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JOINT POLICY COMMITTEE — REGIONAL PLANNING PROGRAM

Date: March 27, 2008
To: FOCUS Working Group
From: Regional Planning Program Director
Subject: Performance Criteria for Priority Development Areas

We anticipate that within the next few months, the update of the regional transportation plan will settle in on a funding program to provide capital incentives for PDA development. The responsible implementation of that funding program will require the identification of performance criteria to guide the allocation of funds and to evaluate the effectiveness of their use. That is, any regional transportation funding going to PDAs will need to be accompanied by clear performance expectations relative to regional objectives. This memo is intended to lay out some preliminary ideas on the basic content and structure of those expectations for discussion by the FOCUS Working Group and other stakeholders.

Regional expectations for PDAs have to be sensitive to context. The Bay Area is composed of a variety of communities with different physical conditions and different community values. One size will definitely not fit all, and PDAs cannot be held to a single uniform performance target. However, it should be possible to establish general metrics for assessing PDA performance and, within those criterion measures, to establish context-specific standards against which to judge individual PDAs. This memo identifies relevant general measures and potential sources for specific standards, but stops short of setting an array of individual performance targets at this time. Those individualized standards should be the subject of interest-based discussion and negotiation with our local-government PDA partners and others once we have established reasonable consensus on some general basics similar to those introduced below.

Key Criterion Measure: Vehicle Miles Traveled (VMT)

Focused (née smart) growth and the FOCUS program have a panoply of complementary objectives, from conserving land resources to revitalizing existing communities. However, we have considered supporting focused growth and its principal Bay Area manifestation, Priority Development Areas, using mostly transportation funds. Therefore, our prime measures of performance should be related to transportation impact. As transportation is also by far the largest generator of greenhouse gases in the Bay Area, concentrating on transportation measures directly supports what most consider to be our highest environmental imperative: climate protection.

The best summary measure of transportation impact is vehicle miles traveled (VMT). VMT captures at least three transportation objectives of focused growth: (1) reducing auto trip frequency, (2) reducing auto trip length, and (3) decreasing single-occupancy-vehicle (SOV) mode split (i.e., increasing the proportion of trips made through walking, biking, transit and car-pooling). There is a body of empirical research which suggests that the kind of compact development we are encouraging for PDAs can have a significant effect on VMT. The consensus of a variety of studies¹, supported by MTC's own TOD research, is that PDA-like communities will produce per capita VMT that is 20 to 40 percent less than that from typical suburban low-density, single-use residential subdivisions. Over time, that can exert considerable influence on growth in the region's transportation system needs and on greenhouse-gas emissions.

We are fortunate that there is emerging research and technology which can help us forecast VMT for various community-development forms and understand how particular PDA plans will perform against this key criterion. The San Joaquin Valley's Air Pollution Control District is currently estimating community development VMT and associated air pollution impacts to help it implement its indirect source rule.² Measuring actual VMT to help us track progress and to calibrate our models is more problematic, but relatively straight-forward solutions could be available as this becomes a priority.

Supporting Criteria

Minimizing VMT will generally require that PDAs measure well against a number of other more proximate criteria or likely preconditions for VMT reduction. It will be helpful for all concerned to assess PDAs against these supporting criteria as well, all of which are important in their own right. Some of the supporting criteria can be measured quantitatively; others will require a more qualitative and subjective assessment but are nonetheless critical to fully assessing PDA performance. Early in the process, these criteria are best expressed as questions to be asked of each PDA.

1. Community Improvement

How was the plan for the PDA developed with community members to build upon existing assets, redress existing needs, and improve the area for both present and future residents?

A plan which enjoys the support of existing residents and which is perceived as an improvement will have long-term legs. Inclusive, neighborhood-level planning will reduce the imposition of singular projects which are opposed by current community members and which poison the receptivity to continuing development and change. Public infrastructure budgets and their justification will provide important information on how communities have planned positively for change.

¹ Summarized in R. Ewing, K. Bartholomew, S. Winkelmann, J. Walters and D. Chen; *Growing Cooler: The Evidence on Urban Development and Climate Change*; Urban Land Institute, October 2007.

² See Nelson\Nygaard Consulting Associates, *Crediting Low-Traffic Development: Adjusting Site-Level Vehicle Trip Generation Using URBEMIS*, August 2005, and www.valleyair.org.

2. Housing Choice

How does the plan for the PDA help expand the overall quantity of housing, increasing tenure, affordability, form and density choices for the area and for the region?

Community diversity can help reduce travel. Those who are employed in the area and serve its residents should have affordable housing opportunities so that they can live near where they work. The number of housing units by type and affordability class will be an important quantitative measure of PDA performance, as will jobs/housing balance by occupational type.

3. Transportation Choice

How does the plan for the PDA, through the provision of infrastructure and through the location, mixture and intensity of land uses, facilitate walking, bicycling and transit alternatives to single-occupant automobile travel?

Community design and use mix will need to be assessed qualitatively relative to the general objective of building complete communities near quality transit. National research provides us with a comparative and quantitative basis through which to assess density and other measures of land-use intensity relative to the optimum use of the transit infrastructure serving the area.³ Unit density is a critical quantitative indicator of performance.

4. Land-use compatibility

How does the PDA plan address adjacency issues and respect potentially conflicting but essential land-use and circulation functions?

In addition to reducing VMT, PDAs should recognize other regional objectives including those related to economic diversity and resiliency, goods distribution, and localized air pollution.

5. Sustainability

How does the PDA plan address and balance each of the three e's—economy, equity, and environment—to ensure net positive benefits for each?

While we cannot expect any local plan to solve all the region's problems, we should be able to clearly see that it was not developed narrowly using a head-in-the-sand paradigm. In sum, the plan should respond in a demonstrable manner to the pressing challenges of the Bay Area in the twenty-first century. It should contribute to the continuation of a strong economy, help increase access to economic benefits for all segments of Bay Area society, and facilitate a reduction in our environmental footprint.

³ See Metropolitan Transportation Commission, *Station Area Planning Manual*, October 18, 2007

Use of Performance Criteria

The criteria identified in this memo, and other similar criteria if appropriate, will have three principal uses as the FOCUS program moves forward:

1. Provide a comparative basis for assessing PDAs in the competition for limited regional funds (Those PDAs that score well against other roughly comparable PDAs on the quantitative metrics and which provide compelling answers to the qualitative questions should be most competitive for and deserving of regional support.);
2. Help direct regional funds to those expenditure categories and specific projects within PDAs that contribute most to regional objectives (e.g., pedestrian connections);
3. Provide a basis by which to tangibly measure and evaluate progress and against which to chart and navigate program improvements as FOCUS moves forward.

Next Steps and Discussion Questions

FOCUS is not just another top-down funding program, but is intended to be a partnership among the regional agencies and local governments. Therefore, it is appropriate to consult with our local partners on the general nature and structure of criteria before proceeding further. This consultation should proceed through a variety of forums, starting with the FOCUS Working Group and then proceeding through county-level meetings of officials representing PDA jurisdictions and through meetings with other stakeholder groups.

It would be most helpful at this point if the FOCUS Working Group addressed two general groups of questions:

1. Acknowledging that initial PDA incentive funding will come largely from regional transportation funds, is VMT the most appropriate central measure of transportation outcome? Is there a better alternative measure? Are there additional transportation metrics that we should be employing? Why?
2. Are the proposed categories of supporting criteria the right ones? Is there anything that should be added? Why? Deleted? Why? What requires clarification or elaboration? What are your suggestions for doing this?