

Draft BayArea Plan

March 2013

Strategy for a
Sustainable
Region



Association of
Bay Area
Governments



Metropolitan
Transportation
Commission

Priority Development Area
Development Feasibility and
Readiness Assessment

Metropolitan Transportation Commission

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Final Report

PDA Readiness Assessment

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Table of Contents

1.	REPORT SUMMARY AND FINDINGS	1
	Plan Bay Area Background	1
	Process of the PDA Readiness Assessment	1
	Summary of Findings and Recommendations.....	2
2.	STUDY BACKGROUND.....	7
3.	PDA DEVELOPMENT READINESS ASSESSMENT	9
	Study Methodology	9
	Sample PDA Readiness Assessment Results	19
	Overall Findings of PDA Readiness	28
4.	READINESS OF NON-PRIORITY DEVELOPMENT AREA LOCATIONS	30
	Planned Capacity and Policy Constraints	30
	Market Constraints.....	31
	Infrastructure and Financing Constraints.....	33
	Summary Regarding Non-PDA Development Prospects	33
5.	POLICY ACTIONS TO IMPROVE DEVELOPMENT READINESS	35
	Local Resources and Actions.....	36
	Regional Resources and Actions.....	39
	State Resources and Actions	42

Appendix A: PDA Readiness Criteria Worksheets

List of Tables

Table 1	Summary of PDA Readiness Assessment Results	3
Table 2	Capacity Assessment for Selected Priority Development Areas	11
Table 3	PDA Readiness Criteria Worksheet	15

1. REPORT SUMMARY AND FINDINGS

Plan Bay Area Background

The Metropolitan Transportation Commission (MTC) and the Association of Bay Area Governments (ABAG) have prepared *Plan Bay Area*, the first integrated long-range transportation and land-use/housing plan for the San Francisco Bay Area that addresses the challenge of accommodating projected growth. *Plan Bay Area* responds to SB 375 which requires the adoption of a Sustainable Communities Strategy (SCS) to be updated every four years that aligns transportation investments with projected growth to reduce greenhouse gas emissions from cars and light-duty trucks. To meet these goals, the Plan's pattern of growth reduces the distance between jobs and housing, thereby reducing commutes. It distributes growth to areas with greater accessibility to transit, job centers, shopping, schools, parks, recreation and other amenities, while planning for environments that better support walking and biking.

Plan Bay Area projects that the San Francisco Bay Area will grow by over 2 million people, 1 million jobs and 660,000 housing units by 2040. Much of this growth is anticipated to be located in Priority Development Areas (PDAs), or designated areas identified by local jurisdictions to be appropriate for residential and commercial development. Approximately 80 percent of the anticipated growth for Plan Bay Area is allocated to PDAs.

The purpose of this report is to provide a deeper understanding and independent assessment of the readiness and feasibility of PDAs to accommodate the number of housing units envisioned by *Plan Bay Area*. This assessment will assist in implementation of the *Plan* today and in the future. By understanding the challenges to development across an diverse range of PDAs with varying market conditions, regional funding, policy, and advocacy efforts can be focused in areas that need it most.

As the Bay Area's first SCS, *Plan Bay Area* also acknowledges that much more needs to be done to ensure that PDAs realize their full development potential, and outlines strategies and initial legislative changes needed to support the proposed pattern of growth. This work will continue to be refined in future.

Process of the PDA Readiness Assessment

MTC commissioned the urban economics consulting firm Economic & Planning Systems (EPS) to conduct a Development Readiness Assessment of the PDAs in relation to the new regional housing growth forecasts and other policies of *Plan Bay Area*. Building upon a Development Readiness Survey conducted by ABAG and MTC in 2010, this assessment applied new research and provided in-depth analysis on a sample of 20 representative PDAs.

The new assessment estimates the ability of the PDAs in the sample to accommodate new residential development consistent with *Plan Bay Area* residential forecasts. The report estimates the amount of housing that can be produced assuming baseline current conditions, and the increase in the number of housing units that could be produced if select key barriers to

development can be addressed by policy or financial interventions over the 30-year time horizon of *Plan Bay Area*. Five criteria were used to assess the sample set of PDAs:

- Housing capacity estimate (based on current conditions and the *Plan Bay Area* forecast).
- Existing planning and entitlement process.
- Level of community support as demonstrated by elected official approval of PDA-supportive land uses as well as history of neighborhood opposition.
- Market attractiveness.
- Infrastructure capacity, unfunded needs and financing capability.

The analysis also incorporates information gleaned from discussions with local jurisdiction staff, examination of existing local plans and policies, and interviews with developers working in the sample PDAs.

Summary of Findings and Recommendations

Table 1 provides a summary of the EPS Development Readiness Assessment indicating the *Plan Bay Area* housing forecast for each PDA in the sample, and the percentage of forecast housing units likely to be accommodated under current “base” conditions and “amended” conditions (if recommended policy actions are taken). Key findings of the Development Readiness Assessment are as follows:

1. The 169 PDAs¹ that have been designated in the Bay Area are quite diverse, reflecting seven distinct “place types” that range in size from as little as 30 acres to several thousand acres. Given their wide distribution throughout the Bay Area the PDAs also exhibit a range of market conditions, development opportunities, and development constraints.
2. Substantial development capacity exists in the PDAs given current local land use policy as applied to identified “opportunity sites” (potential development sites), but some upzoning or increase in allowable densities will be required to meet the *Plan Bay Area* growth allocations. **Table 1** indicates that, in aggregate, the current land use policies for the 20 PDAs in the sample currently represent physical capacity for 92 percent of the housing growth that has been allocated to them in *Plan Bay Area*. However, there is substantial variation among PDAs; in some cases current capacity greatly exceeds the *Plan Bay Area* growth forecast while it falls substantially short in others.
3. Overall “readiness” reflects the number of housing units EPS projects can be expected to be built in the PDA based on multiple factors, as distinct from the estimate of current physical capacity, which is simply an aggregation of allowable densities on opportunity sites per existing zoning ordinances. Also, “readiness” varies substantially among the PDAs with some

¹ *Plan Bay Area's Jobs Housing Connection Strategy* (May 2012) included 198 PDAs. A number of changes or modifications have been made since that time. At the writing of this report, the current number of PDAs is 169.

Table 1
Summary of PDA Readiness Assessment Results
PDA Readiness Assessment; EPS #121113

PDA Type	PDA	Plan Bay Area New Units 2010-2040	Current Planned Capacity		"Base" Readiness		"Amended" Readiness		Key Constraints
			Total New Housing Units based on Current Zoning and Sites (2012)	% of Allocation	New Units by 2040	% of Allocation	New Units by 2040	% of Allocation	
Regional Center	San Francisco -- Downtown/Van Ness/Geary	27,139	16,846	62%	17,688	65%	21,479	79%	Limited land supply, parcel sizes and existing uses
	San Jose -- North	32,400	32,000	99%	19,200	59%	25,600	79%	Policy to maintain jobs/housing balance
City Center	Fremont -- City Center	2,896	7,943	274%	3,177	110%	4,766	165%	Ample land supply and zoning, but infrastructure deficiencies and funding
	Hayward -- Downtown	3,223	5,159	160%	3,353	104%	3,869	120%	Ample capacity but constrained by market conditions, parcel sizes and existing uses
	Redwood City -- Downtown	5,243	3,803	73%	1,902	36%	3,042	58%	Limited land supply, parcel sizes and existing uses
	San Rafael -- Downtown	1,348	2,079	154%	1,455	108%	1,663	123%	Ample land supply and zoning, but constrained by parcel sizes and existing uses
	Santa Rosa -- Downtown/Station Area	3,895	3,399	87%	2,379	61%	3,059	79%	Parcel sizes and existing uses
Suburban Center	Antioch -- Hillcrest	2,287	2,500	109%	1,250	55%	1,500	66%	Unproven market for higher density, infrastructure financing
	Milpitas -- Transit Area	7,080	6,136	87%	5,522	78%	6,136	87%	Parcel sizes and existing uses
	Walnut Creek -- West Downtown	3,012	1,814	60%	1,451	48%	2,177	72%	Parcel sizes and existing uses
Transit Town Center	Alameda -- Naval Air Station	4,010	1,935	48%	1,959	49%	3,483	87%	Density limits and infrastructure financing
	Morgan Hill -- Downtown	1,419	1,243	88%	870	61%	1,243	88%	Market conditions and lack of financing assistance
	Oakland -- Coliseum	6,845	11,194	164%	3,358	49%	3,918	57%	Market conditions and lack of financing assistance
	South San Francisco -- Downtown	3,116	1,700	55%	1,496	48%	1,777	57%	Limited land supply, infrastructure needs, and lack of financing assistance
Urban Neighborhood	Oakland -- MacArthur	5,092	3,577	70%	2,325	46%	3,130	61%	Limited land supply, parcel sizes and existing uses
Transit Neighborhood	Benicia -- Downtown	929	429	46%	343	37%	429	46%	Limited land supply, parcel sizes and existing uses
	Pittsburg -- Downtown	1,823	707	39%	636	35%	990	54%	Limited land supply, market conditions and lack of financing assistance
Mixed-Use Corridor	El Cerrito -- San Pablo Corridor	1,015	2,147	212%	1,288	127%	1,718	169%	Ample land supply and zoning, but constrained by parcel sizes and existing uses
	San Mateo -- El Camino Real	1,204	1,668	139%	1,001	83%	1,168	97%	Parcel sizes and existing uses
	Sunnyvale -- El Camino Real	4,412	2,850	65%	3,192	72%	4,104	93%	Low-density zoning, parcel sizes, and existing uses
TOTAL SAMPLE		118,388	109,129	92%	73,848	62%	95,249	80%	

expected to add units in excess of the *Plan Bay Area* forecast while others may fall well below the forecast because of the existence of a range of constraints, which will impede full development of the PDAs, including these constraints:

- Policy Constraints. Overall it appears that local planning and zoning are consistent with the uses and densities envisioned in *Plan Bay Area*, but there are cases where there are major policy impediments. Two significant examples include the City of Alameda's "Measure A" prohibition of multifamily housing development and San Jose's phasing requirement linking housing development to net new non-residential square footage in North San Jose.
- Market Constraints. While market prospects for multifamily and mixed use development have recently been and will likely remain strong in the inner Bay Area PDAs, conditions are less certain in the more outlying PDAs where more traditional suburban development continues. Market demand will also lag in the more outlying PDAs or those with unfavorable demographic or institutional conditions.
- Infrastructure Constraints. Many PDAs have substantial existing infrastructure supporting infill development; however, there are many PDAs where infrastructure is inadequate and that will require substantial public investment to improve capacity and readiness. In nearly all cases, a concerted effort to assure adequate infrastructure will be an ongoing local and regional effort.
- Site-related Constraints. While there are some vacant sites in most PDAs, much of the development capacity in the PDAs will be derived from redeveloping existing commercial land uses with new multifamily or mixed use development. Moreover, in many instances there are small parcel sizes with problematic configurations that will require parcel assembly to create adequate development sites.
- Financing Constraints. With the demise of redevelopment agency powers, local governments have limited authority and financing capacity to promote or pursue redevelopment projects by assembling land or subsidizing desired private development. Where market conditions are strong, the private sector may have adequate incentive to invest but where market conditions are weak or development costs are high, lack of redevelopment authority and public financing will impede PDA development.
- Financial Feasibility Constraints. In combination, the above policy, market, and physical constraints evident in some PDAs will make the desired multifamily and mixed use development there infeasible, particularly in the coming decade. Over time, these feasibility constraints will diminish as market conditions improve, infrastructure constraints are resolved and public and private redevelopment efforts become successful. The provision of affordable housing presents a particular financial feasibility constraint as substantial subsidies will be required in most cases to achieve the targeted levels of affordability in the PDAs.

After applying discounting factors for these types of constraints to the current planned capacity for development in each sample PDA, EPS estimates that, in aggregate, the sample PDAs are "ready" to accommodate 62 percent of the housing growth allocated to

them through 2040 in *Plan Bay Area*. This figure represents the “Base” readiness of the PDA sample shown on **Table 1**.

4. *Plan Bay Area* will specify a range of policy actions to be pursued at the local, regional, state and federal levels. As a part of the Development Readiness Assessment, a general set of such policy actions were assumed and theoretically applied to determine how such actions might improve development readiness substantially above the base “no action” case. These efforts include:
 - Reinstating some form of redevelopment authority to provide jurisdictions with development financing and parcel assembly capacity.
 - Modernizing the California Environmental Quality Act (CEQA) by providing consistent standards and reducing duplication of environmental review.
 - Supporting long-term adjustment to commercial or residential tax rates to balance the financial incentives for new development.
 - Stabilizing federal funding levels for the development of housing.
 - Supporting transportation funding policies that encourage the development patterns included in *Plan Bay Area*.
 - Refining local land use policies and zoning that improves the flexibility, predictability and efficiency of land use regulations.

In addition, local governments should continue infrastructure improvement and financing efforts, and assure that related financial burdens placed on new development fall within reasonable economic limits.

EPS has estimated that these policy actions can, over time, substantially improve PDA development readiness, increasing from 62 percent of the forecast under the “base” conditions to 80 percent under the “amended” conditions, as shown in **Table 1**.

While the PDA Readiness Assessment analysis accounts for factors such as the performance of local schools, the presence of crime and environmental conditions, the scope of the analysis did not extend to recommending policies and strategies for improving these factors. Should these factors be sufficiently improved over time, PDA housing production may exceed the amounts estimated in this report.

5. *Plan Bay Area* anticipates that 20 percent of future housing growth in the region will occur beyond PDA boundaries, in “non-PDA” areas. Development of the non-PDA “greenfield” areas will face many of the same categories of constraints as identified for the PDA areas, such as the following:
 - Policy Constraints. Capacity for substantial residential development in suburban locations in the Bay area is limited to a few areas given land use and urban growth policies adopted by the counties and cities of the Bay Area. Suburban growth areas remain in eastern Alameda County (Livermore Valley), eastern Contra Costa County, southern Santa Clara County, and the peripheries of Solano County and Sonoma County cities.

Even these areas are subject to significant policy constraints, though they may face different challenges than infill areas.

- Market Constraints. There will always be a market for suburban and rural single family housing in the Bay Area, including resale of the substantial existing inventory and modest expansion in response to market demands. However, the recent housing “bust” has shown that peripheral suburban areas have been quicker to lose their home values and slower to recover than the interior areas nearer major employment centers and along transit corridors. EPS expects consumer preferences to increasingly favor urban and/or transit-accessible areas as population, employment, and related congestion increase. This is supported by recent trends, as well as a 2009 MTC study which identified certain segments of the market likely to locate in transit-oriented developments.²
- Infrastructure and Financing Constraints. Non-PDAs typically have less existing infrastructure to accommodate new growth, and new suburban subdivisions frequently have carried significant costs to install new roadways, utility extensions, parks, schools, etc. These costs, paired with comparatively low home values in some areas with greater planned “greenfield” capacity, represent a financing obstacle for new subdivision development.

Other Non-PDA areas, such as rural development beyond growth limit lines or infill development in non-PDA built neighborhoods, are not expected to represent a major supply of future housing, irrespective of the *Plan Bay Area* forecasts.

² MTC (2009), *Choosing Where We Live: Attracting Residents to Transit-Oriented Neighborhoods in the San Francisco Bay Area* (http://www.mtc.ca.gov/planning/smart_growth/tod/5-10/Briefing_Book-Choosing_Where_We_Live.pdf)

2. STUDY BACKGROUND

Over the past several years, the regional agencies have been engaged in an intensive effort to create the Bay Area's first Regional Transportation Plan and Sustainable Communities Strategy as mandated by SB-375 through an intensive and interactive regional planning effort. Key components of *Plan Bay Area* include:

- Regional Growth forecast. ABAG has updated regional growth population and employment forecasts for *Plan Bay Area*. ABAG's new regional growth forecast was derived from national population growth trends, estimates of employment by industry sector, and assumptions regarding California and the Bay Area's share of national population and employment growth. EPS also understands that emphasis was placed on capturing all net new households generated by forecast job growth within the nine Bay Area counties, rather than assuming any significant number of new Bay Area employees choosing housing outside the Bay Area (such as in San Joaquin County).
- Designation of PDAs by local jurisdictions. At the core of *Plan Bay Area* are the Priority Development Areas, or places identified by local jurisdictions that are located in existing communities, have at least 20 minute transit frequencies during peak hours and are planning for residential and commercial growth. At this time there are 169 PDAs in over 60 jurisdictions in the region.
- Preparation and review of regional planning scenarios. A series of regional land use scenarios reflecting distinct geographic distributions of the regional growth forecast were prepared by ABAG. The regional growth scenarios were intended to explore how alternative future land use patterns might influence production of greenhouse gas (GHG) emissions, given the more or less equal amounts of regional population and job growth reflected in ABAG's regional growth forecasts. This process was coupled with an extensive effort of outreach and interaction with the Bay Area's cities and counties and other stakeholders soliciting comments regarding the ABAG land use scenarios.
- Selection and study of a preferred growth scenario. This interactive planning effort culminated in the creation of the *Jobs-Housing Connection Strategy*, the *Plan Bay Area* land use scenario, which was included in the *Plan Bay Area* environmental review (*Plan Bay Area Environmental Impact Report*). Notably, this was the most aggressive of all land use scenarios considered by ABAG in terms of concentrating future growth within the designated PDAs.
- Developing a new allocation framework for federal transportation funding designed to incentivize PDA development. A key component of *Plan Bay Area* implementation is the "One Bay Area Grant" (OBAG) program. In essence, the OBAG program creates a new framework for allocating federal transportation funding including the Surface Transportation Program (STP) and Congestion Mitigation Air Quality (CMAQ) funds. This allocation framework is intended to incentivize PDA development by directing federal grant funds, through the individual county Congestion Management Agencies, to PDA-serving transportation planning and capital infrastructure projects. As a part of the OBAG program, the CMAs are preparing

PDA Investment and Growth Strategies that describe how the funding will be prioritized and allocated in each county in support of PDA development.

By definition, all the PDAs are or will be served by transit and are planning for intensified growth patterns. Nonetheless, there is considerable variation among the PDAs regarding their individual market potential, development constraints, and related development capacity and feasibility (i.e., readiness for development).

This report provides an independent assessment of PDA development readiness, documenting both opportunities and constraints. As noted earlier, an initial survey of development readiness was conducted by ABAG and MTC in 2010. This updated and more comprehensive evaluation assesses the feasibility of achieving the growth pattern reflected in *Plan Bay Area* and identifies resources required and actions necessary to achieve the projected development pattern. The assessment of development readiness can guide implementation of *Plan Bay Area* by identifying feasibility constraints and providing generally applicable implementing actions and policies, defining subsequent steps by ABAG and MTC, and identifying actions and resources needed at the federal, state and local levels to improve PDA development readiness. The resulting implementation program can help achieve the land use mix and development pattern reflected in *Plan Bay Area*.

3. PDA DEVELOPMENT READINESS ASSESSMENT

Study Methodology

Development Readiness in the context of this report is defined as the likelihood that a given area (e.g., a PDA) can achieve a prescribed type and amount of development within a given time. Development readiness is influenced by a range of physical opportunities and constraints, land use regulations, market factors, and availability and capacity of physical infrastructure. In order for the development readiness assessment to be broadly applicable, it was necessary to develop evaluation criteria and methods consistent with industry-standard development planning principles. The readiness assessment process has involved multiples steps, as described below.

Sample Selection

The 169 PDAs are spread among each of the nine Bay Area counties, and include places as different as Downtown San Francisco and undeveloped land adjacent to the freeway in Antioch. In sum, roughly 525,000 new housing units through 2040, representing about 80 percent of the 660,000 new housing units forecast for the entire Bay Area, have been allocated in PDAs in *Plan Bay Area*.³ Twenty PDAs were selected as a representative sample of the total, including a substantial proportion of the allocated housing growth but also reflecting the diversity of market and physical conditions present among the region's PDAs. The sample for this assessment includes representatives of the seven different PDA place types identified by ABAG and MTC.

		<i>Plan Bay Area</i> New Units 2010-2040
PDA Type	PDA	
Regional Center	San Francisco -- Downtown/Van Ness/Geary	27,139
	San Jose -- North	32,400
City Center	Fremont -- City Center	2,896
	Hayward -- Downtown	3,223
	Redwood City -- Downtown	5,243
	San Rafael -- Downtown	1,348
	Santa Rosa -- Downtown/Station Area	3,895
Suburban Center	Antioch -- Hillcrest	2,287
	Milpitas -- Transit Area	7,080
	Walnut Creek -- West Downtown	3,012
Transit Town Center	Alameda -- Naval Air Station	4,010
	Morgan Hill -- Downtown	1,419
	Oakland -- Coliseum	6,845
	South San Francisco -- Downtown	3,116
Urban Neighborhood	Oakland -- MacArthur	5,092
Transit Neighborhood	Benicia -- Downtown	929
	Pittsburg -- Downtown	1,823
Mixed-Use Corridor	El Cerrito -- San Pablo Corridor	1,015
	San Mateo -- El Camino Real	1,204
	Sunnyvale -- El Camino Real	4,412
Sample Total		118,388

³ Analysis is based on the allocations included in *Plan Bay Area's Jobs Housing Connection Strategy*, May 2012.

Local jurisdictions have selected their PDA place type based on characteristics that they envision for the future, not necessarily based on their current conditions. As a result, even places categorized similarly may have very different existing conditions. For example, Antioch's Hillcrest Station Area and Walnut Creek's Core are both identified as "Suburban Centers," though the Hillcrest PDA is almost wholly unimproved land while Walnut Creek's Core has a substantial existing base of employment, retail, and housing. EPS aimed to reflect this diversity so that the issues pertinent in a variety of Bay Area settings would be reflected in the sample.

Review of Previous Assessments

In 2010, ABAG distributed surveys to Bay Area jurisdictions seeking information about planned PDAs. These surveys inquired about expected growth, planning documents, infrastructure issues, political circumstances, and other pertinent factors affecting the potential to develop housing and employment in the PDAs. The surveys were completed by local jurisdiction staff, at varying levels of completeness and accuracy. The completed surveys were provided to EPS by ABAG and MTC, and were reviewed as relatively recent data points and expressions of the jurisdictions' expectations for their PDAs.

Review of Physical and Planned Capacity

In addition to the information provided in the 2010 surveys, EPS's subcontractor Community Design + Architecture (CD+A) reviewed current planning regulations for each of the PDAs in the sample set, including Specific Plans, General Plans, zoning documents, etc., to understand the allowable uses and densities within these PDAs. In some cases, the plans already summarized the number of housing units that could be accommodated within the subject areas. Where such plan documents did not already provide assessments of the physical capacity for growth in the PDAs, CD+A conducted an assessment of "opportunity sites" representing vacant or underutilized properties in the PDAs. This was done primarily through visual inspection of aerial photographs and/or onsite assessment of PDAs. Parcels on which development was clearly well below the allowable density were identified as having potential for development over the coming decades. For example, a site on which mixed-use development of 40+ units/acre was allowed, but on which a small retail building with surface parking currently sat, would be identified as an opportunity site. Based on this assessment and an aggregation of allowable development densities on the opportunity sites, CD+A estimated the amount of development for which there is current physical and planned capacity. **Table 2** provides a summary of CD+A's results, which was derived by assessing local jurisdiction planning documents and input from city staff as applicable.

Market Assessment

To inform our understanding of local market conditions, EPS gathered basic socio-economic and real estate data for each PDA and its surrounding context (a 2-mile radius from the PDAs' centerpoints), including the following data:

Table 2
Capacity Assessment for Selected Priority Development Areas
PDA Readiness Assessment; EPS #121113

Community Design + Architecture, 11/19/12

County	PDA Type	JURISDICTION	KEY	PDA_NAME	Projected Unit Growth	2010 Units from Plan	2040 Units from Plan	Potential Land Availability (Acres)*	Average Density Required*	Detailed Capacity Assessment (policy) Average	Capacity Excess/Shortfall (based on average density)	Notes
Ala	City Center	Fremont	FRE2	Central Fremont	2,900	7,310	10,210	189.3	15.3	7,943	5,043	Fremont Policies are in place. Can be achieved by partially displacing some employment.
Ala		Hayward	HAY2	Downtown	3,220	2,290	5,510	68.7	46.8	5,159	1,939	Significant agglomeration of smaller parcels in downtown Hayward. Some residential displacement maybe required
SM		Redwood City	RWC1	Downtown Precise Plan Area	5,240	1,060	6,300	63.3	82.8	3,803	(1,437)	No Maximum density limit. Assume 80 du/ac based on 20 du/ac range between mixed use categories
Marin		San Rafael	SRA1	Downtown San Rafael	1,350	2,610	3,960	96.1	14.0	2,079	729	Policy and land available . Some aggregation required. Some residential displacement maybe required. The present General Plan EIR assumes only 825 new units within 1/2 mile of the station
Son		Santa Rosa	SRO1	Downtown Santa Rosa Station Area	3,900	2,230	6,130	150.0	26.0	3,399	(501)	Additional capacity can be available if Retail & Business Services designation can include residential mixed use
CC	Mixed-Use Corridor	El Cerrito	ELC1	San Pablo Avenue Corridor	1,020	1,340	2,360	56.2	18.1	2,147	1,127	Zoning allows for growth. Need for Parcel aggregation. Some residential displacement maybe required.
SM		San Mateo	SMA3	El Camino Real	1,200	880	2,080	38.7	31.0	1,668	468	North end of Hillsdale mall utilized for HSG. Assumption of HDR density on Reg Commercial classification
SC		Sunnyvale	SUN3	El Camino Real	4,410	10,990	15,400	107.3	41.1	2,672	(1,738)	The Corridor Mixed Use designations at major intersections require higher average density designation (current 24du/ac). And/Or re-designation of commercial to corridor mixed use along stretches between major intersections.
SC	Regional Center	San Jose	SJO3	North San Jose	32,850	1,093	33,943	432.7	75.9	37,375	4,525	NSJ plan estimates 32,000 units on select parcels. Utilizing policy densities on same parcels + two Mobile home Parks result in listed numbers
SF		San Francisco	SFO3	Downtown-Van Ness-Geary	27,140	101,520	128,660	221.0	122.8	16,846	(10,294)	City provided a "soft site" analysis identifying over 1,000 separate parcels with an average size of ~7,000 square feet. Capacity figure reflects current maximum density for such parcels.
CC	Suburban Center	Antioch	ANT1	Hillcrest eBART Station Focus Area	2,290	160	2,450	See Note	See Note	2,500	210	Specific Plan allows to 2,500 housing units. Policy and land available for desired capacity.
SC		Milpitas	MPT1	Transit Area	7,080	790	7,870	154.5	45.8	6,136	(944)	Does not include Great Mall. Include BART station area. Policy complementary to housing intensification
CC		Walnut Creek	WAL1	Core area including the Walnut Creek BART Station	3,010	1,520	4,530	59.0	51.0	1,814	(1,196)	Need to build at average 52 du/ac
Sol	Transit Neighborhood	Benicia	BEN1	Downtown Benicia	930	600	1,530	57	16.4	429	(501)	Considerable redevelopment and parcel aggregation required. Substantial redevelopment of SF parcels. Also may require some redesignation of land use on large mall lot at North end.
CC		Pittsburg	PIT2	Downtown Pittsburg	1,830	1,870	3,700	15.0	122.0	707	(1,123)	Will require revision of land use policy to add residential MU designation to Service Commercial areas.
Ala	Transit Town Center	Alameda	ALA1	Naval Air Station Alameda	4,010	1,460	5,470	See Note	See Note	1,935	(2,075)	Acreage not calculated, but capacity estimated from Staff reporting of planned capacity for developable areas. Measure A major impediment to multifamily development.
SC		Morgan Hill	MOH1	Downtown Morgan Hill	1,420	570	1,990	56.3	25.2	1,243	(177)	Downtown has no limits on Density. Utilized highest residential density as limit. Challenge will be to assimilate parcels. Some residential displacement maybe required.
Ala		Oakland	OKD2	Coliseum BART Station Area	6,850	3,870	10,720	240.0	28.5	11,194	4,344	used 1/3 area of Coliseum parcel
SM		South San Francisco	SSF1	SSF Downtown	3,110	1,590	4,700	See Note	See Note	1,700	(2,574)	Numbers based on policy and ongoing planning efforts as reported by City of South San Francisco.
Ala	Urban Neighborhood	Oakland	OKD6	MacArthur Transit Village	5,090	8,820	13,910	45.3	112.4	3,577	(1,513)	Includes BART 625 units. Does not include Walgreens shopping plaza on telegraph. Parcels > than .5 acres calculated at higher average density. Some residential displacement maybe required.

Note: * Potential Land Availability assessed primarily on existing vacant or non residential parcels with land use designations allowing for housing.

* Average Density Required indicates the average housing density required on potentially useable/reusable parcels to achieve PDA growth projection.

- Median household incomes and percentage of households earning \$100,000 or more (to understand the basic socio-economic profile as an indicator of housing demand).
- Percentage of renter households and percentage of attached or multifamily housing units (to understand the physical form of local housing).
- Number of dwelling units in 2000 from corresponding Census tracts and in 2010 from the *Plan Bay Area* data (to understand recent housing growth).
- Average and median prices per square foot for attached and multifamily housing in from 2002 through 2012 (to understand basic housing prices and trends to assess the feasibility of new construction).

This information served as the basis for understanding market demand and financial feasibility factors for new housing in and around each PDA, but was further supplemented through interviews as discussed below.

Interviews with Local Jurisdictions

Having reviewed the 2010 survey materials and CD+A's assessment of planned development capacity in each PDA, EPS conducted interviews with staff from each of the jurisdictions whose PDAs were in the sample. These interviews typically involved planning staff, but in some cases also involved staff in economic development, public works, or other departments. The interviewees were asked a series of standardized questions, from which the conversations branched off to seek clarification or more information regarding locally-specific conditions and issues. The standardized questions were as follows:

Planning and Entitlement

1. Have there been any notable changes in the applicable land use plans in the PDA in the past two years?
2. Will it be necessary to displace existing stable residential areas to achieve plan development objectives?

Market and Investment Attractiveness

3. Have there been changes to the "pipeline" projects under review or construction in the PDA in the last two years? (Review or create list with project name, use types, and size).
4. What key factors within or surrounding the PDA influence attractiveness to real estate investment? (list)
5. What key factors within or surrounding the PDA create disincentives to real estate investment?

Community Support

6. Have elected officials expressed support for development in the PDA consistent with ABAG's development allocation under *Plan Bay Area's* "Jobs-Housing Connection Scenario"?
7. Has there been any organized citizen opposition to development in the PDA?
8. Have there been ballot initiatives or referenda that have limited development potential within the PDA?

Infrastructure Capacity and Needs

9. Is there adequate infrastructure capacity to meet demands of PDA development?
10. If not, are the necessary infrastructure master plans in place?

Financial Resources

11. Is there an infrastructure financing plan in place that demonstrates funding for needed infrastructure?
12. What development impact fees are required in the PDA (list and amounts)?
13. Are there major funding constraints or challenges that may limit PDA development?

EPS found the interviewees to be well-informed and forthcoming about the issues and conditions affecting development in their PDAs. EPS also found the interviewees to be thoughtful and pragmatic about the potential policy and other changes that could enhance the prospects for development in the PDAs.

Interviews with Local Developers

In addition to discussing conditions with jurisdictions' staff, EPS conducted interviews with developers actively engaged in housing developments in various PDAs within the sample set. While less formal than the interviews with jurisdictions, these developer interviews covered the same topics and were intended to corroborate the information gleaned thus far and/or seek opinions from real estate professionals who may have different perspectives on that information. Also, most of the developers interviewed have worked in multiple jurisdictions included in the PDA sample, and could provide cross-jurisdictional comparisons. As with the local staff interviewees, EPS found these developers to be thoughtful and well-informed regarding local policies and processes as well as market and financial considerations.

Readiness Assessment

Based on the findings of the preceding tasks, EPS developed readiness assessment criteria to be applied to each PDA in the sample set. These assessment criteria aimed to reflect EPS's understanding of various issues and conditions in each PDA:

- Planning and Entitlement Criteria—requirements and institutional capacity to process higher-density housing projects, including length of processing time, and whether or not

achievement of substantial densities would require displacement of or conflicts with existing residential neighborhoods.

- Community Support—whether elected officials have exhibited support for higher-density housing through PDA endorsement, project approvals, adoption of Specific Plans, etc., and whether community groups have actively supported or significantly opposed such relevant actions or projects.
- Market and Investment Attractiveness—the type and pace of recent development; the pipeline of planned development projects; general market indicators (incomes, prices, etc.); whether prices appear high enough to support new construction costs at required densities; whether parcels are large or regular enough to accommodate common construction formats; and whether other conditions may detract from consumer location preferences (e.g., poor schools, high crime, environmental contamination, etc.).
- Infrastructure Capacity, Needs, and Financing—whether existing roadways, water/wastewater, parks, and other infrastructure are adequate, need minor upgrades, or need major upgrades to accommodate new growth; whether a plan or mechanism to finance such improvements is already in place; and whether future improvements represent a significant financial burden compared to the value of future housing development.

A “generic” example of the readiness assessment model is provided as **Table 3**, with notes explaining the procedure as well as the types of judgments made by EPS. As shown, EPS has begun with the current planned capacity (Line 1) and compared that to the *Plan Bay Area* growth allocation (Line 2) to determine whether capacity is adequate or falls short (Line 3). EPS then estimates the likelihood and scale of potential capacity increases, reflecting whether and to what extent zoning changes and other regulations may increase the capacity compared to current policies (Line 4). The product thus far is the estimated planned capacity under various timeframes – through 2020, 2030, and the plan horizon year of 2040 (Line 5). From that point, EPS estimates the likely production of housing units in each timeframe by summing the coefficients of the various constraints described above (Line 6). The time-based estimates reflect EPS’s judgment of conditions that will affect the pace of development, including factors that may enhance production over time (such as expected upzoning) and others that may pose greater constraints in later years (such as the cumulative subscription of existing infrastructure capacity). In the generic example on **Table 3**, this process suggests that 1,040 of the 2,000 housing units allocated to the PDA may be expected through 2040, thus representing 52 percent of the allocated growth under *Plan Bay Area* (Lines 7, 8).

In each case, EPS constructed a “base readiness” assessment, as well as an “amended readiness” assessment. The “base readiness” reflects the current opportunities and constraints for development in the PDAs, with adjustments from existing conditions only for factors we know to be relevant based on current or recent activities – for example, an upzoning of development capacity in places where plans are being formulated. Otherwise, the “base readiness” expresses EPS’s judgment of how many housing units are likely to be developed through 2040 and in the intervening decades in each PDA.

Table 3
PDA Readiness Criteria Worksheet
PDA Readiness Assessment; EPS #121113

PDA name: Generic PDA Example

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
A	PDA Housing Capacity Estimate	1	Estimate of current local land use policy new housing capacity	1,000				Net new housing growth potential based on existing plans (where quantified) or application of average allowable densities to visually identified opportunity sites.
		2	Plan Bay Area new housing allocation				2,000	The increment of new housing allocated to the PDA in Plan Bay Area
		3	Capacity surplus or (shortfall)	(1,000)				Difference between estimated housing capacity (2012) and allocation
		4	Estimated increased capacity through likely changes to land use policy, including any initiative-based density restrictions (percentage change to		0%	30%	60%	EPS has made adjustments in Base Scenario where we are aware that rezoning is already being considered, or in Amended Scenario where existing zoning allowances represent limits that can be exceeded without significant increase in visual impact (e.g., increase from 27 to 40 DU/acre but not to 100 DU/acre).
		5	Estimated gross housing capacity at each period		1,000	1,300	1,600	Calculation based on projected increase to currently allowed densities.
		6	Sum of Capacity Constraint Coefficients		0.60	0.45	0.35	Summation of constraints under Base or Amended Scenarios.
		7	EPS estimate of housing production given constraints		400	715	1,040	Calculation of potential housing production, calculated as gross housing capacity by period (#5) reduced by percentage of constraint coefficients (#6).
		8	Percentage of PDA 2040 housing allocation accommodated		20%	36%	52%	Calculation of total estimated housing production by period, divided by total net new units in Plan Bay Area allocation through 2040.

15

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PDA name: Generic PDA Example

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
B	Planning and Entitlement Criteria	1	Displacement of existing stable residential neighborhoods		0.00	0.00	0.00	If PDA allocation or estimated capacity requires redevelopment of residential neighborhoods, EPS has considered this is a constraint on probable housing growth in the Base Scenario. In certain cases, EPS has reduced the constraint coefficient in the Amended Scenario to reflect the potential return of Redevelopment-type powers for parcel assembly.
		2	Time required and difficulty in obtaining entitlement: institutional capacity and jurisdictional track record		0.05	0.05	0.05	If jurisdictions are regarded as particularly difficult or time-intensive political or bureaucratic environments in which to gain project entitlement, EPS has considered this a constraint in the Base Scenario. In some cases, EPS has reduced the constraint coefficient in the Amended Scenario to reflect the possibility of enhanced project streamlining through dedicated PDA entitlement staff, reduced environmental clearance criteria, etc.
C	Community Support	1	Elected official support for proposed PDA use types and densities during past 3 years		0.00	0.00	0.00	If elected officials have actively opposed higher-density development projects or planning consistent with PDA allocation, EPS has considered this a constraint in the Base Scenario. In the Amended Scenario, EPS has reduced this coefficient in outer years assuming that electeds would be more pro-density.
		2	History of neighborhood opposition		0.05	0.05	0.00	If community groups have actively opposed higher-density development projects or planning consistent with PDA allocation, EPS has considered this a constraint in the Base Scenario. In the Amended Scenario, EPS has reduced this coefficient in outer years assuming that community groups would be more pro-density.

16

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PDA Readiness Criteria Worksheet
PDA Readiness Assessment; EPS #121113

PDA name: Generic PDA Example

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
D	Market and Investment Attractiveness	1	History of real estate investment in PDA and surrounding city		0.05	0.00	0.00	If PDA and/or City (in certain cases) have not realized significant housing growth in the past decade, EPS has considered this a constraint in the Base Scenario. EPS has made no adjustment in the Amended Scenario for this retrospective criterion.
		2	Recent Local Development Activity		0.05	0.00	0.00	If PDA and/or City (in certain cases) does not have a substantial pipeline of housing development projects (proposed, permitted, or under construction), EPS considers this a constraint in the first time period. This constraint is not extended to the years beyond 2020, and no adjustment is made under the Amended Scenario.
		3	General Market Conditions		0.00	0.00	0.00	If PDA and/or City (in certain cases) has low incomes, low housing prices, high vacancies, demographic profiles inconsistent with higher density housing (such as comparatively few small households), limited access to job centers, etc., EPS considers this a constraint in the Base Scenario. Adjustments are made in the Amended Scenario only where such conditions are expected to be different in the future based on observable trends.
		4	Financial Feasibility Constraint		0.00	0.00	0.00	Where housing prices are low, development costs are high, or sites are limited or constrained, EPS considers this a constraint in the Base Scenario. Adjustments are made in the Amended Scenario only where such conditions are expected to be different in the future.
		5	Parcel size and configuration		0.05	0.05	0.05	Where PDA opportunity sites are generally small or oddly configured and held under numerous owners, EPS considers this a constraint in the Base Scenario, unless evidence exists that such small sites have been developed for PDA-type uses in the past. Under the Amended Scenario, EPS has reduced this constraint coefficient where property assembly for more feasible development may be achievable through re-introduction of Redevelopment-type powers.
		6	Existence of major investment disincentives		0.05	0.05	0.00	Where PDAs have conditions such as high crime, poor schools, access constraints, or environmental pollution, EPS considers this a constraint in the Base Scenario. Adjustments are made in the Amended Scenario only where such conditions are expected to be different in the future based on observable trends.

Table 3
PDA Readiness Criteria Worksheet
PDA Readiness Assessment; EPS #121113

PDA name: Generic PDA Example

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
E	Infrastructure Capacity, Needs, and Financing	1	Existing infrastructure capacity		0.10	0.10	0.10	Where PDAs are known to require major upgrades to transportation, utilities, open space, and similar infrastructure to accommodate new growth, EPS has considered this a constraint in the Base Scenario. In some cases, this constraint is assumed to grow over time, as infrastructure may be nearly adequate for early phases of development while requiring more upgrades for later phases. Adjustments are made in the Amended Scenario only where it is expected that infrastructure projects can be funded through new programs or revenue sources.
		2	Is there an existing CIP funded or other infrastructure financing plan in place?		0.05	0.00	0.00	If the City has not identified an expected approach to funding required infrastructure that is still viable today (e.g., does not assume tax increment financing), EPS considers this a constraint in the Base Scenario. Generally, this constraint is assumed to be rectified through financing plans in later years, even under the Base Scenario. In the Amended Scenario, the initial phase of development through 2020 is assumed to be bolstered through the creation of a viable financing plan in the next few years.
		3	PDA financing capacity		0.15	0.15	0.15	Where required infrastructure costs are estimated to represent significantly more than 20% of the aggregate value of new housing under the projected capacity (#5 above), EPS has considered this a constraint in the Base Scenario. In some cases, this assessment is more qualitative due to limited information regarding projected infrastructure costs. In the Amended Scenario, these constraints are assumed to be lessened through the availability of regional funding and/or re-introduction of Redevelopment-type funding sources.

The “amended readiness” reflects interventions that are not currently planned but, in EPS’s estimation, represent actions at the local, regional, or state level that can enhance the prospects for development in the PDAs. **Table 3** provides illustrations of the types of assumptions that EPS has included in the “amended readiness” scenarios. Most common among such enhancements is the assumption that the ability to assemble property and assist in the financing of infrastructure and buildings would be re-introduced in some meaningful way, despite the early-2012 dissolution of the Redevelopment Agencies throughout the state.

Sample PDA Readiness Assessment Results

EPS and CD+A have produced “base” and “amended” readiness assessments for each of the 20 PDAs in the sample. The results vary widely based on the multiple factors that contribute to each area’s readiness. In aggregate, EPS has estimated that the sample PDAs have a “base readiness” to accommodate 62 percent of the growth allocated to them in *Plan Bay Area*. The various enhancements assumed under the “amended readiness” scenarios are estimated to increase the achievable growth to 80 percent of the *Plan Bay Area*-allocated housing units. The models used to evaluate each PDA are included in **Appendix A** to this report, and are summarized below.

Regional Centers

Regional Centers are PDAs located in the most urbanized centers of the region’s major cities, and are assumed under *Plan Bay Area* to accommodate high volumes of housing growth in the coming decades. The two Regional Centers selected for this analysis, and the conditions and conclusions for each, are as follows:

- **San Francisco Downtown-Van Ness-Geary Corridors**—This PDA covers a significant portion of San Francisco’s financial, cultural, civic, retail, and tourism areas, and is already developed at high densities. Market support for housing development is strong, and infrastructure upgrades appear reasonably proportioned to the value of new growth. Moreover, zoning allowances in this area are permissive of very high densities, and EPS believes it is reasonable to project that further “upzoning” to allow higher densities may occur through 2040, as they have over the past several decades. However, the number and scale of developable sites is limited because the area is already heavily developed. San Francisco Planning Department “soft sites” analysis has identified 1,415 underutilized parcels, on which 16,846 new housing units could be developed under current regulations. These parcels comprise a total of 221 acres of land, which means that the assumed average density is 76 units per acre. The average size of these underutilized parcels is roughly 7,000 square feet, or roughly the size of a typical single family lot in a suburban context. The small parcel sizes represent the primary constraint to new housing in this PDA, and EPS estimates that the pace of new housing development will actually slow over time as the most developable sites are built first. Under the “base” scenario, EPS assumes that the City will increase the zoning capacity of this PDA by 40 percent, and estimates that 17,688 housing units can be built in this PDA through 2040. The “amended” scenario assumes that upzoning increases capacity by 50 percent rather than 40 and that regional funding can support some infrastructure requirements. EPS estimates that 21,479 units could be expected under these

conditions. These figures represent 65 and 79 percent of the *Plan Bay Area*-allocated housing growth, respectively.

- **San Jose North**—This PDA is the location of many technology industry jobs, but has also added an increasing number of multifamily housing units within its boundaries. The City's plan for North San Jose anticipates increasing densities to allow for roughly 32,000 new housing units in addition to greater numbers of higher-density employment centers. Market forces are strong and infrastructure needs are well within feasible levels. The primary constraint on housing growth in this PDA is the City's phasing policy, which caps the total number of housing units in each of four phases at 8,000 (6,400 market-rate and 1,600 affordable) until 7.0 million square feet of non-residential development is approved. The market-rate housing allocation for the first phase is already fully subscribed, but the non-residential development allocation is well below its goal. In the base scenario, EPS has estimated that this phasing restriction will limit growth to 19,200 units through 2040, or 59 percent of the *Plan Bay Area* allocation. The amended scenario assumes that the phasing restrictions are adjusted to allow housing development to continue, and is projected to yield 25,600 units through 2040, or 79 percent of the *Plan Bay Area* allocation. This amended scenario sums to nearly 950 units per year for the next 27 years – an aggressive pace that EPS believes is achievable based on this PDA's strong market position.

These two Regional Center PDAs represent over 10 percent of the total housing growth allocation for the entire region, indicating the level of concentration of housing in the most urban centers in *Plan Bay Area*. While EPS does not predict either of these PDAs will fully achieve their allocated housing growth by 2040, they do represent large, politically viable, and financially attractive opportunities to increase housing densities in support of the *Plan Bay Area* goals.

City Centers

City Centers are PDAs in already-established secondary cities in the Bay Area. The City Center PDAs in our sample have a mixed-use character including both job centers and existing housing at various densities. The five City Centers selected for this analysis, and the conditions and conclusions for each, are as follows:

- **Fremont City Center**—This PDA encompasses Fremont's Central Business District (CBD) an increasing vital center of retail and service, office, institutional, and residential uses. Central Fremont BART Station is within the PDA. The BART extension to San Jose, expected to be operational within the next five years, will be transformational for Fremont, creating convenient transit access to the Santa Clara County employment centers. The Downtown area has an ample supply of underutilized and some vacant sites that are zoned for moderate-to-high density housing. CD+A has estimated current housing capacity to be over 7,900 units while *Plan Bay Area* allocates 2,900 units to the PDA. Substantial multifamily housing has been developed in the PDA in the past decade linked to the expanding employment base in Fremont and Santa Clara County. While the Downtown has substantial physical and policy capacity to accommodate multifamily and mixed use development that exceeds the *Plan Bay Area* allocation, utilizing this capacity will require substantial infrastructure investments given current deficiencies and service demands of the new development including structured parking, schools, transit improvements (buses), and a range of roadway improvements. In the base scenario, EPS has estimated that 3,177 new

units may be achievable by 2040, which represents 110 percent of the *Plan Bay Area* allocation to this PDA. In the amended scenario, additional regional funding is assumed for major transportation infrastructure and redevelopment-type authority and financing tools are assumed to be re-established thus enhancing the viability of new development on smaller and/or currently utilized parcels. With these enhancements, the PDA is projected to be able to accommodate as many as 4,766 new units, or 164 percent of the *Plan Bay Area* allocation.

- **Hayward Downtown**—This PDA includes Hayward’s historic “main street” areas as well as portions of commercial strip development and adjacent neighborhoods. The area has an ample supply of underutilized land that is zoned for moderate-to-high density housing – CD+A has estimated current capacity for over 5,100 units while *Plan Bay Area* allocates only 3,223 units to the PDA. Multifamily housing has been developed in the vicinity in the past decade, and a significant project within the PDA is currently in the advanced planning stage seeking approvals. Infrastructure is also largely in place, with relatively modest improvements required to enhance capacity. Constraints in this area include modest demographics and price points and the fact that many “opportunity sites” are small and/or have existing uses on them, for which achievable price points may need to escalate in order to enhance development feasibility. In the base scenario, EPS has estimated that 3,353 new units may be achievable by 2040, which actually represents 104 percent of the *Plan Bay Area* allocation to this PDA. In the amended scenario, redevelopment-type authority and financing tools are assumed to be re-established, enhancing the viability of new development on smaller and/or currently utilized parcels. The PDA is projected to be able to accommodate as many as 3,869 new units, or 120 percent of the *Plan Bay Area* allocation.
- **Redwood City Downtown**—This PDA includes Redwood City’s Downtown area which has a Caltrain Station and is the County seat for San Mateo County. The PDA has undergone redevelopment over the years, and has planning and the current “form-based” zoning that create substantial capacity for additional multifamily housing (though below the *Plan Bay Area* allocation). CD+A has estimated current capacity for over 3,800 units while *Plan Bay Area* allocates 5,240 units to the PDA, so physical capacity is a major issue. Several multifamily housing projects are currently proposed totaling nearly 500 units. Infrastructure is largely in place, with relatively modest improvements required to enhance capacity and to modernize wet utilities. Constraints in this area include the large number of institutional uses (e.g. County government buildings) and the fact that many “opportunity sites” consist of small parcels and have existing uses on them, creating a substantial cost hurdle for developers. Financial feasibility limitations will be created by the need to displace the existing uses, and by high construction costs due to the high water table and on-site parking requirements. In the base scenario, EPS has estimated that 1,902 new units may be achievable by 2040, which represents only 36 percent of the *Plan Bay Area* allocation to this PDA. In the amended scenario, redevelopment-type authority and financing tools are assumed to be re-established enhancing the viability of new development on smaller and/or currently utilized parcels. The PDA is projected to be able to accommodate 3,059 new units, or 58 percent of the *Plan Bay Area* allocation.
- **San Rafael Downtown**—This PDA encompasses the downtown area of San Rafael which has been transformed in recent years into a vital shopping, employment, and entertainment district. The PDA is served by regional bus service and is the location of a SMART train station, with train service anticipated to begin in a few years. The Downtown has planning

and current zoning which creates capacity for additional multifamily housing. Capacity is derived nearly entirely from assumed redevelopment of a limited number of underutilized properties, including some existing residential uses. Financial feasibility limitations will be created by the need to displace existing uses, and by high construction costs. Increasing flooding associated with sea level rise may also require adaptive management techniques including costly flood protection improvements (seawalls, etc.). *Plan Bay Area* allocates 1,348 new housing units to this PDA, somewhat below the 2,079-unit capacity as measured by CD+A. Under the base scenario, EPS anticipates that 1,455 housing units can be developed by 2040, or 108 percent of the *Plan Bay Area* allocation. The amended scenario assumes that redevelopment-type resources are re-introduced, allowing infrastructure financing to take advantage of growing tax increment in the PDA. Under this amended scenario, EPS anticipates that development may increase to 1,663 units by 2040, or 123 percent of the *Plan Bay Area* allocation.

- **Santa Rosa Downtown Station Area**—This PDA encompasses Downtown Santa Rosa and its SMART Station area. The Santa Rosa Station Area Specific Plan and the City's related planning efforts create substantial capacity for multifamily housing. CD+A has estimated current capacity for over 3,400 units while *Plan Bay Area* allocates 3,900 units to the PDA. In the base scenario, EPS has estimated that 2,379 new units may be achievable by 2040, which represents 61 percent of the *Plan Bay Area* allocation to this PDA. Development capacity is derived nearly entirely from redevelopment of underutilized and a few vacant properties. Constraints include current and expected market conditions and related financial feasibility limitations and the need for local infrastructure (road and utility improvements). Lack of redevelopment authority and financing capacity will likely slow the pace of parcel assembly and redevelopment activity thus limiting project feasibility. In the amended scenario, redevelopment-type authority and financing tools are assumed to be re-established enhancing the viability of new development on smaller and/or currently utilized parcels. The PDA is projected to be able to accommodate 3,059 new units, or 79 percent of the *Plan Bay Area* allocation.

Suburban Centers

Suburban Centers are PDAs with mixed-use character surrounding existing or planned transit stations, and typically have densities similar to City Centers but featuring more recent development. The three Suburban Centers selected for this analysis, and the conditions and conclusions for each, are as follows:

- **Antioch Hillcrest eBART Station**—This PDA is mostly undeveloped land at the junction of Highway 4 and Highway 160 in eastern Contra Costa County. BART's "eBART" system's under development and will have a station in this PDA. A Specific Plan has been adopted that promotes higher-density housing and non-residential development in this area. *Plan Bay Area* allocates 2,287 new housing units to this PDA – just fewer than the 2,500 units anticipated in the Specific Plan. Major constraints in this PDA include a lack of evident market interest in multifamily housing (despite significant housing growth overall) and the significant infrastructure costs required to accommodate the planned growth. Under the base scenario, EPS anticipates that 1,250 housing units can be developed by 2040, or 55 percent of the *Plan Bay Area* allocation. The amended scenario assumes that redevelopment-type resources are re-introduced, allowing infrastructure financing to take

advantage of growing tax increment in the PDA. Under this amended scenario, EPS anticipates that development may increase to 1,500 units by 2040, but still only 66 percent of the *Plan Bay Area* allocation due to constrained market conditions in this outlying area.

- **Milpitas Transit Area**—This PDA is located in central Milpitas surrounding the BART and VTA transit stations. The Transit Area Specific Plan adopted in 2008 created the planning framework to transform the area from its current largely commercial/industrial land uses to a vibrant new mixed use community, including creation of a financing plan for all the infrastructure needed to support new development. Phase 1 development, roughly half of the overall development capacity, should be developed in next 5 to 10 years as the result of six major pending “pipeline” projects. Phase 2 of the development is expected to take longer to evolve as easily redeveloped opportunity sites become increasingly scarce. *Plan Bay Area* allocates 7,080 new housing units to this PDA – more than the 6,136 units of capacity estimated by CD&A. Under the base scenario, EPS anticipates that 5,522 housing units can be developed by 2040, or 78 percent of the *Plan Bay Area* allocation. Lack of redevelopment authority and funding is expected to impede this Phase 2 development. The Amended Scenario assumes that redevelopment-type resources are re-introduced, allowing infrastructure financing to take advantage of growing tax increment in the PDA. Under this amended scenario, EPS anticipates that development may increase to 6,136 units by 2040, 87 percent of the *Plan Bay Area* allocation.
- **Walnut Creek Downtown**—The Walnut Creek Downtown PDA encompasses a walkable downtown that has become a thriving shopping, employment, entertainment, and more recently, residential center during the past few decades. This new development largely replaced previously existing lower density uses including automobile dealerships and older residential and commercial uses. The location of the Walnut Creek BART Station in the Downtown is in some measure responsible for the success of the Downtown. Current zoning creates substantial capacity for multifamily housing but is below the *Plan Bay Area* allocation of 3,012 units. Actual capacity of 1,814 units as estimated by CD+A is derived nearly entirely from the assumed redevelopment of a limited number of remaining underutilized properties. Constraints are related to financial feasibility (effectively high land costs) and needs to fund local infrastructure including major roadway improvements to Ignacio Valley Road and I-680/Olympic ramps. Under the base scenario, EPS anticipates that 1,451 housing units can be developed by 2040, or 48 percent of the *Plan Bay Area* allocation. The amended scenario assumes some increases in existing permitted densities will occur as a result of an ongoing planning process and that redevelopment-type resources are re-introduced, allowing infrastructure financing to take advantage of growing tax increment in the PDA. Under this amended scenario, EPS anticipates that development may increase to 2,177 units by 2040, or 72 percent of the *Plan Bay Area* allocation.

Transit Town Centers

Transit Town Centers are mixed-use areas that offer relatively robust transit services within urban areas, but serve a more localized population of residents and workers, rather than attracting significant patronage from beyond the local area. The four Transit Town Centers selected for this analysis, and the conditions and conclusions for each, are as follows:

- **Alameda Naval Air Station**—This PDA is primarily comprised of former military land, including Naval Air Station Alameda and the Fleet Industrial Center. Smaller segments of the area have been developed for housing, and additional housing and retail projects are nearing construction. The majority of the area, however, is the former Naval Air Station that has faced numerous challenges ranging from environmental contamination to historic resources to grossly inadequate infrastructure. EPS anticipates that market support for housing in this area will be strong, but will face feasibility challenges primarily related to infrastructure financing. Additionally, the City of Alameda has a long-standing policy (“Measure A”) limiting multifamily housing development, though EPS assumes that such policy-based limits would not persist for this PDA through 2040. Under the base scenario, EPS estimates that this area will be able to accommodate 1,959 new housing units through 2040 (49 percent of the *Plan Bay Area* allocation), constrained primarily by infrastructure financing challenges. Under the amended scenario, EPS assumes that redevelopment-type resources are re-established, which would enhance the financing resources for infrastructure and enable the development of an estimated 3,483 housing units (87 percent of the *Plan Bay Area* allocation).
- **Morgan Hill Downtown**—This PDA encompasses the downtown area of Morgan Hill, the commercial and social center of the City. Over the past several decades the City has pursued revitalization and redevelopment of the Downtown with its Redevelopment Agency and planning efforts. As a result, Downtown has capacity for additional multifamily housing and mixed use development. This capacity is derived from several City-owned properties and redevelopment of underutilized properties, all consistent with the City’s downtown mixed use zoning districts. Residential development in the Downtown is exempted from the City’s growth management ordinance. Infrastructure needed to serve additional Downtown development is largely in place. Constraints to development include a currently limited market for multi-family residential development and the limited service by regional transit (Caltrain). *Plan Bay Area* allocates 1,420 new housing units to this PDA, slightly above the 1,240-unit capacity as measured by CD+A. Under the base scenario, EPS anticipates that 870 housing units can be developed by 2040, or 61 percent of the *Plan Bay Area* allocation. The amended scenario assumes that redevelopment-type resources are re-introduced, increasing the City’s parcel assembly abilities and allowing infrastructure financing to take advantage of growing tax increment in the PDA. Under this amended scenario, EPS anticipates that development may increase to 1,243 units by 2040 using all the estimated capacity, or 88 percent of the *Plan Bay Area* allocation.
- **Oakland Coliseum BART Station Area**—This PDA abuts the East Bay’s primary current sports and entertainment complex, and offers excellent transportation connectivity with BART, Amtrak/Capitol Corridor, the Oakland Airport Connector, and Interstate 880. The continuing uncertainty regarding the future of the sports franchises represents both a constraint and an opportunity in this PDA, as the City is exploring expansive mixed-use development opportunities on the sports complex site in the event that some or all of it becomes available. With this potential land supply included, the Oakland Coliseum PDA would have more than ample capacity to fulfill the *Plan Bay Area* allocation. However, this PDA faces significant market challenges, as reflected in low income levels and housing prices in the vicinity. While housing construction has occurred in and around this PDA in the past decade, virtually all of the new units have been deeply subsidized affordable housing, for which there is ample demand. Market-rate housing projects have been proposed and pursued on BART property for many years but thus far have not advanced to construction.

The loss of redevelopment resources represents a significant challenge for this area. In the base scenario, EPS has estimated that 3,358 new housing units can be developed, representing 49 percent of the *Plan Bay Area* allocation through 2040. The amended scenario assumes that redevelopment authority enhances the financial viability of development and increases the development to 3,918 units, or 57 percent of the *Plan Bay Area* allocation.

- **South San Francisco Downtown**—This PDA is also well connected to regional transit, with a Caltrain station and BART station in the vicinity. The City has pursued revitalization of this PDA through property acquisitions and similar redevelopment-related activities, but the likely success of those actions is now in question due to the dissolution of redevelopment agencies. The City estimates that current planned capacity on opportunity sites falls well short of the *Plan Bay Area* allocation, even with densities up to 80 units per acre and a presumption that some existing residential uses are redeveloped. Moreover, the City expects that significant infrastructure upgrades will be required for virtually all systems (roadways, water/wastewater, parks, etc.), and had previously anticipated that redevelopment-based funds would assist in such investments. Under the base scenario, EPS has estimated that 1,496 new housing units would be constructed, or 48 percent of the *Plan Bay Area* allocation through 2040. Under the amended scenario, with the re-introduction of redevelopment-type resources but still a constrained supply of developable land, EPS has estimated that 1,777 units, or 57 percent of the *Plan Bay Area* allocation, would be achievable.

Urban Neighborhood

Urban Neighborhoods are PDAs with moderate- to high-density residential uses that also feature supportive retail and employment centers, rather than being primarily commercial areas. Transit is present but not necessarily a focal point of the neighborhoods. The one Urban Neighborhood selected for this analysis, and the conditions and conclusions for it, are as follows:

- **Oakland MacArthur Transit Village**—This PDA lies north of Downtown Oakland, in an area that includes expansive health care facilities, commercial strips, and older neighborhoods undergoing significant investment and revitalization. The most significant opportunity site in this PDA is the MacArthur BART property planned for a 600+ unit transit village, but in sum, CD+A has identified only 45 acres of underutilized land with capacity for 3,577 units, or 70 percent of the units allocated in *Plan Bay Area*. Even this small supply is constrained as most parcels are relatively small and have existing uses. This limited land supply is the major constraint in this PDA, as market conditions have shown support for housing development in the vicinity and infrastructure is generally in place. Under the base scenario, EPS estimates that 2,325 new units can be developed in this PDA through 2040, or 46 percent of the *Plan Bay Area* allocation. Assuming that redevelopment-type authority and resources are re-introduced and that allowable densities are increased (though existing densities are already high at roughly 80 units per acre), the amended scenario increases the estimated unit count to 3,130, or 61 percent of the *Plan Bay Area* allocation.

Transit Neighborhoods

Transit Neighborhoods are primarily residential areas, well served by transit, but with existing low- to moderate densities. The two Transit Neighborhoods selected for this analysis, and the conditions and conclusions for each, are as follows:

- **Benicia Downtown**—This PDA encompasses the downtown area of Benicia, currently a low-density commercial district surrounded by Benicia's residential neighborhoods. The Downtown has limited capacity for additional multifamily housing that is below the *Plan Bay Area* allocation. Capacity that does exist would likely be derived from some redevelopment of underutilized properties, including existing single family residential uses, though consistent with the City's downtown "form-based" zoning district. Constraints include a limited market for multi-family residential development and the limited access to regional transit facilities. Financial feasibility limitations will be caused by parcel assembly costs. The existing 40 foot height limit and community opposition to more intensive development may also deter some mixed use projects. *Plan Bay Area* allocates 930 new housing units to this PDA, well above the 429-unit capacity as measured by CD+A. Under the base scenario, EPS anticipates that 343 housing units can be developed by 2040, or 37 percent of the *Plan Bay Area* allocation. The amended scenario assumes that redevelopment-type resources are re-introduced, increasing the City's parcel assembly abilities and allowing infrastructure financing to take advantage of growing tax increment in the PDA. Under this amended scenario, EPS anticipates that development may increase to 429 units by 2040, or 46 percent of the *Plan Bay Area* allocation.
- **Pittsburg Downtown**—This PDA encompasses the downtown area of Pittsburg, the historical center of the City. Over the past several decades the City has pursued revitalization and redevelopment of the Downtown with its Redevelopment Agency and planning efforts. As a result, Downtown has created capacity for additional multifamily housing and mixed use development. This capacity is derived from several City-owned properties and redevelopment of underutilized properties, all consistent with the City's downtown zoning districts. Some rezoning of existing commercial properties, allowing mixed use, would expand existing capacity. Infrastructure needed to serve additional Downtown development is largely in place. Constraints to development include a currently limited market in Eastern Contra Costa County for multi-family residential development and the distance of the Downtown to planned transit service (eBART) or the existing Baypoint BART Station. *Plan Bay Area* allocates 1,823 new housing units to this PDA, well above the 700 unit capacity as measured by CD+A. Under the base scenario, EPS anticipates that 636 housing units can be developed by 2040, or 35 percent of the *Plan Bay Area* allocation. The amended scenario assumes the aforementioned rezoning and that redevelopment-type resources are re-introduced, increasing the City's parcel assembly abilities and allowing infrastructure financing to take advantage of growing tax increment in the PDA. Under this amended scenario, EPS anticipates that development may increase to 990 units by 2040 using all the estimated capacity, or 54 percent of the *Plan Bay Area* allocation.

Mixed-Use Corridors

Mixed-Use Corridors are linear PDAs served by transit lines, and typically feature commercial development extended along a major surface roadway with residential neighborhoods flanking

these commercial strips. The three Mixed-Use Corridors selected for this analysis, and the conditions and conclusions for each, are as follows:

- **El Cerrito San Pablo Corridor**—This PDA is typical of several along the San Pablo Avenue corridor in Alameda and Contra Costa Counties. It exhibits mostly lower-intensity commercial developments with surface parking interspersed with other uses, including residential buildings. The PDA is largely developed but many parcels are underutilized by comparison to existing planning and zoning allowances. The corridor has excellent transit access afforded by the El Cerrito Plaza and El Norte BART stations, as well as frequent AC Transit bus service along San Pablo Avenue. Mixed use and multifamily development has been occurring along the corridor in the recent decade. Constraints include the need for parcel assembly and related land costs and need for major improvements to several San Pablo Avenue intersections and connections of lateral streets (e.g. Central Avenue) to I-80. CD+A has identified underutilized parcels that can support 2,150 new residential units under current zoning, double the *Plan Bay Area* allocation through 2040 of 1,020 units. While the market for housing exists and infrastructure deficiencies are manageable, the chief constraints are the small and shallow parcels with diverse ownership, which challenge the ability to construct larger and efficient housing developments. Given these constraints, EPS's base scenario estimates that 1,288 units could be built through 2040, or 126 percent of the *Plan Bay Area* allocation. If the City could assist with parcel assembly through Redevelopment-type authority and funding, and the regional transportation improvements to San Pablo Avenue can be completed, EPS's amended scenario indicates that 1,718 units may be possible, or 169 percent of the *Plan Bay Area* allocation.
- **San Mateo El Camino Real**—This PDA is typical of several along El Camino Real in San Mateo County, as it features many lower-intensity commercial developments with surface parking interspersed with other uses, including residential buildings. CD+A has identified underutilized parcels that can support 1,668 new residential units under current zoning, representing 139 percent of the *Plan Bay Area* allocation through 2040 (1,204 units). While the market for housing is strong and infrastructure is generally in place, the chief constraints are the small and shallow parcels with diverse ownership, which challenge the ability to construct larger and efficient housing developments. San Mateo also has a history of "ballot box" planning that makes amendments to heights, densities, and other development regulations difficult. Given these constraints, EPS's base scenario estimates that 1,001 units could be built through 2040, or 83 percent of the *Plan Bay Area* allocation. If the City could assist with parcel assembly through Redevelopment-type authority and funding, EPS's amended scenario suggests that 1,168 units may be possible, or 97 percent of the *Plan Bay Area* allocation.
- **Sunnyvale El Camino Real Corridor**—This PDA is similar to San Mateo's El Camino Real corridor, in that it features a mix of lower-intensity development along the major roadway, but is flanked by lower-density residential neighborhoods on either side. CD+A estimates the current capacity in this corridor to be around 2,850 units, well short of the 4,412 units allocated in *Plan Bay Area*. Because the City's "Horizon 2035" committee has already explored the possibility of upzoning in the corridor, EPS has assumed that planned capacity would be increased sometime before 2030 even under the base scenario. Moreover, market conditions are strong and infrastructure needs are relatively modest. Still, the challenges of redeveloping existing uses on small parcels are likely to constrain growth in this PDA. EPS's

base scenario estimates that 3,192 units (72 percent of the *Plan Bay Area* allocation) will be built through 2040. With the re-introduction of Redevelopment-type authority and resources and more aggressive upzoning than under the base scenario, EPS's amended scenario estimates that 4,104 unit may be built through 2040, representing 93 percent of the *Plan Bay Area* allocation.

Overall Findings of PDA Readiness

In the sample selected for review by EPS, PDAs jointly have existing **planned capacity** (i.e., density allowed under current regulations on opportunity sites) for 92 percent of the units allocated to them in *Plan Bay Area*. Some PDAs have capacity for more units than they have been allocated, while others have less capacity. Overall, these results suggest that continued innovative planning and "upzoning" will be required in some PDAs to approach or achieve the PDA housing and employment growth levels envisioned in *Plan Bay Area* by 2040.

In general, the **planning and entitlement processes** in the PDAs appear not to represent a major constraint on growth. Most communities have been reasonably accommodating of development proposals and capable of processing them in a timely fashion, within the legal and procedural conditions relevant to CEQA requirements. However, in some communities still affected by the Great Recession⁴ and its impact on municipal funding, planning and development, staff has been reduced and staff capacity to process applications is suboptimal. Improvements in the general economy are likely to improve these conditions, but regional funding sources to support planning staff and efforts may also be of benefit.

Political circumstances also do not appear to be a major constraint in the PDAs evaluated. This is not surprising, since jurisdictions that nominate PDAs must consider and support the intensification of these self-identified locations within their communities. In many cases, elected officials and community stakeholders have been supportive of actual development project applications – not just planning efforts – that are consistent with the PDA designations.

Market conditions vary widely among the PDAs evaluated. Some PDAs are very high-demand areas with high housing prices and a history of intensified development occurring along transit corridors and near transit stations. Others face low market demand and conditions that discourage private investment. Policy intervention has proven only so effective in addressing discouraging market factors, though continued efforts to improve quality-of-life factors such as

⁴ The "Great Recession" refers to the period of national economic contraction from 2007 to 2009, during which housing prices fell dramatically and unemployment rose significantly. Government finance was greatly affected during this period, as property values, consumer spending, and development declined, leading to reductions in property tax, sales tax, and development fee income.

crime, schools, and environmental conditions should continue to be a high priority.⁵ Many of the PDAs face a shared challenge—redeveloping small, developed parcels in an infill setting. The state’s redevelopment agencies have traditionally provided tools and resources to address the complexity and cost of such redevelopment, but such resources are not currently available.

Infrastructure quality and capacity also varies widely among PDAs, with some requiring very limited new facilities to accommodate their allocated growth while others require extensive and expensive investments. In locations where infrastructure needs are high *and* market demands/achievable pricing are low, financing of improvements is especially problematic. Again, redevelopment agency authority and financial resources to assist in improving infrastructure to facilitate private development are no longer available.

In sum, EPS has estimated that the 20 PDAs are “ready” to accommodate 62 percent of the housing growth allocated to them in *Plan Bay Area*. This figure represents the “base” readiness, assuming that current conditions are only improved marginally by efforts known to already have been considered by the cities (for example, upzoning for increased capacity where such has been publicly contemplated if not yet completed). EPS believes the “readiness” of the 20 PDAs can be improved to at least 80 percent of their *Plan Bay Area* allocated growth through a combination of actions at the local, regional, state and federal level including, most significantly, the restoration of the originally intended authority of redevelopment agencies to assist with parcel assembly and tax-increment-based financial support for infrastructure and vertical development. This and other potential planning and policy interventions are described in the final chapter of this report.

⁵ Residential location decisions and financial investment decisions by both real estate professionals and consumers are complex. Studies have shown that lower crime, better schools, and improved environmental conditions are positively correlated with higher home prices—a key measure of housing demand. However, this study did not aim to provide specific recommendations to address the full spectrum of urban conditions that affect development opportunities and demand, and these three issues (crime, schools, and environmental conditions) are addressed qualitatively as potential constraints in certain locations without being the focus of policy actions recommended in this report.

4. *READINESS OF NON-PRIORITY DEVELOPMENT AREA LOCATIONS*

While *Plan Bay Area* allocates most of the future housing growth in the region to Priority Development Areas, roughly 20 percent of the future housing is still assumed to be developed outside the PDAs. Moreover, it is appropriate to consider whether more housing development could more easily or feasibly be provided in non-PDA areas, given the variety of constraints identified in the analysis of 20 sample PDAs. This section of the report summarizes some of the opportunities and constraints pertaining to growth in non-PDA areas.

By definition, PDAs are designated by their jurisdictions as places well-served by transportation services and offering opportunities for mixed-use development at higher densities than are typical elsewhere in the Bay Area. The PDAs, in aggregate, represent a very small portion of the land mass of the Bay Area (roughly 5 percent), leaving many other areas as “non-PDAs.” However, much of the region outside of PDAs is policy-protected through growth management measures such as urban growth boundaries adopted by cities and counties. Examples of non-PDA areas include East Contra Costa County’s expanses of potential greenfield subdivisions, to Palo Alto’s established residential neighborhoods, to Marin and Sonoma Counties’ coastal areas.

Planned Capacity and Policy Constraints

EPS and CD+A have explored the planned capacity of each of the 20 PDAs in our sample by identifying opportunity sites and applying development regulations to those sites. Non-PDAs also have finite growth potential based on planning regulations. For example, the combined residential growth capacity in Eastern Contra Costa County (Pittsburg, Bay Point, Antioch, Oakley, and Brentwood, and Discovery Bay) under current regulations sums to roughly 40,000 units.⁶ While this capacity figure is certainly significant, these same communities added roughly 25,000 new housing units between 1990 and 2010, suggesting that even if long-term absorption rates continue without significant change, the area will approach full buildout by 2040.

Another non-PDA example is Coyote Valley, in southern San Jose. This expansive area has been held in reserve for several decades, awaiting market forces that would enable the development of the City’s stated goals of having 25,000 homes and 50,000 “industry-driving” jobs. Achieving these quantified goals would require average residential densities of roughly 30 units per acre—a high average density for essentially greenfield development.⁷ In addition, to meet City-established development conditions for the area, Coyote Valley development must not have a negative fiscal impact on the city, and all infrastructure and facilities must be fully funded by the development. These conditions significantly add to the cost to develop the area. Moreover,

⁶ EPS has been working for the Contra Costa County Transportation Authority on planning and economic issues, and generated this figure through reviews of General Plans from the named communities.

⁷ EPS was the urban economics firm employed by the City for the creation of the Coyote Valley Specific Plan from roughly 2003-2008.

stakeholders have raised numerous concerns about traffic, air quality, water quality, cultural resources, affordable housing, healthcare facilities, wildlife habitat, farmland preservation, and similar environmental and social issues. These issues and challenges are typical of efforts to develop “new towns” or full-service urban areas where facilities and services do not yet exist. By contrast, development in most PDAs benefits from some level of existing infrastructure and services, even if these are not fully adequate to accommodate the allocated growth.

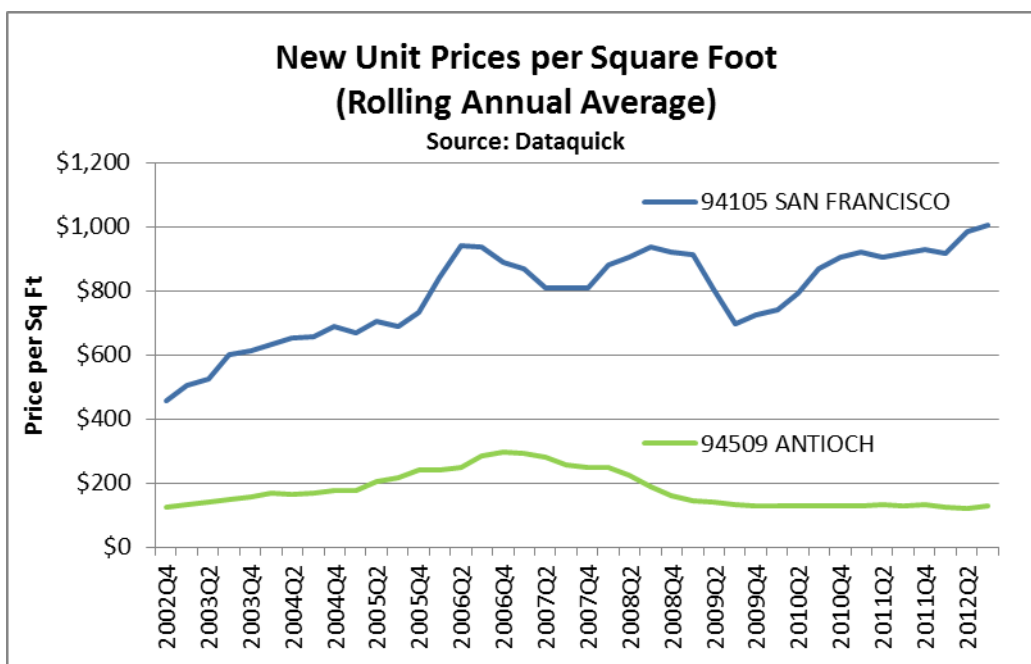
Overall, capacity for substantial suburban density residential development in the Bay Area is limited to a few areas given land use and urban growth policies adopted by the counties and cities. Significant suburban growth areas remain in eastern Alameda County (Livermore Valley), eastern Contra Costa County, southern Santa Clara County, and the peripheries of Solano County and Sonoma County cities. But as highlighted above, these areas have finite planned capacity and face many of the same challenges present in PDAs, plus other challenges that are not as prominent in most PDAs.

Other non-PDA areas such as rural development beyond growth limit lines, or infill development within non-PDA built neighborhoods, are not expected to represent a major supply of future housing.

Market Constraints

There will always be a market for suburban and rural single family housing in the Bay Area, including resale of the substantial existing inventory and modest expansion in response to market demands. However, the recent housing “bust” has shown that peripheral suburban areas have been quicker to lose their home values and slower to recover than the interior areas nearer major employment centers and transit networks. EPS expects consumer preferences to follow recent trends, increasingly favoring urban and/or transit-accessible areas as population, employment, and related congestion increase.

By way of illustration, transaction records from DataQuick, a real estate data collection and management firm, show that the median price per square foot for newly constructed homes in Antioch’s ZIP Code 94509 are roughly the same today as they were a decade ago, and are roughly half what they were at the peak of the market (2006). By contrast, prices in San Francisco’s ZIP Code 94105 (South of Market and South Beach) have climbed dramatically in the decade and actually exceed the figures from 2006.



These figures illustrate the precipitous loss of home values since the market peak in a peripheral location requiring long commutes, and the relative stability of home values in a more transit-friendly location nearer employment centers. To the considerable extent that non-PDA areas represent housing options that are not well connected to transportation services and employment, EPS anticipates that achievable home prices will remain substantially lower, posing feasibility challenges even for the less costly (per square foot) single-family product types typical of suburban areas.

Similarly, the interior Bay Area where *Plan Bay Area* concentrates most growth has shown increased interest in multifamily housing. According to the California Department of Finance (DOF), Santa Clara County—the Bay Area’s most populous county and the expected location of roughly one-third of all new housing units allocated in *Plan Bay Area*—realized a 13.0 percent increase in multifamily housing units between 2000 and 2010, compared to a 7.8 percent increase in single-family units. Alameda County is allocated the second-most units in *Plan Bay Area*, and its multifamily housing stock also grew more quickly than its single-family stock. Just as importantly, DOF data indicate that the entire nine-county Bay Area added twice as many single-family homes as multifamily units from 2000 through 2006 (the “Housing Bubble” years). From 2007 through 2009, however, the ratio was much closer, at 1.25 new single-family homes for each new multifamily unit. These figures illustrate that higher-density housing has been prioritized by the market in expected growth areas and in periods of less “irrational exuberance” in the housing market—a trend that will be critical to the success of *Plan Bay Area*, but that also indicates a gradual shift in consumer preferences.

Even with price points and production data suggesting increased market preferences for interior locations and multifamily product types, many households—especially families with children—will continue to seek single-family homes. Development in non-PDA areas will be critical to meeting this ongoing demand for less urban housing options. But with households with children

representing only one-third of all households in the Bay Area in the 2010 Census, a substantial existing stock of single family homes (1.75 million in 2010 throughout the nine Bay Area Counties), evident consumer shifts toward higher-density product types in high-growth areas, and the continuing effects of the Great Recession (both in home supply and lending practices) demand for new single-family units in non-PDA areas is likely to be less instrumental to future regional growth than it has been in the past.

Infrastructure and Financing Constraints

Non-PDA areas in suburban or peripheral settings typically have less existing infrastructure to accommodate new growth, and new suburban subdivisions frequently have carried significant costs to install new roadways, utility extensions, parks, schools, etc. The Coyote Valley example cited above illustrates this point. Greenfield development typically requires housing developers and/or consumers to contribute to a variety of facilities and even municipal services. These costs, paired with comparatively low home values in some areas with greater planned “greenfield” capacity, represent a financing obstacle for new subdivision development. For example, new single family development in the northeast area of the City of Fairfield is required to pay between \$65,000 and \$80,000 per unit (depending on density) for backbone infrastructure and public facilities in addition to the costs for in-tract streets and local utilities.⁸ These figures represent a significant proportion of the potential value of new homes in this location, thus posing a feasibility challenge.

For another example, the Hillcrest Station Area in Antioch—which is actually a PDA but is similar to many greenfield subdivision projects in terms of location and infrastructure needs—requires an estimated \$140 million in infrastructure costs to support 2,500 housing units—an average of nearly \$60,000 per unit in an area where townhome prices may be expected to be below \$200,000 for the foreseeable future.⁹ This infrastructure cost ratio represents a significant burden and feasibility challenge for new development.

Affordable housing is also more difficult to achieve in non-PDA areas. The federal Low Income Housing Tax Credit program is a major source of funding for low-, very low-, and extremely low-income housing. The program prioritizes development of rental housing (typically found in multifamily prototypes) and grants competitive preference to projects near urban services such as transit, healthcare facilities, schools, etc. Suburban greenfield development often does not provide these competitive advantages, thus constraining the ability for affordable projects in such areas to compete for these critical financial resources.

Summary Regarding Non-PDA Development Prospects

EPS recognizes that market, political, physical, regulatory, and infrastructure conditions will vary significantly among the non-PDA areas. Given the expectations that single-family homes will continue to be in demand and that residential land will continue to be available in non-PDAs, EPS

⁸ EPS is the City of Fairfield’s economic consultant for the Fairfield Train Station Specific Plan.

⁹ EPS was the City’s economic consultant for Antioch’s Hillcrest Station Area Specific Plan Financing Plan.

concludes that it is appropriate that non-PDA areas be assumed to continue to grow and be available as a source of residential property in *Plan Bay Area*. But given the *Plan Bay Area* land use patterns and transportation investments that serve the goal of reducing greenhouse gases, a forecast that allocates the majority of future housing (and regional funding) to PDAs is likely to be most appropriate.

5. POLICY ACTIONS TO IMPROVE DEVELOPMENT READINESS

This section surveys 1) resources and policy actions needed to improve development readiness of the PDAs through a combination of local land use policy changes, investments, and actions; 2) regional actions such as funding PDA-supportive infrastructure by MTC funding programs (e.g. OBAG) and the respective county Congestion Management Agencies (CMA), and 3) a range of supporting state and federal actions including key legislative and regulatory changes. The need for such actions is recognized in *Plan Bay Area*, as well as in the implementation framework established by MTC and ABAG to support the establishment of a *Priority Development Area Investment and Growth Strategy* by each CMA in partnership with local jurisdictions to improve development readiness and implementation of the PDAs. The actions identified below are intended to complement these ongoing efforts.

As detailed in this report, four general factors affect development readiness:

- Market conditions and prospects will influence the type and amount of additional policy actions needed. The PDAs located where there are currently favorable market conditions and prospects typically will require less effort (application of additional policy actions) than those with poor market prospects due to their outlying location or pervasive conditions that land use and transportation regulations and funding can only partially address.
- While most PDAs in the sample analysis have land use plans and regulations consistent with *Plan Bay Area*, there is a need for continued innovation in all PDAs – new policies and forms of development regulation that achieve desired public purposes in ways that simultaneously improve incentives for, and reduce the risks of, private investment.
- Most of the PDAs will require substantial new investment in infrastructure. In some instances, funding capacity from the local government or supportable amounts from housing developers is simply not adequate to pay for this infrastructure, thus regional, state or federal funding will be required to support desired PDA development. In all cases, care will need to be taken to assure that related financial burdens placed on the private sector through local development impact fees, inclusionary housing policies, special taxes, and other development-related charges do not render desired PDA development financially infeasible.
- Most of the PDAs are largely developed and also exhibit a fragmented pattern of small parcels in independent ownership. Parcel assembly and redevelopment will be needed to achieve development objectives in virtually all PDAs. This land assembly process is time consuming, risky, and expensive and will thus represent one of the largest obstacles to achieving *Plan Bay Area* and local planning objectives.

While substantial constraints are apparent in many PDAs, it is important to recognize, as discussed earlier in this report, that the process of land-use transformation of the Bay Area is already underway and being driven by demographic, market, and local planning policies. The Great Recession has stimulated these trends in a variety of ways (e.g. shifting demand to rental housing). Cities in the West and South Bay, benefitting more recently from favorable market conditions and ongoing planning efforts, have overcome some of the constraints discussed above

to initiate projects that contribute toward greater urban infill and intensification. But the overall process of such transformation, focusing the bulk of the region's future growth to existing urban areas, will unfold over the next three decades and beyond.

The resources and actions presented in this section derive from suggestions made during this analysis through interviews with local agency staff and private developers, the experience of the EPS team with planning and implementing urban development projects, and actions identified in *Plan Bay Area* which includes a range of implementing actions. As an overarching theme to the effort needed to implement *Plan Bay Area*, there is the need for a new level of coordination among all levels of government—federal, state, regional, and local.

Local Resources and Actions

Local governments have discretion over their local land use policy and regulation and have primary responsibility for building and maintaining major infrastructure serving PDAs (i.e., local roads, parks, sewers, etc.). Thus, they will have the primary responsibility for implementing *Plan Bay Area* by creating local land use policies and making public investments that attract the private investment necessary to ultimately draw both residents and businesses to the PDAs.

1. Adopting or expanding innovative land use regulations

The Development Readiness Assessment found, with a few notable exceptions, that the PDAs surveyed had recently completed specific plans and rezoning in their PDAs which are generally consistent with the *Plan Bay Area* housing and employment forecast. This is no surprise as local jurisdictions nominated their PDAs as areas of opportunity for future growth. The MTC and ABAG-sponsored PDA Planning Grant program, initiated in 2005 as the Station Area Planning Program in support of regional transit expansion, has been an effective incentive for this local planning activity. Over the past seven years MTC has funded 52 planning grants totaling over \$18.6 million. The new plans adopted by local governments as the result of the planning grants have created development capacity for over 44,000 housing units and workspace for 60,000 new jobs. Regional funding of local planning efforts will continue as a part of *Plan Bay Area* implementation and will be especially important for PDAs without completed plans (Potential PDAs) or those that need updating.

One of the key policy objectives of planning and development regulations in the PDAs will be to allow diverse development options (land use types and densities) for marketing reasons (i.e. providing a range of housing opportunities and prices) and for financial reasons (matching the costs of development with market potentials).

A number of planning and regulatory innovations in recent years have improved the flexibility, predictability, and efficiency of land use regulations. Examples of these innovations include "use-by-right" zoning districts that promote certainty for developers by clearly establishing non-discretionary use rights, form-based zoning codes that focus on the physical form of buildings instead of specific uses or density, and "incentive-based zoning" that exchanges increases in allowed density for investments in public improvements and amenities. Local jurisdictions will need to review their current regulations to determine how such innovations may improve development readiness and related private investment.

In addition, zoning requirements related to parking should be considered as part of an overall parking management program. Those PDAs with more extensive transit service should consider opportunities to reduce parking requirements without adversely affecting local traffic congestion. If supported by market preferences, this strategy can also substantially reduce the costs of new housing construction, as each structured parking space can cost tens of thousands of dollars. Centralized community parking – rather than having parking within each individual project – has also proven acceptable in certain urban areas, and may be useful where parcels are constrained and parking layouts are inefficient.

2. *Establishing Program EIRs for all PDAs*

Under existing provisions of the California Environmental Quality Act (CEQA), a Program Environmental Impact Report (PEIR) allows for disclosure of potential environmental impacts and identifies mitigation measures, consistent with CEQA requirements, for an entire planning area (such as a PDA). As such, a PEIR can reduce the scope and depth of subsequent environmental review for projects developed pursuant to and consistent with the area plan. The Development Readiness Assessment found that a number of cities have completed such PEIRs as part of their specific planning efforts. A number of these plans have been supported by the MTC-funded PDA Planning Program, which includes funding for PEIRs. Reducing the cost and risks associated with project-related environmental review, while achieving the basic objectives of CEQA, is an important way local governments can improve certainty and feasibility of desired new development. This recommendation would be most effective if paired with State law that reduces the need for duplicative environmental reviews (see below).

3. *Supporting and participating in redevelopment of PDAs*

In most PDAs, the majority of the new development envisioned will be built within an existing urban framework, including on existing developed sites that will need to be assembled and redeveloped. This process is challenging and comparatively expensive, because the new development must yield sufficient revenue to cover not only the cost of the development but also the “opportunity cost” of retaining a use that typically is generating positive cash flow for the existing property owner. For example, a parcel may be worth \$2 million for a new multifamily development (based on achievable building values less development costs and developer returns), but have an existing shopping center that is worth \$4 million (based on capitalized net income from the shopping center). Unless the multifamily development receives some financial assistance to make up the difference, the site is likely to remain a shopping center rather than converting to more intensive use.

This problem is one of the key reasons the state authorized local governments to establish redevelopment agencies with broad powers to assemble land and incentivize development. The elimination of this authority in California as a means to address the state’s fiscal problems was a major blow to local government capacity to financially incentivize desired development. Without reinstatement of this authority and resources, local governments will be severely disadvantaged in tackling the problems associated with redevelopment of existing urban areas.

Nonetheless, various actions can be taken even without reinstatement of redevelopment powers. Creating land use planning density incentives or bonuses (as mentioned above), sale or leasing of public lands (e.g. surface parking) for private uses (joint development), and

using Capital Improvement Programs or other public revenues to fund or subsidize infrastructure costs otherwise borne by the private sector are examples of ways cities or counties can incentivize redevelopment without express redevelopment authority.

4. Expanding cooperation with the private sector

In addition to land use planning and regulatory reforms and reinstatement of redevelopment authority, other forms of public-private partnerships (P3s) can enhance PDA readiness by increasing private investment in public-serving infrastructure. One example would be the private development and operation of structures for long-term use by public agencies (e.g. parking facilities, government buildings and facilities). There are also “concession agreements,” which provide for private construction, operation and maintenance of public facilities intended for use by the general public (transit service, toll roads, bridges, etc.). The applicability of P3 agreements will vary considerably among the PDAs.

5. Expanding public-public cooperation and partnerships

In addition to “top-down” efforts to reform and coordinate the activities of the various levels of government, cooperation between existing public agencies in the PDAs can enhance development readiness in a variety of ways. In most PDAs more than one local agency is involved in providing infrastructure and public services. In addition to the city government, there are a range of local or regional special districts, the county government, and state agencies. Coordination and even formal agreements between public agencies toward specific objectives (providing needed infrastructure and services) can provide a range of benefits. Unfortunately, current practices and policies under the existing state fiscal structure – such as the allocations of property and sales tax – often place local agencies in competition with each other for diminished fiscal resources. While the state will need to consider ways to diminish this competition and conflict, there are ample opportunities and motivations for cooperation. As one example, regional parks and trail improvements provided by a county agency or a special district can enhance quality of life and development readiness of PDAs. The Iron Horse Trail in Contra Costa County is an example of this sort of cooperation. The alignment of the trail courses through a number of PDAs; further improvements (e.g. grade crossings) could enhance bicycle and pedestrian access.

6. Developing PDA-specific capital improvement programs

Cities and counties include Capital Improvement Programs (CIPs) as a part of their normal budget process. These CIPs normally include a list of capital improvements planned for construction over the next five years. Given the specific needs of PDA infrastructure it would be helpful to create PDA-specific capital improvement programs. Many PDAs have already done this as a part of their specific planning efforts – establishing an infrastructure improvement program and related financing and phasing plans. These will improve the “shovel readiness” of major improvements and put the local agency in a better position to obtain federal, state and regional funding. The PDA Investment and Growth Strategies being prepared by the individual Congestion Management Agencies (CMAs) in the Bay Area will focus on this issue.

7. Establishing a comprehensive financing plan for each PDA

Similar to area-specific CIPs, many cities have created financing plans for their PDAs as part of their Specific Plans. In other cases, where there has not been such a planning effort,

there is no overall plan for financing needed infrastructure other than that afforded by city-wide programs (development impact fees, etc.). In addition to organizing the CIP, a financing plan can identify and link funding sources, determine net funding needs, and institute special funding mechanisms as may be required such as local area development impact fees or Mello-Roos Community Facility Districts. The financing plan can also evaluate whether the financial burdens associated with infrastructure financing, affordable housing, and other development mitigation or community benefits fall within reasonable economic limits and thus do not deter desired development.

Regional Resources and Actions

ABAG and MTC have collaborated with local agencies during the past five years to create *Plan Bay Area* in response to the state mandate created by SB-375. *Plan Bay Area* will, through its implementation, provide a focus for regional resource allocations and related implementing actions.

1. Pursuing Plan Bay Area Implementation and Advocacy

MTC and ABAG will engage in a host of land use and transportation advocacy efforts through *Plan Bay Area*, including these:

- Advocating for locally controlled funding to support PDA development. Development potential in PDAs can be improved by reinstating some form of tax-increment financing, as well as other redevelopment agency authorities, such as site assembly.
- Modernizing the California Environmental Quality Act (CEQA) by providing consistent standards and reducing duplication of environmental review.
- Supporting long-term adjustment to commercial or residential tax rates to balance the financial incentives for new development.
- Stabilizing federal funding levels for the development of housing.
- Supporting transportation funding policies that encourage the development patterns included in *Plan Bay Area*.

2. Continuing coordination with CMAs on transportation improvement funding priorities

Plan Bay Area includes \$340 million in federal transportation funding for planning and capital projects to be administered and distributed by the Congestion Management Agencies (CMAs) through the One Bay Area Grant (OBAG) Program, which emphasizes PDA investment. At the same time, the amount of funding allocated by the CMAs from their other resources, such as their respective sales tax measure funding or regional traffic impact fees, far exceeds the OBAG grants. Over time, as these countywide funding sources are updated or reauthorized, they could be better aligned with regional planning objectives as reflected in *Plan Bay Area*. The *PDA Investment and Growth Strategies* adopted by each of the CMAs can provide an organizational framework for this effort.

3. Establishing a Regional “Best Practices” Library and Forum

Bay Area cities have been at the forefront of planning and redevelopment of existing urban areas for many years. During the past decade a substantial portion of new housing has been built in infill and intensification sites within existing urban areas. As a part of these urban intensification and redevelopment efforts, the full range of development constraints has been overcome. Collectively, a body of experience has been gained by incorporating innovative planning and regulatory approaches, public-private partnerships and other financing mechanisms for meeting infrastructure and public facility requirements, and efficient and effective approaches to environmental review. While unique strategies will be required in each PDA given their unique circumstances, it would be helpful to assemble and make generally available this body of experience and related policies, programs, regulations, and implementing measures in a web-accessible data base. A forum feature could also be added where individual jurisdictions could request information or advice from their professional colleagues.

4. Developing new approaches and resources for meeting affordable housing needs

Plan Bay Area has established aggressive affordable housing targets throughout the Bay Area, reflecting a continuing need for housing for moderate, low and very low-income households. Analysis conducted by ABAG as part of *Plan Bay Area* preparation indicates that approximately 40 percent of Bay Area households are, and will remain through the horizon year of 2040, below moderate income.¹⁰ For at least a decade, newly constructed housing in most Bay Area communities has cost more to build than could be supported by the incomes of low- and very-low income households, thus requiring subsidy from various sources (including developers through inclusionary housing requirements). These considerations suggest that of the roughly 660,000 new households in the regional forecast, some 260,000 households will not be able to afford newly constructed market-rate housing. While some fraction of these households can be accommodated in the existing housing stock, there will be the need to provide substantial affordable housing in the redeveloping PDAs. Even if only half of the new low and very low income households are accommodated in the PDAs and financial subsidies required per housing unit remain in the current range of \$100,000 or more, total costs would likely exceed \$15 billion regionwide.

Affordable housing requirements are currently expressed through implementation of the State Housing and Community Development mandated Regional Housing Needs Allocation (RHNA), a process that has been in place in recent decades throughout California linked to the mandated preparation and certification of a General Plan Housing Element. Because of the varied circumstances and policies of cities and counties and the manner in which the RHNA has been determined, there is substantial variation in city and county affordable housing policy and production.

Cities with strong affordable housing objectives have relied upon inclusionary zoning, in-lieu and/or impact fees, commercial linkage fees, and required redevelopment agency funding set-asides for housing. These local programs and resources have typically combined with cooperating non-profit housing developers that bring federal program resources, including

¹⁰ Table 2.5 of the May 16, 2012 Jobs-Housing Connection Strategy document shows 40 percent low/very low income households in 2010, and 43 percent in 2040.

the Low Income Housing Tax Credit program, to achieve housing production. Actual success of these programs at producing substantial affordable housing varies considerably from city to city. There are a range of problems that must be faced in achieving affordable housing objectives, including these:

- Controlling cost of affordable housing construction as, at the present time, it is common for affordable housing projects to actually cost more on a per unit cost basis than comparable market-rate housing.
- Keeping affordable housing costs borne by market rate developers within reasonable economic limits as inclusionary zoning and related fee programs must be internalized into private development economics. At some point, in combination with other public costs that must be internalized, these requirements will distort, deter, or eliminate potential for development otherwise desired and consistent with local plans and programs.
- Addressing the current widely varied local affordable housing programs and performance so that the burden of providing the housing is equitably distributed through the region. Examples may include allowing cities to collaboratively meet RHNA requirements (as currently practiced in Napa County), or instituting regional or sub-regional housing policies or impact fees (as seen in Sonoma County where multiple jurisdictions have adopted related linkage fee programs).

As referenced in *Plan Bay Area's Jobs Housing Connection Strategy*, ABAG could address these problems in a variety of ways, including these:

- Creating or promoting new housing funding resources including a regional housing trust fund or encouraging the state, as a part of needed fiscal reforms, to create new local funding capacity to support affordable housing programs.
- Encouraging more consistency and equity in housing policies and programs among its member cities and counties.

MTC could help to address these problems by increasing support for and investment in the region's Transit Oriented Affordable Housing (TOAH) Program. In 2011 MTC provided \$10 million as a seed investment for the TOAH fund. This investment leveraged an additional \$40 million in private capital from community development financial institutions, foundations, and private banks to create a \$50 million revolving loan fund for affordable housing developers for projects near transit in PDAs throughout the region. In January 2013, the Commission renewed its investment in TOAH with an additional \$12 million, anticipated to be leveraged by 3:1.

5. *Establishing new travel demand analysis frameworks that focus on multi-modal trip generation factors*

One of the most questionable aspects of environmental review under CEQA is the impact of a given project on traffic congestion, especially as it relates to projects occurring in an urban context as represented by the PDAs. Technical overstating of new vehicle trips results in an exaggerated need for traffic "mitigation measures" including new or expanded roads. Traffic engineers tend to use Institute of Transportation Engineers (ITE) vehicle trip rates, derived from a statistically-based sample of vehicle trips measured from given land uses.

The problem with this sample is that it does not typically reflect the context of the project and how this context may affect travel demand and mode choice, such as walking and biking. Caltrans has recently completed an assessment of context sensitive trip generation that can serve as a technical basis for revising existing travel demand models operated by MTC, the CMAs, and local jurisdictions.

State Resources and Actions

The State of California through SB 375 created the statutory obligation for regional planning agencies to complete Sustainable Community Strategies in response to the state-wide goals set in AB 32 related to greenhouse gas emission reductions. This occurred at roughly the same time the state entered a fiscal crisis resulting from the Great Recession characterized by dramatic reductions in major state revenue sources without the corresponding ability to proportionately lower operating costs in the state budget. In response, the state has “realigned” revenues that would have otherwise flowed to local agencies (most notably those property taxes flowing to the state’s redevelopment agencies), further weakening the fiscal resources available to local governments to promote desirable development consistent with focused growth.

To achieve the transportation and land use patterns included in *Plan Bay Area* so that the region can achieve its greenhouse gas emission reductions, there are a range of state legislative changes, resource allocation changes, and interagency coordination efforts that will be required.

1. *Reinstituting Redevelopment Authority*

As noted above, loss of redevelopment authority has been a significant blow to local governments’ ability to promote and participate in the type of development that is envisioned in *Plan Bay Area*. The concurrence of the state’s budget crisis and the formulation of the Sustainable Communities Strategies, which will require an increase in redevelopment, was unfortunate. Pending legislation would reinstate redevelopment powers in a manner that reduces potential for abuses common under the rescinded law, and would be among the primary tools in implementing SB-375 and reaping the related benefits in GHG emissions reductions.

2. *Update and Modernize CEQA*

Ongoing efforts to modernize and update CEQA should be linked to the state’s statutory objectives reflected in AB-32 and SB-375 – specifically, reforms that reduce costs and risks of planned development in PDAs while maintaining a framework to mitigate environmental impacts of new development. While CEQA reform requires state legislative actions, MTC and ABAG should join other MPOs and stakeholders around the state in seeking these reforms specifically focusing on the following topics:

- Eliminate duplicative CEQA review in cases where a federal, state or local environmental or land use law has been enacted to achieve environmental protection objectives (e.g., air and water quality, greenhouse gas emission reductions, endangered species, wetlands protections, etc.).
- Eliminate duplicative CEQA review for projects that already comply with approved plans for which an Environmental Impact Report (EIR) has already been completed, such as a certified programmatic EIR on a Specific Plan for a PDA. State agencies, local

governments and other lead agencies would continue to retain full authority to reject or condition project approvals and impose additional mitigation measures consistent with their full authority under law other than CEQA.

- Refine and tighten the CEQA lawsuit process so that:
 - a. Challenges focus on failure to comply with CEQA's procedural and substantive requirements and not on adopted environmental challenges. Emphasis should be placed on adequate notice, adequate disclosure, adequate mitigation of environmental effects not regulated by other environmental or planning law, and adequate consideration of alternatives to avoid unmitigated significant adverse impacts.
 - b. Full disclosure laws apply to the identity of CEQA litigants. CEQA's public disclosure principles could be enhanced by requiring an annual report of project compliance with required mitigation measures made electronically available to the public as part of the existing Mitigation Monitoring and Reporting Plan process.

3. *Creating new state infrastructure funding program for local governments pursuing SB 375 objectives*

To support the implementation of SB 375, the state could provide new funding for infrastructure required to achieve or promote implementation of the Sustainable Communities Strategies. A bond measure (similar to the special-purpose competitive funding program created by Proposition 40) could be put before the voters. The resulting funding could be administered independently or through the currently unfunded State Infrastructure Bank and further directed as a part of the *PDA Investment and Growth Strategies* prepared by the CMAs.

4. *Pursuing Local Government Fiscal Reform*

The structure of property taxes in California is a major obstacle to creating a balanced regional growth pattern, primarily because new housing is frequently perceived as generating more municipal service costs than municipal revenues. The current approach to taxation creates incentives to attract development that maximizes sales tax revenues, but creates a disconnect between the location of jobs, housing and transportation. In many communities, this discourages housing development and small business growth. Local governments are in need of a revenue base that is more equitable, stable, and effective. Fiscal reform efforts should support a long-term adjustment to commercial or residential tax rates to balance the financial incentives for new development.

APPENDIX A:

PDA Readiness Criteria Worksheets



**Figure 1: Fremont City Center
Planned Housing Capacity, Production Trendline, and *Plan
Bay Area Allocation***

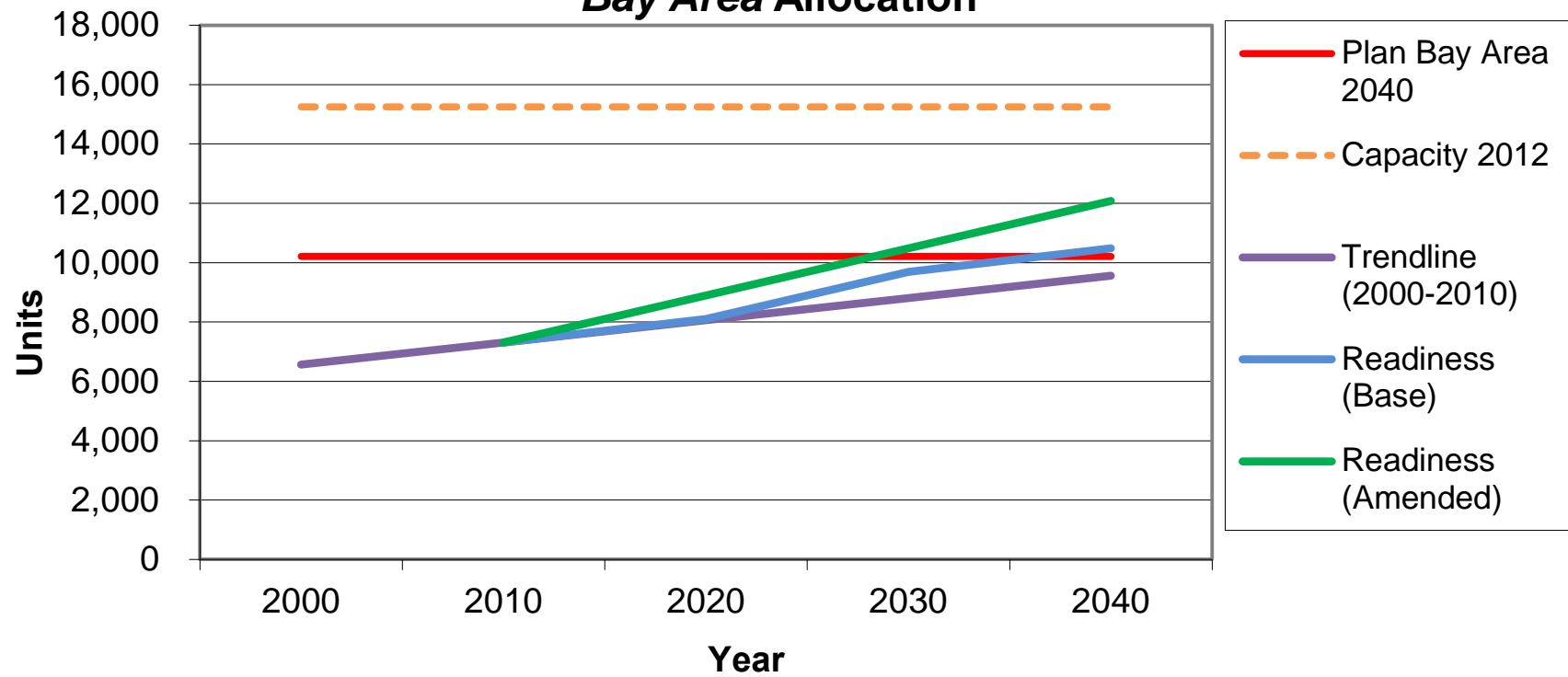


Figure 2
PDA Readiness Criteria Worksheet

PDA name: Central Fremont TASP PDA

Version: Baseline

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
A	PDA Housing Capacity Estimate	1	Estimate of current local land use policy new housing capacity	7,943				See "Capacity Assessment for Selected Priority Development Areas"
		2	<i>Plan Bay Area</i> new housing allocation				2,900	The increment of new housing allocated to the PDA in <i>Plan Bay Area</i>
		3	Capacity surplus or (shortfall)	5,043				Difference between estimated housing capacity (2012) and allocation
		4	Estimated increased capacity through likely changes to land use policy, including any initiative-based density restrictions (percentage change to existing capacity)		0%	0%	0%	There appears to be substantial residential development capacity in Central Fremont thus there is no need to alter use or density policies. In fact, raw capacity exceeds the <i>Plan Bay Area</i> allocation.
		5	Estimated gross housing capacity at each period		7,943	7,943	7,943	
		6	Sum of Capacity Constraint Coefficients		0.90	0.70	0.60	
		7	EPS estimate of housing production given constraints		794	2,383	3,177	
		8	Percentage of PDA 2040 housing allocation accommodated		27.4%	82.2%	109.6%	
			Summary	Fremont downtown has substantial physical and policy capacity to accommodate multifamily and mixed use development that exceeds the <i>Plan Bay Area</i> substantially. However, utilizing this capacity will require substantial infrastructure investments given current deficiencies and service demands of the new development including structured parking, schools, transit improvements (buses), and a range of roadway improvements.				

A-2

Figure 2
PDA Readiness Criteria Worksheet

PDA name: Central Fremont TASP PDA

Version: Baseline

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
B	Planning and Entitlement Criteria	1	Displacement of existing stable residential neighborhoods		0.00	0.00	0.00	None of the existing residential units in Central Fremont are presumed to be redeveloped nor need to be redeveloped to achieve allocation
		2	Time required and difficulty in obtaining entitlement: institutional capacity and jurisdictional track record		0.00	0.00	0.00	The City of Fremont has good track record regarding expeditions entitlements processing
C	Community Support	1	Elected official support for proposed PDA use types and densities during past 3 years		0.00	0.00	0.00	The City of Fremont has been supportive of the <i>Plan Bay Area</i> process related to the allocations of housing units
		2	History of neighborhood opposition		0.00	0.00	0.00	There has been not neighborhood opposition to pending development proposals or the <i>Plan Bay Area</i> allocations

A-3

Figure 2
PDA Readiness Criteria Worksheet

PDA name: Central Fremont TASP PDA

Version: Baseline

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
D	Market and Investment Attractiveness	1	History of real estate investment in PDA and surrounding city		0.00	0.00	0.00	While multifamily housing starts in Fremont have been limited in the past few years due to market conditions Central Fremont PDA is located in an area that shows strong future potential for multifamily uses BART extension to San Jose will alter market dynamics by creating transit access to Silicon Valley jobs
		2	Recent Local Development Activity (pipeline)		0.00	0.00	0.00	Approximately 50 percent of the <i>Plan Bay Area</i> allocation is met with pending project applications in the TASP
		3	General Market Conditions		0.30	0.20	0.10	While post-Recession housing market conditions have been weak, the southern Alameda County market conditions for multifamily housing has been improving driven by improving labor market conditions and the general attractiveness of the area; these conditions are expected to continue in future decades
		4	Financial Feasibility Constraint		0.00	0.00	0.00	Market prices appear strong enough to make multifamily housing projects feasible though current credit market conditions may impede certain projects in the short term
		5	Parcel size and configuration		0.00	0.00	0.00	Parcels included as opportunity sites in the CD+A capacity analysis are typically larger parcels currently in underutilized commercial or industrial uses that will be supplanted over time by residential and mixed use projects
		6	Existence of major investment disincentives		0.00	0.00	0.00	There are no significant investment disincentives in the Central Fremont PDA

A-4

Figure 2
PDA Readiness Criteria Worksheet

PDA name: Central Fremont TASP PDA

Version: Baseline

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
E	Infrastructure Capacity, Needs, and Financing	1	Existing infrastructure capacity		0.40	0.40	0.40	There is presently inadequate infrastructure to provide for the full <i>Plan Bay Area</i> Allocation, let alone the larger measured development capacity. Major deficiencies include the need for major transportation system improvements. This deficiency will be resolved over time as incremental infrastructure improvements are made.
		2	Is there an existing CIP funded or other infrastructure financing plan in place?		0.20	0.20	0.20	The City has a comprehensive Development Impact Fee program and imposes conditions on pending development applications. Additional funding from regional, state or federal sources would improve project feasibility and promote pace and perhaps total amount of development in Central Fremont.
		3	PDA financing capacity		0.00	0.00	0.00	Financing capacity has been measured as part of the Downtown Community Plan; multifamily projects were shown to meet basic feasibility criteria. Financing capacity does not address capacity to fund, in one manner or another, affordable housing inclusionary units.

A-5

Figure 3
PDA Readiness Criteria Worksheet

PDA name: Central Fremont TASP PDA

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
A	PDA Housing Capacity Estimate	1	Estimate of current local land use policy new housing capacity	7,943				See "Capacity Assessment for Selected Priority Development Areas"
		2	Plan Bay Area new housing allocation			2,900	The increment of new housing allocated to the PDA in Plan Bay Area	
		3	Capacity surplus or (shortfall)	5,043			Difference between estimated housing capacity (2012) and allocation	
		4	Estimated increased capacity through likely changes to land use policy, including any initiative-based density restrictions (percentage change to existing capacity)		0%	0%	0%	There appears to be substantial residential development capacity in Central Fremont thus there is no need to alter use or density policies. In fact, raw capacity exceeds the Plan Bay Area allocation.
		5	Estimated gross housing capacity at each period		7,943	7,943	7,943	
		6	Sum of Capacity Constraint Coefficients		0.80	0.60	0.40	
		7	EPS estimate of housing production given constraints		1,589	3,177	4,766	
		8	Percentage of PDA 2040 housing allocation accommodated		54.8%	109.6%	164.3%	
			Summary	Fremont downtown has substantial physical and policy capacity to accommodate multifamily and mixed use development that exceeds the Plan Bay Area substantially. However, utilizing this capacity will require substantial infrastructure investments given current deficiencies and service demands of the new development including structured parking, schools, transit improvements (buses), and a range of roadway improvements.				

A-6

Figure 3
PDA Readiness Criteria Worksheet

PDA name: Central Fremont TASP PDA

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
B	Planning and Entitlement Criteria	1	Displacement of existing stable residential neighborhoods		0.00	0.00	0.00	None of the existing residential units in Central Fremont are presumed to be redeveloped nor need to be redeveloped to achieve allocation
		2	Time required and difficulty in obtaining entitlement: institutional capacity and jurisdictional track record		0.00	0.00	0.00	The City of Fremont has good track record regarding expeditions entitlements processing
C	Community Support	1	Elected official support for proposed PDA use types and densities during past 3 years		0.00	0.00	0.00	The City of Fremont has been supportive of the <i>Plan Bay Area</i> process related to the allocations of housing units
		2	History of neighborhood opposition		0.00	0.00	0.00	There has been not neighborhood opposition to pending development proposals or the <i>Plan Bay Area</i> allocations

A-7

Figure 3
PDA Readiness Criteria Worksheet

PDA name: Central Fremont TASP PDA

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
D	Market and Investment Attractiveness	1	History of real estate investment in PDA and surrounding city		0.00	0.00	0.00	While multifamily housing starts in Fremont have been limited in the past few years due to market conditions Central Fremont PDA is located in an area that shows strong future potential for multifamily uses BART extension to San Jose will alter market dynamics by creating transit access to Silicon Valley jobs
		2	Recent Local Development Activity (pipeline)		0.00	0.00	0.00	Approximately 50 percent of the <i>Plan Bay Area</i> allocation is met with pending project applications in the TASP
		3	General Market Conditions		0.30	0.20	0.10	While post-Recession housing market conditions have been weak, the southern Alameda County market conditions for multifamily housing has been improving driven by improving labor market conditions and the general attractiveness of the area; these conditions are expected to continue in future decades
		4	Financial Feasibility Constraint		0.00	0.00	0.00	Market prices appear strong enough to make multifamily housing projects feasible though current credit market conditions may impede certain projects in the short term
		5	Parcel size and configuration		0.00	0.00	0.00	Parcels included as opportunity sites in the CD+A capacity analysis are typically larger parcels currently in underutilized commercial or industrial uses that will be supplanted over time by residential and mixed use projects
		6	Existence of major investment disincentives		0.00	0.00	0.00	There are no significant investment disincentives in the Central Fremont PDA

A-8

Figure 3
PDA Readiness Criteria Worksheet

PDA name: Central Fremont TASP PDA

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
E	Infrastructure Capacity, Needs, and Financing	1	Existing infrastructure capacity		0.30	0.20	0.20	There is presently inadequate infrastructure to provide for the full <i>Plan Bay Area</i> Allocation, let alone the larger measured development capacity. Major deficiencies include the need for major transportation system improvements This deficiency will be resolved over time as incremental infrastructure improvements are made. Regional funding allocation (e.g. ACTA and OBAG) to offset cost of major infrastructure needed can reduce or eliminate this constraint.
		2	Is there an existing CIP funded or other infrastructure financing plan in place?		0.20	0.20	0.10	The City has a comprehensive Development Impact Fee program and imposes conditions on pending development applications Local development-based sources enhanced by additional development and renewed redevelopment powers
		3	PDA financing capacity		0.00	0.00	0.00	Financing capacity has been measured as part of the Downtown Community Plan; multifamily projects were shown to meet basic feasibility criteria Financing capacity does not address capacity to fund, in one manner or another, affordable housing inclusionary units

A-9

Figure 4
PDA Readiness Criteria Worksheet

PDA name: Hayward Downtown

Version: Baseline

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
A	PDA Housing Capacity Estimate	1	Estimate of current local land use policy new housing capacity	5,159				Downtown Hayward Design Plan and Core Area Plan were adopted in 1992, and Route 238 Corridor Improvement Project plan is ongoing. Zoning and General Plan are up to date, reflect higher density mixed-use development opportunities in Downtown. CD+A identified 68.7 acres of opportunity sites, which can accommodate nearly 7,000 housing units at maximum zoning allowances (up to 100 DU/acre). Most Downtown area zoned for 45-65 DU-acre.
		2	Plan Bay Area new housing allocation				3,223	The increment of new housing allocated to the PDA in Plan Bay Area
		3	Capacity surplus or (shortfall)	1,936				Difference between estimated housing capacity (2012) and allocation
		4	Estimated increased capacity through likely changes to land use policy, including any initiative-based density restrictions (percentage change to existing capacity)		0%	0%	0%	
		5	Estimated gross housing capacity at each period		5,159	5,159	5,159	
		6	Sum of Capacity Constraint Coefficients		0.80	0.50	0.35	Modest housing prices and costs to redevelop existing uses are the primary constraint, as zoning, community support, and infrastructure are largely in place.
		7	EPS estimate of housing production given constraints		1,032	2,580	3,353	Very high capacity allows achievement of PDA allocation by 2040, even assuming less than 2/3 of opportunity sites are built to capacity. Figures exceed the pace of growth from 2000-2010 as reported by Census, due to recent infrastructure improvements and trends showing increased market interest.
		8	Percentage of PDA 2040 housing allocation accommodated		32.0%	80.0%	104.0%	

A-10

Figure 4
PDA Readiness Criteria Worksheet

PDA name: Hayward Downtown

Version: Baseline

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
B	Planning and Entitlement Criteria	1	Displacement of existing stable residential neighborhoods		0.00	0.00	0.00	Opportunity sites are mostly older commercial developed at well below maximum allowable densities. No residential disruption.
		2	Time required and difficulty in obtaining entitlement: institutional capacity and jurisdictional track record		0.00	0.00	0.00	Typical process takes 3-6 months without zoning change, 6-12 months if needs to go to Commission or Council. No programmatic EIR readily available to assist in expediting environmental review.
C	Community Support	1	Elected official support for proposed PDA use types and densities during past 3 years		0.05	0.00	0.00	Council has had some resistance to developing higher-density housing on former Mervyn's site, because officials are interested in retail for fiscal reasons. However, ACTC survey indicates Council would like to update Downtown Plan if funding for planning is available.
		2	History of neighborhood opposition		0.00	0.00	0.00	Staff says Mission Boulevard projects for higher density development and form-based code have been supported by the community. Through recent Cal Poly study, community was supportive of "complete neighborhood" including housing, retail, parks, etc. ACTC survey says zoning already allows much more density than currently exists, and neighbors would oppose further intensified zoning.

A-11

Figure 4
PDA Readiness Criteria Worksheet

PDA name: Hayward Downtown

Version: Baseline

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
D	Market and Investment Attractiveness	1	History of real estate investment in PDA and surrounding city		0.00	0.00	0.00	PDA added 988 housing units between 2000-2010. Greater 2-mile radius added 1,671. Pace of development required to reach PDA goals for 2040 is roughly consistent with past trends (107% of rate from 2000-2010).
		2	Recent Local Development Activity		0.00	0.00	0.00	Currently processing application for Mervyn's site redevelopment for 500+ housing units, Cannery area (nearby PDA) is entitled for over 900 units with some under construction, and City is getting more inquiries from interested developers.
		3	General Market Conditions		0.20	0.10	0.05	Downtown PDA and surrounding 2-mile area have relatively low incomes (\$57K median), ranking 14th out of 20 PDAs in sample. Significant retail vacancy in Downtown. Continued growth of Downtown housing may address both of these concerns over time.
		4	Financial Feasibility Constraint		0.30	0.20	0.10	Moderate achievable price points make it difficult to redevelop existing uses with cash flows, as found on most of the potential opportunity sites. But City thinks there are enough severely underutilized sites to keep development momentum. Also, ample number of opportunity sites means allocated growth can be achieved at ~47 DU/acre, which can be lower cost to construct than higher-density prototypes.
		5	Parcel size and configuration		0.10	0.10	0.10	Many sites are small and would be most viable for redevelopment if assembled.
		6	Existence of major investment disincentives		0.05	0.05	0.05	ACTC survey said: Perceptions of safety, aging infrastructure, economy, existing building owners, some of the current zoning designations. Hayward Fault is another potential constraint on market perception.

A-12

Figure 4
PDA Readiness Criteria Worksheet

PDA name: Hayward Downtown

Version: **Baseline**

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
E	Infrastructure Capacity, Needs, and Financing	1	Existing infrastructure capacity		0.05	0.00	0.00	Water Treatment Facility has been expanded, "wet" infrastructure is in good shape to accommodate growth. Foothill/Mission Boulevard improvements are underway and can accommodate projected growth, but bike/ped improvements would enhance the Downtown area. Police/Fire services are constrained, but a Citywide CFD is in the works for new development only. Also, park space in Downtown would be desirable, and City will be studying parking capacity/facility needs in 2013.
		2	Is there an existing CIP funded or other infrastructure financing plan in place?		0.00	0.00	0.00	Most capital improvements have been funded through General Fund/CIP or regional bond/grant programs. City has a Supplemental Building Construction Tax that usually goes to traffic projects, also has parks in-lieu and schools fees. Working on assessment district for municipal services.
		3	PDA financing capacity		0.05	0.05	0.05	Loss of Redevelopment has been significant in Downtown Hayward. City needs help funding affordable housing, and OBAG funding will be dependent on ability to produce housing. Also, maintenance of existing roads is very hard to fund. Needs help from regional and State agencies.

A-13

Figure 5
PDA Readiness Criteria Worksheet

PDA name: Hayward Downtown

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
A	PDA Housing Capacity Estimate	1	Estimate of current local land use policy new housing capacity	5,159				Downtown Hayward Design Plan and Core Area Plan were adopted in 1992, and Route 238 Corridor Improvement Project plan is ongoing. Zoning and General Plan are up to date, reflect higher density mixed-use development opportunities in Downtown. CD+A identified 68.7 acres of opportunity sites, which can accommodate nearly 7,000 housing units at maximum zoning allowances (up to 100 DU/acre). Most Downtown area zoned for 45-65 DU-acre.
		2	Plan Bay Area new housing allocation				3,223	The increment of new housing allocated to the PDA in Plan Bay Area
		3	Capacity surplus or (shortfall)	1,936				Difference between estimated housing capacity (2012) and allocation
		4	Estimated increased capacity through likely changes to land use policy, including any initiative-based density restrictions (percentage change to existing capacity)		0%	0%	0%	
		5	Estimated gross housing capacity at each period		5,159	5,159	5,159	
		6	Sum of Capacity Constraint Coefficients		0.70	0.40	0.25	Modest housing prices and costs to redevelop existing uses are the primary constraint, as zoning, community support, and infrastructure are largely in place. Amendment assumes Redevelopment-type powers are re-established to assist with financing infrastructure and housing.
		7	EPS estimate of housing production given constraints		1,548	3,095	3,869	Very high capacity allows achievement of PDA allocation by 2040, even assuming only 3/4 of opportunity sites are built to capacity. Figures exceed the pace of growth from 2000-2010 as reported by Census, due to recent infrastructure improvements and trends showing increased market interest.
		8	Percentage of PDA 2040 housing allocation accommodated		48.0%	96.0%	120.1%	Potential to exceed PDA allocation, particularly if Redevelopment-type powers and resources are re-established to assist with parcel assembly and financing support.

A-14

Figure 5 PDA Readiness Criteria Worksheet

PDA name: **Hayward Downtown**

Version: **Amended**

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
B	Planning and Entitlement Criteria	1	Displacement of existing stable residential neighborhoods		0.00	0.00	0.00	Opportunity sites are mostly older commercial developed at well below maximum allowable densities. No residential disruption.
		2	Time required and difficulty in obtaining entitlement: institutional capacity and jurisdictional track record		0.00	0.00	0.00	Typical process takes 3-6 months without zoning change, 6-12 months if needs to go to Commission or Council. No programmatic EIR readily available to assist in expediting environmental review.
C	Community Support	1	Elected official support for proposed PDA use types and densities during past 3 years		0.05	0.00	0.00	Council has had resistance to developing higher-density housing on former Mervyn's site, because officials are interested in retail for fiscal reasons. However, ACTC survey indicates Council would like to update Downtown Plan if funding for planning is available.
		2	History of neighborhood opposition		0.00	0.00	0.00	Staff says Mission Boulevard projects for higher density development and form-based code have been supported by the community. Through recent Cal Poly study, community was supportive of "complete neighborhood" including housing, retail, parks, etc. ACTC survey says zoning already allows much more density than currently exists, and neighbors would oppose further intensified zoning.

A-15

Figure 5
PDA Readiness Criteria Worksheet

PDA name: Hayward Downtown

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
D	Market and Investment Attractiveness	1	History of real estate investment in PDA and surrounding city		0.00	0.00	0.00	PDA added 988 housing units between 2000-2010. Greater 2-mile radius added 1,671. Pace of development required to reach PDA goals for 2040 is roughly consistent with past trends (107% of rate from 2000-2010).
		2	Recent Local Development Activity		0.00	0.00	0.00	Currently processing application for Mervyn's site redevelopment for 500+ housing units, Cannery area (nearby PDA) is entitled for over 900 units with some under construction, and City is getting more inquiries from interested developers.
		3	General Market Conditions		0.20	0.10	0.05	Downtown PDA and surrounding 2-mile area have relatively low incomes (\$57K median), ranking 14th out of 20 PDAs in sample. Significant retail vacancy in Downtown.
		4	Financial Feasibility Constraint		0.30	0.20	0.10	Moderate achievable price points make it difficult to redevelop existing uses with cash flows, as found on most of the potential opportunity sites. But City thinks there are enough severely underutilized sites to keep development momentum. Also, ample number of opportunity sites means allocated growth can be achieved at ~47 DU/acre, which can be lower cost to construct than higher-density prototypes.
		5	Parcel size and configuration		0.05	0.05	0.05	Many sites are small and would be most viable for redevelopment if assembled. Amendment assumes funding and implementation tools similar to Redevelopment are made available.
		6	Existence of major investment disincentives		0.05	0.05	0.05	ACTC survey said: Perceptions of safety, aging infrastructure, economy, existing building owners, some of the current zoning designations. Hayward Fault is another potential constraint on market perception.

A-16

Figure 5
PDA Readiness Criteria Worksheet

PDA name: Hayward Downtown

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
E	Infrastructure Capacity, Needs, and Financing	1	Existing infrastructure capacity		0.05	0.00	0.00	Water Treatment Facility has been expanded, "wet" infrastructure is in good shape to accommodate growth. Foothill/Mission Boulevard improvements are underway and can accommodate projected growth, but bike/ped improvements would enhance the Downtown area. Police/Fire services are constrained, but a Citywide CFD is in the works for new development only. Also, park space in Downtown would be desirable, and City will be studying parking capacity/facility needs in 2013.
		2	Is there an existing CIP funded or other infrastructure financing plan in place?		0.00	0.00	0.00	Most capital improvements have been funded through General Fund/CIP or regional bond/grant programs. City has a Supplemental Building Construction Tax that usually goes to traffic projects, also has parks in-lieu and schools fees. Working on assessment district for municipal services.
		3	PDA financing capacity		0.00	0.00	0.00	Loss of Redevelopment has been significant in Downtown Hayward. City needs help funding affordable housing, and OBAG funding will be dependent on ability to produce housing. Also, maintenance of existing roads is very hard to fund. Needs help from regional and State agencies. Amendment assumes funding and implementation tools similar to Redevelopment are made available.

A-17

**Figure 6: Hayward Downtown
Planned Housing Capacity, Production Trendline, and *Plan
Bay Area* Allocation**

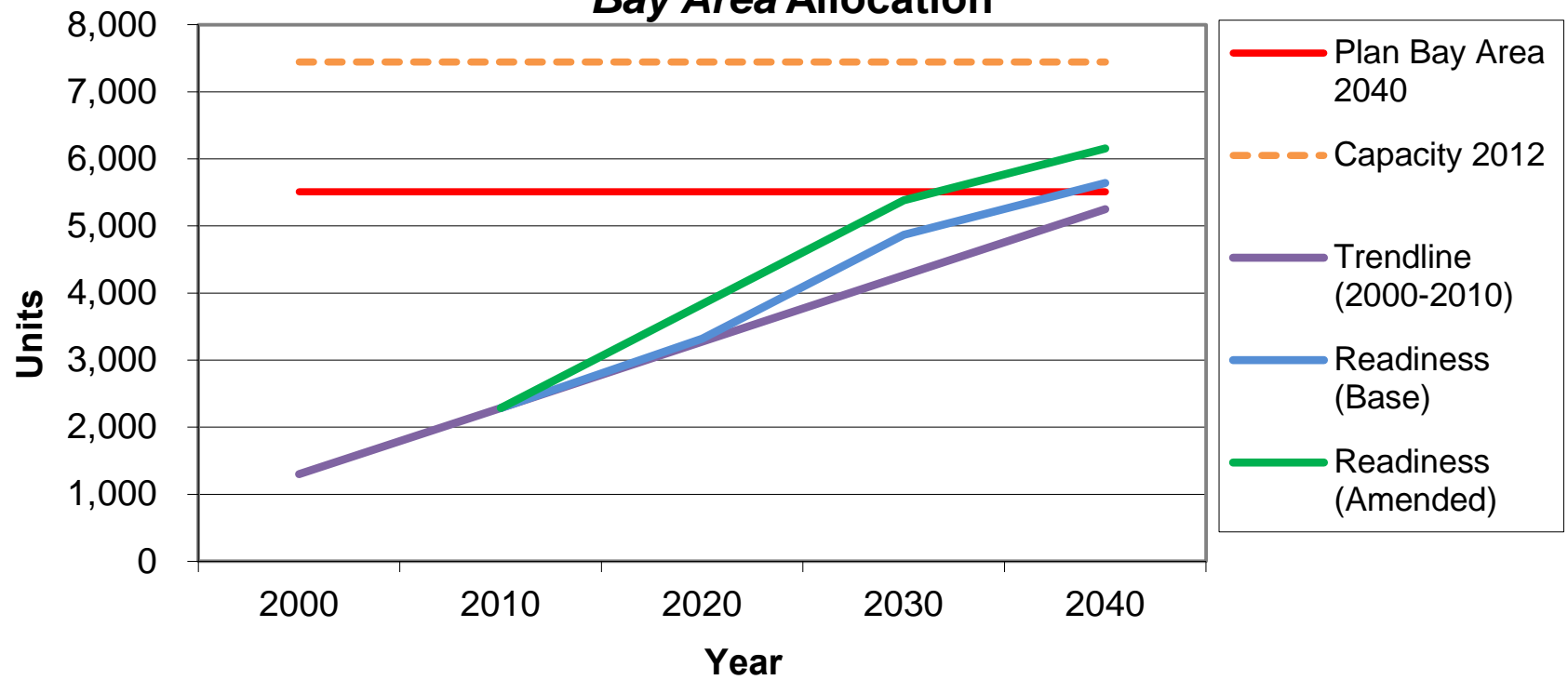


Figure 7
PDA Readiness Criteria Worksheet

PDA name: Redwood City Downtown

Version: Baseline

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
A	PDA Housing Capacity Estimate	1	Estimate of current local land use policy new housing capacity	3,803				Capacity created by existing form-based zoning in Downtown area and completed program EIR. Substantial nearby capacity also exists in adjoining areas of Redwood City including the emerging Salt Works Project
		2	Plan Bay Area new housing allocation			5,240	The increment of new housing allocated to the PDA in Plan Bay Area	
		3	Capacity surplus or (shortfall)	(1,437)			Difference between estimated housing capacity (2012) and allocation	
		4	Estimated increased capacity through likely changes to land use policy, including any initiative-based density restrictions (percentage change to existing capacity)		0%	0%	Somewhat higher densities (within existing policy) may become realistic over the forecast period, but zoning restrictions are not the operating constraint here.	
		5	Estimated gross housing capacity at each period	3,803	3,803	3,803		
		6	Sum of Capacity Constraint Coefficients	0.80	0.60	0.50		
		7	EPS estimate of housing production given constraints	761	1,521	1,902		
		8	Percentage of PDA 2040 housing allocation accommodated	14.5%	29.0%	36.3%		
			Summary	Redwood City Downtown has undergone substantial redevelopment over the years and has planning and the current "form-based" zoning creates substantial capacity for additional multifamily housing (while below the Plan Bay Area allocation). Infrastructure and related financing largely in place. Capacity is derived nearly entirely from redevelopment of a limited number of underutilized properties; much of the property in the Downtown is government-owned, further limiting availability for residential uses. Financial feasibility limitations will be created need to displace existing uses, by high construction costs (high water table and on-site parking requirements, etc.				

A-19

Figure 7
PDA Readiness Criteria Worksheet

PDA name: Redwood City Downtown

Version: Baseline

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
B	Planning and Entitlement Criteria	1	Displacement of existing stable residential neighborhoods		0.00	0.00	0.00	
		2	Time required and difficulty in obtaining entitlement: institutional capacity and jurisdictional track record		0.00	0.00	0.00	
C	Community Support	1	Elected official support for proposed PDA use types and densities during past 3 years		0.00	0.00	0.00	
		2	History of neighborhood opposition		0.00	0.00	0.00	

A-20

Figure 7
PDA Readiness Criteria Worksheet

PDA name: Redwood City Downtown

Version: Baseline

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
D	Market and Investment Attractiveness	1						
			History of real estate investment in PDA and surrounding city		0.00	0.00	0.00	
		2	Recent Local Development Activity		0.00	0.00	0.00	
		3	General Market Conditions		0.00	0.00	0.00	
		4	Financial Feasibility Constraint		0.50	0.30	0.20	Financial feasibility constraint is mainly related to the need to displace existing commercial uses; even while underutilized, implied land assembly costs may limit feasibility of residential and mixed use projects. High development costs associated with prevailing wage requirements and high water table exist. Finally, small lot sizes may also be a constraint for market-based projects.
		5	Parcel size and configuration		0.30	0.30	0.30	Average parcel sizes are small and would require assembly to allow typical multifamily or mixed use project. Also, a significant proportion of properties in the Downtown are owned by the County or other public agencies limiting parcel assembly and redevelopment potential.
		6	Existence of major investment disincentives		0.00	0.00	0.00	

A-21

Figure 7
PDA Readiness Criteria Worksheet

PDA name: Redwood City Downtown

Version: Baseline

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
E	Infrastructure Capacity, Needs, and Financing	1	Existing infrastructure capacity		0.00	0.00	0.00	
		2	Is there an existing CIP funded or other infrastructure financing plan in place?		0.00	0.00	0.00	
		3	PDA financing capacity		0.00	0.00	0.00	

A-22

Figure 8
PDA Readiness Criteria Worksheet

PDA name: Redwood City Downtown

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
A	PDA Housing Capacity Estimate	1	Estimate of current local land use policy new housing capacity	3,803				Capacity created by existing form-based zoning in Downtown area and completed program EIR. Substantial nearby capacity also exists in adjoining areas of Redwood City including the emerging Salt Works Project
		2	Plan Bay Area new housing allocation			5,240	The increment of new housing allocated to the PDA in Plan Bay Area	
		3	Capacity surplus or (shortfall)	(1,437)			Difference between estimated housing capacity (2012) and allocation	
		4	Estimated increased capacity through likely changes to land use policy, including any initiative-based density restrictions (percentage change to existing capacity)		0%	0%	Somewhat higher densities (within existing policy) may become realistic over the forecast period, but zoning restrictions are not the operating constraint here.	
		5	Estimated gross housing capacity at each period	3,803	3,803	3,803		
		6	Sum of Capacity Constraint Coefficients	0.70	0.40	0.20		
		7	EPS estimate of housing production given constraints	1,141	2,282	3,042		
		8	Percentage of PDA 2040 housing allocation accommodated	21.8%	43.5%	58.1%		
		Summary	Redwood City Downtown has undergone substantial redevelopment over the years and has planning and current "form-based" zoning which creates substantial capacity for additional multifamily housing but well below the Plan Bay Area allocation. Infrastructure and related financing largely in place. Capacity is derived nearly entirely from redevelopment of a limited number of underutilized properties; much of the property in the Downtown is government-owned, limiting availability for residential uses. Financial feasibility limitations will be created need to displace existing uses, by high construction costs (high water table and on-site parking requirements).					

A-23

Figure 8
PDA Readiness Criteria Worksheet

PDA name: Redwood City Downtown

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
B	Planning and Entitlement Criteria	1	Displacement of existing stable residential neighborhoods		0.00	0.00	0.00	
		2	Time required and difficulty in obtaining entitlement: institutional capacity and jurisdictional track record		0.00	0.00	0.00	
C	Community Support	1	Elected official support for proposed PDA use types and densities during past 3 years		0.00	0.00	0.00	
		2	History of neighborhood opposition		0.00	0.00	0.00	

A-24

Figure 8
PDA Readiness Criteria Worksheet

PDA name: Redwood City Downtown

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
D	Market and Investment Attractiveness	1						
			History of real estate investment in PDA and surrounding city		0.00	0.00	0.00	
		2	Recent Local Development Activity		0.00	0.00	0.00	
		3	General Market Conditions		0.00	0.00	0.00	
		4	Financial Feasibility Constraint		0.50	0.30	0.10	Financial feasibility constraint is mainly related to the need to displace existing commercial uses; even while underutilized, implied land assembly costs may limit feasibility of residential and mixed use projects. High development costs associated with prevailing wage requirements and high water table exist. Finally, small lot sizes may also be a constraint for market-based projects.
		5	Parcel size and configuration		0.20	0.10	0.10	Average parcel sizes are small and would require assembly to allow typical multifamily or mixed use project. Also, a significant proportion of properties in the Downtown are owned by the County or other public agencies limiting parcel assembly and redevelopment potential. Renewed redevelopment powers will be needed to overcome this constraint along with the willingness of the City to pursue reuse and parcel assembly
		6	Existence of major investment disincentives		0.00	0.00	0.00	

A-25

Figure 8
PDA Readiness Criteria Worksheet

PDA name: Redwood City Downtown

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
E	Infrastructure Capacity, Needs, and Financing	1	Existing infrastructure capacity					
					0.00	0.00	0.00	
		2	Is there an existing CIP funded or other infrastructure financing plan in place?					
					0.00	0.00	0.00	
		3	PDA financing capacity					
					0.00	0.00	0.00	

A-26

**Figure 9: Redwood City Downtown
Planned Housing Capacity, Production Trendline, and *Plan
Bay Area* Allocation**

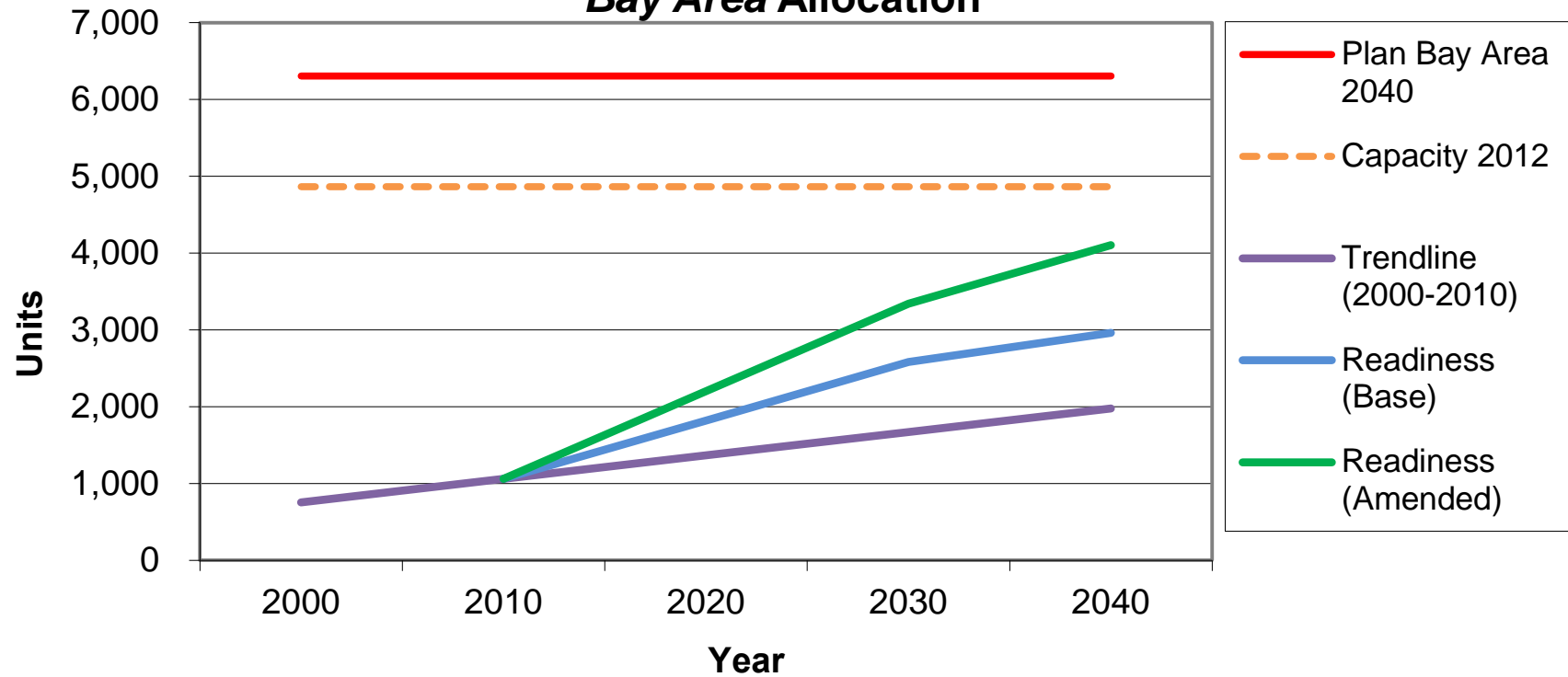


Figure 10
PDA Readiness Criteria Worksheet

PDA name: San Rafael Downtown

Version: Baseline

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
A	PDA Housing Capacity Estimate	1	Estimate of current local land use policy new housing capacity	2,079				Capacity created by existing Downtown zoning. Substantial nearby capacity also exists in adjoining areas of San Rafael (e.g. Canal District)
		2	Plan Bay Area new housing allocation			1,350	The increment of new housing allocated to the PDA in Plan Bay Area	
		3	Capacity surplus or (shortfall)	729				Difference between estimated housing capacity (2012) and allocation
		4	Estimated increased capacity through likely changes to land use policy, including any initiative-based density restrictions (percentage change to existing capacity)			0%	0%	Somewhat higher densities (within existing policy) may become realistic over the forecast period, but zoning restrictions are not the operating constraint here.
		5	Estimated gross housing capacity at each period		2,079	2,079	2,079	
		6	Sum of Capacity Constraint Coefficients		0.80	0.50	0.30	
		7	EPS estimate of housing production given constraints		416	1,040	1,455	
		8	Percentage of PDA 2040 housing allocation accommodated		30.8%	77.0%	107.8%	
			Summary	San Rafael has undergone substantial revitalization and redevelopment over the years, reviving its role as a retail, service, and office-employment center. The Downtown has planning and current zoning which creates capacity for additional multifamily housing that is above the Plan Bay Area allocation. Capacity is derived nearly entirely from redevelopment of a limited number of underutilized properties, including existing residential uses. Financial feasibility limitations will be created by the need to displace existing uses, by high construction costs (high water table and parking requirements. Increasing flooding associated with sea level rise will require adaptive management techniques including costly flood protection improvements (seawalls, etc.)				

A-28

Figure 10
PDA Readiness Criteria Worksheet

PDA name: San Rafael Downtown

Version: Baseline

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
B	Planning and Entitlement Criteria	1	Displacement of existing stable residential neighborhoods		0.20	0.10	0.10	Some opportunity sites identified by CD+A are current housing locations.
		2	Time required and difficulty in obtaining entitlement: institutional capacity and jurisdictional track record		0.00	0.00	0.00	
C	Community Support	1	Elected official support for proposed PDA use types and densities during past 3 years		0.00	0.00	0.00	
		2	History of neighborhood opposition		0.00	0.00	0.00	

A-29

Figure 10
PDA Readiness Criteria Worksheet

PDA name: San Rafael Downtown

Version: Baseline

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
D	Market and Investment Attractiveness	1						
			History of real estate investment in PDA and surrounding city		0.00	0.00	0.00	
		2	Recent Local Development Activity		0.00	0.00	0.00	
		3	General Market Conditions		0.00	0.00	0.00	
		4	Financial Feasibility Constraint		0.30	0.20	0.10	Financial feasibility constraint is mainly related to the need to displace existing commercial uses; even while underutilized, implied land assembly costs may limit feasibility of residential and mixed use projects.
		5	Parcel size and configuration		0.00	0.00	0.00	
		6	Existence of major investment disincentives		0.00	0.00	0.00	

A-30

Figure 10
PDA Readiness Criteria Worksheet

PDA name: San Rafael Downtown

Version: Baseline

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
E	Infrastructure Capacity, Needs, and Financing	1	Existing infrastructure capacity		0.30	0.20	0.10	A variety of infrastructure constraints exist including the need to make road improvements to maintain LOS (E) standards and to assure continued attractiveness of area for its retail and jobs uses. Also an increasing flooding problem associated with sea level rise
		2	Is there an existing CIP funded or other infrastructure financing plan in place?		0.00	0.00	0.00	
		3	PDA financing capacity		0.00	0.00	0.00	

A-31

Figure 11
PDA Readiness Criteria Worksheet

PDA name: San Rafael Downtown

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
A	PDA Housing Capacity Estimate	1	Estimate of current local land use policy new housing capacity	2,079				Capacity created by existing Downtown zoning. Substantial nearby capacity also exists in adjoining areas of San Rafael (e.g. Canal District)
		2	Plan Bay Area new housing allocation			1,350	The increment of new housing allocated to the PDA in Plan Bay Area	
		3	Capacity surplus or (shortfall)	729				Difference between estimated housing capacity (2012) and allocation
		4	Estimated increased capacity through likely changes to land use policy, including any initiative-based density restrictions (percentage change to existing capacity)			0%	0%	Somewhat higher densities (within existing policy) may become realistic over the forecast period, but zoning restrictions are not the operating constraint here.
		5	Estimated gross housing capacity at each period		2,079	2,079	2,079	
		6	Sum of Capacity Constraint Coefficients		0.70	0.40	0.20	
		7	EPS estimate of housing production given constraints		624	1,247	1,663	
		8	Percentage of PDA 2040 housing allocation accommodated		46.2%	92.4%	123.2%	
		Summary	San Rafael has undergone substantial revitalization and redevelopment over the years, reviving its role as a retail, service, and office-employment center. The Downtown has planning and current zoning which creates capacity for additional multifamily housing that is above the Plan Bay Area allocation. Capacity is derived nearly entirely from redevelopment of a limited number of underutilized properties, including existing residential uses. Financial feasibility limitations will be created by the need to displace existing uses, by high construction costs (high water table and parking requirements. Increasing flooding associated with sea level rise will require adaptive management techniques including costly flood protection improvements (seawalls, etc.). The amended scenario assumes the Redevelopment-type powers and resources are re-established and can address some of the financial feasibility challenges.					

A-32

Figure 11 **PDA Readiness Criteria Worksheet**

PDA name: San Rafael Downtown

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
B	Planning and Entitlement Criteria	1	Displacement of existing stable residential neighborhoods		0.20	0.10	0.10	Some opportunity sites identified by CD+A are current housing locations.
		2	Time required and difficulty in obtaining entitlement: institutional capacity and jurisdictional track record		0.00	0.00	0.00	
C	Community Support	1	Elected official support for proposed PDA use types and densities during past 3 years		0.00	0.00	0.00	
		2	History of neighborhood opposition		0.00	0.00	0.00	

A-33

Figure 11
PDA Readiness Criteria Worksheet

PDA name: San Rafael Downtown

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
D	Market and Investment Attractiveness	1						
			History of real estate investment in PDA and surrounding city		0.00	0.00	0.00	
		2	Recent Local Development Activity		0.00	0.00	0.00	
		3	General Market Conditions		0.00	0.00	0.00	
		4	Financial Feasibility Constraint		0.20	0.10	0.00	Financial feasibility constraint is mainly related to the need to displace existing commercial uses; even while underutilized, implied land assembly costs may limit feasibility of residential and mixed use projects. Renewed redevelopment powers will be needed to overcome this constraint along with the willingness of the City to pursue reuse and parcel assembly
		5	Parcel size and configuration		0.00	0.00	0.00	
		6	Existence of major investment disincentives		0.00	0.00	0.00	

A-34

Figure 11
PDA Readiness Criteria Worksheet

PDA name: San Rafael Downtown

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
E	Infrastructure Capacity, Needs, and Financing	1	Existing infrastructure capacity		0.30	0.20	0.10	A variety of infrastructure constraints exist including the need to make road improvements to maintain LOS (E) standards and to assure continued attractiveness of area for its retail and jobs uses. Also an increasing flooding problem associated with sea level rise.
		2	Is there an existing CIP funded or other infrastructure financing plan in place?		0.00	0.00	0.00	
		3	PDA financing capacity		0.00	0.00	0.00	

A-35

**Figure 12: San Rafael Downtown
Planned Housing Capacity, Production Trendline, and *Plan*
*Bay Area Allocation***

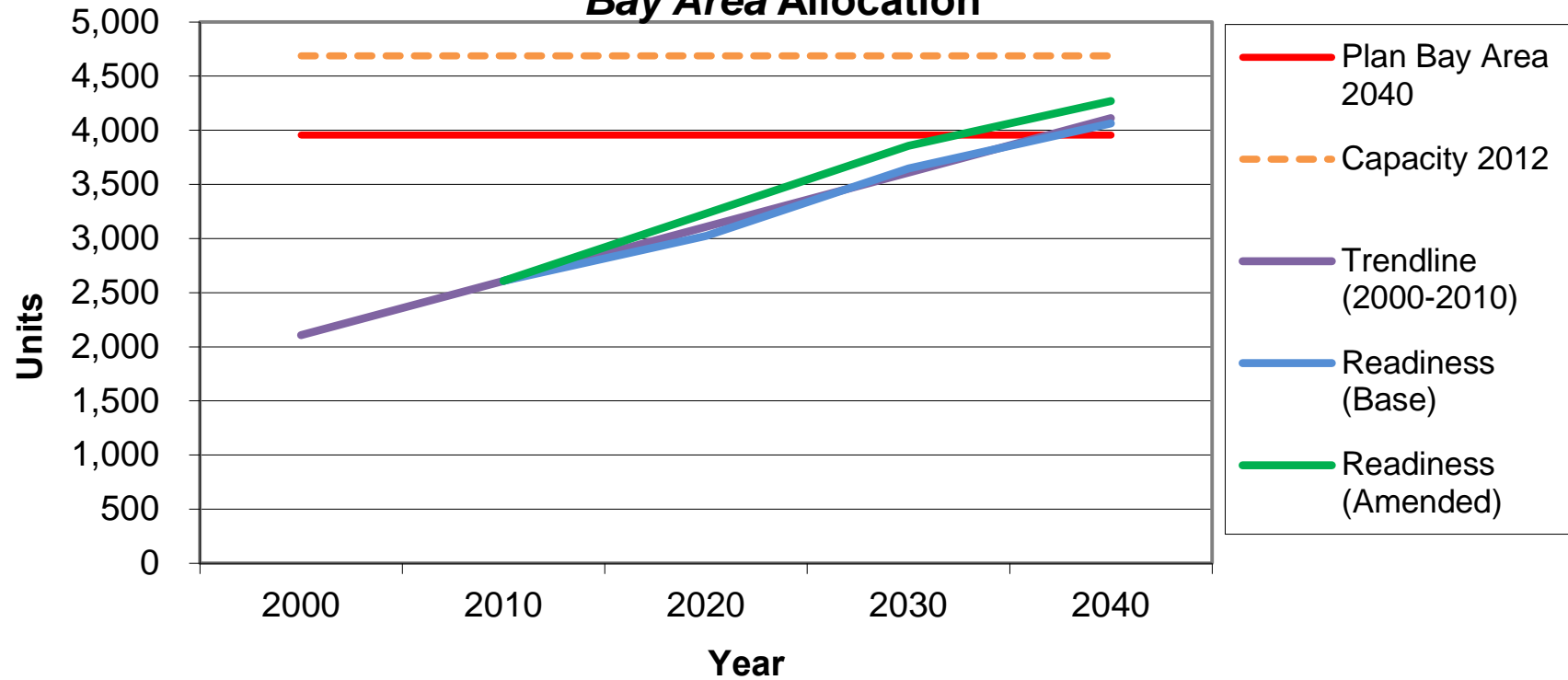


Figure 13
PDA Readiness Criteria Worksheet

PDA name: Santa Rosa Downtown/Station Area

Version: Baseline

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
A	PDA Housing Capacity Estimate	1	Estimate of current local land use policy new housing capacity	3,399				Capacity created by Santa Rosa Station Area Specific Plan. Substantial capacity also exists in Santa Rosa's other PDAs and nearby areas
		2	Plan Bay Area new housing allocation			3,900	The increment of new housing allocated to the PDA in Plan Bay Area	
		3	Capacity surplus or (shortfall)	(501)			Difference between estimated housing capacity (2012) and allocation	
		4	Estimated increased capacity through likely changes to land use policy, including any initiative-based density restrictions (percentage change to existing capacity)		0%	0%	Somewhat higher densities (within existing policy) may become realistic over the forecast period.	
		5	Estimated gross housing capacity at each period	3,399	3,399	3,399		
		6	Sum of Capacity Constraint Coefficients	0.80	0.60	0.30		
		7	EPS estimate of housing production given constraints	680	1,360	2,379		
		8	Percentage of PDA 2040 housing allocation accommodated	17.4%	34.9%	61.0%		
			Summary	Santa Rosa Station Area Specific Plan and the City's related planning efforts create substantial capacity for multifamily housing. Infrastructure and related financing largely in place. Capacity is derived nearly entirely from redevelopment of underutilized properties. Constraints are market and related financial feasibility, in the short and mid-term and local infrastructure (road and utility improvements). Lack of redevelopment powers and financing will likely slow pace of parcel assembly and redevelopment activity thus limiting project feasibility.				

A-37

Figure 13
PDA Readiness Criteria Worksheet

PDA name: Santa Rosa Downtown/Station Area

Version: Baseline

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
B	Planning and Entitlement Criteria	1	Displacement of existing stable residential neighborhoods		0.00	0.00	0.00	
		2	Time required and difficulty in obtaining entitlement: institutional capacity and jurisdictional track record		0.00	0.00	0.00	
C	Community Support	1	Elected official support for proposed PDA use types and densities during past 3 years		0.00	0.00	0.00	
		2	History of neighborhood opposition		0.00	0.00	0.00	

A-38

Figure 13
PDA Readiness Criteria Worksheet

PDA name: Santa Rosa Downtown/Station Area

Version: Baseline

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
D	Market and Investment Attractiveness	1						
			History of real estate investment in PDA and surrounding city		0.00	0.00	0.00	
		2	Recent Local Development Activity		0.00	0.00	0.00	
		3	General Market Conditions		0.30	0.20	0.00	Market demand for substantial multifamily and mixed use development will develop over the forecast period
		4	Financial Feasibility Constraint		0.20	0.20	0.20	Financial feasibility constraint is mainly related to the need to displace existing commercial uses; even while underutilized, implied land assembly costs may limit feasibility of mixed use projects
		5	Parcel size and configuration		0.00	0.00	0.00	
		6	Existence of major investment disincentives		0.00	0.00	0.00	

A-39

Figure 13
PDA Readiness Criteria Worksheet

PDA name: Santa Rosa Downtown/Station Area

Version: **Baseline**

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
E	Infrastructure Capacity, Needs, and Financing	1	Existing infrastructure capacity		0.20	0.10	0.10	Key street and wet utility improvements are needed that currently have no identified funding source
		2	Is there an existing CIP funded or other infrastructure financing plan in place?		0.00	0.00	0.00	
		3	PDA financing capacity		0.10	0.10	0.00	Financing capacity limited by relatively limited development and financial feasibility constraints

A-40

Figure 14
PDA Readiness Criteria Worksheet

PDA name: Santa Rosa Downtown/Station Area

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
A	PDA Housing Capacity Estimate	1	Estimate of current local land use policy new housing capacity	3,399				Capacity created by Santa Rosa Station Area Specific Plan. Substantial capacity also exists in Santa Rosa's other PDAs and nearby areas
		2	<i>Plan Bay Area</i> new housing allocation				3,900	The increment of new housing allocated to the PDA in <i>Plan Bay Area</i>
		3	Capacity surplus or (shortfall)	(501)				Difference between estimated housing capacity (2012) and allocation
		4	Estimated increased capacity through likely changes to land use policy, including any initiative-based density restrictions (percentage change to existing capacity)			0%	0%	Somewhat higher densities (within existing policy) may become realistic over the forecast period.
		5	Estimated gross housing capacity at each period		3,399	3,399	3,399	
		6	Sum of Capacity Constraint Coefficients		0.60	0.30	0.10	
		7	EPS estimate of housing production given constraints		1,360	2,379	3,059	
		8	Percentage of PDA 2040 housing allocation accommodated		34.9%	61.0%	78.4%	
			Summary	Santa Rosa Station Area Specific Plan and the City's related planning efforts create substantial capacity for multifamily housing. Infrastructure and related financing largely in place. Capacity is derived nearly entirely from redevelopment of underutilized properties. Constraints are market and related financial feasibility, in the short and mid-term and local infrastructure (road and utility improvements). Lack of redevelopment powers and financing will likely slow pace of parcel assembly and redevelopment activity thus limiting project feasibility.				

A-41

Figure 14
PDA Readiness Criteria Worksheet

PDA name: Santa Rosa Downtown/Station Area

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
B	Planning and Entitlement Criteria	1	Displacement of existing stable residential neighborhoods		0.00	0.00	0.00	
		2	Time required and difficulty in obtaining entitlement: institutional capacity and jurisdictional track record		0.00	0.00	0.00	
C	Community Support	1	Elected official support for proposed PDA use types and densities during past 3 years		0.00	0.00	0.00	
		2	History of neighborhood opposition		0.00	0.00	0.00	

A-42

Figure 14
PDA Readiness Criteria Worksheet

PDA name: Santa Rosa Downtown/Station Area

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
D	Market and Investment Attractiveness	1						
			History of real estate investment in PDA and surrounding city		0.00	0.00	0.00	
		2	Recent Local Development Activity		0.00	0.00	0.00	
		3	General Market Conditions		0.30	0.20	0.00	Market demand for substantial multifamily and mixed use development will develop over the forecast period
		4	Financial Feasibility Constraint		0.10	0.00	0.00	Financial feasibility constraint is mainly related to the need to displace existing commercial uses; even while underutilized, implied land assembly costs may limit feasibility of mixed use projects Renewed redevelopment powers will be needed to overcome this constraint along with the willingness of the City to pursue reuse and parcel assembly
		5	Parcel size and configuration		0.00	0.00	0.00	
		6	Existence of major investment disincentives		0.00	0.00	0.00	

A-43

Figure 14
PDA Readiness Criteria Worksheet

PDA name: Santa Rosa Downtown/Station Area

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
E	Infrastructure Capacity, Needs, and Financing	1	Existing infrastructure capacity		0.20	0.10	0.10	Key street and wet utility improvements are needed that currently have no identified funding source
		2	Is there an existing CIP funded or other infrastructure financing plan in place?		0.00	0.00	0.00	
		3	PDA financing capacity		0.00	0.00	0.00	Financing capacity limited by relatively limited development and financial feasibility constraints Renewed redevelopment powers will be needed to overcome this constraint along with the willingness of the City to invest in needed infrastructure using available tax increment financing

A-44

**Figure 15: Santa Rosa Downtown/Station Area
Planned Housing Capacity, Production Trendline, and *Plan*
*Bay Area Allocation***

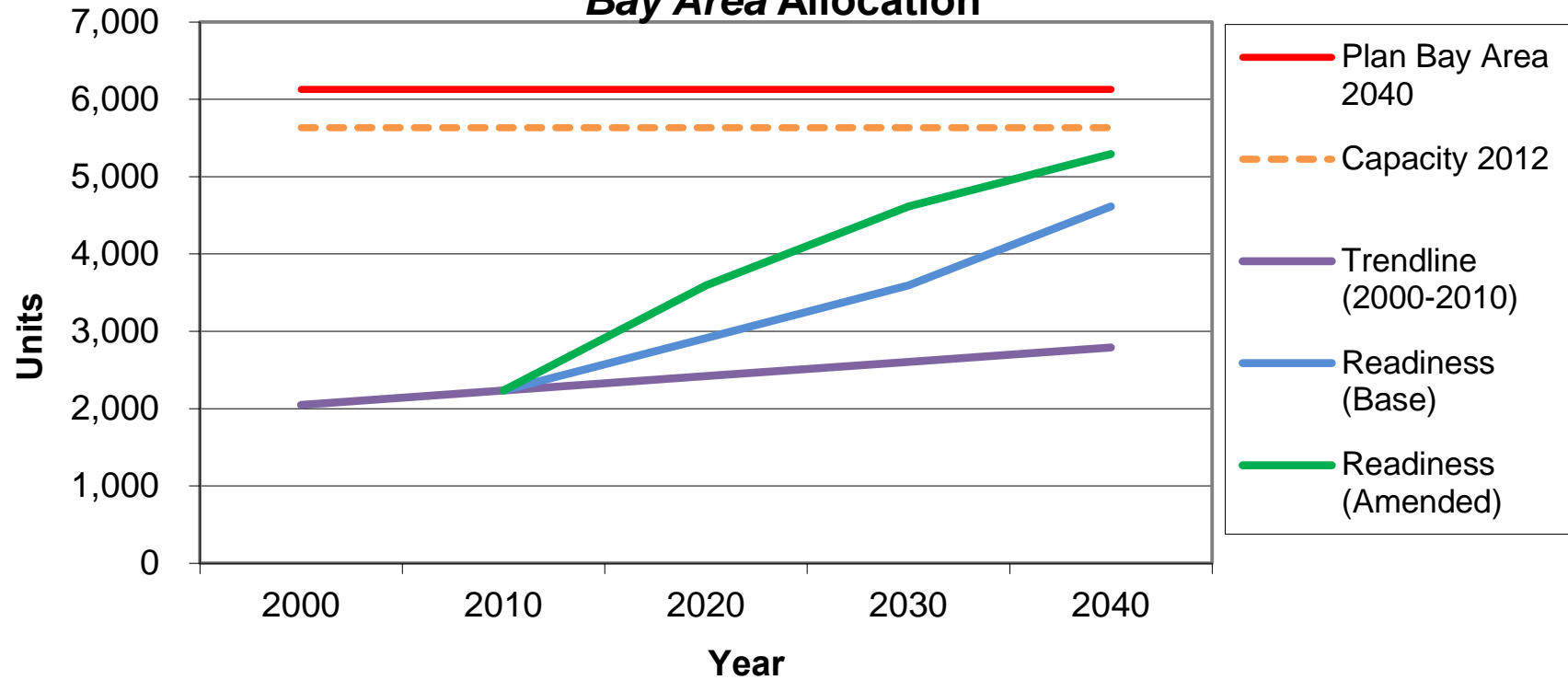


Figure 16
PDA Readiness Criteria Worksheet

PDA name: El Cerrito San Pablo Corridor

Version: **Baseline**

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
A	PDA Housing Capacity Estimate	1	Estimate of current local land use policy new housing capacity	2,147				Current mixed use zoning allows for substantial development along the San Pablo corridor created by San Pablo Avenue Specific Plan and existing zoning; prototypical multifamily/mixed use projects have been built.
		2	Plan Bay Area new housing allocation				1,020	The increment of new housing allocated to the PDA in Plan Bay Area
		3	Capacity surplus or (shortfall)	1,127				Difference between estimated housing capacity (2012) and allocation
		4	Estimated increased capacity through likely changes to land use policy, including any initiative-based density restrictions (percentage change to existing capacity)			0%	0%	
		5	Estimated gross housing capacity at each period		2,147	2,147	2,147	
		6	Sum of Capacity Constraint Coefficients		0.90	0.70	0.40	
		7	EPS estimate of housing production given constraints		215	644	1,288	
		8	Percentage of PDA 2040 housing allocation accommodated		21.0%	63.1%	126.3%	
			Summary	El Cerrito's San Pablo Corridor is largely developed but many parcels are underutilized by comparison to zoning allowances. Substantial multi-family and mixed use capacity exists that exceeds the Plan Bay Area allocation. Excellent transit access, limited needs for infrastructure improvements, and a proven multi-family market all exist. Constraint will be mainly needed parcel assembly and related land costs and need for regional transportation improvements to San Pablo intersections and connections to I-80.				

A-46

Figure 16
PDA Readiness Criteria Worksheet

PDA name: El Cerrito San Pablo Corridor

Version: Baseline

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
B	Planning and Entitlement Criteria	1	Displacement of existing stable residential neighborhoods		0.30	0.20	0.10	
		2	Time required and difficulty in obtaining entitlement: institutional capacity and jurisdictional track record		0.00	0.00	0.00	
C	Community Support	1	Elected official support for proposed PDA use types and densities during past 3 years		0.00	0.00	0.00	
		2	History of neighborhood opposition		0.00	0.00	0.00	

A-47

Figure 16
PDA Readiness Criteria Worksheet

PDA name: El Cerrito San Pablo Corridor

Version: **Baseline**

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
D	Market and Investment Attractiveness	1						
			History of real estate investment in PDA and surrounding city		0.00	0.00	0.00	
		2	Recent Local Development Activity		0.00	0.00	0.00	
		3	General Market Conditions		0.00	0.00	0.00	
		4	Financial Feasibility Constraint		0.40	0.40	0.30	The need to assemble existing small developed parcels, including some containing single family uses, will increase site costs thus creating a substantial constraint on redevelopment.
		5	Parcel size and configuration		0.00	0.00	0.00	
		6	Existence of major investment disincentives		0.00	0.00	0.00	

A-48

Figure 16
PDA Readiness Criteria Worksheet

PDA name: El Cerrito San Pablo Corridor

Version: **Baseline**

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
E	Infrastructure Capacity, Needs, and Financing	1	Existing infrastructure capacity		0.20	0.10	0.00	The key intersections along San Pablo Avenue including Central Avenue and Cutting Boulevard will require reconfiguration and upgrading to accommodate higher traffic volumes. Also, the ramp connections on these lateral streets to I-80 will need to be improved.
		2	Is there an existing CIP funded or other infrastructure financing plan in place?		0.00	0.00	0.00	No. The City has funded development-related impacts on infrastructure through development agreements and related exactions.
		3	PDA financing capacity		0.00	0.00	0.00	

A-49

Figure 17
PDA Readiness Criteria Worksheet

PDA name: El Cerrito San Pablo Corridor

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
A	PDA Housing Capacity Estimate	1	Estimate of current local land use policy new housing capacity	2,147				Current mixed use zoning allows for substantial development along the San Pablo corridor; prototype projects in place
		2	<i>Plan Bay Area</i> new housing allocation			1,020	The increment of new housing allocated to the PDA in <i>Plan Bay Area</i>	
		3	Capacity surplus or (shortfall)	1,127			Difference between estimated housing capacity (2012) and allocation	
		4	Estimated increased capacity through likely changes to land use policy, including any initiative-based density restrictions (percentage change to existing capacity)		0%	0%		
		5	Estimated gross housing capacity at each period	2,147	2,147	2,147		
		6	Sum of Capacity Constraint Coefficients	0.80	0.40	0.20		
		7	EPS estimate of housing production given constraints	429	1,288	1,718		
		8	Percentage of PDA 2040 housing allocation accommodated	42.1%	126.3%	168.4%		
			Summary	El Cerrito's San Pablo Corridor is largely developed but many parcels are underutilized by comparison to zoning allowances. Substantial multi-family and mixed use capacity exists that exceeds the <i>Plan Bay Area</i> allocation. Excellent transit access, limited needs for infrastructure improvements, and a proven multi-family market all exist. Constraint will be mainly needed parcel assembly and related land costs and need for regional transportation improvements to San Pablo intersections and connections to I-80.				

A-50

Figure 17
PDA Readiness Criteria Worksheet

PDA name: El Cerrito San Pablo Corridor

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
B	Planning and Entitlement Criteria	1	Displacement of existing stable residential neighborhoods		0.30	0.20	0.10	Renewed redevelopment powers will be needed to overcome this constraint along with the willingness of the City to pursue reuse and parcel assembly
		2	Time required and difficulty in obtaining entitlement: institutional capacity and jurisdictional track record		0.00	0.00	0.00	
C	Community Support	1	Elected official support for proposed PDA use types and densities during past 3 years		0.00	0.00	0.00	
		2	History of neighborhood opposition		0.00	0.00	0.00	

A-51

Figure 17
PDA Readiness Criteria Worksheet

PDA name: El Cerrito San Pablo Corridor

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
D	Market and Investment Attractiveness	1						
			History of real estate investment in PDA and surrounding city		0.00	0.00	0.00	
		2	Recent Local Development Activity		0.00	0.00	0.00	
		3	General Market Conditions		0.00	0.00	0.00	
		4	Financial Feasibility Constraint		0.30	0.20	0.10	The need to assemble existing small developed parcels, including some containing single family uses, will increase site costs thus creating a substantial constraint on redevelopment. Renewed redevelopment powers will be needed to overcome this constraint along with the willingness of the City to pursue reuse and parcel assembly
		5	Parcel size and configuration		0.00	0.00	0.00	
		6	Existence of major investment disincentives		0.00	0.00	0.00	

A-52

Figure 17
PDA Readiness Criteria Worksheet

PDA name: El Cerrito San Pablo Corridor

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
E	Infrastructure Capacity, Needs, and Financing	1	Existing infrastructure capacity		0.20	0.00	0.00	The key intersections along San Pablo Avenue including Central Avenue and Cutting Boulevard will require reconfiguration and upgrading to accommodate higher traffic volumes. Also, the ramp connections on these lateral streets to I-80 will need to be improved. State and regional funding (e.g. CCTA and OBAG) will be needed to fund or substantially contribute to funding, these improvements.
		2	Is there an existing CIP funded or other infrastructure financing plan in place?		0.00	0.00	0.00	
		3	PDA financing capacity		0.00	0.00	0.00	

A-53

**Figure 18: El Cerrito San Pablo Corridor
Planned Housing Capacity, Production Trendline, and *Plan
Bay Area* Allocation**

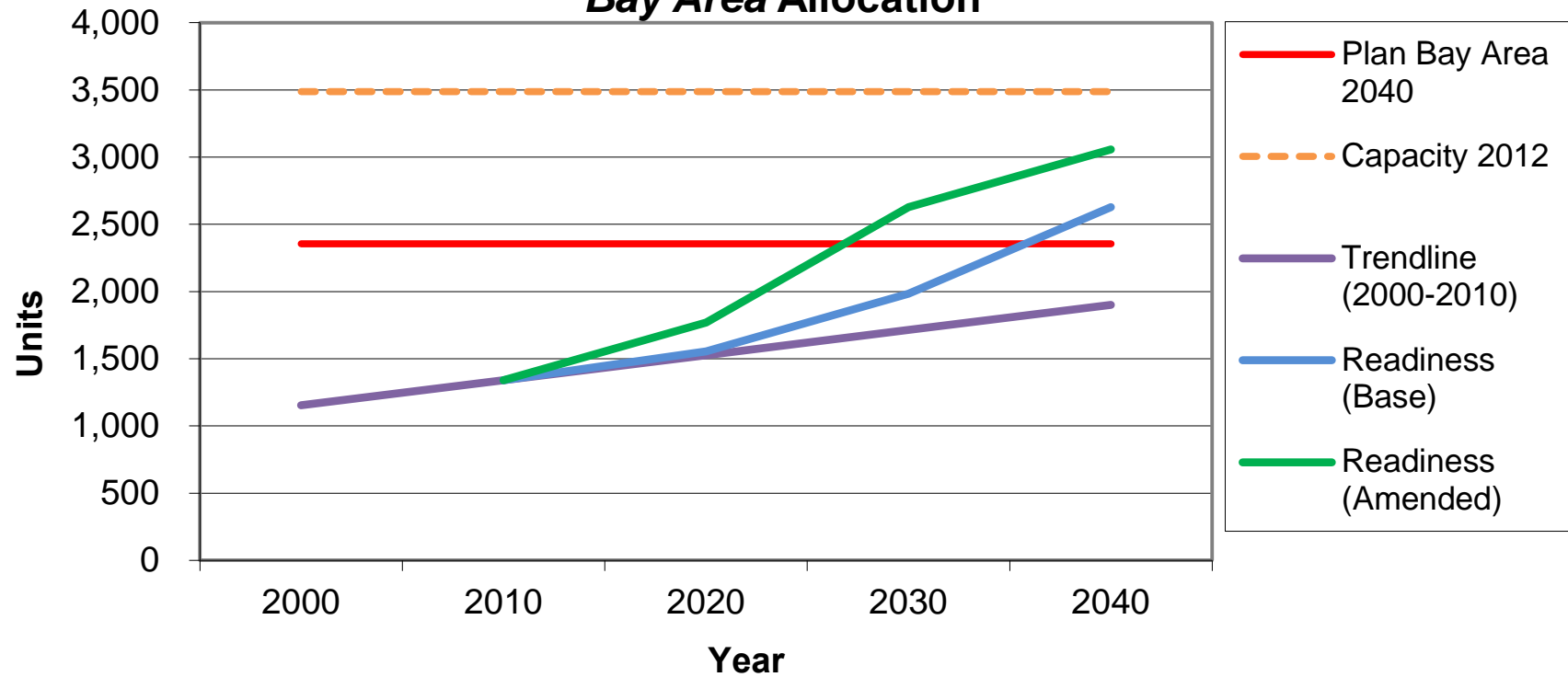


Figure 19
PDA Readiness Criteria Worksheet

PDA name: San Mateo El Camino Real

Version: Baseline

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
A	PDA Housing Capacity Estimate	1	Estimate of current local land use policy new housing capacity	1,668				CD+A identified 39 acres of underutilized land, with average allowable densities around 43 DU/acre. Earlier EPS estimate for CCAG said ~1,000 units possible.
		2	Plan Bay Area new housing allocation				1,204	The increment of new housing allocated to the PDA in Plan Bay Area
		3	Capacity surplus or (shortfall)	464				Difference between estimated housing capacity (2012) and allocation
		4	Estimated increased capacity through likely changes to land use policy, including any initiative-based density restrictions (percentage change to existing capacity)		0%	0%	0%	Extensive history of ballot-box planning in San Mateo to restrict heights, limit uses, set affordable housing standards, etc. Measure P limits heights to 55' with public benefit (otherwise 40'). Measure P expires in 2020, but represents a hurdle at least until then. City's policy commitment to "suburban" lifestyle not expected to change dramatically over time.
		5	Estimated gross housing capacity at each period		1,668	1,668	1,668	
		6	Sum of Capacity Constraint Coefficients		0.70	0.55	0.40	Chief constraints are existence of buildings with positive cashflow and challenging parcel sizes/configurations. Over time, older buildings will be replaced, but probably on most developable sites first, leaving more challenging sites for later redevelopment.
		7	EPS estimate of housing production given constraints		500	751	1,001	Pace of construction is likely to slow as the most developable sites are redeveloped in the earlier phases.
		8	Percentage of PDA 2040 housing allocation accommodated		41.6%	62.3%	83.1%	Market is strong and infrastructure needs are low, but redevelopment of small parcels with current uses represents a significant financial and procedural constraint.

A-55

Figure 19
PDA Readiness Criteria Worksheet

PDA name: San Mateo El Camino Real

Version: Baseline

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
B	Planning and Entitlement Criteria	1	Displacement of existing stable residential neighborhoods		0.00	0.00	0.00	This PDA runs along El Camino Real, which is a historic highway that has been mostly built out for decades. Development along this part of the corridor would require extensive displacement of existing underutilized uses fronting El Camino Real, though limited effects on adjacent residential neighborhoods.
		2	Time required and difficulty in obtaining entitlement: institutional capacity and jurisdictional track record		0.00	0.00	0.00	Entitlements are in place through El Camino Real Master Plan and Hillsdale Station Area Plan, adopted programmatic EIR and neg dec, and Zoning/General Plan amendments. City says project-level EIR not required in this area, but does require some analysis of traffic and other issues. City says most development reviews and approvals take 12-18 months.
C	Community Support	1	Elected official support for proposed PDA use types and densities during past 3 years		0.00	0.00	0.00	City Council and Planning Commission both unanimously approved the El Camino Real Master Plan in 2001 and adopted the Hillsdale Station Area Plan in 2011. Recent Council decisions have supported these plans.
		2	History of neighborhood opposition		0.05	0.05	0.05	City reports strong support from housing advocates, no significant opposition from neighborhoods to development that conforms to existing plans. However, adjacent neighborhoods have expressed concerns regarding traffic cutting through neighborhoods and transitions of heights/densities.

A-56

Figure 19
PDA Readiness Criteria Worksheet

PDA name: San Mateo El Camino Real

Version: Baseline

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
D	Market and Investment Attractiveness	1	History of real estate investment in PDA and surrounding city		0.10	0.10	0.10	Over 2,500 housing units were entitled Citywide between 2000-2010 (mostly in Bay Meadows), but only 548 were actually constructed, of which only 3 had been in the PDA. The City's major project is the former Bay Meadows site, accounted for under a separate PDA ("Rail TOD Corridor"). Also, over 400,000 square feet of commercial space was built in PDA between 2000-2010, and nearly 1 million square feet outside PDA.
		2	Recent Local Development Activity		0.00	0.00	0.00	As of 2010, 188 residential units in two separate projects were in the development pipeline. Bay Meadows is now seeking permits for 156 TH. 2090 Delaware seeking 111 apartments, and BMR project on Police Station site now under construction. Also, 197 apartments with underground parking now U/C between City Hall and ECR. On ECR, old gas station being proposed for drive-in coffee shop exemplifies physical challenges.
		3	General Market Conditions		0.00	0.00	0.00	San Mateo is an attractive and relatively high-value community with above-average incomes and education levels, a strong local employment base and access to regional employment centers.
		4	Financial Feasibility Constraint		0.35	0.20	0.05	Though San Mateo home values are high and multifamily housing has been accepted and well-performing (rents and vacancies), virtually all new development in this corridor must occur on sites with existing uses and ongoing cash flow. Largest opportunity site is the Hillsdale Shopping Center, and Sears lease is up at the end of 2012. Another opportunity site is shopping center at 42nd Avenue, just outside PDA. Eventual end of buildings' useful life will facilitate longer-term development.
		5	Parcel size and configuration		0.20	0.20	0.20	City identifies land assembly/parcelization as the primary challenge to realizing planned growth in the PDA. Many parcels along El Camino Real are shallow and relatively small, and assembly may be required for projects of significant scale. However, some infill development envisioned in Master Plan is of modest scale and can be accommodated on one or a few parcels.
		6	Existence of major investment disincentives		0.00	0.00	0.00	San Mateo is an attractive and relatively high-value community without significant blight, crime, underperforming schools, etc.

A-57

Figure 19
PDA Readiness Criteria Worksheet

PDA name: San Mateo El Camino Real

Version: Baseline

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
E	Infrastructure Capacity, Needs, and Financing	1	Existing infrastructure capacity		0.00	0.00	0.00	Infrastructure is largely in place. Most infrastructure demands identified in City survey are for aesthetic improvements, bike/ped, etc., rather than major upgrades to circulation or utilities. Site design needs to address curb cut issues. ECR and Hillsdale undercrossing may be a constraint, which may be addressed through HSR/Caltrain electrification.
		2	Is there an existing CIP funded or other infrastructure financing plan in place?		0.00	0.00	0.00	City has impact fees for transportation improvements, schools, parks, affordable housing, water/wastewater, etc.
		3	PDA financing capacity		0.00	0.00	0.00	City survey indicates only about \$6.9 million in infrastructure costs required, which sums to under \$6,000 per residential unit.

A-58

Figure 20
PDA Readiness Criteria Worksheet

PDA name: San Mateo El Camino Real

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
A	PDA Housing Capacity Estimate	1	Estimate of current local land use policy new housing capacity	1,668				CD+A identified 39 acres of underutilized land, with average allowable densities around 43 DU/acre. Earlier EPS estimate for CCAG said ~1,000 units possible.
		2	Plan Bay Area new housing allocation				1,204	The increment of new housing allocated to the PDA in Plan Bay Area
		3	Capacity surplus or (shortfall)	464				Difference between estimated housing capacity (2012) and allocation
		4	Estimated increased capacity through likely changes to land use policy, including any initiative-based density restrictions (percentage change to existing capacity)		0%	0%	0%	Extensive history of ballot-box planning in San Mateo to restrict heights, limit uses, set affordable housing standards, etc. Measure P limits heights to 55' with public benefit (otherwise 40'). Measure P expires in 2020, but represents a hurdle at least until then. City's policy commitment to "suburban" lifestyle not expected to change dramatically over time.
		5	Estimated gross housing capacity at each period		1,668	1,668	1,668	
		6	Sum of Capacity Constraint Coefficients		0.60	0.45	0.30	Chief constraints are existence of buildings with positive cashflow and challenging parcel sizes/configurations. Over time, older buildings will be replaced, but probably on most developable sites first, leaving more challenging sites for later redevelopment.
		7	EPS estimate of housing production given constraints		667	917	1,168	Pace of construction is likely to slow as the most developable sites are redeveloped in the earlier phases.
		8	Percentage of PDA 2040 housing allocation accommodated		55.4%	76.2%	97.0%	Market is strong and infrastructure needs are low, but redevelopment of small parcels with current uses represents a significant financial and procedural constraint. Amendment assumes Redevelopment-type powers are re-established to assist with parcel assembly and building subsidies as necessary.

A-59

Figure 20
PDA Readiness Criteria Worksheet

PDA name: San Mateo El Camino Real

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
B	Planning and Entitlement Criteria	1	Displacement of existing stable residential neighborhoods		0.00	0.00	0.00	This PDA runs along El Camino Real, which is a historic highway that has been mostly built out for decades. Development along this part of the corridor would require extensive displacement of existing underutilized uses fronting El Camino Real, though limited effects on adjacent residential neighborhoods.
		2	Time required and difficulty in obtaining entitlement: institutional capacity and jurisdictional track record		0.00	0.00	0.00	Entitlements are in place through El Camino Real Master Plan and Hillsdale Station Area Plan, adopted programmatic EIR and neg dec, and Zoning/General Plan amendments. City says project-level EIR not required in this area, but does require some analysis of traffic and other issues. City says most development reviews and approvals take 12-18 months.
C	Community Support	1	Elected official support for proposed PDA use types and densities during past 3 years		0.00	0.00	0.00	City Council and Planning Commission both unanimously approved the El Camino Real Master Plan in 2001 and adopted the Hillsdale Station Area Plan in 2011. Recent Council decisions have supported these plans.
		2	History of neighborhood opposition		0.05	0.05	0.05	City reports strong support from housing advocates, no significant opposition from neighborhoods to development that conforms to existing plans. However, adjacent neighborhoods have expressed concerns regarding traffic cutting through neighborhoods and transitions of heights/densities.

A-60

Figure 20
PDA Readiness Criteria Worksheet

PDA name: San Mateo El Camino Real

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
D	Market and Investment Attractiveness	1	History of real estate investment in PDA and surrounding city		0.10	0.10	0.10	Over 2,500 housing units were entitled Citywide between 2000-2010 (mostly in Bay Meadows), but only 548 were actually constructed, of which only 3 had been in the PDA. The City's major project is the former Bay Meadows site, accounted for under a separate PDA ("Rail TOD Corridor"). Also, over 400,000 square feet of commercial space was built in PDA between 2000-2010, and nearly 1 million square feet outside PDA.
		2	Recent Local Development Activity		0.00	0.00	0.00	As of 2010, 188 residential units in two separate projects were in the development pipeline. Bay Meadows is now seeking permits for 156 TH. 2090 Delaware seeking 111 apartments, and BMR project on Police Station site now under construction. Also, 197 apartments with underground parking now U/C between City Hall and ECR. On ECR, old gas station being proposed for drive-in coffee shop exemplifies physical challenges.
		3	General Market Conditions		0.00	0.00	0.00	San Mateo is an attractive and relatively high-value community with above-average incomes and education levels, a strong local employment base and access to regional employment centers.
		4	Financial Feasibility Constraint		0.35	0.20	0.05	Though San Mateo home values are high and multifamily housing has been accepted and well-performing (rents and vacancies), virtually all new development in this corridor must occur on sites with existing uses and ongoing cash flow. Largest opportunity site is the Hillsdale Shopping Center, and Sears lease is up at the end of 2012. Another opportunity site is shopping center at 42nd Avenue, just outside PDA. Eventual end of buildings' useful life will facilitate longer-term development.
		5	Parcel size and configuration		0.10	0.10	0.10	City identifies land assembly/parcelization as the primary challenge to realizing planned growth in the PDA. Many parcels along El Camino Real are shallow and relatively small, and assembly may be required for projects of significant scale. However, some infill development envisioned in Master Plan is of modest scale and can be accommodated on one or a few parcels. Amendment assumes City would gain powers and financial resources through State action to assist in property assembly in PDA.
		6	Existence of major investment disincentives		0.00	0.00	0.00	San Mateo is an attractive and relatively high-value community without significant blight, crime, underperforming schools, etc.

A-61

Figure 20
PDA Readiness Criteria Worksheet

PDA name: San Mateo El Camino Real

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
E	Infrastructure Capacity, Needs, and Financing	1	Existing infrastructure capacity		0.00	0.00	0.00	Infrastructure is largely in place. Most infrastructure demands identified in City survey are for aesthetic improvements, bike/ped, etc., rather than major upgrades to circulation or utilities. Site design needs to address curb cut issues. ECR and Hillsdale undercrossing may be a constraint, which may be addressed through HSR/Caltrain electrification.
		2	Is there an existing CIP funded or other infrastructure financing plan in place?		0.00	0.00	0.00	City has impact fees for transportation improvements, schools, parks, affordable housing, water/wastewater, etc.
		3	PDA financing capacity		0.00	0.00	0.00	City survey indicates only about \$6.9 million in infrastructure costs required, which sums to under \$6,000 per residential unit.

A-62

**Figure 21: San Mateo El Camino Real
Planned Housing Capacity, Production Trendline, and *Plan*
*Bay Area Allocation***

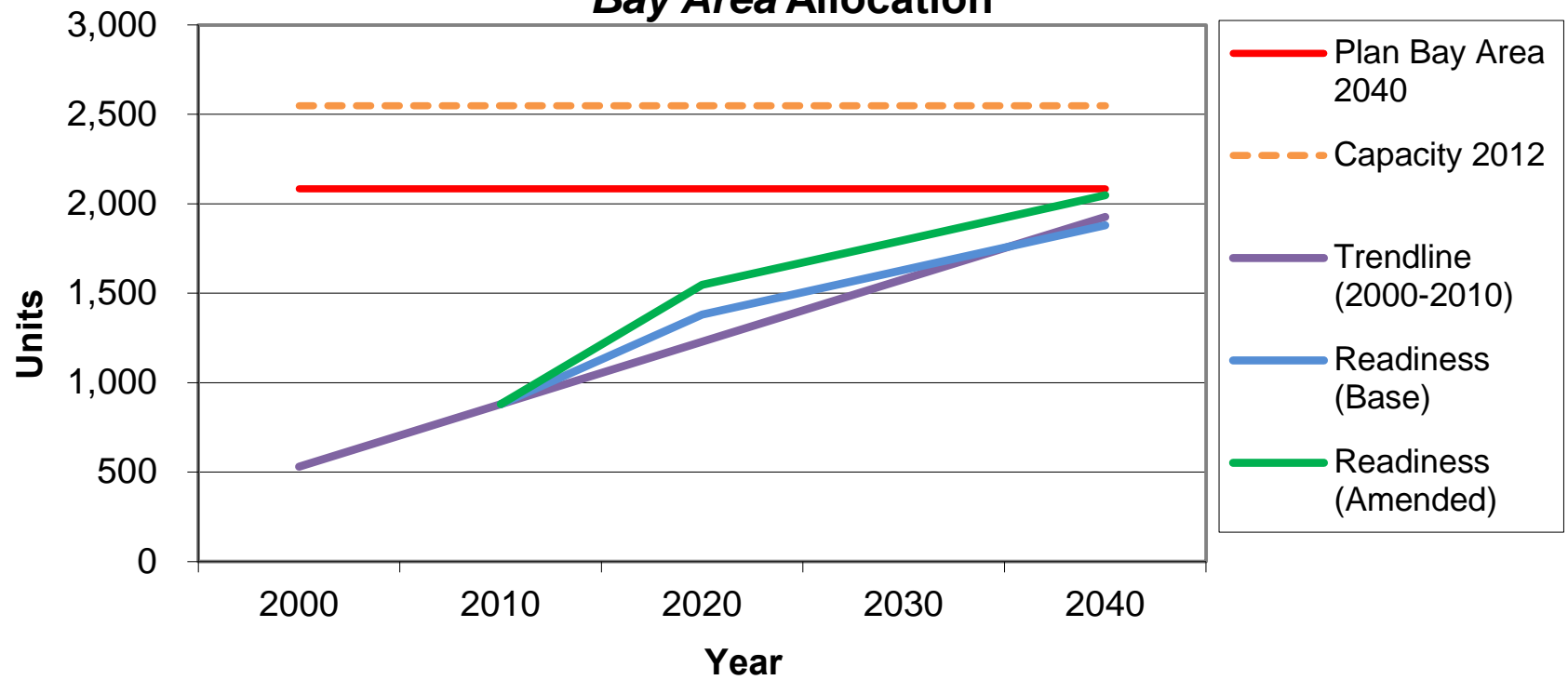


Figure 22
PDA Readiness Criteria Worksheet

PDA name: Sunnyvale El Camino Real

Version: Baseline

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
A	PDA Housing Capacity Estimate	1	Estimate of current local land use policy new housing capacity	2,850				City said current PDA has max capacity of 2850 more than existing; CD+A estimated ~2700 on 107 acres of opportunity sites; City estimated 912 new DUs in PDA in next 8 years
		2	Plan Bay Area new housing allocation				4,412	The increment of new housing allocated to the PDA in Plan Bay Area
		3	Capacity surplus or (shortfall)	(1,562)				Difference between estimated housing capacity (2012) and allocation
		4	Estimated increased capacity through likely changes to land use policy, including any initiative-based density restrictions (percentage change to existing capacity)		0%	20%	40%	City's "Horizon 2035" Advisory Committee thought PDA could add 4000 units, similar to ABAG allocation. EPS assumes such rezoning may be pursued within next ~15 years.
		5	Estimated gross housing capacity at each period		2,850	3,420	3,990	
		6	Sum of Capacity Constraint Coefficients		0.55	0.30	0.20	Near-term constraints include lower-density zoning than required to meet PDA allocation, redevelopment of productive uses, and parcel sizes/configurations as well as slow overall growth in the City. Zoning changes and strong market may facilitate improvement in longer term, but physical constraints still present.
		7	EPS estimate of housing production given constraints		1,283	2,394	3,192	Figure exceeds current planned capacity, but still short of allocation.
		8	Percentage of PDA 2040 housing allocation accommodated		29.1%	54.3%	72.3%	Primary issue is the significant shortfall of capacity compared to allocation.

A-64

Figure 22
PDA Readiness Criteria Worksheet

PDA name: Sunnyvale El Camino Real

Version: **Baseline**

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
B	Planning and Entitlement Criteria	1	Displacement of existing stable residential neighborhoods		0.00	0.00	0.00	PDA Corridor is now defined primarily as parcels fronting El Camino Real; does not reach significantly into established neighborhoods
		2	Time required and difficulty in obtaining entitlement: institutional capacity and jurisdictional track record		0.00	0.00	0.00	City often encourages developers to introduce projects to community prior to submitting applications; without EIR, projects can be approved in 3-6 months from complete application, often by Planning Commission
C	Community Support	1	Elected official support for proposed PDA use types and densities during past 3 years		0.05	0.00	0.00	ECR Precise Plan was adopted in 2007, prioritized dense, mixed-use "nodes" at major intersections; Council now expressing interest in studying higher density housing, but also being sensitive to neighborhood concerns about residential impacts and buffers; loss of sales tax; etc.
		2	History of neighborhood opposition		0.05	0.05	0.05	Adjacent neighborhoods have concerns about density/traffic impacts, loss of commercial space, impacts on school capacity and parks

A-65

Figure 22
PDA Readiness Criteria Worksheet

PDA name: Sunnyvale El Camino Real

Version: Baseline

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
D	Market and Investment Attractiveness	1	History of real estate investment in PDA and surrounding city		0.10	0.05	0.00	Cherry Orchard project added ~350 units; City overall has been averaging 300-400 new units annually over the past 15 years and PDA would need to average ~150 DU/yr from 2010-2040.
		2	Recent Local Development Activity		0.10	0.00	0.00	160-unit townhouse project just approved at ECR/Mathilda (old Ford site); Sobrato exploring 40+ DU/acre project at ECR/Bernardo (old Chrysler site)
		3	General Market Conditions		0.00	0.00	0.00	Significant developer interest in denser residential (rental) projects on larger sites (2+ acres); not much vacancy on ECR; high incomes in area
		4	Financial Feasibility Constraint		0.15	0.10	0.05	Few true vacancies and most properties producing some cashflow with low risk; concern about feasibility of mixed-use commercial component, but may be feasible if 40+ DU/acre; redevelopment of existing uses poses problem (several auto dealerships that City doesn't want to lose); Safeway refused to add residential at Mathilda
		5	Parcel size and configuration		0.10	0.10	0.10	Many shallower parcels require buffer to SFD neighborhoods and require assembly for efficiency
		6	Existence of major investment disincentives		0.00	0.00	0.00	No significant issues: schools are fine, crime not a major issue, strong community amenities

A-66

Figure 22
PDA Readiness Criteria Worksheet

PDA name: Sunnyvale El Camino Real

Version: Baseline

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
E	Infrastructure Capacity, Needs, and Financing	1	Existing infrastructure capacity		0.00	0.00	0.00	Grand Boulevard study did not identify need for new water, sewer, etc.; school capacity is a concern; parks fee has been increased to facilitate new facilities; roadway capacity is okay but does have some LOS E and may need to accept more to accommodate planned growth
		2	Is there an existing CIP funded or other infrastructure financing plan in place?		0.00	0.00	0.00	Has traffic impact fees, parks and school fees; no other needs identified
		3	PDA financing capacity		0.00	0.00	0.00	Not an issue due to modest infrastructure needs

A-67

Figure 23
PDA Readiness Criteria Worksheet

PDA name: Sunnyvale El Camino Real

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
A	PDA Housing Capacity Estimate	1	Estimate of current local land use policy new housing capacity	2,850				City said current PDA has max capacity of 2850 more than existing; CD+A estimated ~2700 on 107 acres of opportunity sites; City estimated 912 new DUs in PDA in next 8 years
		2	Plan Bay Area new housing allocation				4,412	The increment of new housing allocated to the PDA in Plan Bay Area
		3	Capacity surplus or (shortfall)	(1,562)				Difference between estimated housing capacity (2012) and allocation
		4	Estimated increased capacity through likely changes to land use policy, including any initiative-based density restrictions (percentage change to existing capacity)		0%	30%	60%	City's "Horizon 2035" Advisory Committee thought PDA could add 4000 units, similar to ABAG allocation. EPS assumes such rezoning may be pursued within next ~15 years. Amendment assumes still higher rezoning may be pursued, increasing allowable density to ~45 DU/acre.
		5	Estimated gross housing capacity at each period		2,850	3,705	4,560	
		6	Sum of Capacity Constraint Coefficients		0.45	0.20	0.10	Near-term constraints include lower-density zoning than required to meet PDA allocation, redevelopment of productive uses, and parcel sizes/configurations as well as slow overall growth in the City. Zoning changes and strong market may facilitate improvement in longer term, but physical constraints still present. Amendment assumes upzoning and Redevelopment-type powers assist with feasibility and parcel assembly.
		7	EPS estimate of housing production given constraints		1,568	2,964	4,104	Figure exceeds current planned capacity, but still short of allocation.
		8	Percentage of PDA 2040 housing allocation accommodated		35.5%	67.2%	93.0%	Primary issue is the significant shortfall of capacity compared to allocation. Amendment assumes upzoning and Redevelopment-type powers assist with feasibility and parcel assembly.

A-68

Figure 23
PDA Readiness Criteria Worksheet

PDA name: Sunnyvale El Camino Real

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
B	Planning and Entitlement Criteria	1	Displacement of existing stable residential neighborhoods		0.00	0.00	0.00	PDA Corridor is now defined primarily as parcels fronting El Camino Real; does not reach significantly into established neighborhoods
		2	Time required and difficulty in obtaining entitlement: institutional capacity and jurisdictional track record		0.00	0.00	0.00	City often encourages developers to introduce projects to community prior to submitting applications; without EIR, projects can be approved in 3-6 months from complete application, often by Planning Commission
C	Community Support	1	Elected official support for proposed PDA use types and densities during past 3 years		0.05	0.00	0.00	ECR Precise Plan was adopted in 2007, prioritized dense, mixed-use "nodes" at major intersections; Council now expressing interest in studying higher density housing, but also being sensitive to neighborhood concerns about residential impacts and buffers; loss of sales tax; etc.
		2	History of neighborhood opposition		0.05	0.05	0.05	Adjacent neighborhoods have concerns about density/traffic impacts, loss of commercial space, impacts on school capacity and parks.

A-69

Figure 23
PDA Readiness Criteria Worksheet

PDA name: Sunnyvale El Camino Real

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
D	Market and Investment Attractiveness	1	History of real estate investment in PDA and surrounding city		0.10	0.05	0.00	Cherry Orchard project added ~350 units; City overall has been averaging 300-400 new units annually over the past 15 years and PDA would need to average ~150 DU/yr from 2010-2040.
		2	Recent Local Development Activity		0.10	0.00	0.00	160-unit townhouse project just approved at ECR/Mathilda (old Ford site); Sobrato exploring 40+ DU/acre project at ECR/Bernardo (old Chrysler site)
		3	General Market Conditions		0.00	0.00	0.00	Significant developer interest in denser residential (rental) projects on larger sites (2+ acres); not much vacancy on ECR; high incomes in area
		4	Financial Feasibility Constraint		0.10	0.05	0.00	Few true vacancies and most properties are producing some cashflow with low risk; concern about feasibility of mixed-use commercial component, but may be feasible if 40+ DU/acre; redevelopment of existing uses poses problem (several auto dealerships that City doesn't want to lose). Amendment assumes that upzoning adds value that overcomes financial feasibility threshold associated with existing uses over next decades.
		5	Parcel size and configuration		0.05	0.05	0.05	Many shallower parcels require buffer to SFD neighborhoods and require assembly for efficiency. Amendment assumes Redevelopment-type powers can assist with parcel assembly.
		6	Existence of major investment disincentives		0.00	0.00	0.00	No issues: schools are fine, crime not a major issue, strong community amenities

A-70

Figure 23
PDA Readiness Criteria Worksheet

PDA name: Sunnyvale El Camino Real

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
E	Infrastructure Capacity, Needs, and Financing	1	Existing infrastructure capacity		0.00	0.00	0.00	Grand Boulevard study did not identify need for new water, sewer, etc.; school capacity is a concern; parks fee has been increased to facilitate new facilities; roadway capacity is okay but does have some LOS E and may need to accept more to accommodate planned growth
		2	Is there an existing CIP funded or other infrastructure financing plan in place?		0.00	0.00	0.00	Has traffic impact fees, parks and school fees; no other needs identified
		3	PDA financing capacity		0.00	0.00	0.00	Not an issue due to modest infrastructure needs

A-71

**Figure 24: Sunnyvale El Camino Real
Planned Housing Capacity, Production Trendline, and *Plan*
*Bay Area Allocation***

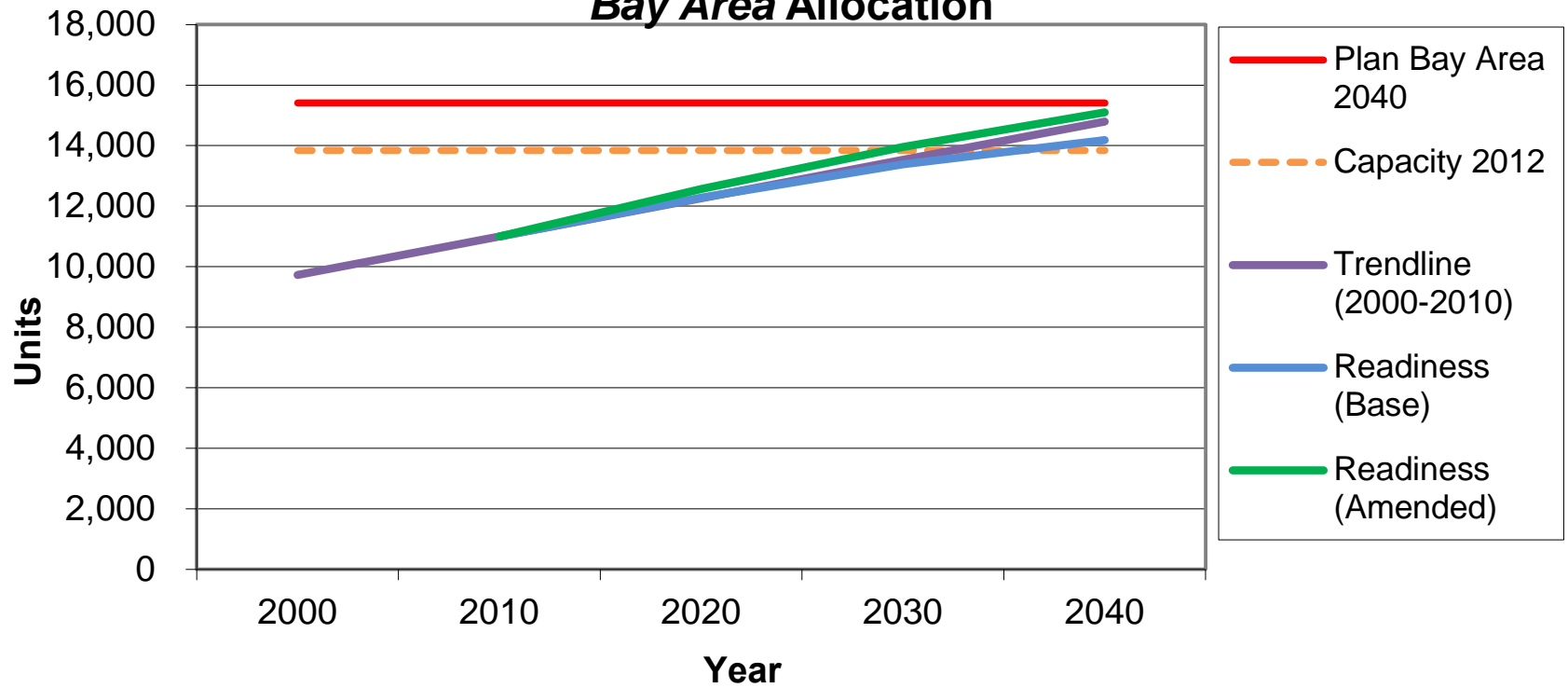


Figure 25
PDA Readiness Criteria Worksheet

PDA name: San Francisco Downtown-Geary-Van Ness

Version: Baseline

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
A	PDA Housing Capacity Estimate	1	Estimate of current local land use policy new housing capacity	16,846				Figure based on 2012 soft site survey from City; identified 1,415 underutilized sites summing to 221 acres (average under 7K SF sites) achieving average density of 76 DUs/acre; 2010 survey showed 2035 buildout would be just 10,400 more than 2010 existing units; 2007 Housing Element showed room for 9,545 RHNA units (all incomes) in PDA
		2	Plan Bay Area new housing allocation				27,139	The increment of new housing allocated to the PDA in Plan Bay Area
		3	Capacity surplus or (shortfall)	(10,293)				Difference between estimated housing capacity (2012) and allocation
		4	Estimated increased capacity through likely changes to land use policy, including any initiative-based density restrictions (percentage change to existing capacity)		0%	20%	40%	Plans for PDA include Downtown Plan (1980s), Van Ness Area Plan (1980s), Rincon Hill Plan (2005), Western SOMA (to be adopted 2013), Chinatown, Civic Center, Northeast Waterfront Plan, Central Corridors Plan (to be done in next couple years, with potential upzoning). City has shown history of successful upzoning around Downtown (e.g. Rincon Hill and TCDP). EPS assumes some current soft sites will be redeveloped prior to future upzoning, while other sites will become "soft" when allowable densities are increased.
		5	Estimated gross housing capacity at each period		16,846	20,215	23,584	
		6	Sum of Capacity Constraint Coefficients		0.50	0.30	0.25	Major growth requires redevelopment of existing uses on many very small lots. Near-term challenges include lack of environmental clearance for larger projects and social conditions in Tenderloin and Mid-Market areas. Longer-term challenge includes need for major circulation improvements to facilitate growth, though values can support substantial costs.
		7	EPS estimate of housing production given constraints		8,423	14,151	17,688	Pace of development likely to slow over time as most sites are physically challenging and easiest sites will be developed first.
		8	Percentage of PDA 2040 housing allocation accommodated		31.0%	52.1%	65.2%	Market is very strong but physical capacity of sites individually and in aggregate represents a significant constraint on development.

A-73

Figure 25
PDA Readiness Criteria Worksheet

PDA name: San Francisco Downtown-Geary-Van Ness

Version: Baseline

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
B	Planning and Entitlement Criteria	1	Displacement of existing stable residential neighborhoods		0.05	0.05	0.05	All of PDA is very urban, mixed-use, dynamic, and projected capacity reflects underutilized sites only, though some may be in residential use today. San Francisco has a history of requiring special assistance for displaced residents.
		2	Time required and difficulty in obtaining entitlement: institutional capacity and jurisdictional track record		0.10	0.00	0.00	2010 survey said Specific Plan, programmatic EIR, zoning code, General Plan amendments, and urban design guideline are all in place, with no other major documents/processes required. 2010 survey said most vertical projects take 12-18 months to process if CEQA in place, but most major projects outside Western SOMA, Rincon Hill, and TCDP would require 24+ months.
C	Community Support	1	Elected official support for proposed PDA use types and densities during past 3 years		0.00	0.00	0.00	High-density TCDP was approved unanimously at the BOS, which is generally supportive of visions in the existing plans, but these don't add up to PDA projections.
		2	History of neighborhood opposition		0.05	0.00	0.00	By San Francisco standards, Downtown PDA has had relatively little opposition to development. However, San Francisco is regarded as politically challenging by many developers.

A-74

Figure 25
PDA Readiness Criteria Worksheet

PDA name: San Francisco Downtown-Geary-Van Ness

Version: Baseline

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
D	Market and Investment Attractiveness	1	History of real estate investment in PDA and surrounding city		0.00	0.00	0.00	2010 survey said 9,134 units built in PDA 2000-2010, and another 5,864 entitled. City and developers have been aggressive in adding housing on optimal sites.
		2	Recent Local Development Activity		0.00	0.00	0.00	2010 survey indicated 10,391 units in the pipeline for this PDA. Substantial developer interest maintained virtually all the time due to high potential values.
		3	General Market Conditions		0.00	0.00	0.00	Very high housing prices, proven market for multifamily and rental as well as for-sale units
		4	Financial Feasibility Constraint		0.10	0.05	0.00	Greatest challenge is in displacement of existing uses, as virtually all development will occur on built sites. High achievable prices assist with this challenge, and eventually should overcome issues regarding existing building's values.
		5	Parcel size and configuration		0.15	0.15	0.15	Tight urban environment has relatively small parcels, constraining development scale and making assembly challenging. Only 32 of 157 pipeline projects in 2010 had over 100 units, which is a typical target for large-scale housing builders. Some "large" sites include RDA sites, Rincon Hill sites, parking lots in Civic Center, AAA headquarters, etc., but most of these are actually under 1 acre in size. Average identified soft site is under 7K SF.
		6	Existence of major investment disincentives		0.05	0.00	0.00	Tenderloin and Mid-Market social issues represent a concern, but these have proven not to be a major deterrent to new development in the larger area.

A-75

Figure 25
PDA Readiness Criteria Worksheet

PDA name: San Francisco Downtown-Geary-Van Ness

Version: **Baseline**

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
E	Infrastructure Capacity, Needs, and Financing	1	Existing infrastructure capacity		0.00	0.05	0.05	PDA is very urban and primarily built-out. City is not aware of major sewer/water issues, but transportation improvements would be required to accommodate substantial new growth. 2010 survey identified \$430M in transportation-related costs, including Van Ness and Geary BRT, Embarcadero and Montgomery BART station improvements, etc. Marginal growth can certainly occur without these major improvements, but substantial additions would likely trigger need.
		2	Is there an existing CIP funded or other infrastructure financing plan in place?		0.00	0.00	0.00	City has transit impact development fee that it is updating in 2013 as Transit Sustainability Program (including traffic calming, bike/ped facilities). Other Citywide fees apply also, and Rincon Hill area has its own impact fee schedule as well.
		3	PDA financing capacity		0.00	0.00	0.00	Prices are high enough to support significant contributions to infrastructure financing. For example, \$430M infrastructure cost represents <8% of 14,000 units at \$400,000 each.

A-76

Figure 26
PDA Readiness Criteria Worksheet

PDA name: San Francisco Downtown-Geary-Van Ness

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
A	PDA Housing Capacity Estimate	1	Estimate of current local land use policy new housing capacity	16,846				Figure based on 2012 soft site survey from City; identified 1,415 underutilized sites summing to 221 acres (average under 7K SF sites) achieving average density of 76 DUs/acre; 2010 survey showed 2035 buildout would be just 10,400 more than 2010 existing units; 2007 Housing Element showed room for 9,545 RHNA units (all incomes) in PDA
		2	Plan Bay Area new housing allocation				27,139	The increment of new housing allocated to the PDA in Plan Bay Area
		3	Capacity surplus or (shortfall)	(10,293)				Difference between estimated housing capacity (2012) and allocation
		4	Estimated increased capacity through likely changes to land use policy, including any initiative-based density restrictions (percentage change to existing capacity)		0%	25%	50%	Plans for PDA include Downtown Plan (1980s), Van Ness Area Plan (1980s), Rincon Hill Plan (2005), Western SOMA (to be adopted 2013), Chinatown, Civic Center, Northeast Waterfront Plan, Central Corridors Plan (to be done in next couple years, with potential upzoning). City has shown history of successful upzoning around Downtown (e.g. Rincon Hill and TCDP). EPS assumes some current soft sites will be redeveloped prior to future upzoning, while other sites will become "soft" when allowable densities are increased. Amendment assumes more aggressive upzoning.
		5	Estimated gross housing capacity at each period		16,846	21,058	25,269	
		6	Sum of Capacity Constraint Coefficients		0.45	0.20	0.15	Major growth requires redevelopment of existing uses on many very small lots. Near-term challenges include lack of environmental clearance for larger projects and social conditions in Tenderloin and Mid-Market areas. Longer-term challenge includes need for major circulation improvements to facilitate growth, though values can support substantial costs.
		7	EPS estimate of housing production given constraints		9,265	16,846	21,479	Pace of development likely to slow over time as most sites are physically challenging and easiest sites will be developed first.
		8	Percentage of PDA 2040 housing allocation accommodated		34.1%	62.1%	79.1%	Market is very strong but physical capacity of sites individually and in aggregate represents a significant constraint on development. Amendment assumes more aggressive upzoning, regional funding for transportation and other infrastructure, and restoration of Redevelopment-type powers to assist with parcel assembly.

A-77

Figure 26
PDA Readiness Criteria Worksheet

PDA name: San Francisco Downtown-Geary-Van Ness

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
B	Planning and Entitlement Criteria	1	Displacement of existing stable residential neighborhoods		0.05	0.05	0.05	All of PDA is very urban, mixed-use, dynamic, and projected capacity reflects underutilized sites only, though some may be in residential use today. San Francisco has a history of requiring special assistance for displaced residents.
		2	Time required and difficulty in obtaining entitlement: institutional capacity and jurisdictional track record		0.10	0.00	0.00	2010 survey said Specific Plan, programmatic EIR, zoning code, General Plan amendments, and urban design guideline are all in place, with no other major documents/processes required. 2010 survey said most vertical projects take 12-18 months to process if CEQA in place, but most major projects outside Western SOMA, Rincon Hill, and TCDP would require 24+ months.
C	Community Support	1	Elected official support for proposed PDA use types and densities during past 3 years		0.00	0.00	0.00	High-density TCDP was approved unanimously at the BOS, which is generally supportive of visions in the existing plans, but these don't add up to PDA projections.
		2	History of neighborhood opposition		0.05	0.00	0.00	By San Francisco standards, Downtown PDA has had relatively little opposition to development. However, San Francisco is regarded as politically challenging by many developers.

A-78

Figure 26
PDA Readiness Criteria Worksheet

PDA name: San Francisco Downtown-Geary-Van Ness

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
D	Market and Investment Attractiveness	1	History of real estate investment in PDA and surrounding city		0.00	0.00	0.00	2010 survey said 9,134 units built in PDA 2000-2010, and another 5,864 entitled. City and developers have been aggressive in adding housing on optimal sites.
		2	Recent Local Development Activity		0.00	0.00	0.00	2010 survey indicated 10,391 units in the pipeline for this PDA. Substantial developer interest maintained virtually all the time due to high potential values.
		3	General Market Conditions		0.00	0.00	0.00	Very high housing prices, proven market for multifamily and rental as well as for-sale units
		4	Financial Feasibility Constraint		0.10	0.05	0.00	Greatest challenge is in displacement of existing uses, as virtually all development will occur on built sites. High achievable prices assist with this challenge, and eventually should overcome issues regarding existing building's values.
		5	Parcel size and configuration		0.10	0.10	0.10	Tight urban environment has relatively small parcels, constraining development scale and making assembly challenging. Only 32 of 157 pipeline projects in 2010 had over 100 units, which is a typical target for large-scale housing builders. Some "large" sites include RDA sites, Rincon Hill sites, parking lots in Civic Center, AAA headquarters, etc., but most of these are actually under 1 acre in size. Average identified soft site is under 7K SF. But, City has a history of successful redevelopment of small parcels, and amendment assumes Redevelopment-type powers can assist with parcel assembly.
		6	Existence of major investment disincentives		0.05	0.00	0.00	Tenderloin and Mid-Market social issues represent a concern, but these have proven not to be a major deterrent to new development in the larger area.

A-79

Figure 26
PDA Readiness Criteria Worksheet

PDA name: San Francisco Downtown-Geary-Van Ness

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
E	Infrastructure Capacity, Needs, and Financing	1	Existing infrastructure capacity		0.00	0.00	0.00	PDA is very urban and primarily built-out. City is not aware of major sewer/water issues, but transportation improvements would be required to accommodate substantial new growth. 2010 survey identified \$430M in transportation-related costs, including Van Ness and Geary BRT, Embarcadero and Montgomery BART station improvements, etc. Marginal growth can certainly occur without these major improvements, but substantial additions would likely trigger need. Amendment assumes regional funding is secured for additional transportation capacity.
		2	Is there an existing CIP funded or other infrastructure financing plan in place?		0.00	0.00	0.00	City has transit impact development fee that it is updating in 2013 as Transit Sustainability Program (including traffic calming, bike/ped facilities). Other Citywide fees apply also, and Rincon Hill area has its own impact fee schedule as well.
		3	PDA financing capacity		0.00	0.00	0.00	Prices are high enough to support significant contributions to infrastructure financing. For example, \$430M infrastructure cost represents <8% of 14,000 units at \$400,000 each.

A-80

**Figure 27: San Francisco Downtown/Van Ness/Geary
Planned Housing Capacity, Production Trendline, and *Plan*
*Bay Area Allocation***

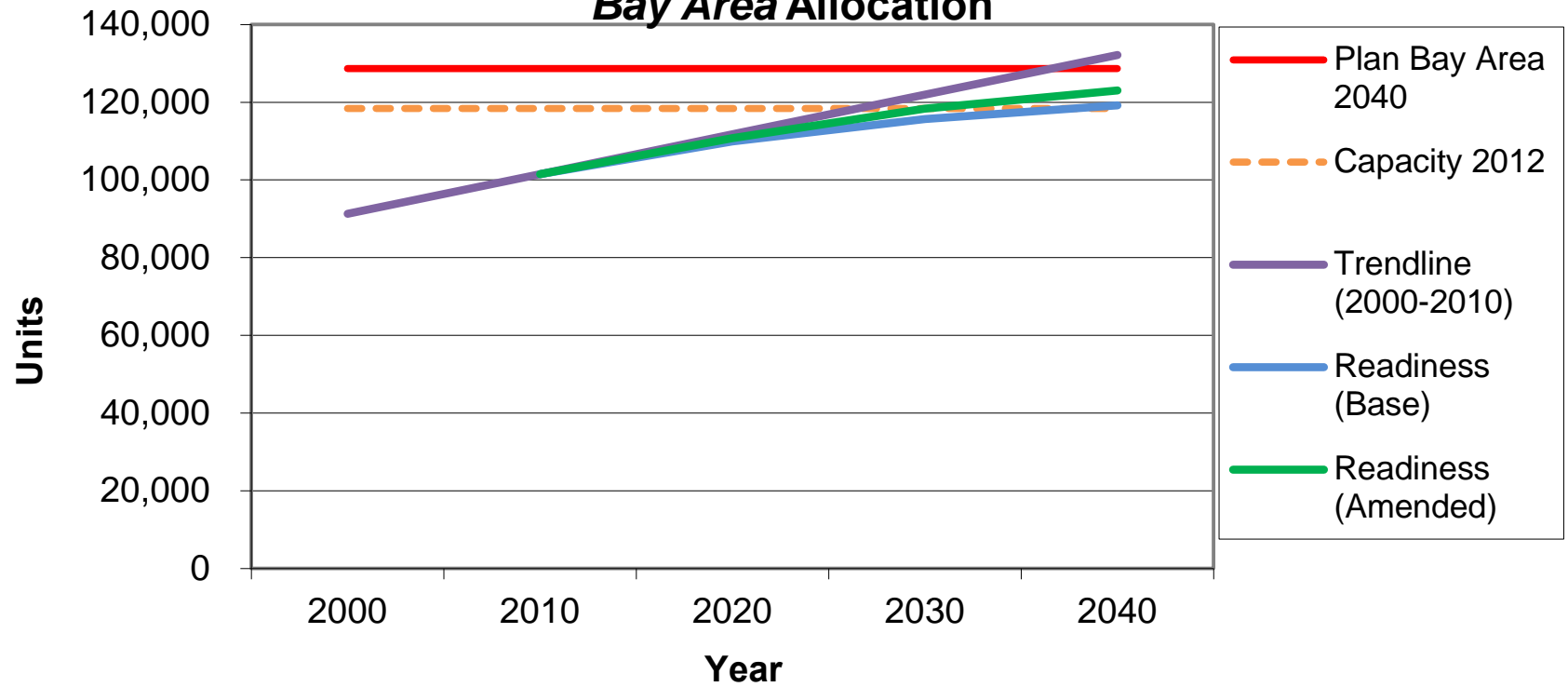


Figure 28
PDA Readiness Criteria Worksheet

PDA name: North San Jose

Version: Baseline

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
A	PDA Housing Capacity Estimate	1	Estimate of current local land use policy new housing capacity	32,000				North San Jose Area Development Policy (2010) "provides for development of up to 32,000 new residential units, including at least 18,650 developed through the conversion of 285 acres of existing industrial lands . . . New residential units would also be allowed through mixed-use development within the Core Area and on land with residential designations at the time this policy was adopted."
		2	Plan Bay Area new housing allocation				32,400	The increment of new housing allocated to the PDA in Plan Bay Area
		3	Capacity surplus or (shortfall)	(400)				Difference between estimated housing capacity (2012) and allocation
		4	Estimated increased capacity through likely changes to land use policy, including any initiative-based density restrictions (percentage change to existing capacity)		0%	0%	0%	Plan is already pushing densities well beyond current development standards, and has aggressive minimum density requirements.
		5	Estimated gross housing capacity at each period		32,000	32,000	32,000	
		6	Sum of Capacity Constraint Coefficients		0.80	0.60	0.40	Only constraint identified is the policy requiring jobs/housing balance by limiting housing growth to four 8,000 unit phases that can't be surpassed until 7 million SF of new "industrial" space is developed in each phase.
		7	EPS estimate of housing production given constraints		6,400	12,800	19,200	
		8	Percentage of PDA 2040 housing allocation accommodated		19.8%	39.5%	59.3%	Physical capacity, market interest, and infrastructure conditions are all strong, but policy linking housing growth to non-residential development is likely to constrain the pace of development.

A-82

Figure 28
PDA Readiness Criteria Worksheet

PDA name: North San Jose

Version: Baseline

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
B	Planning and Entitlement Criteria	1	Displacement of existing stable residential neighborhoods		0.00	0.00	0.00	Does not require removal of SFR neighborhoods, but does assume significant redevelopment of industrial lands. Residential conversion is restricted if it would occur on an existing important 'driving' industrial use or is adjacent to an industrial use that would be adversely affected.
		2	Time required and difficulty in obtaining entitlement: institutional capacity and jurisdictional track record		0.00	0.00	0.00	Policy had a project-level EIR prepared, new projects just do addenda that are not publicly circulated. City says process is ~9 months for planned development zoning, plus another several months for building permits. Maybe 15-18 months on average.
C	Community Support	1	Elected official support for proposed PDA use types and densities during past 3 years		0.00	0.00	0.00	North San Jose plan adopted in 2005, amended several times up to 2012. BMR requirement was added, but no big opposition at all.
		2	History of neighborhood opposition		0.00	0.00	0.00	Neighborhood is now on board, after some initial opposition.

A-83

Figure 28
PDA Readiness Criteria Worksheet

PDA name: North San Jose

Version: Baseline

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
D	Market and Investment Attractiveness	1	History of real estate investment in PDA and surrounding city		0.80	0.60	0.40	Extensive development of MFR in recent years: City says over 90% of new units in last 10 years. Minimum standards are 55 DU/acre for 200 acres, 90 DU/acre for 85 acres; projects so far have been averaging 75 DU/acre. MAJOR CONSTRAINT: Policy restricts Phase 1 growth to 8K DU's until 7M SF of industrial is developed, then same for Phases 2-4. City records show only 1.2M SF of non-residential building permits issues 1999-2012.
		2	Recent Local Development Activity		0.00	0.00	0.00	As of March, pipeline had 8,400 units with zoning approval, of which 7,394 housing units recently opened or with permits right now, though BMR units are lagging behind. Phase 1 housing is almost fully entitled, but can't proceed beyond that until phase 1 industrial is complete. City estimates 2M SF of industrial development in the pipeline right now, but well behind the housing demand for now.
		3	General Market Conditions		0.00	0.00	0.00	Strong residential market as evident in development activity. Accessible area in major employment center, with many good-paying jobs locally and in greater area.
		4	Financial Feasibility Constraint		0.00	0.00	0.00	Market activity indicates that housing is feasible on numerous sites that are underutilized. Eventual challenge to redevelop more productive uses.
		5	Parcel size and configuration		0.00	0.00	0.00	Generally large and well-configured for efficient development, but Rincon South area has some smaller parcels for smaller projects.
		6	Existence of major investment disincentives		0.00	0.00	0.00	None.

A-84

Figure 28
PDA Readiness Criteria Worksheet

PDA name: North San Jose

Version: **Baseline**

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
E	Infrastructure Capacity, Needs, and Financing	1	Existing infrastructure capacity		0.00	0.00	0.00	Policy calls for new schools, fire station, police station, parks, plus \$519M of traffic improvements, of which \$460M was to be funded through Traffic Impact Fee and \$30M through RDA.
		2	Is there an existing CIP funded or other infrastructure financing plan in place?		0.00	0.00	0.00	Traffic Impact Fee initially set at \$10.44/industrial SF, \$6,994/SFR and \$5,596/MFR; parks fee is ~\$25K/unit; police and fire facilities are General Fund. Another \$20K fee for Santa Clara school district was proposed but defeated as a ballot measure in the last few years.
		3	PDA financing capacity		0.00	0.00	0.00	\$6K/unit traffic fee and \$25K/unit park impact fees have not been a hurdle, as evinced by pipeline activity.

A-85

Figure 29
PDA Readiness Criteria Worksheet

PDA name: North San Jose

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
A	PDA Housing Capacity Estimate	1	Estimate of current local land use policy new housing capacity	32,000				North San Jose Area Development Policy (2010) "provides for development of up to 32,000 new residential units, including at least 18,650 developed through the conversion of 285 acres of existing industrial lands . . . New residential units would also be allowed through mixed-use development within the Core Area and on land with residential designations at the time this policy was adopted."
		2	Plan Bay Area new housing allocation				32,400	The increment of new housing allocated to the PDA in Plan Bay Area
		3	Capacity surplus or (shortfall)	(400)				Difference between estimated housing capacity (2012) and allocation
		4	Estimated increased capacity through likely changes to land use policy, including any initiative-based density restrictions (percentage change to existing capacity)		0%	0%	0%	Plan is already pushing densities well beyond current development standards, and has aggressive minimum density requirements.
		5	Estimated gross housing capacity at each period		32,000	32,000	32,000	
		6	Sum of Capacity Constraint Coefficients		0.80	0.50	0.20	Only constraint identified is the policy requiring jobs/housing balance by limiting housing growth to four 8,000 unit phases that can't be surpassed until 7 million SF of new "industrial" space is developed in each phase. EPS amendment assumes this policy is modified (but not eliminated) to allow more housing to occur in each phase.
		7	EPS estimate of housing production given constraints		6,400	16,000	25,600	
		8	Percentage of PDA 2040 housing allocation accommodated		19.8%	49.4%	79.0%	Physical capacity, market interest, and infrastructure conditions are all strong, but policy linking housing growth to non-residential development is likely to constrain the pace of development. Relaxation of this policy under amended scenario is assumed to yield greater housing production.

A-86

Figure 29
PDA Readiness Criteria Worksheet

PDA name: North San Jose

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
B	Planning and Entitlement Criteria	1	Displacement of existing stable residential neighborhoods		0.00	0.00	0.00	Does not require removal of SFR neighborhoods, but does assume significant redevelopment of industrial lands. Residential conversion is restricted if it would occur on an existing important 'driving' industrial use or is adjacent to an industrial use that would be adversely affected.
		2	Time required and difficulty in obtaining entitlement: institutional capacity and jurisdictional track record		0.00	0.00	0.00	Policy had a project-level EIR prepared, new projects just do addenda that are not publicly circulated. City says process is ~9 months for planned development zoning, plus another several months for building permits. Maybe 15-18 months on average.
C	Community Support	1	Elected official support for proposed PDA use types and densities during past 3 years		0.00	0.00	0.00	North San Jose plan adopted in 2005, amended several times up to 2012. BMR requirement was added, but no big opposition at all.
		2	History of neighborhood opposition		0.00	0.00	0.00	Neighborhood is now on board, after some initial opposition.

A-87

Figure 29
PDA Readiness Criteria Worksheet

PDA name: North San Jose

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
D	Market and Investment Attractiveness	1	History of real estate investment in PDA and surrounding city		0.80	0.50	0.20	Extensive development of MFR in recent years: City says over 90% of new units in last 10 years. Minimum standards are 55 DU/acre for 200 acres, 90 DU/acre for 85 acres; projects so far have been averaging 75 DU/acre. MAJOR CONSTRAINT: Policy restricts phase 1 growth to 8K DU's until 7M SF of industrial is developed, then same for phases 2-4. City records show only 1.2M SF of non-residential building permits issues 1999-2012. EPS amendment assumes this policy is modified (but not eliminated) to allow more housing to occur in each phase.
		2	Recent Local Development Activity		0.00	0.00	0.00	As of March, pipeline had 8,400 units with zoning approval, of which 7,394 housing units recently opened or with permits right now, though BMR units are lagging behind. Phase 1 housing is almost fully entitled, but can't proceed beyond that until phase 1 industrial is complete. City estimates 2M SF of industrial development in the pipeline right now, but well behind the housing demand for now.
		3	General Market Conditions		0.00	0.00	0.00	Strong residential market as evident in development activity. Accessible area in major employment center, with many good-paying jobs locally and in greater area.
		4	Financial Feasibility Constraint		0.00	0.00	0.00	Market activity indicates that housing is feasible on numerous sites that are underutilized. Eventual challenge to redevelop more productive uses.
		5	Parcel size and configuration		0.00	0.00	0.00	Generally large and well-configured for efficient development, but Rincon South area has some smaller parcels for smaller projects.
		6	Existence of major investment disincentives		0.00	0.00	0.00	None.

A-88

Figure 29
PDA Readiness Criteria Worksheet

PDA name: North San Jose

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
E	Infrastructure Capacity, Needs, and Financing	1	Existing infrastructure capacity		0.00	0.00	0.00	Policy calls for new schools, fire station, police station, parks, plus \$519M of traffic improvements, of which \$460M was to be funded through Traffic Impact Fee and \$30M through RDA.
		2	Is there an existing CIP funded or other infrastructure financing plan in place?		0.00	0.00	0.00	Traffic Impact Fee initially set at \$10.44/industrial SF, \$6,994/SFR and \$5,596/MFR; parks fee is ~\$25K/unit; police and fire facilities are General Fund. Another \$20K fee for Santa Clara school district was proposed but defeated as a ballot measure in the last few years.
		3	PDA financing capacity		0.00	0.00	0.00	\$6K/unit traffic fee and \$25K/unit park impact fees have not been a hurdle, as evinced by pipeline activity.

A-89

**Figure 30: North San Jose
Planned Housing Capacity, Production Trendline, and *Plan*
*Bay Area Allocation***

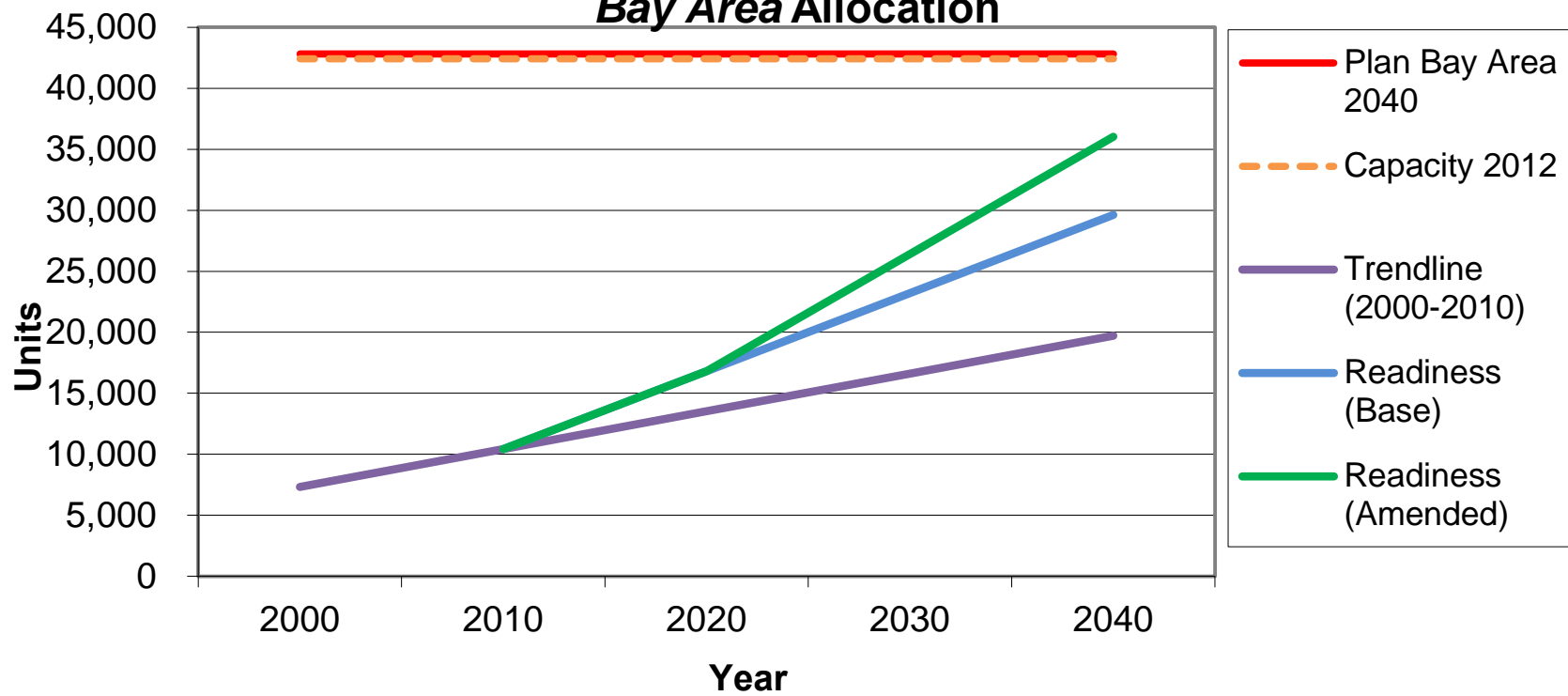


Figure 31
PDA Readiness Criteria Worksheet

PDA name: Antioch Hillcrest Station Area

Version: Baseline

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
A	PDA Housing Capacity Estimate	1	Estimate of current local land use policy new housing capacity	2,500				Hillcrest Station Area Specific Plan (adopted 2009) has planned capacity for 2,500 housing units and 5,600 jobs, including 1.2M SF office and 1.0M SF retail.
		2	Plan Bay Area new housing allocation				2,287	The increment of new housing allocated to the PDA in Plan Bay Area
		3	Capacity surplus or (shortfall)	213				Difference between estimated housing capacity (2012) and allocation
		4	Estimated increased capacity through likely changes to land use policy, including any initiative-based density restrictions (percentage change to existing capacity)		0%	0%	0%	PDA is already planned to support Plan Bay Area density, and no known market or political pressure to increase this density
		5	Estimated gross housing capacity at each period		2,500	2,500	2,500	
		6	Sum of Capacity Constraint Coefficients		0.80	0.65	0.50	Major issues with market demand and financial feasibility of higher density housing, and cost/phasing of infrastructure.
		7	EPS estimate of housing production given constraints		500	875	1,250	Consistent with long-term market absorption of multifamily units in Antioch (~850 from 1990-2010).
		8	Percentage of PDA 2040 housing allocation accommodated		21.9%	38.3%	54.7%	Market forces are a primary challenge, and exacerbate the difficulty of providing virtually all new infrastructure to this area.

A-91

Figure 31
PDA Readiness Criteria Worksheet

PDA name: Antioch Hillcrest Station Area

Version: Baseline

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
B	Planning and Entitlement Criteria	1	Displacement of existing stable residential neighborhoods		0.00	0.00	0.00	None required.
		2	Time required and difficulty in obtaining entitlement: institutional capacity and jurisdictional track record		0.00	0.00	0.00	PDA-supportive Specific Plan and EIR is already in place and adopted (2009). City reports that a project-level EIR typically takes less than one year, and that total processing time for most vertical construction projects is 6-12 months. In general, City has been relatively expeditious in processing development, but currently projects may take longer than normal due to staffing levels.
C	Community Support	1	Elected official support for proposed PDA use types and densities during past 3 years		0.00	0.00	0.00	Hillcrest Station Area Specific Plan (adopted 2009) has planned capacity for higher-density development of 2,500 housing units and 5,600 jobs, which is adequate to accommodate PDA growth projections through 2040. City has a Growth Management Plan, but the Hillcrest area is exempt.
		2	History of neighborhood opposition		0.00	0.00	0.00	City reports that stakeholders ranging from unions to neighborhood groups to regional planning advocates have been supportive of the Specific Plan. Community wants higher density in this PDA rather than other greenfield areas.

A-92

Figure 31
PDA Readiness Criteria Worksheet

PDA name: Antioch Hillcrest Station Area

Version: Baseline

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
D	Market and Investment Attractiveness	1	History of real estate investment in PDA and surrounding city		0.10	0.10	0.05	PDA remains mostly undeveloped, but City has had significant residential growth in recent decades, growing by 52 percent from 1990 to 2010 (Department of Finance). Very little of the growth in recent decades has been in higher-density product types, with only 858 multifamily units built in the city from 1990-2010, <8% of all new units (RAND). Employment growth has not kept pace, and Antioch has a significant jobs/housing imbalance with well below 1 job per household, and a lower proportion in 2010 than in 1990.
		2	Recent Local Development Activity		0.00	0.00	0.00	Citywide pipeline activity as of August 2012 included 17 residential projects comprising 4,053 housing units (95% single family) and 8 non-residential projects comprising 558,000 SF of commercial space (mostly medical and retail). These figures exceed the amount of development that occurred between 2000 and 2010 in Antioch. City has fully entitled ~1,000 of these pipeline units, while others may or may not move forward. None of this activity is planned in the PDA, suggesting that absorption may occur elsewhere before being attracted to the PDA.
		3	General Market Conditions		0.15	0.10	0.10	Antioch's median household incomes have decreased 5% since 1990 in real terms, and large households (5+ people) have grown much faster than average, reflecting the City's appeal to suburban family market rather than households seeking higher density housing types (the market anticipated in the Specific Plan). Antioch single family home prices were down 64% in 2011 vs. 2006 peak, and condo/townhome prices down 82% from 2007 peak. The introduction of eBART around 2015 will make the PDA more attractive and regionally accessible.
		4	Financial Feasibility Constraint		0.15	0.10	0.05	Land cost basis is low due to undeveloped status. Still, higher-density product types as planned for PDA and Specific Plan face significant feasibility challenges and yield negative residual land value under current market conditions. Grossly inadequate existing infrastructure compounds this problem, by requiring significant upfront investment subject to enetual reimbursement.
		5	Parcel size and configuration		0.00	0.00	0.00	PDA is mostly undeveloped and has been planned for subdivision into sites of adequate size and configuration to enable development.
		6	Existence of major investment disincentives		0.05	0.05	0.05	A currently fairly inactive freight rail line on the edge of the development area, crime rate is worse than surrounding area (exacerbated by reduction in forces), and schools are considered to be underperforming vs. adjacent communities.

A-93

Figure 31
PDA Readiness Criteria Worksheet

PDA name: Antioch Hillcrest Station Area

Version: Baseline

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
E	Infrastructure Capacity, Needs, and Financing	1	Existing infrastructure capacity		0.10	0.10	0.10	PDA is virtually undeveloped, and requires an estimated \$116 million of infrastructure investment to accommodate planned growth, virtually all of which is for vehicular circulation (\$108 million). Even a modest first phase of development requires \$35 million of infrastructure costs.
		2	Is there an existing CIP funded or other infrastructure financing plan in place?		0.05	0.00	0.00	The Hillcrest Station Area Specific Plan included an infrastructure financing plan (dated 2010), but it identified major challenges to feasibility and indicated that the area development is not likely to be feasible unless Redevelopment contributes \$25 million in tax increment financing. This is not currently possible. Also, the financing plan identified a need for a very aggressive total tax burden under a Community Facilities District, which has not yet been established and is not currently being prepared.
		3	PDA financing capacity		0.20	0.20	0.15	The Hillcrest Station Area Specific Plan assumed developments would yield \$62 million in impact fees plus an additional \$81 million of infrastructure investment that would be funded by developers through CFDs and/or equity. These sums create a major feasibility hurdle for the overall project, summing to nearly \$60,000 of obligation per housing unit, while current median home prices in Antioch have been well under \$300,000 since 2008. The financial hardship for the Hillcrest Specific Plan is particularly great in early years due to mismatch of phased costs vs. value creation. A scenario that included Redevelopment funding \$25 million through tax increment financing was significantly more feasible, but is not currently an option.

A-94

Figure 32
PDA Readiness Criteria Worksheet

PDA name: Antioch Hillcrest Station Area

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
A	PDA Housing Capacity Estimate	1	Estimate of current local land use policy new housing capacity	2,500				Hillcrest Station Area Specific Plan (adopted 2009) has planned capacity for 2,500 housing units and 5,600 jobs, including 1.2M SF office and 1.0M SF retail.
		2	Plan Bay Area new housing allocation				2,287	The increment of new housing allocated to the PDA in Plan Bay Area
		3	Capacity surplus or (shortfall)	213				Difference between estimated housing capacity (2012) and allocation
		4	Estimated increased capacity through likely changes to land use policy, including any initiative-based density restrictions (percentage change to existing capacity)		0%	0%	0%	PDA is already planned to support Plan Bay Area density, and no known market or political pressure to increase this density
		5	Estimated gross housing capacity at each period		2,500	2,500	2,500	
		6	Sum of Capacity Constraint Coefficients		0.75	0.55	0.40	Major issues with market demand and financial feasibility of higher density housing, and cost/phasing of infrastructure. Amendment assumes Redevelopment-type powers are re-established to assist with financing infrastructure and housing.
		7	EPS estimate of housing production given constraints		625	1,125	1,500	Generally consistent with long-term market absorption of multifamily units in Antioch (~850 from 1990-2010).
		8	Percentage of PDA 2040 housing allocation accommodated		27.3%	49.2%	65.6%	Market forces are a primary challenge, and exacerbate the difficulty of providing virtually all new infrastructure to this area. Absorption is improved somewhat under Amended Scenario's assumption that tax-increment financing can assist with infrastructure funding challenges.

A-95

Figure 32
PDA Readiness Criteria Worksheet

PDA name: Antioch Hillcrest Station Area

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
B	Planning and Entitlement Criteria	1	Displacement of existing stable residential neighborhoods		0.00	0.00	0.00	None required.
		2	Time required and difficulty in obtaining entitlement: institutional capacity and jurisdictional track record		0.00	0.00	0.00	PDA-supportive Specific Plan and EIR is already in place and adopted (2009). City reports that a project-level EIR typically takes less than one year, and that total processing time for most vertical construction projects is 6-12 months. In general, City has been relatively expeditious in processing development, but currently projects may take longer than normal due to staffing levels.
C	Community Support	1	Elected official support for proposed PDA use types and densities during past 3 years		0.00	0.00	0.00	Hillcrest Station Area Specific Plan (adopted 2009) has planned capacity for higher-density development of 2,500 housing units and 5,600 jobs, which is adequate to accommodate PDA growth projections through 2040. City has a Growth Management Plan, but the Hillcrest area is exempt.
		2	History of neighborhood opposition		0.00	0.00	0.00	City reports that stakeholders ranging from unions to neighborhood groups to regional planning advocates have been supportive of the Specific Plan. Community wants higher density in this PDA rather than other greenfield areas.

96-A

Figure 32
PDA Readiness Criteria Worksheet

PDA name: Antioch Hillcrest Station Area

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
D	Market and Investment Attractiveness	1	History of real estate investment in PDA and surrounding city		0.10	0.10	0.05	PDA remains mostly undeveloped, but City has had significant residential growth in recent decades, growing by 52 percent from 1990 to 2010 (Department of Finance). Very little of the growth in recent decades has been in higher-density product types, with only 858 multifamily units built in the city from 1990-2010, <8% of all new units (RAND). Employment growth has not kept pace, and Antioch has a significant jobs/housing imbalance with well below 1 job per household, and a lower proportion in 2010 than in 1990.
		2	Recent Local Development Activity		0.00	0.00	0.00	Citywide pipeline activity as of August 2012 included 17 residential projects comprising 4,053 housing units (95% single family) and 8 non-residential projects comprising 558,000 SF of commercial space (mostly medical and retail). These figures exceed the amount of development that occurred between 2000 and 2010 in Antioch. City has fully entitled ~1,000 of these pipeline units, while others may or may not move forward. None of this activity is planned in the PDA, suggesting that absorption may occur elsewhere before being attracted to the PDA.
		3	General Market Conditions		0.15	0.10	0.10	Antioch's median household incomes have decreased 5% since 1990 in real terms, and large households (5+ people) have grown much faster than average, reflecting the City's appeal to suburban family market rather than households seeking higher density housing types (the market anticipated in the Specific Plan). Antioch single family home prices were down 64% in 2011 vs. 2006 peak, and condo/townhome prices down 82% from 2007 peak. The introduction of eBART around 2015 will make the PDA more attractive and regionally accessible.
		4	Financial Feasibility Constraint		0.15	0.10	0.05	Land cost basis is low due to undeveloped status. Still, higher-density product types as planned for PDA and Specific Plan face significant feasibility challenges and yield negative residual land value under current market conditions. Grossly inadequate existing infrastructure compounds this problem, by requiring significant upfront investment subject to enetual reimbursement.
		5	Parcel size and configuration		0.00	0.00	0.00	PDA is mostly undeveloped and has been planned for subdivision into sites of adequate size and configuration to enable development.
		6	Existence of major investment disincentives		0.05	0.05	0.05	A currently fairly inactive freight rail line on the edge of the development area, crime rate is worse than surrounding area (exacerbated by reduction in forces), and schools are considered to be underperforming vs. adjacent communities.

A-97

Figure 32
PDA Readiness Criteria Worksheet

PDA name: Antioch Hillcrest Station Area

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
E	Infrastructure Capacity, Needs, and Financing	1	Existing infrastructure capacity		0.10	0.10	0.10	PDA is virtually undeveloped, and requires an estimated \$116 million of infrastructure investment to accommodate planned growth, virtually all of which is for vehicular circulation (\$108 million). Even a modest first phase of development requires \$35 million of infrastructure costs.
		2	Is there an existing CIP funded or other infrastructure financing plan in place?		0.05	0.00	0.00	The Hillcrest Station Area Specific Plan included an infrastructure financing plan (dated 2010), but it identified major challenges to feasibility and indicated that the area development is not likely to be feasible unless Redevelopment contributes \$25 million in tax increment financing. This is not currently possible. Also, the financing plan identified a need for a very aggressive total tax burden under a Community Facilities District, which has not yet been established and is not currently being prepared.
		3	PDA financing capacity		0.15	0.10	0.05	The Hillcrest Station Area Specific Plan assumed developments would yield \$62 million in impact fees plus an additional \$81 million of infrastructure investment that would be funded by developers through CFDs and/or equity. These sums create a major feasibility hurdle for the overall project, summing to nearly \$60,000 of obligation per housing unit, while current median home prices in Antioch have been well under \$300,000 since 2008. The financial hardship for the Hillcrest Specific Plan is particularly great in early years due to mismatch of phased costs vs. value creation. A scenario that included Redevelopment funding \$25 million through tax increment financing was significantly more feasible, but is not currently an option. Amendment assumes a financing mechanisms like tax increment financing is made available, but that feasibility remains challenging.

86-A-98

**Figure 33: Antioch Hillcrest Station Area
Planned Housing Capacity, Production Trendline, and *Plan*
*Bay Area Allocation***

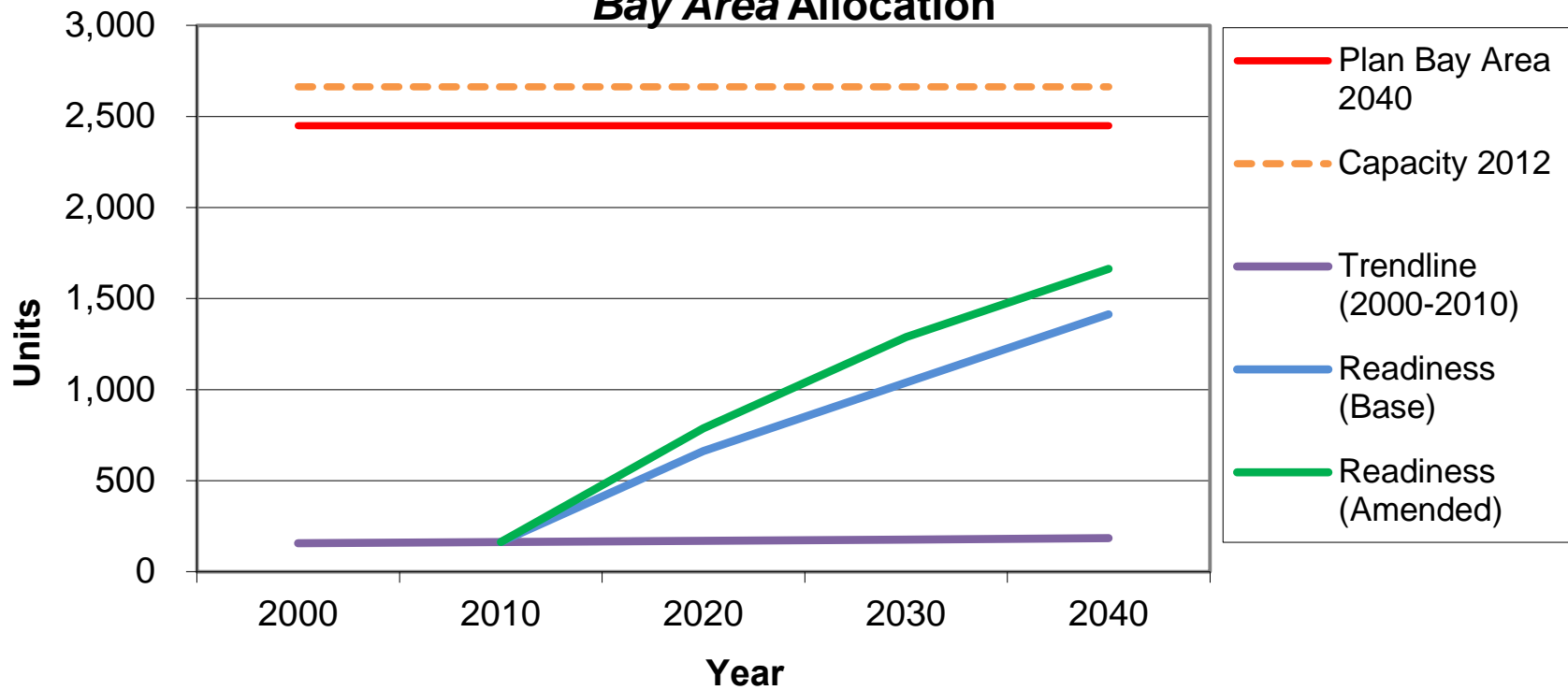


Figure 34
PDA Readiness Criteria Worksheet

PDA name: Milpitas TASP PDA

Version: Baseline

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
A	PDA Housing Capacity Estimate	1	Estimate of current local land use policy new housing capacity	6,136				See "Capacity Assessment for Selected Priority Development Areas"
		2	<i>Plan Bay Area</i> new housing allocation				7,080	The increment of new housing allocated to the PDA in <i>Plan Bay Area</i>
		3	Capacity surplus or (shortfall)	(944)				Difference between estimated housing capacity (2012) and allocation
		4	Estimated increased capacity through likely changes to land use policy, including any initiative-based density restrictions (percentage change to existing capacity)		0%	0%	0%	Current policy may not adequately incentivize redevelopment of a sufficient number of existing commercial uses
		5	Estimated gross housing capacity at each period		6,136	6,136	6,136	
		6	Sum of Capacity Constraint Coefficients		0.60	0.40	0.10	
		7	EPS estimate of housing production given constraints		2,454	3,682	5,522	
		8	Percentage of PDA 2040 housing allocation accommodated		34.7%	52.0%	78.0%	
			Summary	The TASP Area is poised to transform into a vital transit-oriented neighborhood given the new BART Station and the recently adopted Specific Plan. Phase 1 development, roughly half of development capacity, should be developed in next 5 to 10 years. Phase 2 development, largely occurring on existing developed properties, will take longer to evolve. Lack of redevelopment powers and funding will impede this Phase 2 development.				

A-100

Figure 34
PDA Readiness Criteria Worksheet

PDA name: Milpitas TASP PDA

Version: Baseline

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
B	Planning and Entitlement Criteria	1	Displacement of existing stable residential neighborhoods		0.00	0.00	0.00	None of the existing residential units are presumed to be redeveloped nor need to be redeveloped to achieve allocation
		2	Time required and difficulty in obtaining entitlement: institutional capacity and jurisdictional track record		0.00	0.00	0.00	City has good track record regarding expeditions entitlements processing
C	Community Support	1	Elected official support for proposed PDA use types and densities during past 3 years		0.00	0.00	0.00	City has been supportive of the Plan Bay Area process and specifically the <i>Plan Bay Area</i> allocation, as well as the zoning and financing plans for the TASP
		2	History of neighborhood opposition		0.00	0.00	0.00	There has been not neighborhood opposition to pending development proposals or the <i>Plan Bay Area</i> allocations

A-101

Figure 34
PDA Readiness Criteria Worksheet

PDA name: Milpitas TASP PDA

Version: Baseline

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
D	Market and Investment Attractiveness	1	History of real estate investment in PDA and surrounding city		0.30	0.20	0.00	While multifamily housing starts in Milpitas have been limited the TASP is located in an area that shows strong future potential for multifamily uses
		2	Recent Local Development Activity		0.00	0.00	0.00	Approximately 50 percent of the <i>Plan Bay Area</i> allocation is met with pending project applications in the TASP
		3	General Market Conditions		0.00	0.00	0.00	The Santa Clara County market area that Milpitas is a part has strong market conditions for multifamily housing driven by improving labor market conditions and the general attractiveness of the area; these conditions are expected to continue in future decades
		4	Financial Feasibility Constraint		0.00	0.00	0.00	Market prices appear strong enough to make multifamily housing projects feasible though current credit market conditions may impede certain projects in the short term
		5	Parcel size and configuration		0.10	0.10	0.00	Parcels included as opportunity sites in the CD&A capacity analysis are typically larger parcels currently in underutilized commercial or industrial uses that will be supplanted over time by residential and mixed use projects
		6	Existence of major investment disincentives		0.00	0.00	0.00	There are no significant investment disincentives in the TASP PDA

A-102

Figure 34
PDA Readiness Criteria Worksheet

PDA name: Milpitas TASP PDA

Version: Baseline

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
E	Infrastructure Capacity, Needs, and Financing	1	Existing infrastructure capacity		0.20	0.00	0.00	There is presently inadequate infrastructure to provide for the full <i>Plan Bay Area</i> Allocation. This deficiency will be resolved over time as incremental infrastructure improvements are made as referenced in the TASP Financing Plan.
		2	Is there an existing CIP funded or other infrastructure financing plan in place?		0.00	0.00	0.00	The TASP included a Financing Plan that the City has followed in creating an Area Development Impact Fee, a Community Facilities District, and imposing conditions on pending development applications
		3	PDA financing capacity		0.00	0.10	0.10	Financing capacity was measured as part of the TASP Financing Plan and multifamily projects were shown to meet basic feasibility criteria. Future (TASP phase 2) projects may be impeded by high cost of assembling land and displacing existing commercial uses

A-103

Figure 35
PDA Readiness Criteria Worksheet

PDA name: Milpitas TASP PDA

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
A	PDA Housing Capacity Estimate	1	Estimate of current local land use policy new housing capacity	6,136				See "Capacity Assessment for Selected Priority Development Areas"
		2	<i>Plan Bay Area</i> new housing allocation				7,080	The increment of new housing allocated to the PDA in <i>Plan Bay Area</i>
		3	Capacity surplus or (shortfall)	(944)				Difference between estimated housing capacity (2012) and allocation
		4	Estimated increased capacity through likely changes to land use policy, including any initiative-based density restrictions (percentage change to existing capacity)		0%	0%	0%	Current policy may not adequately incentivize redevelopment of a sufficient number of existing commercial uses
		5	Estimated gross housing capacity at each period		6,136	6,136	6,136	
		6	Sum of Capacity Constraint Coefficients		0.40	0.20	0.00	
		7	EPS estimate of housing production given constraints		3,682	4,909	6,136	
		8	Percentage of PDA 2040 housing allocation accommodated		52.0%	69.3%	86.7%	
			Summary	The TASP Area is poised to transform into a vital transit-oriented neighborhood given the new BART Station and the recently adopted Specific Plan. Phase 1 development, roughly half of development capacity, should be developed in next 5 to 10 years. Phase 2 development, largely occurring on existing developed properties, will take longer to evolve. The amended sceario assumes that redevelopment powers and funding will be re-instated to assist with this Phase 2 development.				

A-104

Figure 35
PDA Readiness Criteria Worksheet

PDA name: Milpitas TASP PDA

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
B	Planning and Entitlement Criteria	1	Displacement of existing stable residential neighborhoods		0.00	0.00	0.00	None of the existing residential units are presumed to be redeveloped nor need to be redeveloped to achieve allocation
		2	Time required and difficulty in obtaining entitlement: institutional capacity and jurisdictional track record		0.00	0.00	0.00	City has good track record regarding expeditions entitlements processing
C	Community Support	1	Elected official support for proposed PDA use types and densities during past 3 years		0.00	0.00	0.00	City has been supportive of the Plan Bay Area process and specifically the <i>Plan Bay Area</i> allocation, as well as the zoning and financing plans for the TASP
		2	History of neighborhood opposition		0.00	0.00	0.00	There has been not neighborhood opposition to pending development proposals or the <i>Plan Bay Area</i> allocations

A-105

Figure 35
PDA Readiness Criteria Worksheet

PDA name: Milpitas TASP PDA

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
D	Market and Investment Attractiveness	1	History of real estate investment in PDA and surrounding city		0.30	0.20	0.00	While multifamily housing starts in Milpitas have been limited the TASP is located in an area that shows strong future potential for multifamily uses
		2	Recent Local Development Activity		0.00	0.00	0.00	Approximately 50 percent of the <i>Plan Bay Area</i> allocation is met with pending project applications in the TASP
		3	General Market Conditions		0.00	0.00	0.00	The Santa Clara County market area that Milpitas is a part has strong market conditions for multifamily housing driven by improving labor market conditions and the general attractiveness of the area; these conditions are expected to continue in future decades
		4	Financial Feasibility Constraint		0.00	0.00	0.00	Market prices appear strong enough to make multifamily housing projects feasible though current credit market conditions may impede certain projects in the short term
		5	Parcel size and configuration		0.00	0.00	0.00	Parcels included as opportunity sites in the CD&A capacity analysis are typically larger parcels currently in underutilized commercial or industrial uses that will be supplanted over time by residential and mixed use projects
		6	Existence of major investment disincentives		0.00	0.00	0.00	There are no significant investment disincentives in the TASP PDA

A-106

Figure 35
PDA Readiness Criteria Worksheet

PDA name: Milpitas TASP PDA

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
E	Infrastructure Capacity, Needs, and Financing	1	Existing infrastructure capacity		0.10	0.00	0.00	There is presently inadequate infrastructure to provide for the full <i>Plan Bay Area</i> Allocation. This deficiency will be resolved over time as incremental infrastructure improvements are made as referenced in the TASP Financing Plan. Additional funding from regional, state or federal sources would improve project feasibility and promote pace and perhaps total amount of development in the TASP PDA
		2	Is there an existing CIP funded or other infrastructure financing plan in place?		0.00	0.00	0.00	The TASP included a Financing Plan that the City has followed in creating an Area Development Impact Fee, a Community Facilities District, and imposing conditions on pending development applications Additional funding from regional, state or federal sources would improve project feasibility and promote pace and perhaps total amount of development in the TASP PDA
		3	PDA financing capacity		0.00	0.00	0.00	Financing capacity was measured as part of the TASP Financing Plan and multifamily projects were shown to meet basic feasibility criteria. Future (TASP phase 2) projects may be impeded by high cost of assembling land and displacing existing commercial uses. Renewed redevelopment powers will be needed to overcome this constraint along with the willingness of the City to pursue reuse and parcel assembly

A-107

**Figure 36: Milpitas TASP
Planned Housing Capacity, Production Trendline, and *Plan*
Bay Area Allocation**

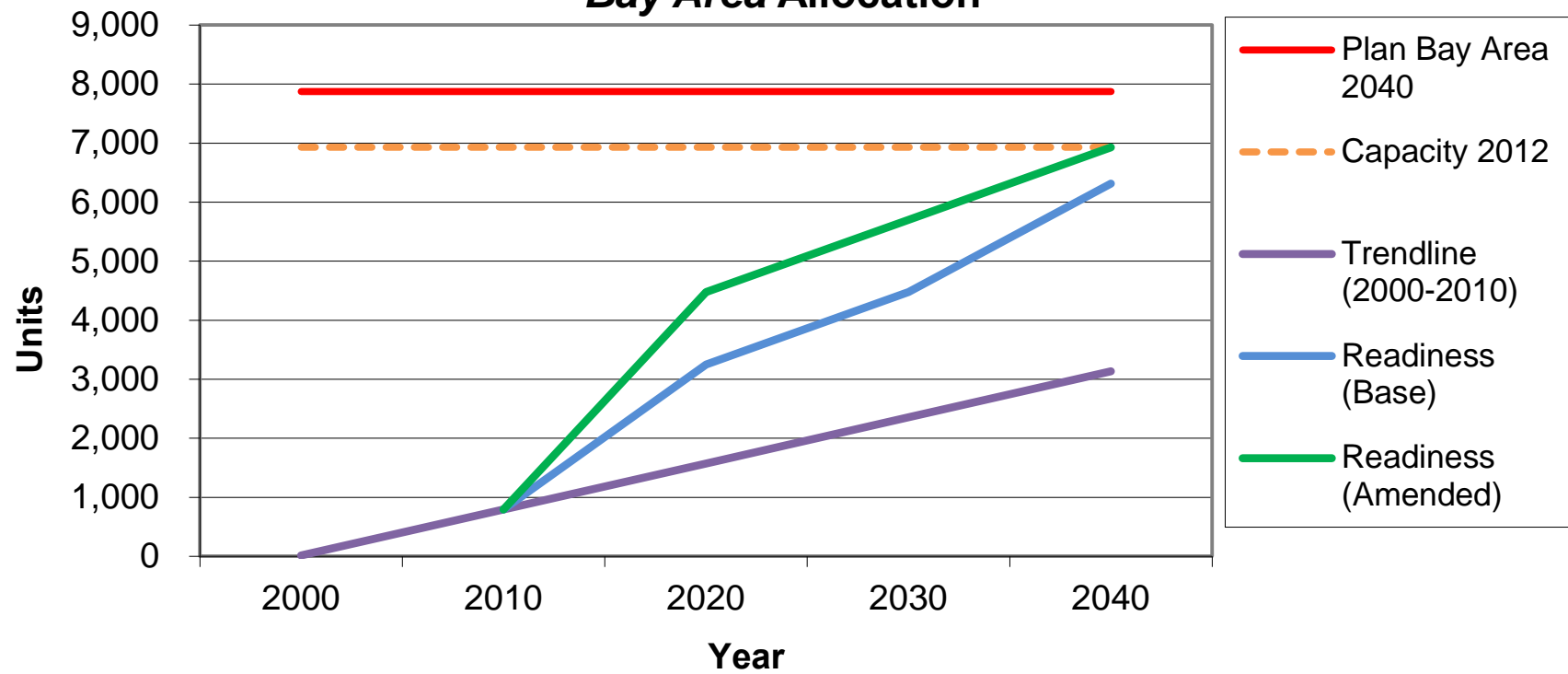


Figure 37
PDA Readiness Criteria Worksheet

PDA name: Walnut Creek West Downtown

Version: Baseline

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
A	PDA Housing Capacity Estimate	1	Estimate of current local land use policy new housing capacity	1,814				Capacity created by existing zoning in Downtown area. Substantial nearby capacity also exists in adjoining areas of Walnut Creek
		2	Plan Bay Area new housing allocation			3,010	The increment of new housing allocated to the PDA in Plan Bay Area	
		3	Capacity surplus or (shortfall)	(1,196)			Difference between estimated housing capacity (2012) and allocation	
		4	Estimated increased capacity through likely changes to land use policy, including any initiative-based density restrictions (percentage change to existing capacity)			0%	0%	
		5	Estimated gross housing capacity at each period		1,814	1,814	1,814	
		6	Sum of Capacity Constraint Coefficients		0.60	0.40	0.20	
		7	EPS estimate of housing production given constraints		726	1,088	1,451	
		8	Percentage of PDA 2040 housing allocation accommodated		24.1%	36.2%	48.2%	
			Summary	Walnut Creek Downtown has undergone substantial redevelopment in past 30 years largely displacing lower density uses. Current zoning creates substantial capacity for multifamily housing but below the Plan Bay Area allocation. Infrastructure and related financing largely in place. Capacity is derived nearly entirely from redevelopment of remaining underutilized properties. Constraints are related to financial feasibility and needs to fund local infrastructure (major roadway improvements to Ignacio Valley Road and I-680/Olympic ramps.				

A-109

Figure 37
PDA Readiness Criteria Worksheet

PDA name: Walnut Creek West Downtown

Version: Baseline

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
B	Planning and Entitlement Criteria	1	Displacement of existing stable residential neighborhoods		0.00	0.00	0.00	
		2	Time required and difficulty in obtaining entitlement: institutional capacity and jurisdictional track record		0.00	0.00	0.00	
C	Community Support	1	Elected official support for proposed PDA use types and densities during past 3 years		0.00	0.00	0.00	
		2	History of neighborhood opposition		0.00	0.00	0.00	

A-110

Figure 37
PDA Readiness Criteria Worksheet

PDA name: Walnut Creek West Downtown

Version: Baseline

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
D	Market and Investment Attractiveness	1						
			History of real estate investment in PDA and surrounding city		0.00	0.00	0.00	
		2	Recent Local Development Activity		0.00	0.00	0.00	
		3	General Market Conditions		0.00	0.00	0.00	
		4	Financial Feasibility Constraint		0.30	0.20	0.10	Financial feasibility constraint is mainly related to the need to displace existing commercial uses; even while underutilized, implied land assembly costs may limit feasibility of residential and mixed use projects
		5	Parcel size and configuration		0.00	0.00	0.00	
		6	Existence of major investment disincentives		0.00	0.00	0.00	

A-111

Figure 37
PDA Readiness Criteria Worksheet

PDA name: Walnut Creek West Downtown

Version: Baseline

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
E	Infrastructure Capacity, Needs, and Financing	1	Existing infrastructure capacity		0.30	0.20	0.10	Major road infrastructure improvements are needed to accommodate new development in the context of existing travel patterns associated with Downtown being a regional transportation hub. Major improvements to Ignacio Valley Road and the I-680/Olympic Boulevard ramps are needed.
		2	Is there an existing CIP funded or other infrastructure financing plan in place?		0.00	0.00	0.00	
		3	PDA financing capacity		0.00	0.00	0.00	

A-112

Figure 38
PDA Readiness Criteria Worksheet

PDA name: Walnut Creek West Downtown

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
A	PDA Housing Capacity Estimate	1	Estimate of current local land use policy new housing capacity	1,814				Capacity created by existing zoning in Downtown area. Substantial nearby capacity also exists in adjoining areas of Walnut Creek
		2	Plan Bay Area new housing allocation			3,010	The increment of new housing allocated to the PDA in Plan Bay Area	
		3	Capacity surplus or (shortfall)	(1,196)			Difference between estimated housing capacity (2012) and allocation	
		4	Estimated increased capacity through likely changes to land use policy, including any initiative-based density restrictions (percentage change to existing capacity)		20%	20%	Somewhat higher densities may become realistic over the forecast period. Ongoing specific plan effort may result in higher densities in portion of the Downtown	
		5	Estimated gross housing capacity at each period	1,814	2,177	2,177		
		6	Sum of Capacity Constraint Coefficients	0.50	0.20	0.00		
		7	EPS estimate of housing production given constraints	907	1,741	2,177		
		8	Percentage of PDA 2040 housing allocation accommodated	30.1%	57.9%	72.3%		
			Walnut Creek Downtown has undergone substantial redevelopment in past 30 years largely displacing lower density uses. Current zoning creates substantial capacity for multifamily housing but below the Plan Bay Area allocation. Infrastructure and related financing largely in place. Capacity is derived nearly entirely from redevelopment of remaining underutilized properties. Constraints are related to financial feasibility and needs to fund local infrastructure (major roadway improvements to Ignacio Valley Road and I-680/Olympic ramps).					
Summary								

A-113

Figure 38
PDA Readiness Criteria Worksheet

PDA name: Walnut Creek West Downtown

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
B	Planning and Entitlement Criteria	1	Displacement of existing stable residential neighborhoods		0.00	0.00	0.00	
		2	Time required and difficulty in obtaining entitlement: institutional capacity and jurisdictional track record		0.00	0.00	0.00	
C	Community Support	1	Elected official support for proposed PDA use types and densities during past 3 years		0.00	0.00	0.00	
		2	History of neighborhood opposition		0.00	0.00	0.00	

A-114

Figure 38
PDA Readiness Criteria Worksheet

PDA name: Walnut Creek West Downtown

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
D	Market and Investment Attractiveness	1	History of real estate investment in PDA and surrounding city		0.00	0.00	0.00	
		2	Recent Local Development Activity		0.00	0.00	0.00	
		3	General Market Conditions		0.00	0.00	0.00	
		4	Financial Feasibility Constraint		0.20	0.10	0.00	Financial feasibility constraint is mainly related to the need to displace existing commercial uses; even while underutilized, implied land assembly costs may limit feasibility of residential and mixed use projects Renewed redevelopment powers will be needed to overcome this constraint along with the willingness of the City to pursue reuse and parcel assembly
		5	Parcel size and configuration		0.00	0.00	0.00	
		6	Existence of major investment disincentives		0.00	0.00	0.00	

A-115

Figure 38
PDA Readiness Criteria Worksheet

PDA name: Walnut Creek West Downtown

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
E	Infrastructure Capacity, Needs, and Financing	1	Existing infrastructure capacity		0.30	0.10	0.00	Major road infrastructure improvements are needed to accommodate new development in the context of existing travel patterns associated with Downtown being a regional transportation hub. Major improvements to Ignacio Valley Road and the I-680/Olympic Boulevard ramps are needed. Regional funding for Ignacio Valley Road and I-680 ramp improvements can improve infrastructure capacity
		2	Is there an existing CIP funded or other infrastructure financing plan in place?		0.00	0.00	0.00	
		3	PDA financing capacity		0.00	0.00	0.00	

A-116

**Figure 39: Walnut Creek West Downtown
Planned Housing Capacity, Production Trendline, and *Plan*
Bay Area Allocation**

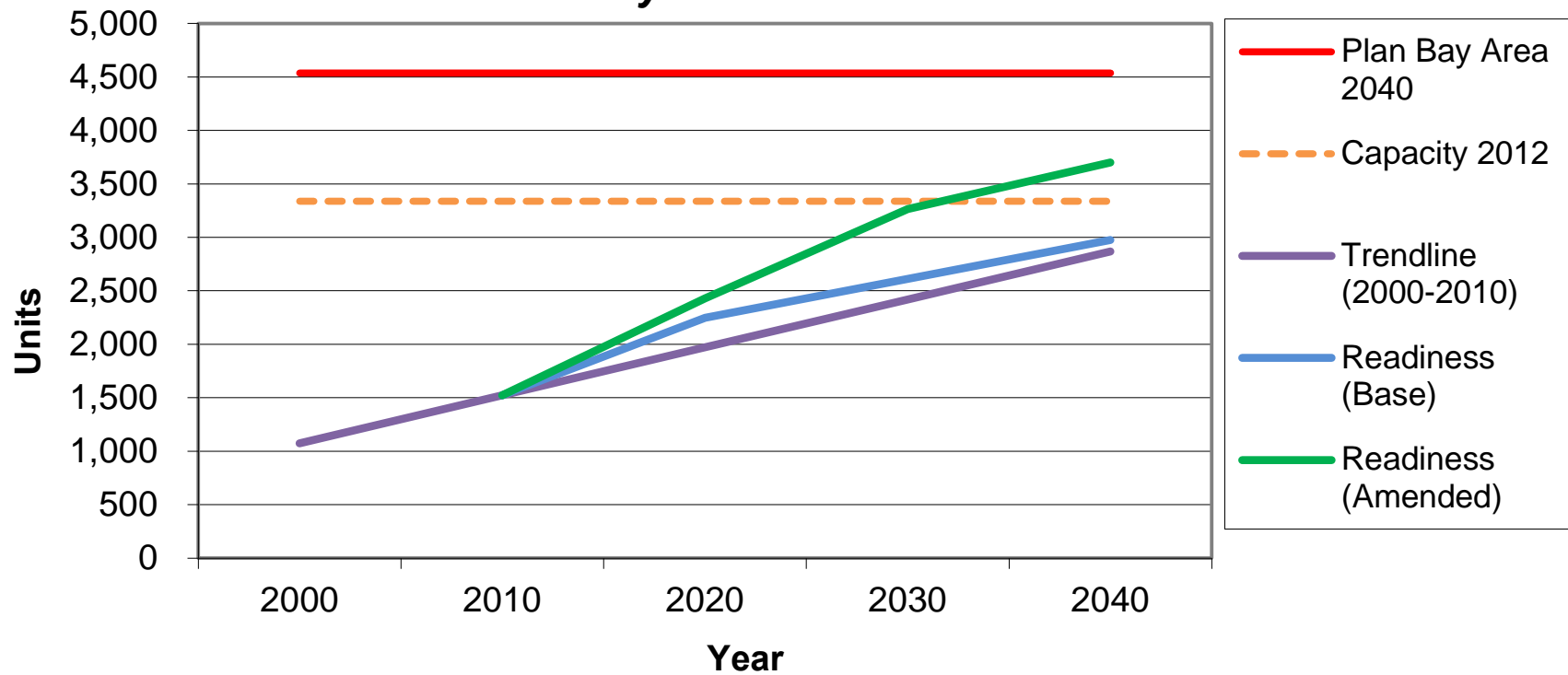


Figure 40
PDA Readiness Criteria Worksheet

PDA name: Benicia Downtown

Version: Baseline

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
A	PDA Housing Capacity Estimate	1	Estimate of current local land use policy new housing capacity	429				Currently limited capacity for multifamily and mixed use development
		2	<i>Plan Bay Area</i> new housing allocation			930	The increment of new housing allocated to the PDA in <i>Plan Bay Area</i>	
		3	Capacity surplus or (shortfall)	(501)			Difference between estimated housing capacity (2012) and allocation	
		4	Estimated increased capacity through likely changes to land use policy, including any initiative-based density restrictions (percentage change to existing capacity)		0%	0%	Additional land use capacity could be obtained through adding mixed use designation to existing commercial and service commercial areas.	
		5	Estimated gross housing capacity at each period	429	429	429		
		6	Sum of Capacity Constraint Coefficients	0.75	0.55	0.20		
		7	EPS estimate of housing production given constraints	107	193	343		
		8	Percentage of PDA 2040 housing allocation accommodated	11.5%	20.8%	36.9%		
		Summary	The Downtown has limited capacity for additional multifamily housing that is below the <i>Plan Bay Area</i> allocation. Capacity that does exist would likely be derived from some redevelopment of underutilized properties, including existing single family residential uses, though consistent with the City's downtown "form-based" zoning district. Financial feasibility limitations will be caused by parcel assembly costs and the limited market for market-rate multifamily housing or mixed use products. 40 foot height limit may also deter some mixed use projects.					

A-118

Figure 40
PDA Readiness Criteria Worksheet

PDA name: Benicia Downtown

Version: Baseline

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
B	Planning and Entitlement Criteria	1	Displacement of existing stable residential neighborhoods		0.30	0.20	0.10	This PDA includes some single-family residences that are factored into "opportunity sites" capacity.
		2	Time required and difficulty in obtaining entitlement: institutional capacity and jurisdictional track record		0.00	0.00	0.00	
C	Community Support	1	Elected official support for proposed PDA use types and densities during past 3 years		0.00	0.00	0.00	Benicia is a place where most development projects become controversial but over time more intensive development of the Downtown may gain public support.
		2	History of neighborhood opposition		0.05	0.05	0.00	

A-119

Figure 40
PDA Readiness Criteria Worksheet

PDA name: Benicia Downtown

Version: Baseline

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
D	Market and Investment Attractiveness	1						
			History of real estate investment in PDA and surrounding city		0.00	0.00	0.00	
		2	Recent Local Development Activity		0.00	0.00	0.00	
		3	General Market Conditions		0.10	0.10	0.00	There is a historically weak and limited market for market multifamily development in Benicia.
		4	Financial Feasibility Constraint		0.20	0.10	0.00	The need to assemble existing small developed parcels will increase site costs thus creating a constraint on redevelopment.
		5	Parcel size and configuration		0.00	0.00	0.00	
		6	Existence of major investment disincentives		0.10	0.10	0.10	Lack of transit connections to the greater Bay Area is an issue. Closest ferry terminal is five miles away in Vallejo; really no land-based transit access. Also the Downtown lacks "anchor" businesses and diversity.

A-120

Figure 40
PDA Readiness Criteria Worksheet

PDA name: Benicia Downtown

Version: Baseline

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
E	Infrastructure Capacity, Needs, and Financing	1	Existing infrastructure capacity					Infrastructure is in place.
					0.00	0.00	0.00	
		2	Is there an existing CIP funded or other infrastructure financing plan in place?					
					0.00	0.00	0.00	
		3	PDA financing capacity					
					0.00	0.00	0.00	

A-121

Figure 41
PDA Readiness Criteria Worksheet

PDA name: Benicia Downtown

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
A	PDA Housing Capacity Estimate	1	Estimate of current local land use policy new housing capacity	429				Currently limited capacity for multifamily and mixed use development
		2	<i>Plan Bay Area</i> new housing allocation				930	The increment of new housing allocated to the PDA in <i>Plan Bay Area</i>
		3	Capacity surplus or (shortfall)	(501)				Difference between estimated housing capacity (2012) and allocation
		4	Estimated increased capacity through likely changes to land use policy, including any initiative-based density restrictions (percentage change to existing capacity)			0%	0%	Additional land use capacity could be obtained through adding mixed use designation to existing commercial and service commercial areas.
		5	Estimated gross housing capacity at each period		429	429	429	
		6	Sum of Capacity Constraint Coefficients		0.65	0.35	0.00	
		7	EPS estimate of housing production given constraints		150	279	429	
		8	Percentage of PDA 2040 housing allocation accommodated		16.1%	30.0%	46.1%	
			Summary	The Downtown has limited capacity for additional multifamily housing that is below the <i>Plan Bay Area</i> allocation. Capacity that does exist would likely be derived from some redevelopment of underutilized properties, including existing single family residential uses, though consistent with the City's downtown "form-based" zoning district. Financial feasibility limitations will be caused by parcel assembly costs and the limited market for market-rate multifamily housing or mixed use products. 40 foot height limit may also deter some mixed use projects.				

A-122

Figure 41
PDA Readiness Criteria Worksheet

PDA name: Benicia Downtown

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
B	Planning and Entitlement Criteria	1	Displacement of existing stable residential neighborhoods		0.20	0.10	0.00	This PDA includes some single-family residences that are factored into "opportunity sites" capacity. Renewed redevelopment powers will be needed to overcome this constraint along with the willingness of the City to pursue reuse and parcel assembly
		2	Time required and difficulty in obtaining entitlement: institutional capacity and jurisdictional track record		0.00	0.00	0.00	
C	Community Support	1	Elected official support for proposed PDA use types and densities during past 3 years		0.00	0.00	0.00	
		2	History of neighborhood opposition		0.05	0.05	0.00	Benicia is a place where most development projects become controversial but over time more intensive development of the Downtown may gain public support.

A-123

Figure 41
PDA Readiness Criteria Worksheet

PDA name: Benicia Downtown

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
D	Market and Investment Attractiveness	1	History of real estate investment in PDA and surrounding city		0.00	0.00	0.00	
		2	Recent Local Development Activity		0.00	0.00	0.00	
		3	General Market Conditions		0.10	0.10	0.00	There is a historically weak and limited market for market multifamily development in Benicia.
		4	Financial Feasibility Constraint		0.20	0.00	0.00	Renewed redevelopment powers will be needed to overcome this constraint along with the willingness of the City to pursue reuse and parcel assembly
		5	Parcel size and configuration		0.00	0.00	0.00	
		6	Existence of major investment disincentives		0.10	0.10	0.00	Lack of transit connections to the greater Bay Area is an issue. Closest ferry terminal is five miles away in Vallejo; really no land-based transit access. Also the Downtown lacks "anchor" businesses and diversity. Over time Downtown may revitalize with additional residential and mixed use development and improved commercial sector with a concerted planning and redevelopment effort.

A-124

Figure 41
PDA Readiness Criteria Worksheet

PDA name: Benicia Downtown

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
E	Infrastructure Capacity, Needs, and Financing	1	Existing infrastructure capacity					Infrastructure is in place.
					0.00	0.00	0.00	
		2	Is there an existing CIP funded or other infrastructure financing plan in place?					
					0.00	0.00	0.00	
		3	PDA financing capacity					
					0.00	0.00	0.00	

A-125

**Figure 42: Benicia Downtown
Planned Housing Capacity, Production Trendline, and *Plan*
Bay Area Allocation**

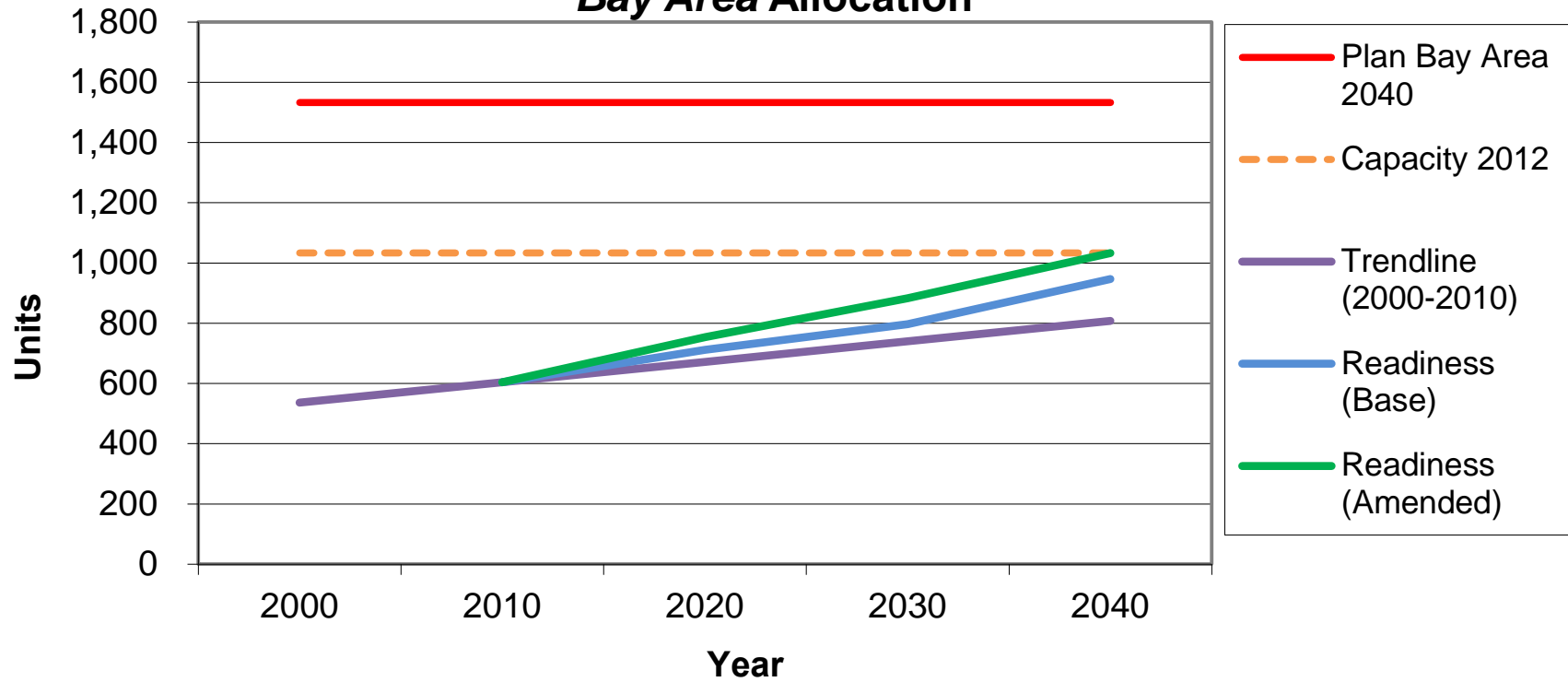


Figure 43
PDA Readiness Criteria Worksheet

PDA name: Pittsburg Downtown

Version: Baseline

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
A	PDA Housing Capacity Estimate	1	Estimate of current local land use policy new housing capacity	707				Currently limited capacity for multifamily and mixed use development
		2	<i>Plan Bay Area</i> new housing allocation				1,870	The increment of new housing allocated to the PDA in <i>Plan Bay Area</i>
		3	Capacity surplus or (shortfall)	(1,163)				Difference between estimated housing capacity (2012) and allocation
		4	Estimated increased capacity through likely changes to land use policy, including any initiative-based density restrictions (percentage change to existing capacity)			0%	0%	Additional land use capacity could be obtained through adding mixed use designation to existing service commercial areas.
		5	Estimated gross housing capacity at each period		707	707	707	
		6	Sum of Capacity Constraint Coefficients		0.50	0.35	0.10	
		7	EPS estimate of housing production given constraints		354	460	636	
		8	Percentage of PDA 2040 housing allocation accommodated		18.9%	24.6%	34.0%	
			Summary	The Downtown has limited capacity for additional multifamily housing that is substantially below the Plan Bay Area allocation. Capacity that does exist is derived from some vacant sites and redevelopment of a limited number of underutilized properties, including existing residential uses. Financial feasibility limitations are caused most by the lack of a market for market-rate multifamily housing or mixed use products.				

A-127

Figure 43
PDA Readiness Criteria Worksheet

PDA name: Pittsburg Downtown

Version: Baseline

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
B	Planning and Entitlement Criteria	1	Displacement of existing stable residential neighborhoods		0.00	0.00	0.00	
		2	Time required and difficulty in obtaining entitlement: institutional capacity and jurisdictional track record		0.00	0.00	0.00	
C	Community Support	1	Elected official support for proposed PDA use types and densities during past 3 years		0.00	0.00	0.00	
		2	History of neighborhood opposition		0.00	0.00	0.00	

A-128

Figure 43
PDA Readiness Criteria Worksheet

PDA name: Pittsburgh Downtown

Version: Baseline

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
D	Market and Investment Attractiveness	1	History of real estate investment in PDA and surrounding city		0.10	0.05	0.00	Limited recent multifamily development activity in Downtown area
		2	Recent Local Development Activity		0.00	0.00	0.00	
		3	General Market Conditions		0.10	0.10	0.00	As is the case with the other East County PDAs there is a historically weak and limited market for market multifamily development in Pittsburgh.
		4	Financial Feasibility Constraint		0.20	0.20	0.10	Relatively low achievable price points in this area make it difficult to support the higher costs (per square foot) of multifamily infill development.
		5	Parcel size and configuration		0.00	0.00	0.00	
		6	Existence of major investment disincentives		0.00	0.00	0.00	

A-129

Figure 43
PDA Readiness Criteria Worksheet

PDA name: Pittsburgh Downtown

Version: Baseline

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
E	Infrastructure Capacity, Needs, and Financing	1	Existing infrastructure capacity		0.00	0.00	0.00	
		2	Is there an existing CIP funded or other infrastructure financing plan in place?		0.00	0.00	0.00	
		3	PDA financing capacity		0.10	0.00	0.00	Loss of redevelopment powers and financing has disabled the City from incentivizing desired residential and mixed use development

A-130

Figure 44
PDA Readiness Criteria Worksheet

PDA name: Pittsburg Downtown

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
A	PDA Housing Capacity Estimate	1	Estimate of current local land use policy new housing capacity	707				Currently limited capacity for multifamily and mixed use development
		2	Plan Bay Area new housing allocation			1,870	The increment of new housing allocated to the PDA in Plan Bay Area	
		3	Capacity surplus or (shortfall)	(1,163)			Difference between estimated housing capacity (2012) and allocation	
		4	Estimated increased capacity through likely changes to land use policy, including any initiative-based density restrictions (percentage change to existing capacity)		40%	40%	Additional land use capacity could be obtained through adding mixed use designation to existing service commercial areas. Rezoning of existing service commercial to mixed use district and further increasing allowable densities of residential areas	
		5	Estimated gross housing capacity at each period	707	990	990		
		6	Sum of Capacity Constraint Coefficients	0.40	0.25	0.00		
		7	EPS estimate of housing production given constraints	424	742	990		
		8	Percentage of PDA 2040 housing allocation accommodated	22.7%	39.7%	52.9%		
		Summary	The Downtown has limited capacity for additional multifamily housing that is substantially below the Plan Bay Area allocation. Capacity that does exist is derived from some vacant sites and redevelopment of a limited number of underutilized properties, including existing residential uses. Financial feasibility limitations are caused most by the lack of a market for market-rate multifamily housing or mixed use products. The amended scenario assumes the Redevelopment-type powers and resources are re-established and can address some of the financial feasibility challenges.					

A-131

Figure 44
PDA Readiness Criteria Worksheet

PDA name: Pittsburgh Downtown

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
B	Planning and Entitlement Criteria	1	Displacement of existing stable residential neighborhoods		0.00	0.00	0.00	
		2	Time required and difficulty in obtaining entitlement: institutional capacity and jurisdictional track record		0.00	0.00	0.00	
C	Community Support	1	Elected official support for proposed PDA use types and densities during past 3 years		0.00	0.00	0.00	
		2	History of neighborhood opposition		0.00	0.00	0.00	

A-132

Figure 44
PDA Readiness Criteria Worksheet

PDA name: Pittsburgh Downtown

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
D	Market and Investment Attractiveness	1	History of real estate investment in PDA and surrounding city		0.10	0.05	0.00	Limited recent multifamily development activity in Downtown area. Also, the area has poor transit access (closest eBART station will be one mile away).
		2	Recent Local Development Activity		0.00	0.00	0.00	
		3	General Market Conditions		0.10	0.10	0.00	As is the case with the other East County PDAs there is a historically weak and limited market for market multifamily development in Pittsburgh.
		4	Financial Feasibility Constraint		0.20	0.10	0.00	Relatively low achievable price points in this area make it difficult to support the higher costs (per square foot) of multifamily infill development. Amendment assumes feasibility can be enhanced through re-introduction of tax increment financing options.
		5	Parcel size and configuration		0.00	0.00	0.00	
		6	Existence of major investment disincentives		0.00	0.00	0.00	

A-133

Figure 44
PDA Readiness Criteria Worksheet

PDA name: Pittsburgh Downtown

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
E	Infrastructure Capacity, Needs, and Financing	1	Existing infrastructure capacity		0.00	0.00	0.00	
		2	Is there an existing CIP funded or other infrastructure financing plan in place?		0.00	0.00	0.00	
		3	PDA financing capacity		0.00	0.00	0.00	Loss of redevelopment powers and financing has disabled the City from incentivizing desired residential and mixed use development. Renewed redevelopment powers will be needed to overcome this constraint along with the willingness of the City to invest in needed infrastructure using available tax increment financing

A-134

**Figure 45: Pittsburgh Downtown
Planned Housing Capacity, Production Trendline, and *Plan
Bay Area Allocation***

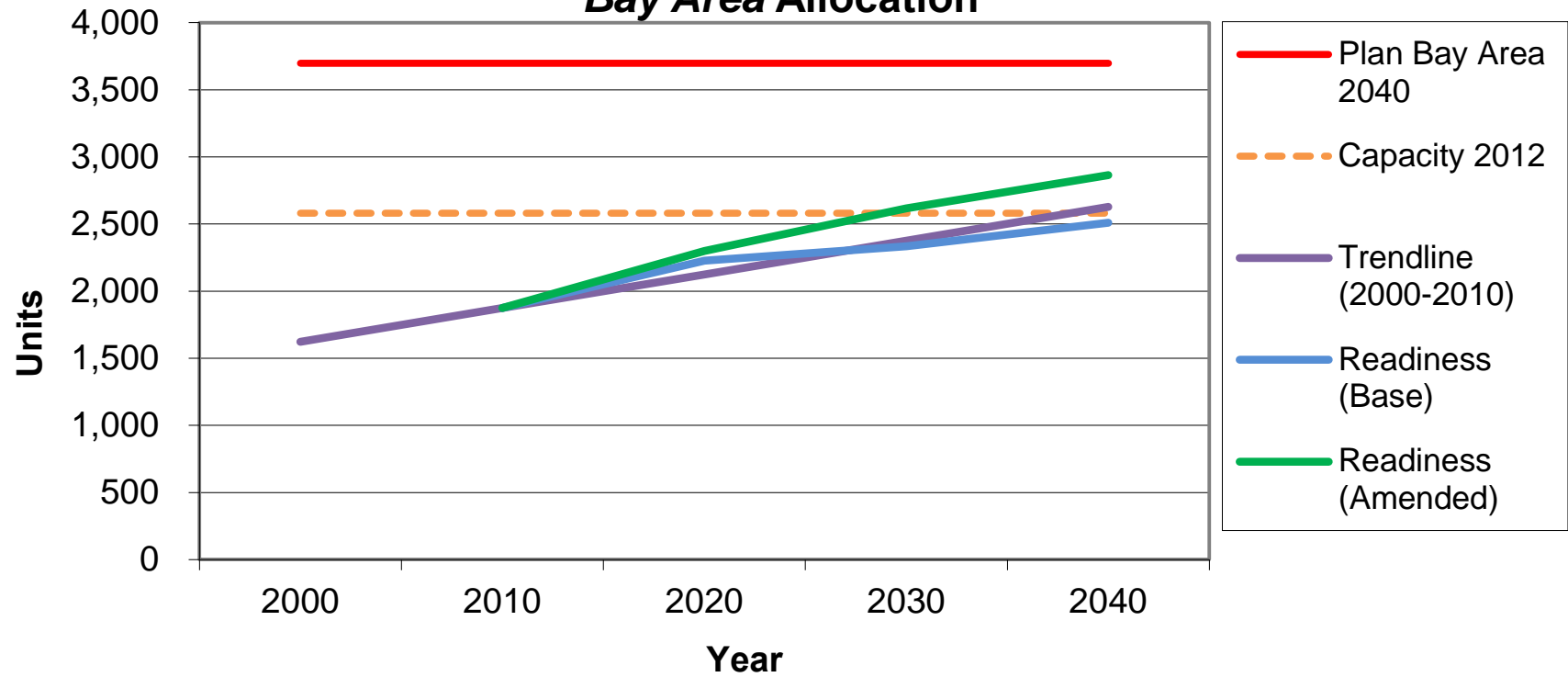


Figure 46
PDA Readiness Criteria Worksheet

PDA name: Alameda -- Naval Air Station

Version: Baseline

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
A	PDA Housing Capacity Estimate	1	Estimate of current local land use policy new housing capacity	1,935				1225 net new DUs at AP Reuse Plan (25% affordable in addition to 200 Collaborative existing units), Alameda Landing has 275 DUs planned, "North Housing" has 435 DUs planned (some aff hsg), Bayport has 586 already built; 2.575M new office/flex, 2.6M reuse (mostly industrial), 200K retail, 120K comm'l recreation (Bladium)
		2	Plan Bay Area new housing allocation				4,010	The increment of new housing allocated to the PDA in <i>Plan Bay Area</i>
		3	Capacity surplus or (shortfall)	(2,075)				Difference between estimated housing capacity (2012) and allocation
		4	Estimated increased capacity through likely changes to land use policy, including any initiative-based density restrictions (percentage change to existing capacity)		25%	75%	125%	City has conducted technical explorations of increased density at Alameda Point, but has not amended the current plans. Increase in density would require additional payments to the Navy for acquisition of the land. On North Housing site, a multifamily overlay has been adopted that could increase unit count suggested above. EPS has assumed City would plan for significant density increase at some point prior to 2040.
		5	Estimated gross housing capacity at each period		2,419	3,386	4,354	
		6	Sum of Capacity Constraint Coefficients		0.60	0.50	0.55	Primarily driven by infrastructure capacity and costs, for which few resources are currently known to be available.
		7	EPS estimate of housing production given constraints		968	1,693	1,959	Early years assume buildout of Alameda Landing and North housing sites, plus limited development at Alameda Point
		8	Percentage of PDA 2040 housing allocation accommodated		24.1%	42.2%	48.9%	Current planned capacity well below SCS allocation and feasibility constraint related to infrastructure are the major limiting factors.

A-136

Figure 46
PDA Readiness Criteria Worksheet

PDA name: Alameda -- Naval Air Station

Version: Baseline

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
B	Planning and Entitlement Criteria	1	Displacement of existing stable residential neighborhoods		0.00	0.00	0.00	None required
		2	Time required and difficulty in obtaining entitlement: institutional capacity and jurisdictional track record		0.10	0.05	0.05	Entitlement is subject to continued planning and significant environmental concerns (esp. traffic), as well as coordination among City, developers, Navy, and other potential stakeholders. City has been actively engaged in planning this area for over a decade, but has been delayed by Navy clean-up and business negotiations, market conditions, infrastructure issues, community concerns, etc. Entitlement for SCS JHC densities would require a ballot initiative or other circumvention of Measure A prohibition on multifamily development.
C	Community Support	1	Elected official support for proposed PDA use types and densities during past 3 years		0.00	0.00	0.00	Council has supported designation of this PDA and has shown commitment to supporting economic development in this area; few official actions that have been relevant to required housing densities in PDA due to Measure A restrictions
		2	History of neighborhood opposition		0.05	0.00	0.00	Mixed reaction in community; some Measure A supporters and others concerned about traffic impacts, while other groups support intensification of Reuse Plan to meet City's housing needs; a ballot measure by former master developer (SunCal) to increase densities was soundly defeated

A-137

Figure 46
PDA Readiness Criteria Worksheet

PDA name: Alameda -- Naval Air Station

Version: Baseline

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
D	Market and Investment Attractiveness	1	History of real estate investment in PDA and surrounding city		0.00	0.00	0.00	Bayport developed 586 units between 2000-2010; City is largely built out other than this PDA.
		2	Recent Local Development Activity		0.00	0.00	0.00	Alameda Landing has 300 DUs in the pipeline, and Grand Marina is completing construction of 40 new SFD
		3	General Market Conditions		0.00	0.00	0.00	High incomes, education levels, and home prices in Alameda; unique Bay Bridge/SF views from this PDA; developers express little concern about market demand for these units
		4	Financial Feasibility Constraint		0.00	0.00	0.00	No major concerns regarding vertical development values, but infrastructure costs are the major feasibility constraint (addressed below)
		5	Parcel size and configuration		0.00	0.00	0.00	Adequate for large-scale projects
		6	Existence of major investment disincentives		0.05	0.05	0.05	Access limitations (congestion in the Webster Tube) are the primary constraint, but congestion could be improved or maintained at current levels with conceived transit projects (ferry, BART connector); schools are fine and have some capacity (other than elementary); former Superfund site but land cleanup should be complete within the next year or so. Base scenario assumes congestion remains an issue through 2040.

A-138

Figure 46
PDA Readiness Criteria Worksheet

PDA name: Alameda -- Naval Air Station

Version: **Baseline**

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
E	Infrastructure Capacity, Needs, and Financing	1	Existing infrastructure capacity		0.10	0.15	0.20	Inadequate; \$600M of infrastructure required to support development at Alameda Point; score assumes modest first phase could occur with minimal new infrastructure, but major upgrades required in later phases.
		2	Is there an existing CIP funded or other infrastructure financing plan in place?		0.05	0.00	0.00	CFD is intended but not established; previously assumed TIF and Measure B funding, but neither available now
		3	PDA financing capacity		0.25	0.25	0.25	Infrastructure costs would likely be borne mostly by housing, as historic buildings have feasibility challenges with basic occupancy, and new commercial is a policy priority that may receive lower infrastructure cost allocation; 50/50 split of costs between housing and comm'l would require \$75K/unit and \$100/SF comm'l

A-139

Figure 47
PDA Readiness Criteria Worksheet

PDA name: Alameda -- Naval Air Station

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
A	PDA Housing Capacity Estimate	1	Estimate of current local land use policy new housing capacity	1,935				1425 DUs at AP Reuse Plan (25% affordable in addition to 200 collaborative existing units), Alameda Landing has 275 DUs planned, "North Housing" has 435 DUs planned (some aff hsg), Bayport has 586 already built; 2.575M new office/flex, 2.6M reuse (mostly industrial), 200K retail, 120K comm'l recreation (Bladium)
		2	Plan Bay Area new housing allocation				4,010	The increment of new housing allocated to the PDA in Plan Bay Area
		3	Capacity surplus or (shortfall)	(2,075)				Difference between estimated housing capacity (2012) and allocation
		4	Estimated increased capacity through likely changes to land use policy, including any initiative-based density restrictions (percentage change to existing capacity)		30%	75%	125%	City has conducted technical explorations of increased density at Alameda Point, but has not amended the current plans. Increase in density would require additional payments to the Navy for acquisition of the land. On North Housing site, a multifamily overlay has been adopted that could increase unit count suggested above. EPS has assumed City would plan for significant Alameda Point density increase at some point prior to 2040.
		5	Estimated gross housing capacity at each period		2,516	3,386	4,354	
		6	Sum of Capacity Constraint Coefficients		0.30	0.20	0.20	Primary constraints are infrastructure capacity and costs. Amendment assumes Redevelopment-type powers are re-established to assist with financing infrastructure and housing.
		7	EPS estimate of housing production given constraints		1,761	2,709	3,483	Early years assume buildout of Alameda Landing and North housing sites, plus limited development at Alameda Point
		8	Percentage of PDA 2040 housing allocation accommodated		43.9%	67.6%	86.9%	Feasibility constraint related to infrastructure is the major limiting factor. Amendment assumes that infrastructure financing is made more feasible through regional funding sources and re-introduction of tax increment-based financing tools.

A-140

Figure 47
PDA Readiness Criteria Worksheet

PDA name: Alameda -- Naval Air Station

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
B	Planning and Entitlement Criteria	1	Displacement of existing stable residential neighborhoods		0.00	0.00	0.00	None required
		2	Time required and difficulty in obtaining entitlement: institutional capacity and jurisdictional track record		0.05	0.00	0.00	Entitlement is subject to continued planning and significant environmental concerns (esp. traffic), as well as coordination among City, developers, Navy, and other potential stakeholders. City has been actively engaged in planning this area for over a decade, but has been delayed by Navy clean-up and business negotiations, market conditions, infrastructure issues, community concerns, etc. Entitlement for SCS JHC densities would require a ballot initiative or other circumvention of Measure A prohibition on multifamily development. Amendment assumes Measure A constraint is removed through local policy initiative, and that environmental clearance is achieved in the next several years.
C	Community Support	1	Elected official support for proposed PDA use types and densities during past 3 years		0.00	0.00	0.00	Council has supported designation of this PDA and has shown commitment to supporting economic development in this area; few official actions that have been relevant to required housing densities in PDA due to Measure A restrictions
		2	History of neighborhood opposition		0.05	0.00	0.00	Mixed reaction in community; some Measure A supporters and others concerned about traffic impacts, while other groups support intensification of Reuse Plan to meet City's housing needs; a ballot measure by former master developer (SunCal) to increase densities was soundly defeated

A-141

Figure 47
PDA Readiness Criteria Worksheet

PDA name: Alameda -- Naval Air Station

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
D	Market and Investment Attractiveness	1	History of real estate investment in PDA and surrounding city		0.00	0.00	0.00	Bayport developed 586 units between 2000-2010; City is largely built out other than this PDA.
		2	Recent Local Development Activity		0.00	0.00	0.00	Alameda Landing has 300 DUs in the pipeline, and Grand Marina is completing construction of 40 new SFD
		3	General Market Conditions		0.00	0.00	0.00	High incomes, education levels, and home prices in Alameda; unique Bay Bridge/SF views from this PDA; developers express little concern about market demand for these units
		4	Financial Feasibility Constraint		0.00	0.00	0.00	No major concerns regarding vertical development values, but infrastructure costs are the major feasibility constraint
		5	Parcel size and configuration		0.00	0.00	0.00	Adequate for large-scale projects
		6	Existence of major investment disincentives		0.00	0.00	0.00	Access limitations (Webster Tube) are the primary constraint, but access would be improved with conceived transit projects (ferry, BART connector); schools are fine and have some capacity (other than elementary); former Superfund site but land cleanup should be complete within the next year or so. Amendment assumes transportation constraints are effectively addressed through project, City, and regional funding sources.

A-142

Figure 47
PDA Readiness Criteria Worksheet

PDA name: Alameda -- Naval Air Station

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
E	Infrastructure Capacity, Needs, and Financing	1	Existing infrastructure capacity		0.10	0.10	0.10	Inadequate; \$600M of infrastructure required to support development at Alameda Point; score assumes modest first phase could occur with minimal new infrastructure, but major upgrades required in later phases. Amendment assumes existing deficiencies can be addressed through new funding sources rather than being increasingly problematic through 2040, but that infrastructure adequacy will always be a concern at some level.
		2	Is there an existing CIP funded or other infrastructure financing plan in place?		0.00	0.00	0.00	CFD is intended but not established; previously assumed TIF and Measure B funding, but neither available now. Amendment assumes financing plan is prepared through local action and potentially regional funding.
		3	PDA financing capacity		0.10	0.10	0.10	Infrastructure costs would likely be borne mostly by housing, as historic buildings have feasibility challenges with basic occupancy, and new commercial is a policy priority that may receive lower infrastructure cost allocation; 50/50 split of costs between housing and comm'l would require \$75K/unit and \$100/SF comm'l. Amendment assumes infrastructure financing is improved through reintroduction of "Redevelopment"-type financing options as well as regional funding for some transportation infrastructure.

A-143

**Figure 48: Alameda Naval Air Station
Planned Housing Capacity, Production Trendline, and *Plan*
*Bay Area Allocation***

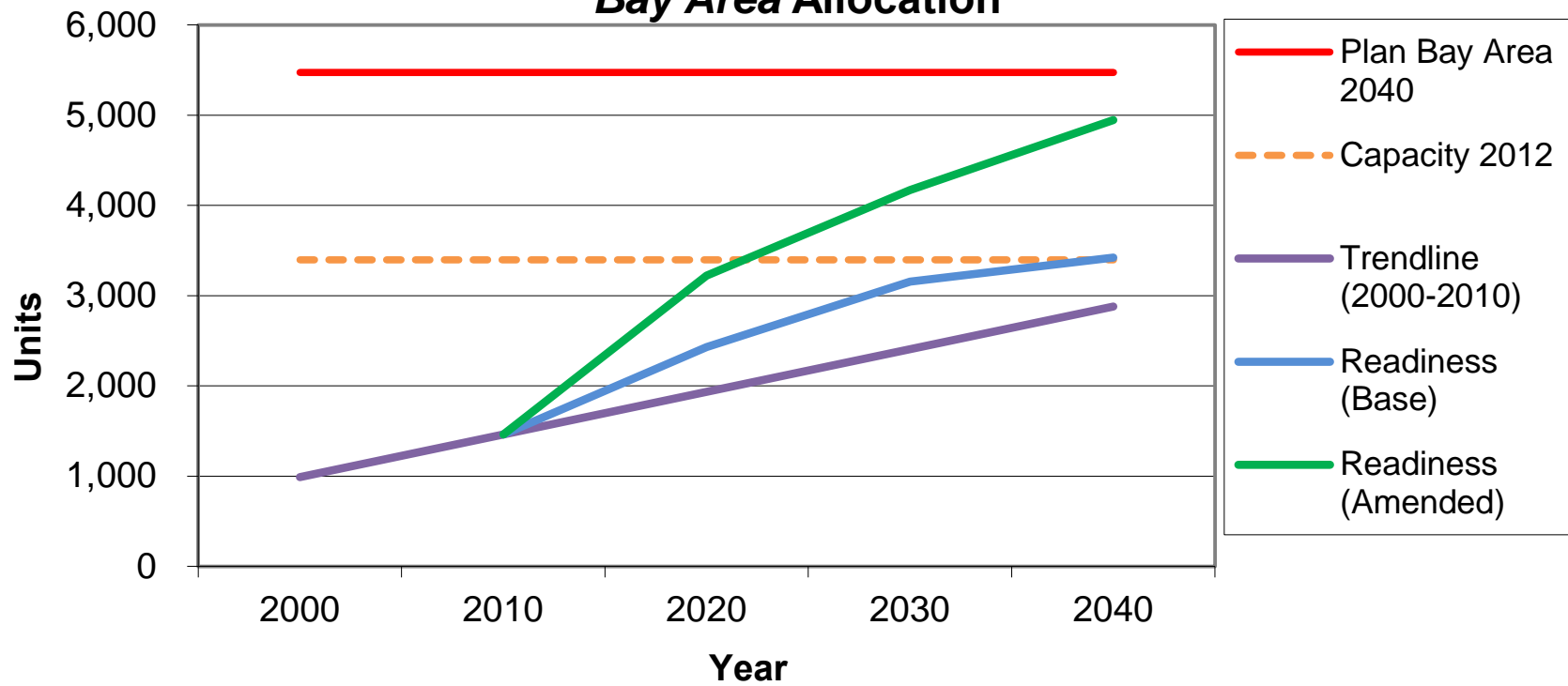


Figure 49
PDA Readiness Criteria Worksheet

PDA name: Morgan Hill Downtown PDA

Version: Baseline

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
A	PDA Housing Capacity Estimate	1	Estimate of current local land use policy new housing capacity	1,243				See "Capacity Assessment for Selected Priority Development Areas"
		2	<i>Plan Bay Area</i> new housing allocation				1,420	The increment of new housing allocated to the PDA in <i>Plan Bay Area</i>
		3	Capacity surplus or (shortfall)	(177)				Difference between estimated housing capacity (2012) and allocation
		4	Estimated increased capacity through likely changes to land use policy, including any initiative-based density restrictions (percentage change to existing capacity)		0%	0%	0%	Current policy may not adequately incentivize redevelopment of a sufficient number of existing commercial uses
		5	Estimated gross housing capacity at each period		1,243	1,243	1,243	
		6	Sum of Capacity Constraint Coefficients		0.70	0.50	0.30	
		7	EPS estimate of housing production given constraints		373	622	870	
		8	Percentage of PDA 2040 housing allocation accommodated		26.3%	43.8%	61.3%	
			Summary	Morgan Hill has done many things right in preparing for intensification of development in the Downtown area, including planning and judicious use of Redevelopment funding to create infrastructure capacity. Market conditions represent the primary constraint to development, as market-rate multifamily housing has not been a major factor of growth in the City. The City's physical distance from major job centers to the north limits its market appeal for non-family households typical of many "downtown" mutlifamily units.				

A-145

Figure 49
PDA Readiness Criteria Worksheet

PDA name: Morgan Hill Downtown PDA

Version: Baseline

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
B	Planning and Entitlement Criteria	1	Displacement of existing stable residential neighborhoods		0.00	0.00	0.00	None of the existing residential units are presumed to be redeveloped nor need to be redeveloped to achieve allocation
		2	Time required and difficulty in obtaining entitlement: institutional capacity and jurisdictional track record		0.00	0.00	0.00	City has good track record regarding expeditious entitlements processing
C	Community Support	1	Elected official support for proposed PDA use types and densities during past 3 years		0.00	0.00	0.00	
		2	History of neighborhood opposition		0.00	0.00	0.00	There has been not neighborhood opposition to pending development proposals or the Plan Bay Area allocations

A-146

Figure 49
PDA Readiness Criteria Worksheet

PDA name: Morgan Hill Downtown PDA

Version: Baseline

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
D	Market and Investment Attractiveness	1	History of real estate investment in PDA and surrounding city		0.40	0.30	0.20	While multifamily housing starts in Morgan Hill have been limited to mostly affordable projects, Downtown Morgan Hill shows future potential for multifamily uses especially if transit connections northward (i.e. Caltrain) can be improved
		2	Recent Local Development Activity (Pipeline)		0.00	0.00	0.00	Approximately 20 percent of the Plan Bay Area allocation is met with pending project applications in the Downtown Morgan Hill PDA
		3	General Market Conditions		0.30	0.20	0.10	The south Santa Clara County market area that Morgan Hill is a part has limited market conditions for multifamily housing; while these market conditions are expected to improve in future decades south Santa Clara County will remain dominated by traditional single family development
		4	Financial Feasibility Constraint		0.00	0.00	0.00	Market prices (rents, condo sales prices) may make multifamily housing projects in the City infeasible in the near term; additionally current credit market conditions may impede certain projects in the short term
		5	Parcel size and configuration		0.00	0.00	0.00	Parcels included as opportunity sites in the CD&A capacity analysis are typically larger parcels currently vacant or in underutilized commercial or industrial uses that will be supplanted over time by residential and mixed use projects
		6	Existence of major investment disincentives		0.00	0.00	0.00	There are no significant investment disincentives in the Morgan Hill Downtown PDA

A-147

Figure 49
PDA Readiness Criteria Worksheet

PDA name: Morgan Hill Downtown PDA

Version: Baseline

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
E	Infrastructure Capacity, Needs, and Financing	1	Existing infrastructure capacity		0.00	0.00	0.00	There is presently adequate infrastructure to provide for the full Plan Bay Area Allocation. This capacity has been created by strategic investment of redevelopment agency funding over the years and other city investment.
		2	Is there an existing CIP funded or other infrastructure financing plan in place?		0.00	0.00	0.00	The Downtown Specific Plan identified financing mechanisms including continued use of redevelopment funding and Citywide development impact fees, and imposing conditions on pending development applications Additional funding from regional, state or federal sources would improve project feasibility and promote pace and perhaps total amount of development in the Downtown PDA
		3	PDA financing capacity		0.00	0.00	0.00	

A-148

Figure 50
PDA Readiness Criteria Worksheet

PDA name: Morgan Hill Downtown PDA

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
A	PDA Housing Capacity Estimate	1	Estimate of current local land use policy new housing capacity	1,243				See "Capacity Assessment for Selected Priority Development Areas"
		2	<i>Plan Bay Area</i> new housing allocation				1,420	The increment of new housing allocated to the PDA in <i>Plan Bay Area</i>
		3	Capacity surplus or (shortfall)	(177)				Difference between estimated housing capacity (2012) and allocation
		4	Estimated increased capacity through likely changes to land use policy, including any initiative-based density restrictions (percentage change to existing capacity)		0%	0%	0%	Current policy may not adequately incentivize redevelopment of a sufficient number of existing commercial uses
		5	Estimated gross housing capacity at each period		1,243	1,243	1,243	
		6	Sum of Capacity Constraint Coefficients		0.70	0.40	0.00	
		7	EPS estimate of housing production given constraints		373	746	1,243	
		7	Percentage of PDA 2040 housing allocation accommodated		26.3%	52.5%	87.5%	
		8	Housing Units accommodated		373	746	1,243	
			Summary	Morgan Hill has done many things right in preparing for intensification of development in the Downtown area, including planning and judicious use of Redevelopment funding to create infrastructure capacity. Market conditions represent the primary constraint to development, as market-rate multifamily housing has not been a major factor of growth in the City. The City's physical distance from major job centers to the north limits its market appeal for non-family households typical of many "downtown" multifamily units. Re-introduction of Redevelopment-type resources can assist in small measure, but an expansion of transit alternatives (especially Caltrain service) can have a significant market impact.				

A-149

Figure 50
PDA Readiness Criteria Worksheet

PDA name: Morgan Hill Downtown PDA

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
B	Planning and Entitlement Criteria	1	Displacement of existing stable residential neighborhoods		0.00	0.00	0.00	None of the existing residential units are presumed to be redeveloped nor need to be redeveloped to achieve allocation
		2	Time required and difficulty in obtaining entitlement: institutional capacity and jurisdictional track record		0.00	0.00	0.00	City has good track record regarding expeditious entitlements processing
C	Community Support	1	Elected official support for proposed PDA use types and densities during past 3 years		0.00	0.00	0.00	
		2	History of neighborhood opposition		0.00	0.00	0.00	There has been not neighborhood opposition to pending development proposals or the Plan Bay Area allocations

A-150

Figure 50
PDA Readiness Criteria Worksheet

PDA name: Morgan Hill Downtown PDA

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
D	Market and Investment Attractiveness	1	History of real estate investment in PDA and surrounding city		0.40	0.20	0.00	While multifamily housing starts in Morgan Hill have been limited to mostly affordable projects, Downtown Morgan Hill shows future potential for multifamily uses especially if transit connections northward (i.e. Caltrain) can be improved. Amendment assumes expanded Caltrain service to South County.
		2	Recent Local Development Activity (Pipeline)		0.00	0.00	0.00	Approximately 20 percent of the Plan Bay Area allocation is met with pending project applications in the Downtown Morgan Hill PDA
		3	General Market Conditions		0.30	0.20	0.00	The south Santa Clara County market area that Morgan Hill is a part has limited market conditions for multifamily housing; while these market conditions are expected to improve in future decades south Santa Clara County will remain dominated by traditional single family development. Amendment assumes expanded Caltrain service to South County.
		4	Financial Feasibility Constraint		0.00	0.00	0.00	Market prices (rents, condo sales prices) may make multifamily housing projects in the City infeasible in the near term; additionally current credit market conditions may impede certain projects in the short term
		5	Parcel size and configuration		0.00	0.00	0.00	Parcels included as opportunity sites in the CD&A capacity analysis are typically larger parcels currently vacant or in underutilized commercial or industrial uses that will be supplanted over time by residential and mixed use projects
		6	Existence of major investment disincentives		0.00	0.00	0.00	There are no significant investment disincentives in the Morgan Hill Downtown PDA

A-151

Figure 50
PDA Readiness Criteria Worksheet

PDA name: Morgan Hill Downtown PDA

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
E	Infrastructure Capacity, Needs, and Financing	1	Existing infrastructure capacity		0.00	0.00	0.00	There is presently adequate infrastructure to provide for the full Plan Bay Area Allocation. This capacity has been created by strategic investment of redevelopment agency funding over the years and other city investment.
		2	Is there an existing CIP funded or other infrastructure financing plan in place?		0.00	0.00	0.00	The Downtown Specific Plan identified financing mechanisms including continued use of redevelopment funding and Citywide development impact fees, and imposing conditions on pending development applications Additional funding from regional, state or federal sources would improve project feasibility and promote pace and perhaps total amount of development in the Downtown PDA
		3	PDA financing capacity		0.00	0.00	0.00	

A-152

**Figure 51: Morgan Hill Downtown
Planned Housing Capacity, Production Trendline, and *Plan*
Bay Area Allocation**

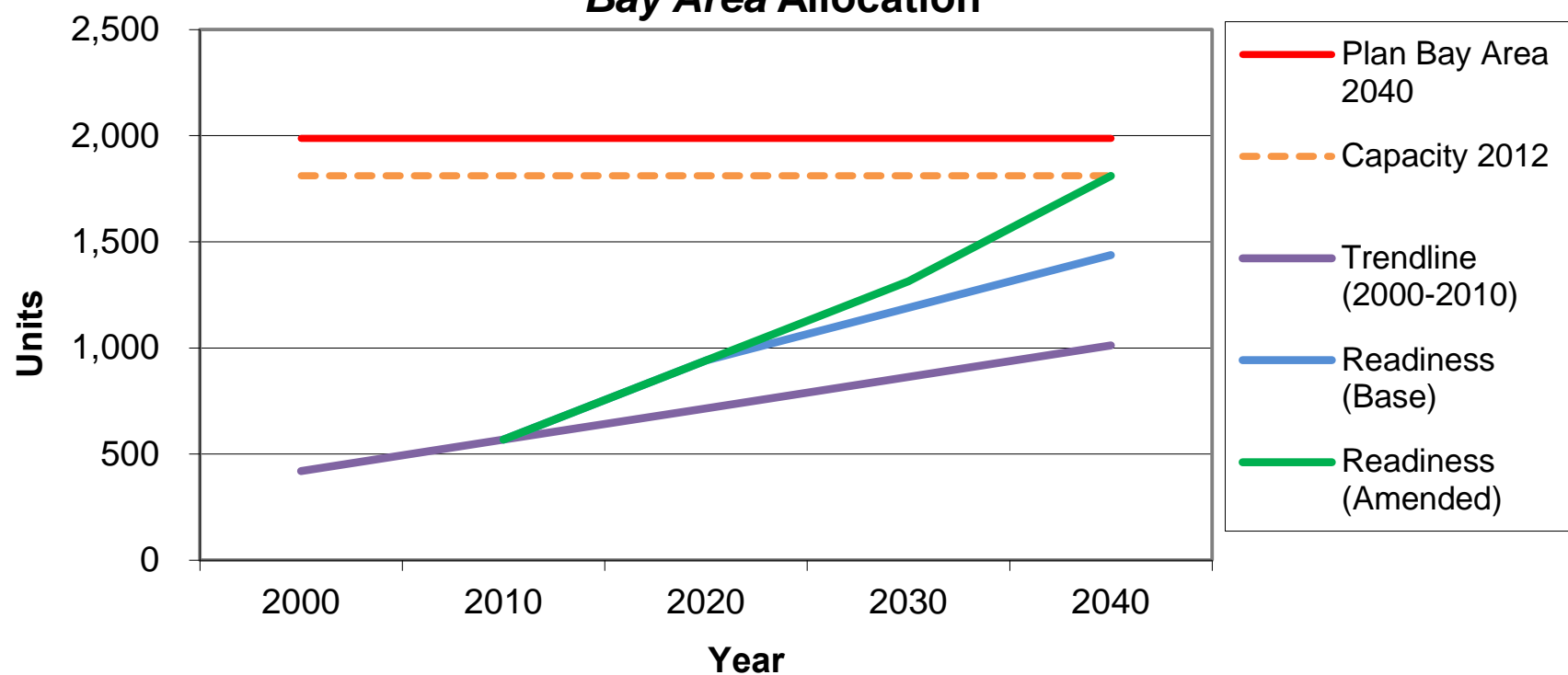


Figure 52
PDA Readiness Criteria Worksheet

PDA name: Oakland Coliseum

Version: Baseline

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
A	PDA Housing Capacity Estimate	1	Estimate of current local land use policy new housing capacity	11,194				CD+A identified 240 acres of potentially developable land, with average allowances of roughly 45 DU/acre. This includes 1/3 of the Coliseum Authority site being available for housing in the future.
		2	Plan Bay Area new housing allocation				6,845	The increment of new housing allocated to the PDA in Plan Bay Area
		3	Capacity surplus or (shortfall)	4,349				Difference between estimated housing capacity (2012) and allocation
		4	Estimated increased capacity through likely changes to land use policy, including any initiative-based density restrictions (percentage change to existing capacity)		0%	0%	0%	Capacity figure already assumes 1/3 of sports complex site would be available for housing development. Coliseum City Specific Plan and EIR underway, should be completed in next several years.
		5	Estimated gross housing capacity at each period		11,194	11,194	11,194	
		6	Sum of Capacity Constraint Coefficients		0.90	0.80	0.70	Despite City's best efforts, there is very little evidence of market-supported development in this area, persistent deterrents to market attraction, and infrastructure capacity/funding issues.
		7	EPS estimate of housing production given constraints		1,119	2,239	3,358	Falls somewhat short of the pace of new housing from 2000-2010, which was virtually all subsidized affordable housing supported by programs not currently available.
		8	Percentage of PDA 2040 housing allocation accommodated		16.4%	32.7%	49.1%	Little evidence of developer interest in market-rate housing in this area, and loss of Redevelopment powers affects ability to improve infrastructure and subsidize vertical development.

A-154

Figure 52
PDA Readiness Criteria Worksheet

PDA name: Oakland Coliseum

Version: **Baseline**

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
B	Planning and Entitlement Criteria	1	Displacement of existing stable residential neighborhoods		0.00	0.00	0.00	Significant underutilized sites exist, including sports complex site and BART property.
		2	Time required and difficulty in obtaining entitlement: institutional capacity and jurisdictional track record		0.00	0.00	0.00	2010 survey says multifamily projects take 6-12 months and commercial/mixed-use projects take 12-18 months. Specific Plan underway and EIR will take a couple years to complete.
C	Community Support	1	Elected official support for proposed PDA use types and densities during past 3 years		0.00	0.00	0.00	City says elected officials support development in this area, including densification.
		2	History of neighborhood opposition		0.00	0.00	0.00	Community has generally supported new development in this area, including intensification of affordable housing.

A-155

Figure 52
PDA Readiness Criteria Worksheet

PDA name: Oakland Coliseum

Version: Baseline

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
D	Market and Investment Attractiveness	1	History of real estate investment in PDA and surrounding city		0.20	0.15	0.10	Census suggests that ~1,300 net new units built in PDA between 2000-2010, while <i>Plan</i> would require 228/year for 30 years. Most or all new housing in this area has been subsidized affordable development, not market-rate. City says developers are expressing increased interest in Oakland, but not yet in this area.
		2	Recent Local Development Activity		0.05	0.00	0.00	2010 survey identified 864 units in the pipeline, including 374 affordable units. Nearly half of pipeline projects were in Coliseum Transit Village (414 out of 864), which has now been downsized to ~112 DUs on a portion of the site and currently on hold due to Redevelopment ending (State audit continues through April 2013).
		3	General Market Conditions		0.10	0.10	0.10	Low income levels, low housing prices, and limited recent development of market-rate housing indicate market challenges. Over 31% of all units in 2010 were income-restricted for very low income.
		4	Financial Feasibility Constraint		0.15	0.15	0.15	Achievable market-rate price points in this area are well below levels required for new construction feasibility. However, allocated growth can be accommodated at average densities just under 30 DU/acre, so development costs may be lower than in other PDAs.
		5	Parcel size and configuration		0.00	0.00	0.00	Ample.
		6	Existence of major investment disincentives		0.20	0.20	0.15	2010 survey identified poverty, crime, and low quality schools as major deterrents, in addition to industrial nature of the area. Two of three sports teams have indicated expectation to leave Oakland in coming years. EPS score assumes these situations modestly improve over time.

A-156

Figure 52
PDA Readiness Criteria Worksheet

PDA name: Oakland Coliseum

Version: Baseline

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
E	Infrastructure Capacity, Needs, and Financing	1	Existing infrastructure capacity		0.10	0.15	0.15	City has preliminarily identified major infrastructure needs for the area (up to \$200M, ballpark estimate), most of which don't have funding in place. EPS score assumes early development can occur with limited improvements, while additional later development triggers greater need.
		2	Is there an existing CIP funded or other infrastructure financing plan in place?		0.05	0.00	0.00	Oakland has had political problems creating impact fees to fund infrastructure. Only has sewer and jobs/housing fees. Has no traffic or public art or parks or stormwater fees or inclusionary housing. Council typically opposes fees to be "business friendly," but then City often doesn't have resources to fund needed infrastructure. Projects contribute to local needs, but Citywide projects always funded by grants and bond measures. City does still have bond funds available, not likely to be sequestered by State, and Prop 1C grant money. \$8.5M on Prop 1C for Coliseum Transit Village, and maybe \$10M of unencumbered bond money.
		3	PDA financing capacity		0.05	0.05	0.05	Redevelopment loss is an extreme challenge for this area. Vertical development has very difficult challenge with feasibility even without infrastructure burden.

A-157

Figure 53
PDA Readiness Criteria Worksheet

PDA name: Oakland Coliseum

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
A	PDA Housing Capacity Estimate	1	Estimate of current local land use policy new housing capacity	11,194				CD+A identified 240 acres of potentially developable land, with average allowances of roughly 45 DU/acre.
		2	Plan Bay Area new housing allocation				6,845	The increment of new housing allocated to the PDA in Plan Bay Area
		3	Capacity surplus or (shortfall)	4,349				Difference between estimated housing capacity (2012) and allocation
		4	Estimated increased capacity through likely changes to land use policy, including any initiative-based density restrictions (percentage change to existing capacity)		0%	0%	0%	Capacity figure already assumes 1/3 of sports complex site would be available for housing development. Coliseum City Specific Plan and EIR underway, should be completed in next several years.
		5	Estimated gross housing capacity at each period		11,194	11,194	11,194	
		6	Sum of Capacity Constraint Coefficients		0.85	0.75	0.65	Despite City's best efforts, there is very little evidence of market-supported development in this area, persistent deterrents to market attraction, and infrastructure capacity/funding issues.
		7	EPS estimate of housing production given constraints		1,679	2,799	3,918	Roughly consistent with pace of new housing from 2000-2010, though that was virtually all subsidized affordable housing.
		8	Percentage of PDA 2040 housing allocation accommodated		24.5%	40.9%	57.2%	Little evidence of developer interest in market-rate housing in this area, and persistent urban problems are expected to be a long-term challenge. Amended scenario assumes that Redevelopment powers are re-established to improve infrastructure and subsidize vertical development.

A-158

Figure 53
PDA Readiness Criteria Worksheet

PDA name: Oakland Coliseum

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
B	Planning and Entitlement Criteria	1	Displacement of existing stable residential neighborhoods		0.00	0.00	0.00	Significant underutilized sites exist, including sports complex site and BART property.
		2	Time required and difficulty in obtaining entitlement: institutional capacity and jurisdictional track record		0.00	0.00	0.00	2010 survey says multifamily projects take 6-12 months and commercial/mixed-use projects take 12-18 months. Specific Plan underway and EIR will take a couple years to complete.
C	Community Support	1	Elected official support for proposed PDA use types and densities during past 3 years		0.00	0.00	0.00	City says elected officials support development in this area, including densification.
		2	History of neighborhood opposition		0.00	0.00	0.00	Community has generally supported new development in this area, including intensification of affordable housing.

A-159

Figure 53
PDA Readiness Criteria Worksheet

PDA name: Oakland Coliseum

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
D	Market and Investment Attractiveness	1	History of real estate investment in PDA and surrounding city		0.20	0.15	0.10	2010 survey says 301 net new units built in PDA between 2000-2010, while <i>Plan</i> would require 228/year for 30 years. Most or all new housing in this area has been subsidized affordable development, not market-rate. City says developers are expressing increased interest in Oakland, but not yet in this area.
		2	Recent Local Development Activity		0.05	0.00	0.00	2010 survey identified 864 units in the pipeline, including 374 affordable units. Nearly half of pipeline projects were in Coliseum Transit Village (414 out of 864), which has now been downsized to ~112 DUs on a portion of the site and currently on hold due to Redevelopment ending (State audit continues through April 2013).
		3	General Market Conditions		0.10	0.10	0.10	Low income levels, low housing prices, and limited recent development of market-rate housing indicate market challenges. Over 31% of all units in 2010 were income-restricted for very low income.
		4	Financial Feasibility Constraint		0.15	0.15	0.15	Achievable market-rate price points in this area are well below levels required for new construction feasibility.
		5	Parcel size and configuration		0.00	0.00	0.00	Ample.
		6	Existence of major investment disincentives		0.20	0.20	0.15	2010 survey identified poverty, perception of crime and low quality schools as major deterrents, in addition to industrial nature of the area. Two of three sports teams have indicated expectation to leave Oakland in coming years; Raiders being courted by City to stay. EPS score assumes these situations improve or resolve over time.

A-160

Figure 53
PDA Readiness Criteria Worksheet

PDA name: Oakland Coliseum

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
E	Infrastructure Capacity, Needs, and Financing	1	Existing infrastructure capacity		0.10	0.15	0.15	City has preliminarily identified major infrastructure needs for the area (up to \$200M, ballpark estimate), most of which don't have funding in place. EPS score assumes early development can occur with limited improvements, while additional later development triggers greater need.
		2	Is there an existing CIP funded or other infrastructure financing plan in place?		0.05	0.00	0.00	Oakland has had political problems creating impact fees to fund infrastructure. Only has sewer and jobs/housing fees. Has no traffic or public art or parks or stormwater fees or inclusionary housing. Council typically opposes fees to be "business friendly," but then City often doesn't have resources to fund needed infrastructure. Projects contribute to local needs, but Citywide projects always funded by grants and bond measures. City does still have bond funds available, not likely to be sequestered by State, and Prop 1C grant money. \$8.5M on Prop 1C for Coliseum Transit Village, and maybe \$10M of unencumbered bond money.
		3	PDA financing capacity		0.00	0.00	0.00	Redevelopment loss is an extreme challenge for this area. Vertical development has very difficult challenge with feasibility even without infrastructure burden. Amendment assumes funding and implementation tools similar to Redevelopment are made available.

A-161

**Figure 54: Oakland Coliseum
Planned Housing Capacity, Production Trendline, and *Plan*
*Bay Area Allocation***

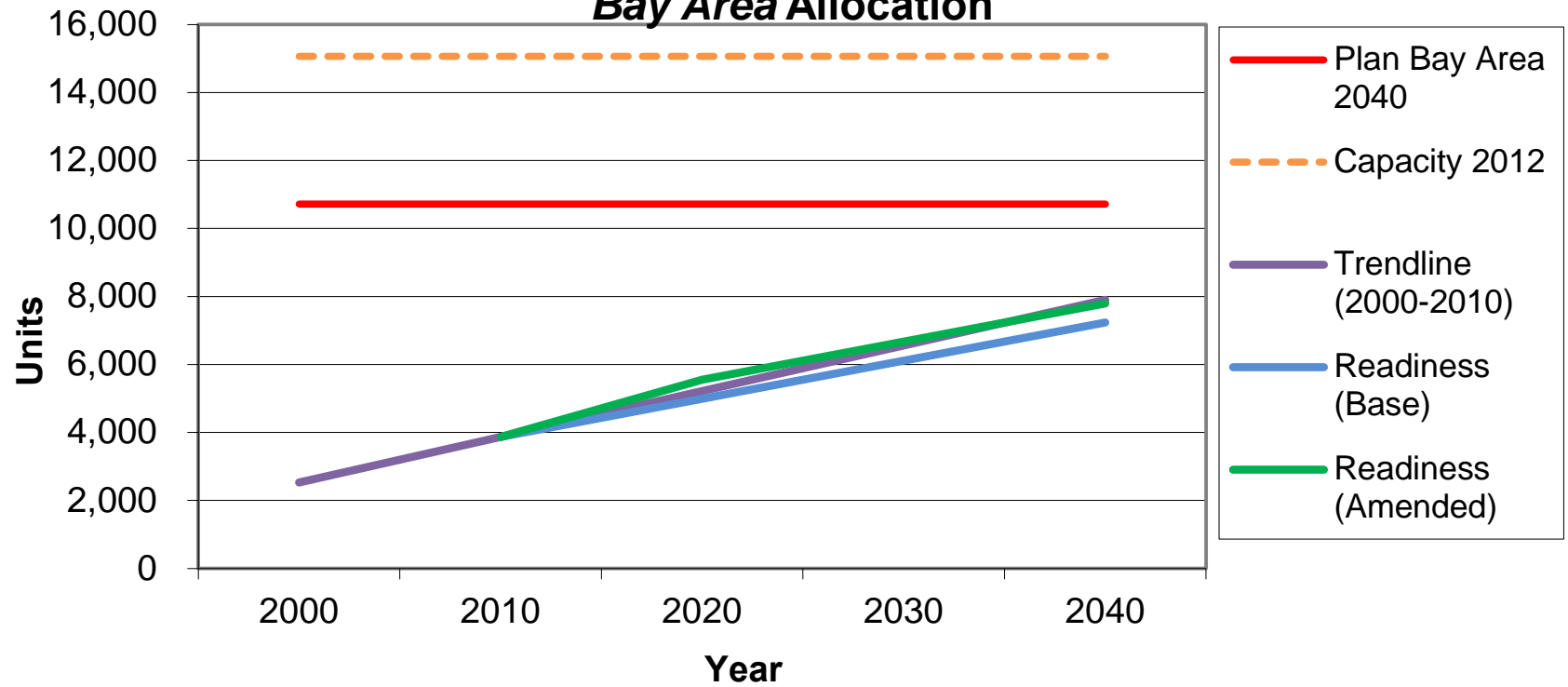


Figure 55
PDA Readiness Criteria Worksheet

PDA name: South San Francisco Downtown

Version: Baseline

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
A	PDA Housing Capacity Estimate	1	Estimate of current local land use policy new housing capacity	1,700				City's ongoing planning effort shows ~1700 DUs capacity, assuming 20% of older housing stock would transition and densities up to 80 DU/acre
		2	Plan Bay Area new housing allocation				3,116	The increment of new housing allocated to the PDA in Plan Bay Area
		3	Capacity surplus or (shortfall)	(1,416)				Difference between estimated housing capacity (2012) and allocation
		4	Estimated increased capacity through likely changes to land use policy, including any initiative-based density restrictions (percentage change to existing capacity)		10%	10%	10%	City considers zoning to be permissive already, but EPS expects ongoing Downtown planning may result in modest increases of allowable densities.
		5	Estimated gross housing capacity at each period		1,870	1,870	1,870	
		6	Sum of Capacity Constraint Coefficients		0.60	0.35	0.20	Some infrastructure needs identified, as well as challenges pertaining to redevelopment of existing uses and smaller parcels.
		7	EPS estimate of housing production given constraints		748	1,216	1,496	Should exceed pace of recent development, as Citywide market is strong and most constraints can be addressed.
		8	Percentage of PDA 2040 housing allocation accommodated		24.0%	39.0%	48.0%	Primary issue is the significant shortfall of capacity compared to allocation.

A-163

Figure 55
PDA Readiness Criteria Worksheet

PDA name: South San Francisco Downtown

Version: Baseline

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
B	Planning and Entitlement Criteria	1	Displacement of existing stable residential neighborhoods		0.10	0.05	0.00	Some aging residential redevelopment has been identified as "opportunity sites" in calculation of planned capacity.
		2	Time required and difficulty in obtaining entitlement: institutional capacity and jurisdictional track record					City reports most projects require 3-6 months for entitlement, which is comparatively quick
					0.00	0.00	0.00	
C	Community Support	1	Elected official support for proposed PDA use types and densities during past 3 years		0.00	0.00	0.00	PDA designation unanimous, other PDAs in the City have had high-density projects approved (Mid-Pen ~80 DU/acre, BART station 50-80 DU/ac)
		2	History of neighborhood opposition		0.00	0.00	0.00	Not considered problematic, but stakeholder turnout is improving

A-164

Figure 55
PDA Readiness Criteria Worksheet

PDA name: South San Francisco Downtown

Version: Baseline

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
D	Market and Investment Attractiveness	1	History of real estate investment in PDA and surrounding city		0.10	0.05	0.00	City overall has gotten substantial development over 10-year period, especially around BART; limited investment within PDA during this time period.
		2	Recent Local Development Activity		0.10	0.00	0.00	Does have pipeline projects in City, not much in PDA. Centennial Village is 280-unit project planned on El Camino Real. Lots of employment development in pipeline (2-3M SF of biotech campus entitled).
		3	General Market Conditions		0.00	0.00	0.00	Housing prices have been among the highest in the PDA sample, due to proximity to major job centers within South San Francisco, San Francisco, and the Peninsula
		4	Financial Feasibility Constraint		0.00	0.00	0.00	Some developable parcels were purchased by RDA for redevelopment, now in question. Other sites are substantial in size and have low-intensity commercial uses.
		5	Parcel size and configuration		0.05	0.05	0.00	Some parcel assembly has already occurred under RDA, and not all opportunity sites are small parcels.
		6	Existence of major investment disincentives		0.10	0.05	0.00	Schools are decent; problematic access to Caltrain station that is planned for improvement; crime has been an increasing issue in recent years. Downtown Plan and continued development are expected to lessen these issues over time.

A-165

Figure 55
PDA Readiness Criteria Worksheet

PDA name: South San Francisco Downtown

Version: **Baseline**

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
E	Infrastructure Capacity, Needs, and Financing	1	Existing infrastructure capacity		0.05	0.10	0.15	Downtown Plan is incomplete, but probably need significant infrastructure improvements to accommodate extensive growth over time. Water, sewer, transportation/access, schools and parks may all need upgrades. Water availability may be an issue.
		2	Is there an existing CIP funded or other infrastructure financing plan in place?		0.05	0.00	0.00	Not yet, but will be part of plan.
		3	PDA financing capacity		0.05	0.05	0.05	City has been counting on RDA funds, so this is problematic, though relatively high unit values may be able to support significant costs.

A-166

Figure 56
PDA Readiness Criteria Worksheet

PDA name: South San Francisco Downtown

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
A	PDA Housing Capacity Estimate	1	Estimate of current local land use policy new housing capacity	1,700				City's ongoing planning effort shows ~1700 DUs capacity, assuming 20% of older housing stock would transition and densities up to 80 DU/acre
		2	Plan Bay Area new housing allocation				3,116	The increment of new housing allocated to the PDA in Plan Bay Area
		3	Capacity surplus or (shortfall)	(1,416)				Difference between estimated housing capacity (2012) and allocation
		4	Estimated increased capacity through likely changes to land use policy, including any initiative-based density restrictions (percentage change to existing capacity)		10%	10%	10%	City considers zoning to be permissive already, but EPS expects ongoing Downtown planning may result in modest increases of allowable densities.
		5	Estimated gross housing capacity at each period		1,870	1,870	1,870	
		6	Sum of Capacity Constraint Coefficients		0.60	0.20	0.05	Some infrastructure needs identified, as well as challenges pertaining to redevelopment of existing uses and smaller parcels. Amendment assumes Redevelopment-type powers and funding available to assist with parcel assembly and infrastructure financing.
		7	EPS estimate of housing production given constraints		748	1,496	1,777	Should exceed pace of recent development, as Citywide market is strong and most constraints can be addressed. These figures represent development in excess of estimated current planned capacity, though still well short of allocation.
		8	Percentage of PDA 2040 housing allocation accommodated		24.0%	48.0%	57.0%	Primary issue is the significant shortfall of capacity compared to allocation. Amended readiness can be improved through re-introduction of Redevelopment-type powers and resources.

A-167

Figure 56
PDA Readiness Criteria Worksheet

PDA name: South San Francisco Downtown

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
B	Planning and Entitlement Criteria	1	Displacement of existing stable residential neighborhoods		0.10	0.05	0.00	Some aging residential redevelopment has been identified as "opportunity sites" in calculation of planned capacity.
		2	Time required and difficulty in obtaining entitlement: institutional capacity and jurisdictional track record					City reports most projects require 3-6 months for entitlement, which is comparatively quick
					0.00	0.00	0.00	
C	Community Support	1	Elected official support for proposed PDA use types and densities during past 3 years		0.00	0.00	0.00	PDA designation unanimous, other PDAs in the City have had high-density projects approved (Mid-Pen ~80 DU/acre, BART station 50-80 DU/ac)
		2	History of neighborhood opposition		0.00	0.00	0.00	Not considered problematic, but stakeholder turnout is improving

A-168

Figure 56
PDA Readiness Criteria Worksheet

PDA name: South San Francisco Downtown

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
D	Market and Investment Attractiveness	1	History of real estate investment in PDA and surrounding city		0.10	0.05	0.00	City overall has gotten substantial development over 10-year period, especially around BART; limited investment within PDA during this time period.
		2	Recent Local Development Activity		0.10	0.00	0.00	Does have pipeline projects in City, not much in PDA. Centennial Village is 280-unit project planned on El Camino Real. Lots of employment development in pipeline (2-3M SF of biotech campus entitled).
		3	General Market Conditions		0.00	0.00	0.00	Housing prices have been among the highest in the PDA sample, due to proximity to major job centers within South San Francisco, San Francisco, and the Peninsula
		4	Financial Feasibility Constraint		0.00	0.00	0.00	Some developable parcels were purchased by RDA for redevelopment, now in question. Other sites are substantial in size and have low-intensity commercial uses.
		5	Parcel size and configuration		0.05	0.00	0.00	Some parcel assembly has already occurred under RDA, not all small parcels. Amendment assumes RDA-type powers would be re-introduced to assist with parcel assembly.
		6	Existence of major investment disincentives		0.10	0.05	0.00	Schools are decent; problematic access to Caltrain station that is planned for improvement; crime has been an increasing issue in recent years. Downtown Plan and continued development are expected to lessen these issues over time.

A-169

Figure 56
PDA Readiness Criteria Worksheet

PDA name: South San Francisco Downtown

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
E	Infrastructure Capacity, Needs, and Financing	1	Existing infrastructure capacity		0.05	0.05	0.05	Plan incomplete, but probably need significant infrastructure improvements. Water, sewer, etc. will need upgrades, transportation/access improvements as well. Schools and parks too. Water capacity may be an issue. Amendment assumes upgrades could be funded through regional or RDA-type sources, thus reducing but not eliminating constraint.
		2	Is there an existing CIP funded or other infrastructure financing plan in place?		0.05	0.00	0.00	Not yet, but will be part of plan.
		3	PDA financing capacity		0.05	0.00	0.00	Have been counting on RDA funds, so this is problematic. Amendment assumes tax increment financing capacity would be re-introduced.

A-170

**Figure 57: South San Francisco Downtown
Planned Housing Capacity, Production Trendline, and *Plan*
*Bay Area Allocation***

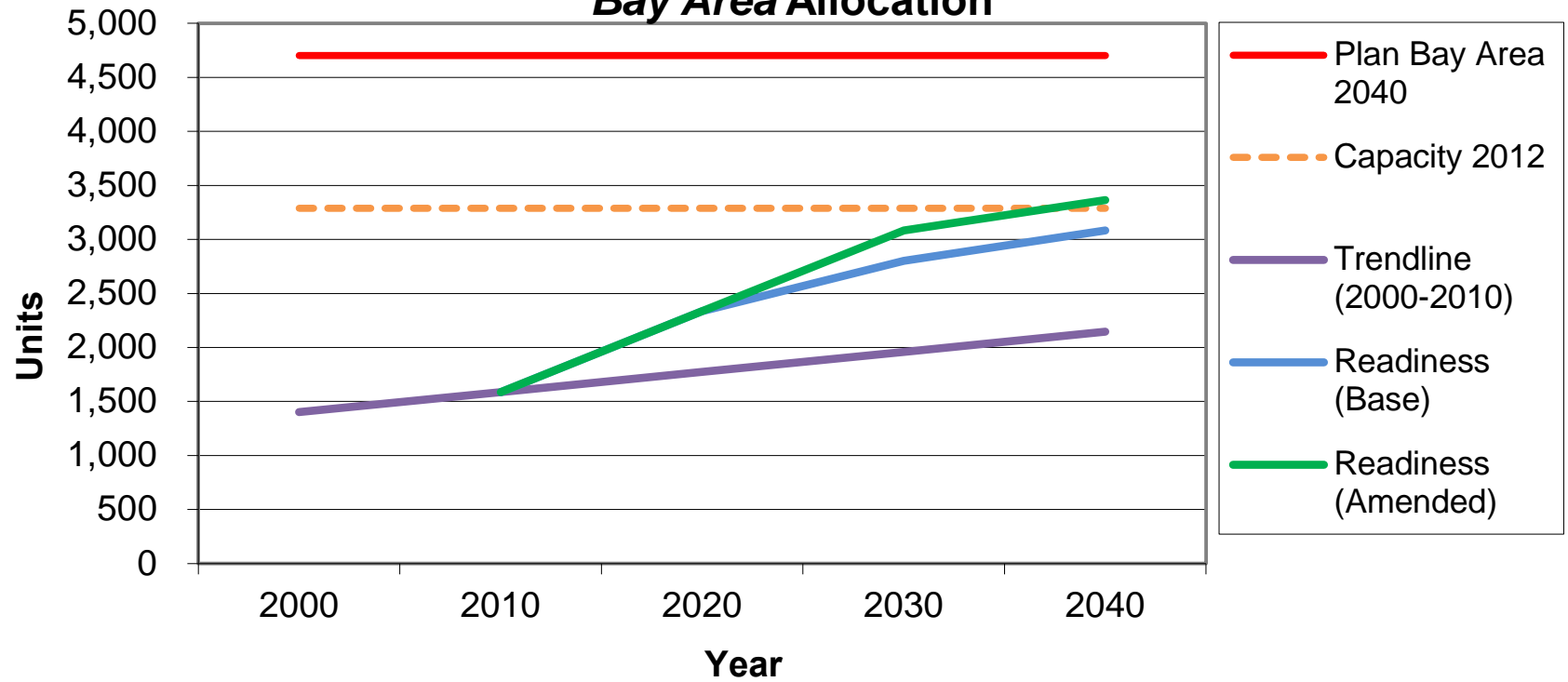


Figure 58
PDA Readiness Criteria Worksheet

PDA name: Oakland MacArthur Station

Version: Baseline

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
A	PDA Housing Capacity Estimate	1	Estimate of current local land use policy new housing capacity	3,577				CD+A identified 45 acres of underutilized sites that could achieve 3,577 DUs at average of 80 DU/acre. Number is slightly higher than City's estimate from Housing Element sites analysis.
		2	Plan Bay Area new housing allocation				5,092	The increment of new housing allocated to the PDA in Plan Bay Area
		3	Capacity surplus or (shortfall)	(1,515)				Difference between estimated housing capacity (2012) and allocation
		4	Estimated increased capacity through likely changes to land use policy, including any initiative-based density restrictions (percentage change to existing capacity)		0%	0%	0%	No upzoning assumed in Baseline scenario, as allowable densities are already relatively high.
		5	Estimated gross housing capacity at each period		3,577	3,577	3,577	
		6	Sum of Capacity Constraint Coefficients		0.75	0.50	0.35	Redevelopment of existing uses represents a major challenge in this area, but history shows this will occur over time.
		7	EPS estimate of housing production given constraints		894	1,789	2,325	Roughly consistent with pace of growth from 2000-2010 as reported by Census.
		8	Percentage of PDA 2040 housing allocation accommodated		17.6%	35.1%	45.7%	Allocation appears to significantly exceed physical/regulatory capacity, and challenges of redeveloping parcels constrains pace of growth.

A-172

Figure 58
PDA Readiness Criteria Worksheet

PDA name: Oakland MacArthur Station

Version: Baseline

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
B	Planning and Entitlement Criteria	1	Displacement of existing stable residential neighborhoods		0.05	0.05	0.05	Largely builtout urban area requires redevelopment of existing uses, some of which are lower-density housing sites. Major opportunity site is MacArthur BART station land, planned for 624 units (perhaps as much as 675 entitled).
		2	Time required and difficulty in obtaining entitlement: institutional capacity and jurisdictional track record		0.00	0.00	0.00	2010 survey says most large planning documents (EIR, General Plan, zoning, etc.) have been adopted, and that zoning amendments were expected by 2012. Multifamily projects are estimated to take 6-12 months for approvals, and commercial/mixed-use take 12-18 months.
C	Community Support	1	Elected official support for proposed PDA use types and densities during past 3 years		0.00	0.00	0.00	Council has approved numerous multifamily projects in and around PDA in recent years.
		2	History of neighborhood opposition		0.05	0.05	0.05	Mixed feelings in neighborhood, and particular concern about development over 4 stories on major corridors. Approved projects are frequently appealed, adding time.

A-173

Figure 58
PDA Readiness Criteria Worksheet

PDA name: Oakland MacArthur Station

Version: Baseline

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
D	Market and Investment Attractiveness	1	History of real estate investment in PDA and surrounding city		0.10	0.05	0.00	Census shows over 800 units were built in PDA from 2000-2010, while more significant projects occurred in nearby Downtown areas. Census shows 7,500+ units built within 2 miles from 2000-2010, indicating market interest in the general vicinity. Modest median incomes (\$54K) do not necessarily reflect achievable housing price points.
		2	Recent Local Development Activity		0.00	0.00	0.00	2012 survey says 1,138 new units in the pipeline, including numerous infill projects (50-100 units) in addition to Transit Village.
		3	General Market Conditions		0.05	0.05	0.05	Economically diverse PDA that has undergone significant but far-from-complete gentrification. Low median income reflects long-time residents more than the market profile of new buyers/renters.
		4	Financial Feasibility Constraint		0.25	0.15	0.05	Though achievable home values and rents are reasonable and multifamily housing has been accepted and well-performing (rents and vacancies), virtually all new development in this corridor must occur on sites with existing uses and ongoing cash flow. Largest opportunity site is the MacArthur BART station property, planned for over 600 units. Eventual end of buildings' useful life will facilitate longer-term development.
		5	Parcel size and configuration		0.10	0.10	0.10	Few large parcels, and most sites have already been developed.
		6	Existence of major investment disincentives		0.10	0.05	0.05	2010 survey identifies crime and schools as deterrents to market. Area's gentrification is likely to continue, potentially improving both of these disincentives.

A-174

Figure 58
PDA Readiness Criteria Worksheet

PDA name: Oakland MacArthur Station

Version: **Baseline**

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
E	Infrastructure Capacity, Needs, and Financing	1	Existing infrastructure capacity		0.00	0.00	0.00	2010 survey identifies sewer capacity as a potential constraint, and impact fee may be insufficient. 2010 survey identified \$139M of investment need, but nearly half (\$65M) was for affordable housing subsidies, and \$38M was shown to have been funded already.
		2	Is there an existing CIP funded or other infrastructure financing plan in place?		0.05	0.00	0.00	Oakland has had political problems creating impact fees to fund infrastructure. Only has sewer and jobs/housing fees. Has no traffic or public art or parks or stormwater fees or inclusionary housing. Council typically opposes fees to be "business friendly," but then City often doesn't have resources to fund needed infrastructure. Projects contribute to local needs, but Citywide projects always funded by grants and bond measures.
		3	PDA financing capacity		0.00	0.00	0.00	Unfunded infrastructure needs from 2010 survey appear to be ~\$20K/unit, which is generally reasonable.

A-175

Figure 59
PDA Readiness Criteria Worksheet

PDA name: Oakland MacArthur Station

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
A	PDA Housing Capacity Estimate	1	Estimate of current local land use policy new housing capacity	3,577				CD+A identified 45 acres of underutilized sites that could achieve 3,577 DUs at average of 80 DU/acre. Number is slightly higher than City's estimate from Housing Element sites analysis.
		2	Plan Bay Area new housing allocation				5,092	The increment of new housing allocated to the PDA in Plan Bay Area
		3	Capacity surplus or (shortfall)	(1,515)				Difference between estimated housing capacity (2012) and allocation
		4	Estimated increased capacity through likely changes to land use policy, including any initiative-based density restrictions (percentage change to existing capacity)		0%	10%	25%	Amendment assumes area will have modest increase in allowable density over time, but quantitative impact is limited due to largely built-out conditions in this PDA. This assumption equates to increase in average density from 80 to 100 DU/acre on 45 underutilized acres identified by CD+A.
		5	Estimated gross housing capacity at each period		3,577	3,935	4,471	
		6	Sum of Capacity Constraint Coefficients		0.70	0.45	0.30	Redevelopment of existing uses represents a major challenge in this area, but history shows this will occur over time. Amendment assumes Redevelopment-type resources will improve viability of new projects and infrastructure investment.
		7	EPS estimate of housing production given constraints		1,073	2,164	3,130	Exceeds the pace of growth from 2000-2010 as reported by Census.
		8	Percentage of PDA 2040 housing allocation accommodated		21.1%	42.5%	61.5%	Allocation appears to significantly exceed physical/regulatory capacity even with aggressive upzoning assumption, and challenges of redeveloping parcels constrains pace of growth.

A-176

Figure 59
PDA Readiness Criteria Worksheet

PDA name: Oakland MacArthur Station

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
B	Planning and Entitlement Criteria	1	Displacement of existing stable residential neighborhoods		0.05	0.05	0.05	Largely builtout urban area requires redevelopment of existing uses, some of which are lower-density housing sites. Major opportunity site is MacArthur BART station land, planned for 624 units.
		2	Time required and difficulty in obtaining entitlement: institutional capacity and jurisdictional track record		0.00	0.00	0.00	2010 survey says most large planning documents (EIR, General Plan, zoning, etc.) have been adopted, and that zoning amendments were expected by 2012. Multifamily projects are estimated to take 6-12 months for approvals, and commercial/mixed-use take 12-18 months.
C	Community Support	1	Elected official support for proposed PDA use types and densities during past 3 years		0.00	0.00	0.00	Council has approved numerous multifamily projects in and around PDA in recent years.
		2	History of neighborhood opposition		0.05	0.05	0.05	Mixed feelings in neighborhood, and particular concern about development over 4 stories on major corridors. Approved projects are frequently appealed, adding time.

A-177

Figure 59
PDA Readiness Criteria Worksheet

PDA name: Oakland MacArthur Station

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
D	Market and Investment Attractiveness	1	History of real estate investment in PDA and surrounding city		0.10	0.05	0.00	Census shows over 800 units were built in PDA from 2000-2010, while more significant projects occurred in nearby Downtown areas. Census shows 7,500+ units built within 2 miles from 2000-2010, indicating market interest in the general vicinity. Modest median incomes (\$54K) do not necessarily reflect achievable housing price points.
		2	Recent Local Development Activity		0.00	0.00	0.00	2012 survey says 1,138 new units in the pipeline, including numerous infill projects (50-100 units) in addition to Transit Village.
		3	General Market Conditions		0.05	0.05	0.05	Economically diverse PDA that has undergone significant but far-from-complete gentrification. Low median income reflects long-time residents more than the market profile of new buyers/renters.
		4	Financial Feasibility Constraint		0.25	0.15	0.05	Though achievable home values and rents are reasonable and multifamily housing has been accepted and well-performing (rents and vacancies), virtually all new development in this corridor must occur on sites with existing uses and ongoing cash flow. Largest opportunity site is the MacArthur BART station property, planned for over 600 units. Eventual end of buildings' useful life will facilitate longer-term development.
		5	Parcel size and configuration		0.05	0.05	0.05	Few large parcels, and most sites have already been developed. EPS amendment assumes City can assist with parcel assembly through re-introduction of Redevelopment-type powers and funding sources.
		6	Existence of major investment disincentives		0.10	0.05	0.05	2010 survey identifies crime and schools as deterrents to market. Area's gentrification is likely to continue, potentially improving both of these disincentives.

A-178

Figure 59
PDA Readiness Criteria Worksheet

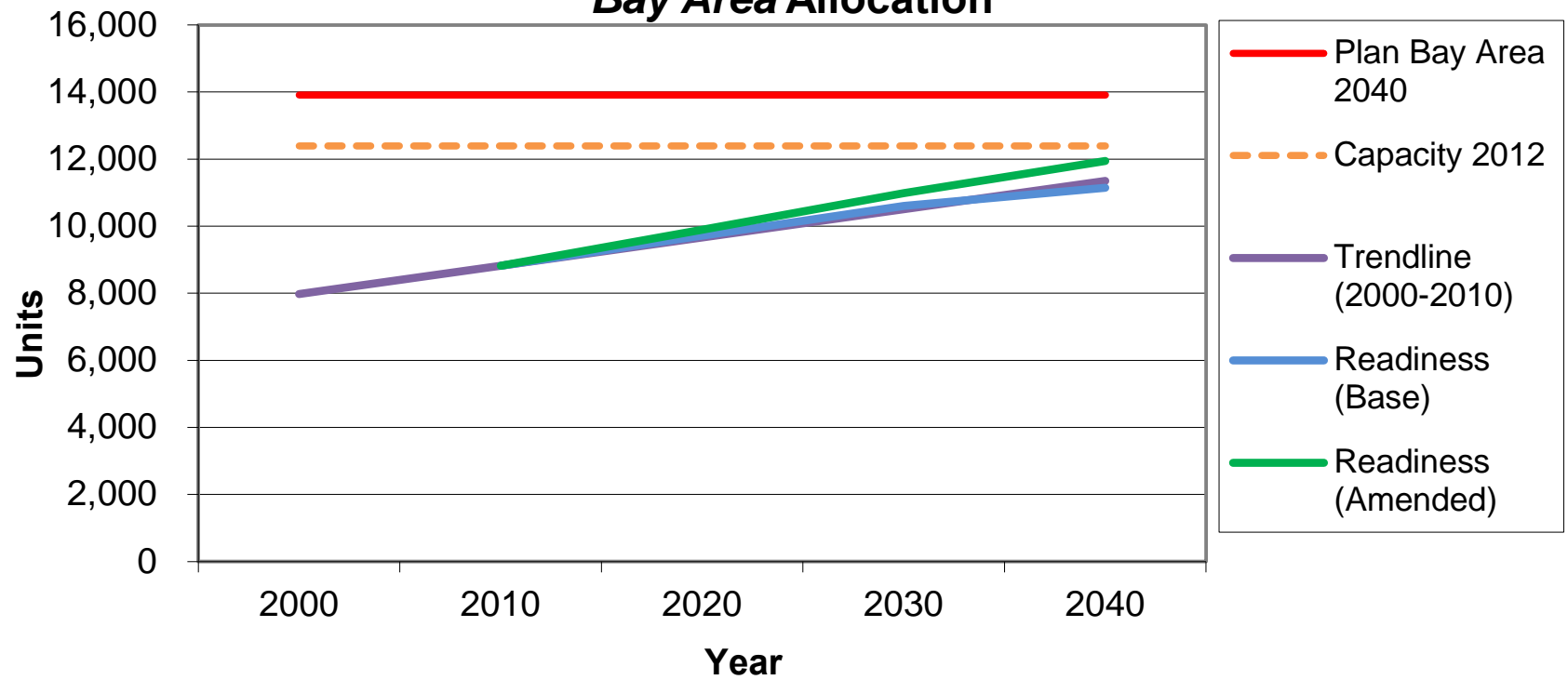
PDA name: Oakland MacArthur Station

Version: Amended

#	Readiness Criteria Category	#	Sub-Criterion Name	Present (2012)	PDA Development Readiness Scoring			Notes
					2020	2030	2040	
E	Infrastructure Capacity, Needs, and Financing	1	Existing infrastructure capacity		0.00	0.00	0.00	2010 survey identifies sewer capacity as a potential constraint, and impact fee may be insufficient. 2010 survey identified \$139M of investment need, but nearly half (\$65M) was for affordable housing subsidies, and \$38M was shown to have been funded already.
		2	Is there an existing CIP funded or other infrastructure financing plan in place?		0.05	0.00	0.00	Oakland has had political problems creating impact fees to fund infrastructure. Only has sewer and jobs/housing fees. Has no traffic or public art or parks or stormwater fees or inclusionary housing. Council typically opposes fees to be "business friendly," but then City often doesn't have resources to fund needed infrastructure. Projects contribute to local needs, but Citywide projects always funded by grants and bond measures.
		3	PDA financing capacity		0.00	0.00	0.00	Unfunded infrastructure needs from 2010 survey appear to be ~\$20K/unit, which is generally reasonable.

A-179

**Figure 60: Oakland MacArthur
Planned Housing Capacity, Production Trendline, and *Plan
Bay Area* Allocation**



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