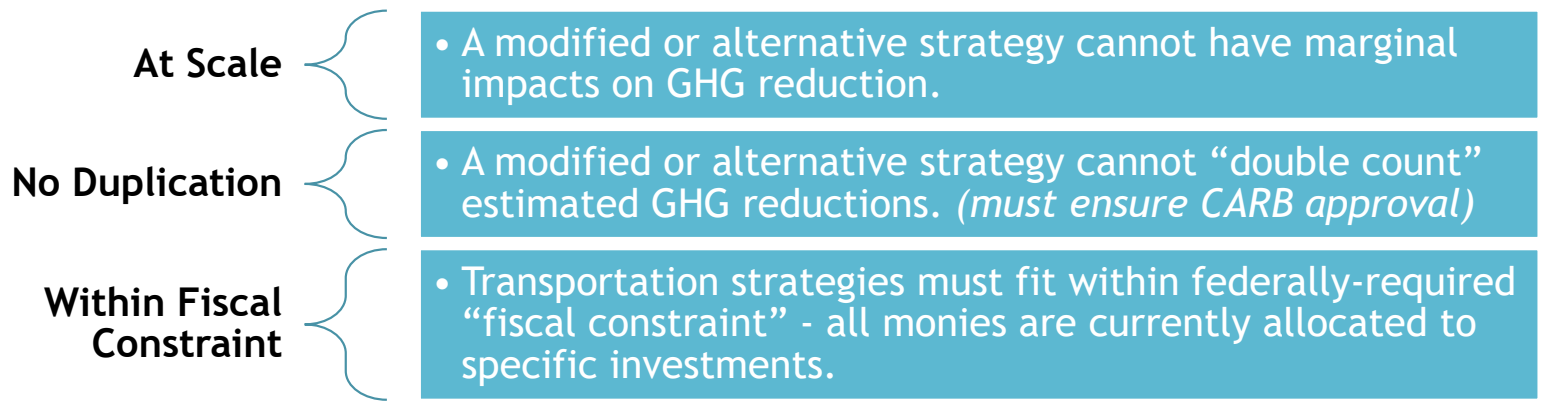
Alternative Approaches: Framing the Discussion

As part of MTC Resolution No. 4437, the Commission requested that staff look at **alternatives for the telecommuting strategy that would generate the same GHG emissions reductions.**

Three types of alternatives:



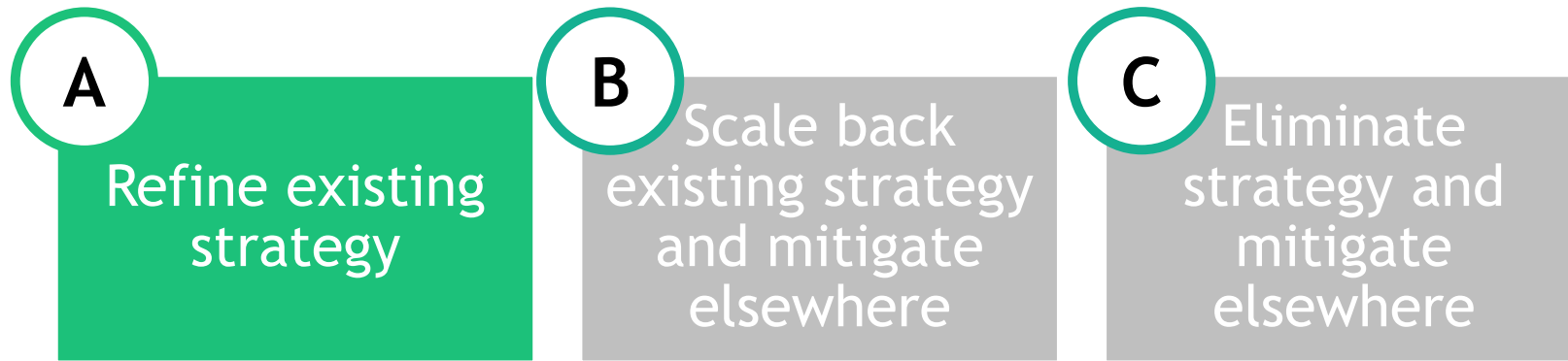
To be effective, alternatives must meet the following requirements:



Alternative Approaches: Path Forward

As part of MTC Resolution No. 4437, the Commission requested that staff look at **alternatives for the telecommuting strategy** that would generate the same GHG emissions reductions.

Three types of alternatives:



Other than a No Change approach, the most viable alternative is in Category A.

Expand Commute Trip Reduction Programs at Major Employers

Examples of Other Alternatives to Achieve GHG Goals:

C1. Double Per-Mile Toll Assumptions and Further Increase On- and Off-Street Parking Rate Assumptions

C2. Shift from Time-of-Day Per-Mile Tolling to Dynamic Tolling on Congested Freeways

Refine Existing Telecommute Strategy

A

Revised Strategy EN7: Expand Commute Trip Reduction Programs at Major Employers

Objective

Reduce greenhouse gas emissions and traffic congestion by partnering with major employers to *shift auto commuters to telecommuting, transit, walking, and bicycling*.

Description

Set a sustainable commute target for all major employers as part of an expanded Bay Area Commuter Benefits Program. Employers would then be responsible for expanding their commute trip reduction programs, identifying and funding sufficient incentives and/or disincentives to achieve or exceed the target. By the year 2035, no more than 40 percent of each employer's workforce would be eligible to commute by auto on an average workday. To minimize impacts on small businesses, businesses with fewer than 50 employees would be exempt from this policy; furthermore, recognizing the difficulty in serving rural jobs by transit and non-motorized modes, agricultural employers would also be exempt from this policy.

Options for Employers

Each employer would have the flexibility to choose the right set of incentives and disincentives for their employees to meet or exceed the target:

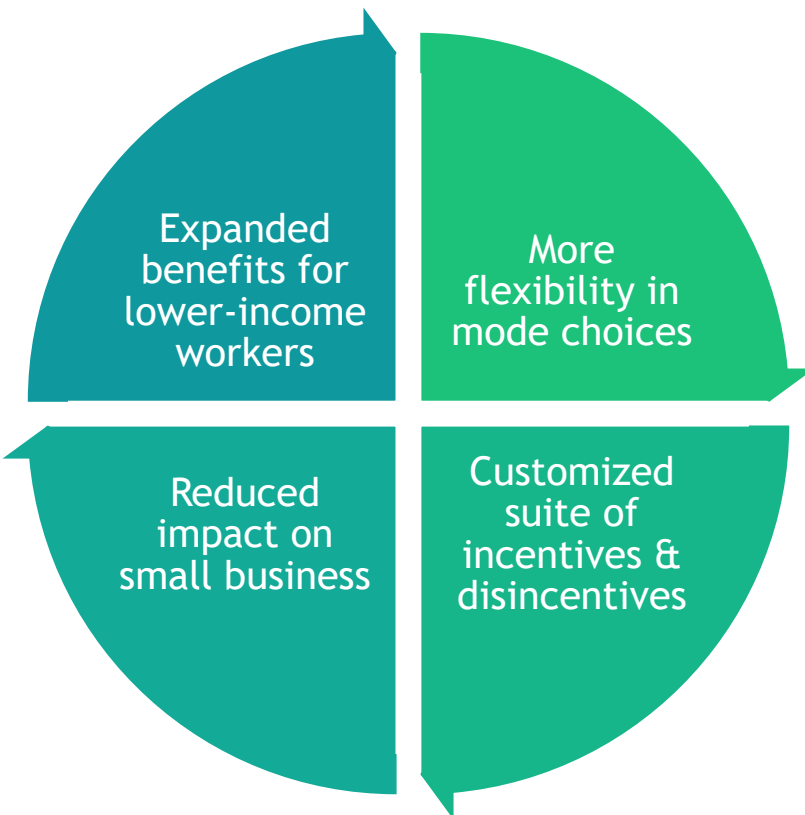
Examples of employer-funded incentives include free or subsidized transit passes, bike & e-bike subsidies and giveaways, free bikeshare memberships, free commuter shuttles for employees, provision of on-site employee housing on current parking lots or other available land, rent or mortgage subsidies for employees residing in walkable transit-rich communities, and direct cash subsidies for walking, biking, or telecommuting. Employer-managed disincentives could include reduction or elimination of parking lots or garages, higher on-site or off-site parking fees, compressed work schedules, and elimination of Dedicated workspaces in lieu of shared space. Note that this strategy works in conjunction with other complementary strategies in Plan Bay Area 2050, including the strategies in which Plan Bay Area 2050 assumes Substantial funding that will, prior to 2035, make sustainable trips and this strategy much more attainable.

A

Refine Existing Telecommute Strategy

Revised Strategy EN7: Expand Commute Trip Reduction Programs at Major Employers

The Revised Strategy EN7 addresses key concerns by business stakeholders...



...while ensuring that the alternative meets the requirements laid out in October 2020.



At Scale?

The proposed alternative would yield similar emissions reductions to the original Strategy EN7, while expanding the portfolio of commute choices beyond telecommuting.



No Duplication?

Benefits from the proposed alternative would complement, not duplicate, existing Final Blueprint strategies for transit, housing, and more.



Within Fiscal Constraint?

Businesses remain responsible for identifying and funding incentives and disincentives to auto commuting for their workforce.

PLAN BAY AREA 2050

Next Steps

- **Today:** Seeking Action on Revised Strategy EN7 via MTC Resolution No. 4337, Revised
- **December:** Public Release of Final Blueprint Analysis
- **January:** MTC/ABAG Action on Final Blueprint as Preferred EIR Alternative + ABAG Action on Draft RHNA Methodology (*integrating Final Blueprint forecasts*)

Environment: Reduce Climate Emissions

Strategy EN7: Expand Commute Trip Reduction Programs at Major Employers

Strategy Cost *not applicable*

Strategy Objective Reduce greenhouse gas emissions and traffic congestion by partnering with major employers to shift auto commuters to telecommuting, transit, walking, and bicycling.

Strategy Description Set a sustainable commute target for all major employers as part of an expanded Bay Area Commuter Benefits Program. Employers would then be responsible for expanding their commute trip reduction programs, identifying and funding sufficient incentives and/or disincentives to achieve or exceed the target. By the year 2035, no more than 40 percent of each employer's workforce would be eligible to commute by auto on an average workday. To minimize impacts on small businesses, businesses with fewer than 50 employees would be exempt from this policy; furthermore, recognizing the difficulty in serving rural jobs by transit and non-motorized modes, agricultural employers would also be exempt from this policy.

While each employer would have the flexibility to choose the right set of incentives and disincentives for their employees to meet or exceed the target, examples of employer-funded incentives include free or subsidized transit passes, bike & e-bike subsidies and giveaways, free bikeshare memberships, free commuter shuttles for employees, provision of on-site employee housing on current parking lots or other available land, rent or mortgage subsidies for employees residing in walkable transit-rich communities, and direct cash subsidies for walking, biking, or telecommuting. Employer-managed disincentives could include reduction or elimination of parking lots or garages, higher on-site or off-site parking fees, compressed work schedules, and elimination of dedicated workspaces in lieu of shared space.

This strategy works in conjunction with other complementary strategies in Plan Bay Area 2050, including the strategies in which Plan Bay Area 2050 assumes substantial funding that will, prior to 2035, make sustainable trips and this strategy much more attainable.

Date: September 23, 2020
W.I.: 1121
Referred by: Planning
Revised: 11/20/20-C

ABSTRACT

Resolution No. 4437, Revised

This resolution approves the Final Blueprint Strategies, the Final Blueprint Growth Geographies, and the Regional Growth Forecast for Plan Bay Area 2050.

This resolution was revised on November 20, 2020 to update Strategy EN7 to include a broader suite of commute trip reduction programs.

Further discussion of this subject is contained in the Planning Committee Summary Sheet dated September 11, 2020, and the Commission Summary Sheet dated November 20, 2020.

Date: September 23, 2020
W.I.: 1121
Referred by: Planning
Revised: 11/20/20-C

Re: Approval of the Final Blueprint Strategies, Final Blueprint Growth Geographies, and Regional Growth Forecast for Plan Bay Area 2050

METROPOLITAN TRANSPORTATION COMMISSION
RESOLUTION NO. 4437, REVISED

WHEREAS, the Metropolitan Transportation Commission (MTC) is the regional transportation planning agency for the San Francisco Bay Area pursuant to Government Code Section 66500 et seq.; and

WHEREAS, the Association of Bay Area Governments (ABAG), a joint exercise of powers entity created pursuant to California Government Code Sections 6500 et seq., is the Council of Governments and the regional land use planning agency for the San Francisco Bay Area; and

WHEREAS, California Government Code § 65080 et seq. requires MTC to prepare and update a long-range Regional Transportation Plan (RTP), including a Sustainable Communities Strategy (SCS) prepared in conjunction with the ABAG, every four years; and

WHEREAS, Plan Bay Area 2050 (“Plan”) will serve as the region’s next-generation plan, ultimately serving as the Regional Transportation Plan and Sustainable Communities Strategy for the San Francisco Bay Area; and

WHEREAS, MTC and ABAG jointly adopted the first Plan Bay Area in 2013 (Plan Bay Area 2013) (MTC Resolution No. 4111 and ABAG Resolution No. 06-13), and the second Plan Bay Area in 2017 (Plan Bay Area 2040) (MTC Resolution No. 4300 and ABAG Resolution No. 10-17); and

WHEREAS, MTC and ABAG jointly adopted the Vision for Plan Bay Area 2050 in September 2019, emphasizing that resilient and equitable strategies should be prioritized to ensure by the year 2050 the Bay Area is affordable, connected, diverse, healthy, and vibrant for all (MTC Resolution No. 4393 and ABAG Resolution No. 09-19); and

WHEREAS, ABAG approved the Regional Growth Forecast Methodology in September 2019, which guided the development of the Plan Bay Area 2050 Regional Growth Forecast; and

WHEREAS, the Regional Growth Forecast was shared in draft form in spring 2020 and subsequently updated to reflect significant economic impacts from the coronavirus pandemic and the 2020 recession over the first ten years of the planning horizon; and

WHEREAS, MTC and ABAG approved the analysis of the 25 Strategies for the Plan Bay Area 2050 Draft Blueprint in February 2020 as well as the corresponding Growth Geographies (MTC Resolution No. 4410 and ABAG Resolution No. 03-2020); and

WHEREAS, MTC and ABAG released the Draft Blueprint Findings in early July 2020 showcasing successes and shortcomings through dozens of virtual events for public and stakeholder feedback; and

WHEREAS, MTC and ABAG received more than 3,400 comments and engaged more than 7,600 participants in the public engagement process on the Draft Blueprint during July and August 2020 that informed the revised recommendations for the Final Blueprint phase; and

WHEREAS, the revised Strategies and Growth Geographies integrate feedback to better address the five challenges identified in the Draft Blueprint phase, including the goal of meeting or exceeding the state-mandated greenhouse gas reduction target, in alignment with the adopted Vision for Plan Bay Area 2050; and

WHEREAS, the Commission directed that staff explore alternatives to Strategy EN7 in fall 2020; and

WHEREAS, the revised Strategy EN7 enables similar climate emission reductions while providing employers greater flexibility in terms of incentives and disincentives to achieve modal shift; now, therefore, be it

RESOLVED, that MTC hereby certifies that the foregoing recitals are true and correct and incorporated by this reference; and be it further

RESOLVED, that MTC, as a decision-making body, hereby adopts the amended Strategies, Growth Geographies, and Regional Growth Forecast as listed in the MTC Planning Committee item dated September 11th, 2020 as amended in the Commission items dated September 23, 2020 and November 20, 2020, and authorizes staff to analyze associated outcomes in the Plan Bay Area 2050 Final Blueprint.

METROPOLITAN TRANSPORTATION COMMISSION

Scott Haggerty, Chair

The above resolution, revising and superseding the resolution approved on September 23, 2020, was entered into by the Metropolitan Transportation Commission at a regular meeting of the Commission held in San Francisco, California and remotely on November 20, 2020.