Chapter 3
Where We Live, Where We Work


NASA

The Association of Bay Area Governments and the Metropolitan Transportation Commission developed a variety of land use and transportation scenarios that distributed the total amount of growth forecasted for the region to specific locations. These scenarios sought to address the needs and aspirations of each Bay Area jurisdiction, as identified in locally adopted general plans and zoning ordinances, while meeting Plan Bay Area performance targets adopted by the agencies to guide and gauge the region's future growth. (See Chapter 5.)

The framework for developing these scenarios consisted of Priority Development Areas (PDAs) and Priority Conservation Areas (PCAs) recommended by local governments. ABAG and MTC created the scenarios through a transparent, deliberative process, during which public input was sought at every step along the way. After further modeling, analysis and public engagement, the five initial scenarios were narrowed down to a single preferred land use scenario. This scenario and resulting development pattern represent the Sustainable Communities Strategy (SCS) that Plan Bay Area must include in the Regional Transportation Plan, as mandated by Senate Bill 375.

The preferred land use scenario is a flexible blueprint for accommodating growth over the long term. Pairing this development pattern with the transportation investments and policies described in Chapter 4 is what makes Plan Bay Area the first truly integrated land use and transportation plan for the region's anticipated growth.

A More Focused Future

As required by SB 375, the land use distribution in Plan Bay Area identifies the locations that can accommodate future growth, including the scale and type of growth most appropriate for different types of locations. In order to meet the Bay Area's greenhouse gas (GHG) emissions reduction and housing targets, and to make progress toward meeting the other adopted performance targets, the plan encourages future job and population growth in established communities with access to existing or planned transportation investments. The land use pattern seeks to achieve four comprehensive objectives:

1. **Create a network of complete communities** — Building on the PDA framework of complete communities that increase housing and transportation choices, the plan envisions neighborhoods where transit, jobs, schools, services and recreation are conveniently located near people's homes.
2. **Increase the accessibility, affordability and diversity of housing** — The distribution of housing in the Bay Area is critical, given its importance to individuals, communities and the region as a whole. The Bay Area needs sufficient housing options to attract the businesses and talented workforce needed for a robust future economy.
3. **Create jobs to maintain and expand a prosperous and equitable regional economy** — The plan seeks to reinforce the Bay Area's role as one of the most dynamic regional economies in the United States. It focuses on expanding the existing concentration of knowledge-based and technology industries in the region, which is a key to the Bay Area's economic competitiveness.
4. **Protect the region's unique natural environment** — The Bay Area's greenbelt of agricultural, natural resource and open space lands is a treasured asset that contributes to residents' quality of life and supports regional economic development.

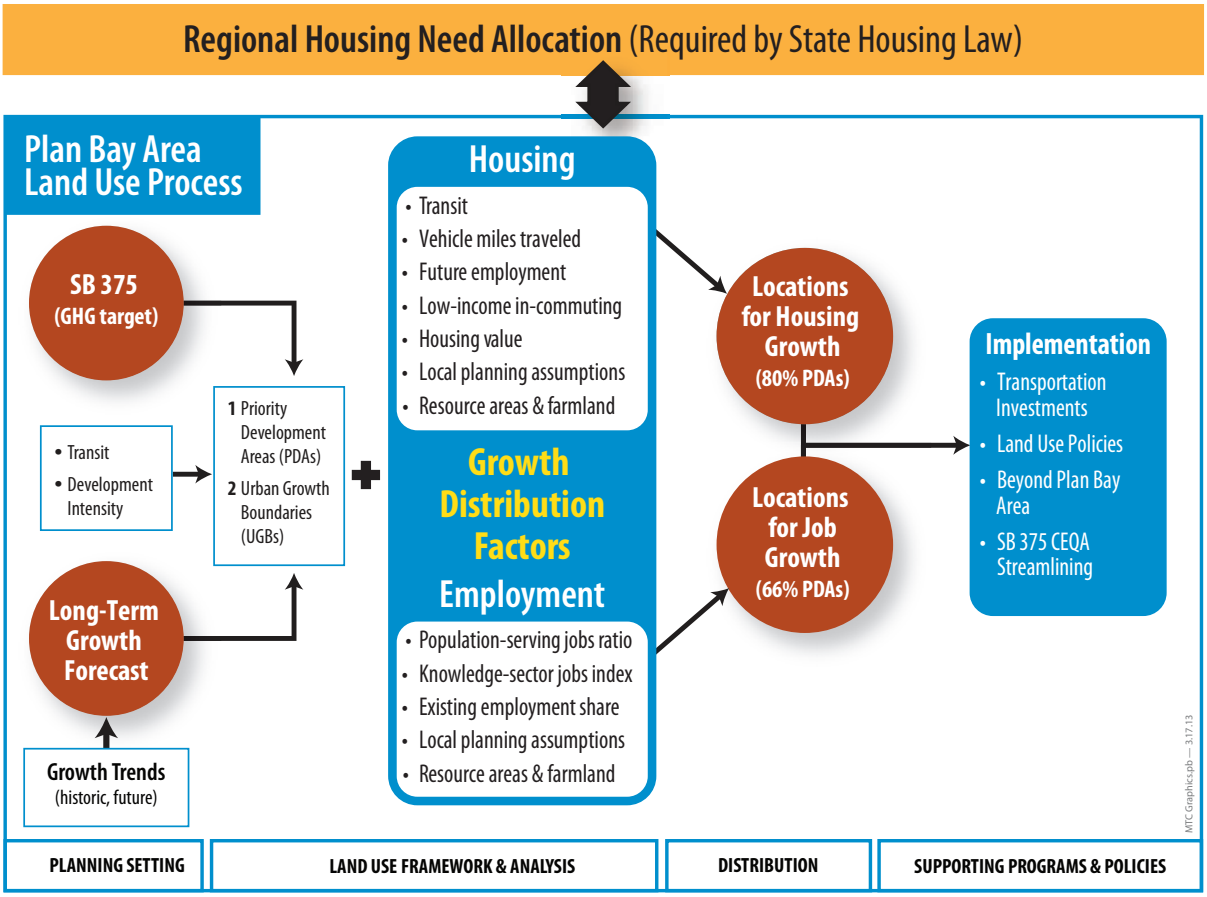
Land Use Distribution Approach

There are two main inputs for the Plan Bay Area land use distribution process (Figure 1). The first input is California Senate Bill SB 375, under which the Bay Area is required to identify a land use pattern that will:

1. **Help the region achieve its GHG emissions reduction target** of reducing per-capita CO_2 emissions from cars and light-duty trucks by 7 percent by 2020 and by 15 percent by 2035; and
2. **House 100 percent of the region's projected 25-year population growth** by income level (very-low, low, moderate, above-moderate) without displacing current low-income residents.

The second input is the long-term growth forecast developed using historic and future demographic trends, as described in Chapter 2. In addition to these inputs, the land use distribution emphasizes growth in nearly 200 locally proposed Priority Development Areas (PDAs) along the region's core transit network, and accommodates 100 percent of new growth within exist-

Figure 1 Plan Bay Area Land Use Distribution Process



ing urban growth boundaries and urban limit lines. It also emphasizes protection for the region's agricultural, scenic and natural resources areas, including Priority Conservation Areas.

The nearly 200 adopted PDAs are existing neighborhoods nominated by local jurisdictions as appropriate places to concentrate future growth that will support the day-to-day needs of residents and workers in a pedestrian-friendly environment served by transit. Emphasizing higher levels of growth in these locations means that many neighborhoods, particularly established single-family home neighborhoods, will see minimal future change. A key part of the PDA strategy is to move away from an unplanned "project-by-project" approach to growth, toward the creation of complete communities that meet the needs of existing and new residents and workers.

Priority Conservation Areas (PCAs) comprise over 100 regionally significant open spaces about which there exists broad consensus for long-term protection, but which face nearer-term development pressures. They are a mechanism for implementing Plan Bay Area — particularly in the North Bay, where they are central to the character and economy of many communities, and they ensure that Plan Bay Area considers farmland and resource areas in keeping with Senate Bill 375. The PCAs and PDAs complement one another: promoting compact development within PDAs takes development pressure off the region's open space and agricultural lands.

In contrast to past trends that saw the outward expansion of urban growth in the region and spillover growth in surrounding regions, Plan Bay Area directs new growth within locally adopted urban growth boundaries to existing communities along major transit corridors.

For decades communities throughout the Bay Area have protected farmland, open space and natural resources using urban growth boundaries and other policies and investment strategies. Because urban growth boundaries and related growth controls constrain the amount of geography available for development, they not only protect valuable open space, they also help ensure that future development will assume a more compact pattern than in past decades. (See "SF Bay Area Resource Lands" map on facing page.)

SF Bay Area Job Growth

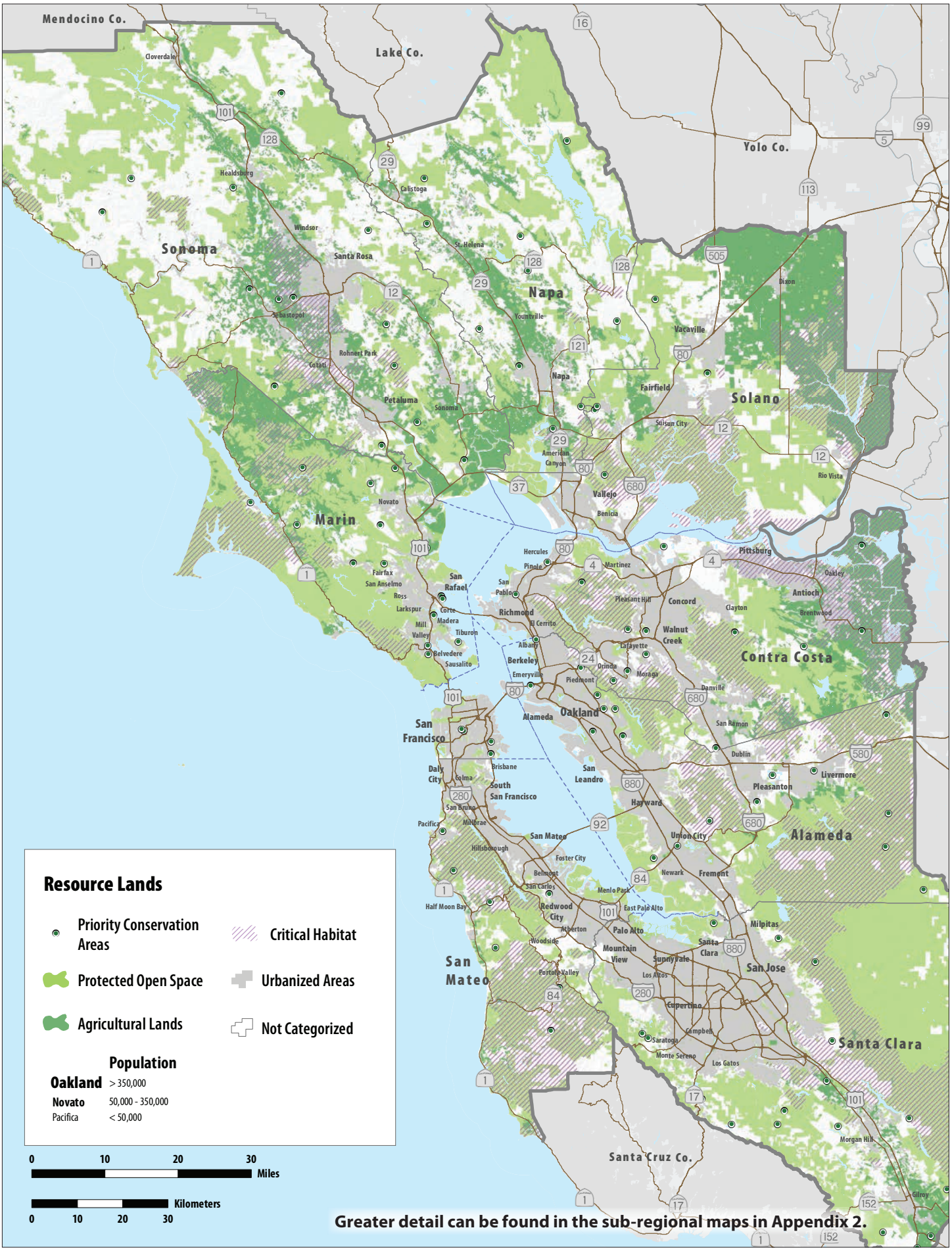
2040 Employment Distribution Approach and Methodology

Responding to Business Location Trends

Plan Bay Area's distribution of jobs throughout the region is informed by changing trends in the locational preferences of the wide range of industry sectors and business place types in the Bay Area. These trends capture ongoing geographic changes, as well as changes in the labor force composition and workers' preferences. Overall, the changing needs of businesses suggest a transition toward a more focused employment growth pattern for the Bay Area. This focused growth takes a variety of forms across the various employment centers throughout the region, summarized below.

- **Knowledge-based jobs, culture and entertainment at regional centers**
  The growth of the professional services sector is expected to result in more jobs in downtown San Francisco, downtown Oakland, and downtown San Jose — assuming an appropriate provision of infrastructure, transit and access to affordable housing. These downtown areas also have attracted international business and leisure travelers, as well as artists and entertainers, fueling the rise of leisure and cultural activities. Similar to the growth of San Francisco's financial district in the 1970s, and Silicon Valley in the 1990s, the Bay Area is attracting new businesses and workers seeking to locate near related firms, services and amenities. These businesses and professionals seek flexible building spaces and require less office space per worker compared to traditional office space expansion in downtown areas.
- **Multiple activities and transit at office parks**
  Office parks are expected to continue to accommodate a growing number of employees. However, given the limited land available for new office parks, available vacant office space, and the preference for walkable, transit-served neighborhoods by growing numbers of employers, office parks are expected to grow at a slower pace than in past decades. Many existing office parks are changing to use less space per worker, provide direct transit access, and even offer housing, services and other amenities. Growing numbers of businesses, particularly in San Mateo and Santa Clara counties, are providing private shuttle services to help their employees commute to work. Increasing and improving transit access to office parks will lessen, but not fully mitigate, increased traffic congestion related to employment growth.

Map 1 SF Bay Area Resource Lands



- **Downtown areas and transit corridors serving residents**
  Over the last decade, medium and small cities throughout the region have been expanding the range of services and jobs provided in their downtown areas. As described in Chapter 2 the increase in the senior population, combined with the region's changing ethnic profile, is expected to increase the demand for local services, housing and transportation choices across the region, including in many of these medium and small downtown areas. Many of these locations have been identified as PDAs and have shown increased concentrations of knowledge-based jobs in the arts, recreation, health and education sectors.
- **New vitality of industrial lands**
  Manufacturing and wholesale distribution have experienced declining employment in many of the region's key industrial areas. However, in recent years a different and very diverse mix of businesses has relocated to some of these Bay Area locations. In addition to basic services such as shuttle operations and refuse collection, or traditional uses such as concrete plants, industrial lands are now occupied by food processing, high-tech product development, car repair, graphic design and recycling businesses, among others. The building and space needs of these businesses make traditional industrial lands attractive. These new businesses provide jobs, and also provide essential support to other sectors of the economy and vital services to nearby residents. It is in the region's best interest to ensure that new businesses have access to industrial lands, so that the jobs they create remain in the Bay Area.

Employment Distribution Methodology

The distribution of new employment growth considers job growth by sector and is linked to input from local residents and planning departments. Employment growth is organized under three major groups: knowledge-sector jobs, population-serving jobs and all other jobs. The number of knowledge-sector jobs — such as jobs in information technology companies, legal or engineering offices, or biotechnology firms — is expected to grow based on the current concentrations of these jobs, the specialized skills and experience required to perform these jobs, and past growth in the sector. The number of population-serving jobs, such as those in retail stores or restaurants, is expected to grow in a manner reflecting the distribution of future household growth. The number of jobs in all other sectors, including the government, agriculture and manufacturing sectors is expected to grow according to the existing distribution of jobs in each of these sectors. Finally, the employment growth distribution also is linked to access to transit service, which continues to be a major draw for both employers and employees.

Employment by Economic Sector and County

The first step in the employment distribution was to determine the composition of employment in 2040 by different industry sectors for the region as a whole. This was derived from the Center for Continuing Study of the California Economy's *Bay Area Job Growth to 2040: Projections and Analysis* (February 2012). The next step was to distribute 2040 job numbers among the nine counties for each industry sector based upon county shares of regional employment, as reported in Caltrans' California County-Level Economic Forecast: 2011–2040 (August 2011).

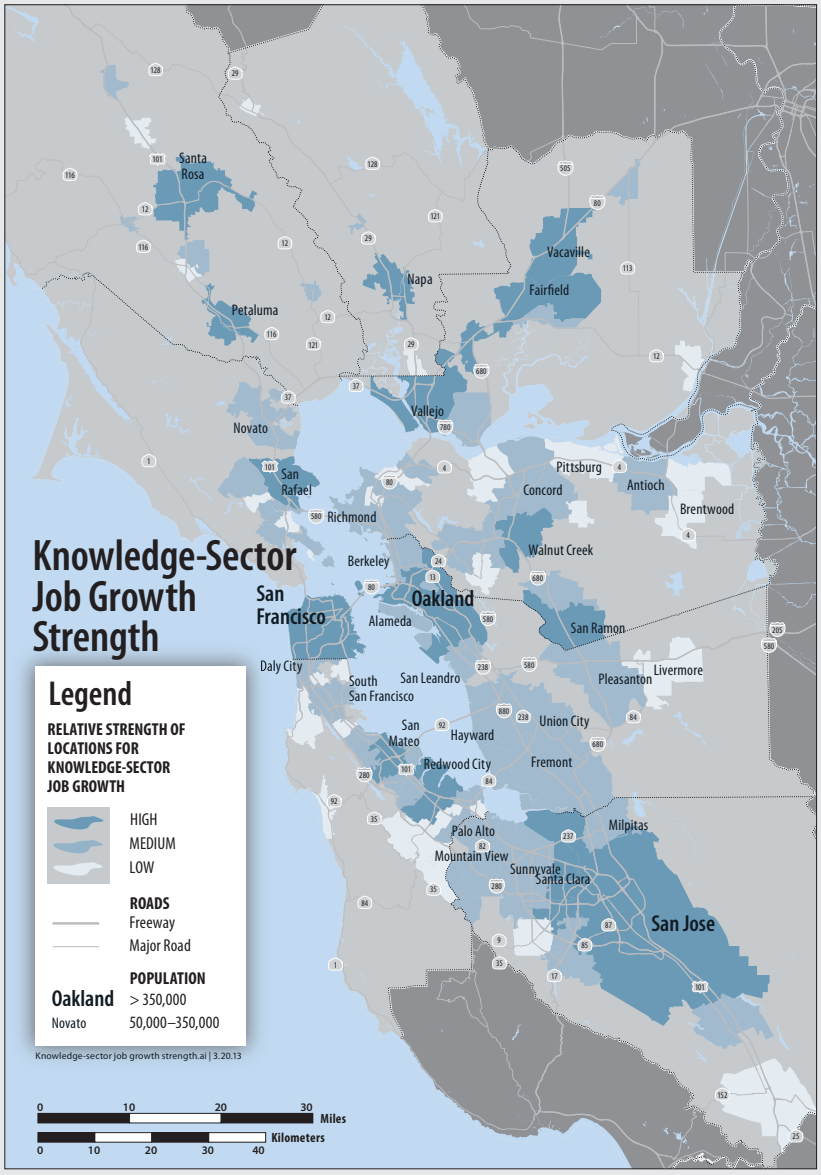
Employment by Jurisdiction and Priority Development Area

The distribution of employment by jurisdiction and Priority Development Area was calculated using five growth distribution factors. The first three distribution factors are based upon the type of job. The fourth and fifth distribution factors are local planning assumptions and the locations of resource areas and farmlands, respectively:

1. **Knowledge-sector jobs index:** For jobs in the professional and business services, information and finance sectors, a "knowledge strength index" was used to weight the distribution of jobs within each county at the jurisdiction level. The index reflects the tendency of these jobs to be located in areas with already high concentrations of similar companies and a shared labor pool. (See "Knowledge-Based Jobs Expected to Lead Bay Area Employment Growth to 2040" on next page.)
2. **Population-serving jobs ratio:** For jobs that provide services to households, employment location is dependent upon where people live. As a result, growth of these jobs was distributed based upon the geographic distribution of household growth in the region. Residential construction jobs also were included in this category, as they will be located where new housing is built.
3. **Existing employment share for all other jobs:** For the remaining sectors, employment growth was distributed based upon the existing distribution in 2010, using data from the National Establishment Times-Series (NETS) database, which provides employment information by location of business establishments.
4. **Local planning assumptions:** This information, including locally adopted general plans and neighborhood plans, was supplied by local planning departments.
5. **Resource areas and farmland:** This information was derived from farmland and resource lands, the locations of Priority Conservation Areas, and the urban growth boundaries.

Knowledge-Based Jobs Expected to Lead Bay Area Employment Growth To 2040

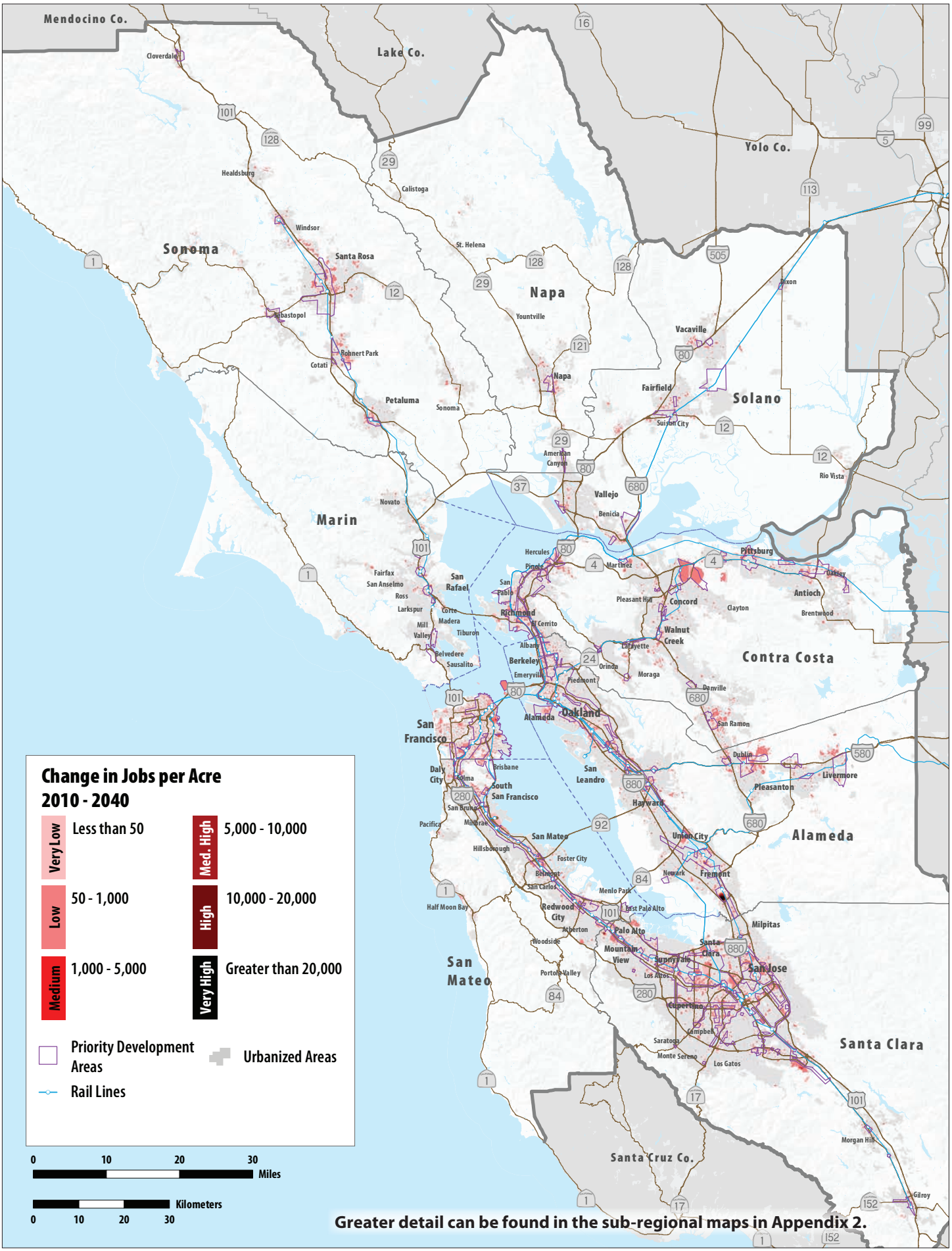
Map 2 San Francisco Bay Area Knowledge Sector Jobs



Knowledge-based jobs in the Bay Area include jobs in the professional services, information and finance sectors, as well as some occupations with relatively high educational requirements in the health and education sectors. Many companies in these sectors are expected to continue the historical trend of specializing in the design and development of new products and information. Robust growth in the amount of knowledge-based employment is supported by a highly educated labor pool and provides many high-wage jobs. The map above shows the weighted knowledge strength index used to distribute knowledge sector jobs within each county.

Compared with other regions, the Bay Area's labor force has the highest share of college graduates (44 percent) in the country and is anchored by educational and research institutions that can continue to deliver high-quality talent. These leading sectors have represented and will continue to represent a high share of the total regional job growth. Although the knowledge-based sectors help define the overall pace of growth for the region, their success is advanced by a very diverse regional economy.

Map 3 SF Bay Area Commercial Intensities, 2010–2040



2040 Employment Distribution Highlights

The combined effect of the growth distribution factors directs job growth toward the region's larger cities and Priority Development Areas with a strong existing employment base and communities with stronger opportunities for knowledge-sector jobs. As a result, almost 40 percent of the jobs added from 2010 to 2040 will be in the region's three largest cities — San Jose, San Francisco and Oakland — which accounted for about one-third of the region's jobs in 2010. Two-thirds of the overall job growth is anticipated to be in PDAs throughout the region. The map on the preceding page shows where the region is expected to add jobs during this time period.

Almost 40 percent of the jobs added from 2010 to 2040 will be in the region's three largest cities — San Jose, San Francisco and Oakland — which accounted for about one-third of the region's jobs in 2010.

Due to the strength of the knowledge sector, nine of the 15 cities expected to experience the greatest job growth are in the western and southern part of the region surrounding Silicon Valley (Table 1). The remaining communities expecting high levels of job growth are in the East Bay and North Bay, owing to their strong roles in the current economy, diverse employment base, and their proximity to a large base of workers.

In sum, the 15 cities expected to experience the most job growth will account for roughly 700,000 jobs, or just over 60 percent of the new jobs added in the region by 2040. Additional information on employment distribution by location can be found in *Forecast of Jobs, Population and Housing*, listed in Appendix 1.

Table 1 SF Bay Area Total Job Growth 2010–2040, Top 15 Cities

Rank	Jurisdiction	Total Jobs		2010–2040 Job Growth	
		2010	2040	Total Growth	Percentage Growth
1	San Francisco	568,720	759,470	190,740	34%
2	San Jose	375,360	522,050	146,680	39%
3	Oakland	190,250	275,490	85,240	45%
4	Santa Clara	112,460	145,560	33,100	29%
5	Fremont	89,900	119,870	29,970	33%
6	Palo Alto	89,370	119,030	29,650	33%
7	Santa Rosa	75,460	103,930	28,470	38%
8	Berkeley	77,020	99,220	22,210	29%
9	Concord	47,520	69,310	21,790	46%
10	Hayward	69,100	89,900	20,800	30%
11	Sunnyvale	74,610	95,320	20,710	28%
12	San Mateo	52,930	73,460	20,530	39%
13	Redwood City	58,340	77,830	19,490	33%
14	Walnut Creek	41,650	57,300	15,650	38%
15	Mountain View	47,800	63,380	15,570	33%

Source: Jobs-Housing Connection Strategy, *ABAG, 2012*

SF Bay Area Housing Growth

2040 Housing Distribution Approach and Methodology

Supporting Equitable and Sustainable Development

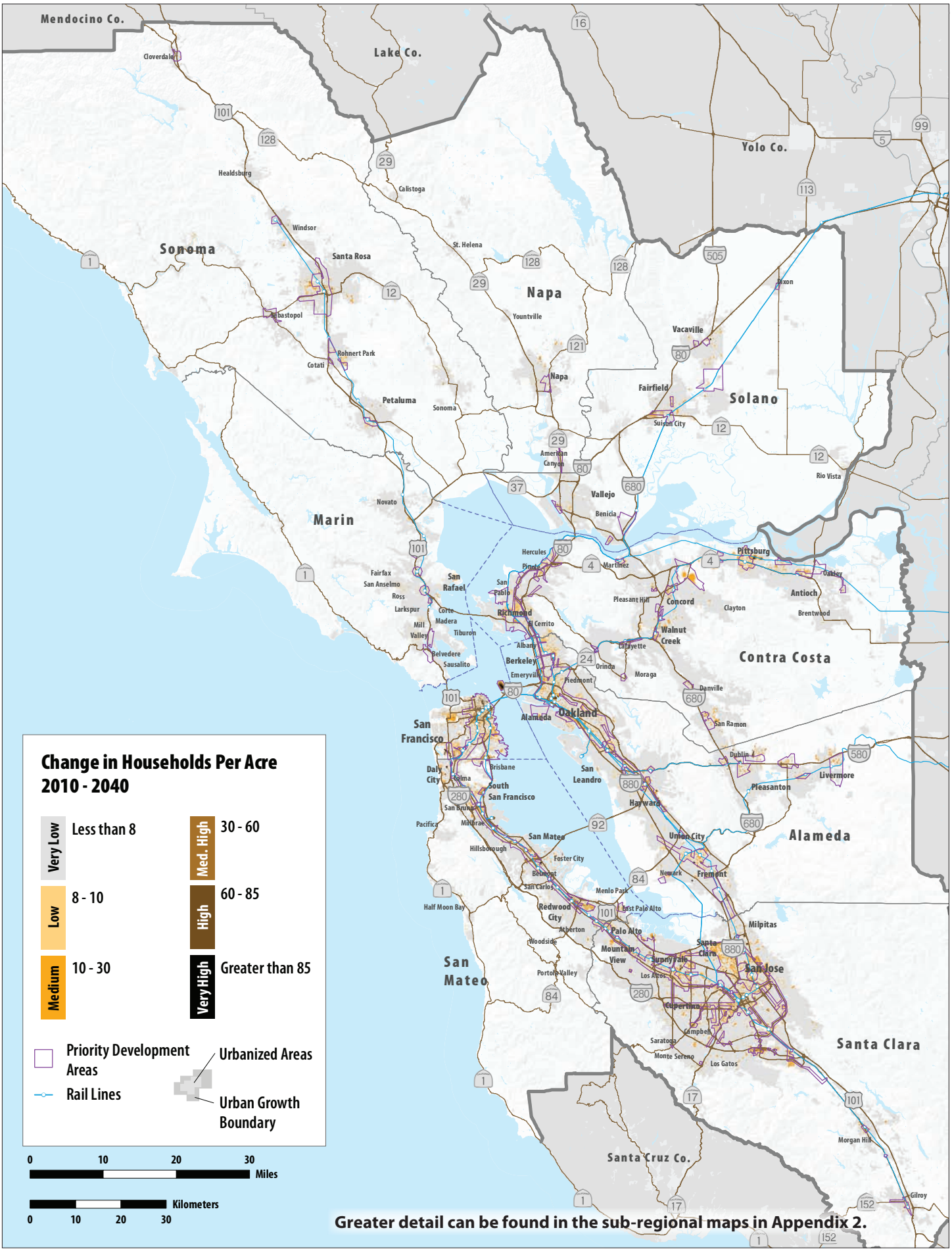
The Plan Bay Area housing distribution is guided by the policy direction of the ABAG Executive Board, which voted in July 2011 to support equitable and sustainable development by "maximizing the regional transit network and reducing GHG emissions by providing convenient access to employment for people of all incomes." This was accomplished by distributing total housing growth numbers to: 1) job-rich cities that have PDAs or additional areas that are PDA-like; 2) areas connected to the existing transit infrastructure; and 3) areas that lack sufficient affordable housing to accommodate low-income commuters.

Housing Distribution Methodology

As with the 2040 employment distribution, the methodology for distributing new housing throughout the Bay Area involves the use of growth distribution factors (Figure 1):

1 **Level of transit service:** The highest level of transit service in an area was used to group each area into one of three regional transit tiers. Places with high levels of transit service were assigned more growth, with the goal of utilizing the existing transit infrastructure more efficiently and leveraging the region's emphasis on operating and maintaining the current transit system.

Map 4 SF Bay Area Household Intensities, 2010–2040



2 **Vehicle miles traveled (VMT) per household:** Housing growth was directed to locations expected to result in the lowest greenhouse gas emissions. This adjustment was based on a measure of the use of Bay Area freeways and roads called "vehicle miles traveled" (VMT). One vehicle (regardless of the number of passengers) traveling one mile constitutes one "vehicle mile." The number of vehicle miles traveled is highly correlated with greenhouse gas emissions. VMT data was derived from MTC's Regional Travel Demand Model.

3 **Employment by 2040:** To link housing growth more closely to job centers, the initial housing distribution was adjusted by an employment factor for each area, based on the total 2040 employment for each jurisdiction.

4 **Low-wage workers in-commuting from outside the Bay Area:** This factor shifts housing growth to places that are importing many low-income workers. "Longitudinal employment and household dynamics" data from the U.S. Census Bureau was used to determine the number of workers commuting to and from a jurisdiction by income category in 2009 and previous years.

5 **Housing values:** To recognize places with high-quality services (schools, parks, infrastructure, etc.), the initial housing distribution was adjusted by a housing value factor, based on a jurisdiction's median home value in 2010. The 2010 U.S. Census was a data source for this analysis.

6 **Local planning assumptions:** This information, including locally adopted general plans and neighborhood plans, was supplied by local planning departments.

7 **Resource areas and farmland:** This information was derived from farmland and resource lands, the locations of Priority Conservation Areas, and the urban growth boundaries.

2040 Housing Distribution Highlights

As a result of these growth distribution factors, more housing growth was directed to locations where the transit system can be utilized more efficiently, where workers can be better connected to jobs, and where residents can access high-quality services. However, growth in each place is tied directly to housing potential as defined by the local jurisdictions.

By emphasizing communities with transportation options and strong employment growth, the factors direct substantial housing production to the Peninsula and South Bay, where eight of 15 cities expected to experience the most housing growth are located (Table 2). In sum, two-thirds of the region's overall housing production is directed to these 15 cities, leaving the more than 90 remaining jurisdictions in the region to absorb only limited growth. This development pattern preserves the character of more than 95 percent of the region by focusing growth on less than five percent of the land. The map on the facing page shows where housing growth is expected to take place. Additional information is available in *Forecast of Jobs, Population and Housing*, listed in Appendix 1.

Table 2 SF Bay Area Total Housing Unit Growth 2010–2040, Top 15 Cities

Rank	Jurisdiction	Total Housing Units		2010–2040 Housing Unit Growth	
		2010	2040	Total Growth	Percentage Growth
1	San Jose	314,040	443,210	129,170	41%
2	San Francisco	376,940	469,350	92,410	25%
3	Oakland	169,710	221,200	51,490	30%
4	Sunnyvale	55,790	74,780	18,990	34%
5	Concord	47,130	65,170	18,040	38%
6	Fremont	73,990	91,610	17,620	24%
7	Santa Rosa	67,400	83,420	16,020	24%
8	Santa Clara	45,150	58,920	13,770	30%
9	Milpitas	19,810	32,430	12,620	64%
10	Hayward	48,300	60,580	12,290	25%
11	Fairfield	37,180	48,280	11,100	30%
12	San Mateo	40,010	50,180	10,160	25%
13	Richmond	39,330	49,020	9,690	25%
14	Livermore	30,340	40,020	9,670	32%
15	Mountain View	33,880	43,270	9,390	28%

Source: Jobs-Housing Connection Strategy, *ABAG, 2012*

Summary of Jobs and Housing Distribution (2010–2040)

Reflecting the distribution growth factors' emphasis on the existing transit network and connecting homes and jobs, San Francisco, San Mateo, Santa Clara and Alameda counties account for the majority of housing growth (77 percent) and job growth (76 percent). (See Table 3.) Within these counties, the Bay Area's three regional centers — San Francisco, San Jose, and Oakland — will accommodate 42 percent of housing growth and 38 percent of total job growth by 2040. Corridors in the inner Bay Area, including El Camino Real/The Grand Boulevard, San Pablo Corridor, and East 14th–International Boulevard, also represent a major share of both housing and job growth, accommodating 19 percent of regional housing and 11 percent of regional job growth.

Contra Costa County accounts for 11 percent of the region's new jobs and 12 percent of its new homes. Concord, Richmond, Pittsburg, and Walnut Creek — all with PDAs centered on BART stations — take on the largest shares of the county's growth, with 23 percent, 12 percent, 9 percent, and 9 percent respectively. PDAs in the county will take on 65 percent of the housing growth and 57 percent of the job growth.

Major suburban employment centers in Alameda and Contra Costa Counties, including Concord, Walnut Creek, and the Tri-Valley communities of Dublin, Pleasanton, Livermore, and San Ramon, account for over 8 percent of the Bay Area's new jobs and nearly 9 percent of its new homes.

With more limited transit access and fewer PDAs, North Bay counties — Marin, Napa, Solano and Sonoma — are expected to take on a much smaller share of regional growth, accounting for 10 percent of new households and 13 percent of new jobs. Much of this growth will be focused in PDAs, such as downtown Santa Rosa, Petaluma, Fairfield, and Vallejo. In Marin, 22 percent of new jobs and 38 percent of new housing are expected to be located in PDAs, while the share is 18 percent and 41 percent in Napa County, 33 percent and 65 percent in Solano County, and 56 percent and 72 percent in Sonoma County. By concentrating growth in the inner Bay Area and communities with frequent transit service, this growth strategy will help North Bay communities maintain their rural and small-town character. While accommodating a very limited amount of new growth, rural centers and corridors will enhance the pedestrian environment and access to local services in the traditional downtowns of many of these communities.

Overall, well over two-thirds of all regional growth by 2040 is allocated within Priority Development Areas. PDAs are expected to accommodate 80 percent (or over 525,570 units) of new housing and 66 percent (or 744,230) of new jobs. As a result, small cities, single-family neighborhoods and rural areas throughout the Bay Area will take on a very small share of the region's overall growth and are expected to retain the same scale and character.

Table 3 SF Bay Area County Housing and Job Growth, 2010–2040

	Employment				Housing Units				Households			
			2010–2040 Growth				2010–2040 Growth				2010–2040 Growth	
County	2010	2040	Total	%	2010	2040	Total	%	2010	2040	Total	%
Alameda	694,450	947,630	253,190	36%	582,550	730,530	147,980	29%	545,140	705,290	160,150	29%
Contra Costa	344,920	467,000	122,080	35%	400,260	480,400	80,130	23%	375,360	463,070	87,700	23%
Marin	110,730	129,130	18,390	17%	111,210	118,720	7,510	9%	103,210	112,020	8,810	9%
Napa	70,650	89,530	18,880	27%	54,760	60,810	6,050	15%	48,880	56,290	7,410	15%
San Francisco	568,720	759,470	190,740	34%	376,940	469,350	92,410	29%	345,810	447,250	101,440	29%
San Mateo	345,200	445,310	100,110	29%	271,030	326,730	55,700	22%	257,840	315,730	57,900	22%
Santa Clara	926,260	1,229,800	303,530	33%	631,920	843,110	211,190	36%	604,200	819,130	214,920	36%
Solano	132,350	179,900	47,560	36%	152,700	175,520	22,820	19%	141,760	168,650	26,890	19%
Sonoma	192,010	257,450	65,430	34%	204,570	236,440	31,870	19%	185,830	220,690	34,870	19%
REGION	**3,385,300**	**4,505,220**	**1,119,920**	**33%**	**2,785,950**	**3,445,940***	**660,000***	**27%**	**2,608,020**	**3,308,110**	**700,090**	**27%**

**2010 values include seasonal units; Regional 2040 and growth totals include 4,340 seasonal units that were not distributed throughout the region*

Source: Jobs-Housing Connection Strategy, *ABAG, 2012*

Plan Bay Area outlines a growth strategy that makes efficient use of available infrastructure while protecting the region's natural resources and open space. However, this is only half the picture. The second half consists of the transportation investments and policies developed along with this land use pattern to support and complement the region's housing and employment growth. (See Chapter 4.) Both an efficient land use pattern and a sound transportation investment package are needed to have a fully integrated long-term land use development and transportation plan. The performance results of this overall strategy are presented in Chapter 5.

Accommodating the 8-Year Regional Housing Need Allocation

California Housing Element law (Article 10.6 of the California Government Code) requires each jurisdiction to plan for housing at all income levels by ensuring that local zoning and planning support the production of a diverse range of new housing. The Regional Housing Need Allocation (RHNA) is the state-mandated process to identify the share of the state's housing need for which each jurisdiction must plan over an 8-year period. The California Department of Housing and Community Development (HCD) determined that the Bay Area's regional housing need between 2014 and 2022 is 187,990 units.

To develop the RHNA for 2014–2022, ABAG and MTC convened a Housing Methodology Committee comprised of local elected officials, staff and diverse stakeholders from throughout the region, who provided guidance through a series of workshops that began in January 2011. The Association of Bay Area Governments' Executive Board adopted the final RHNA methodology and released draft allocations on July 19, 2012.

California Senate Bill 375 (SB 375) creates an additional overlay by requiring consistency with the Sustainable Communities Strategy in Plan Bay Area. (See "California Senate Bill 375: Linking Regional Plans to State Greenhouse Gas Reduction Goals," in the introduction to this plan.) Both the plan and final RHNA methodology address the overlapping objectives of SB 375 and the California Housing Element law. These objectives include increasing the supply, diversity and affordability of housing; promoting infill development and a more efficient land use pattern; protecting environmental resources; and promoting socioeconomic equity.

The three primary elements of the RHNA methodology are:

The sustainability component – This element advances the goals of SB 375 and is based on Plan Bay Area's proportional allocation of new housing into Priority Development Areas (PDAs). Seventy percent of the region's housing need is allocated to jurisdictions planning for growth in PDAs, with the remaining 30 percent allocated based on non-PDA growth.

The fair share component – This element is designed to ensure that jurisdictions with PDAs are not asked to shoulder more than their fair share of the Bay Area's total housing need. More housing was allocated to jurisdictions with strong transit networks, many jobs, or poor permitting performance in the 1999–2006 RHNA cycle for very-low and low income units. The methodology also set a minimum threshold for a jurisdiction's allocation based on its expected future growth.

The income allocation factor – This element aims to ensure that each jurisdiction plans for housing at all income levels. The income allocation factor is determined by the difference between the regional proportion of households in an income category and each jurisdiction's proportion for that same category. This shifts the distribution of housing allocated to each jurisdiction across income categories so that jurisdictions that already supply a large amount of affordable housing receive lower affordable housing allocations. It also pro-

motes the state objective to increase the mix of housing types among cities and counties equitably.

To encourage even greater policy alignment, the One Bay Area Grant (OBAG) program criteria account for past RHNA performance, specifically housing production for low- and very-low income households, as well as a jurisdiction's current RHNA allocation. (See Chapter 4.)

Regional Housing Need Allocation, 2014–2022

County	Very Low 0-50%	Low 51-80%	Moderate 81-120%	Above Moderate 120%+	Total
Alameda	9,885	6,587	7,909	19,584	43,965
Contra Costa	5,249	3,078	3,486	8,755	20,568
Marin	617	366	422	887	2,292
Napa	370	199	243	670	1,482
San Francisco	6,207	4,619	5,437	12,482	28,745
San Mateo	4,595	2,507	2,830	6,486	16,418
Santa Clara	16,235	9,592	10,691	22,616	59,134
Solano	1,711	902	1,053	3,311	6,977
Sonoma	1,811	1,090	1,349	4,159	8,409
Region	**46,680**	**28,940**	**33,420**	**78,950**	**187,990**

Note: Percentages are of the region's area median income.

Source: http://www.abag.ca.gov/planning/housingneeds/pdfs/Draft_RHNA_(2014–2022).pdf

For further details on the RHNA methodology and process, see:
www.abag.ca.gov/planning/housingneeds/index.html

Plan Bay Area: Benefits for Project Development

Looking ahead to the adoption of Plan Bay Area, some agencies will have the chance to support project development. To encourage integrated land use and transportation planning, Senate Bill 375 sets up a process whereby certain projects consistent with the adopted Plan Bay Area may qualify for relief from some CEQA requirements. Agencies that find these "CEQA streamlining provisions" helpful have the opportunity, but are not obligated, to align their local planning decisions with the adopted Plan Bay Area when it it finalized later this summer. Projects that use the provisions will still need to obtain discretionary permits or other approvals from the lead and responsible agencies. (See "California Senate Bill 375: Linking Regional Plans to State Greenhouse Gas Reduction Goals," in the introduction to this plan.

A project may qualify for CEQA relief under SB 375 if it is: 1) consistent with the final approved Plan Bay Area Sustainable Communities Strategy (SCS), including all land use designations, employment distribution densities, building space intensities and applicable policies; or 2) considered a residential/mixed-use residential project or a transit priority project (TPP). SB 375 defines TPP-eligible areas as places within one-half mile of a major transit stop or a high-quality transit corridor. To qualify as a residential/mixed use residential project, at least 75 percent of the total building square footage must be dedicated to residential use. To quality as a TPP, the project must also:

- Contain at least 50 percent residential use, based on total building square footage, and if the project contains between 26 percent and 50 percent nonresidential uses, then the floor area ratio (defined as the ratio of building square footage to the parcel square footage) must be 0.75 or more;
- Provide a minimum net density of at least 20 dwelling units per acre; and
- Be located within one-half mile of a major transit stop or high-quality transit corridor included in Plan Bay Area.

TPP-eligible areas were not identified until after the passage of SB 375 in 2008, and they should not be confused with the pre-existing Priority Development Areas (PDAs). Most TPP-eligible areas are within PDAs, while others are within close proximity to transit but are not identified as PDAs.

On the facing page is a map of Transit Priority Project-eligible areas, where certain projects subject to the conditions outlined above may qualify for CEQA relief under SB 375.

NOTE: Appendix 2 includes a set of 15 detailed maps of the region showing key resource lands, job and housing growth (2010–2040), and total future housing and job intensities for 2040. For each topic, three close-up maps of different parts of the Bay Area region are included.

Map 5 Transit Priority Project CEQA Streamlining