

## VI. RECOMMENDED REGIONAL AGENCY STRATEGIES

This is a critical moment in planning for equitable development. Growing recognition about climate change – and the role of land use and transportation patterns in reducing greenhouse gas emissions – has refocused attention on the need for coordinated regional planning. SB 375 has the potential to dramatically redirect growth toward existing urban centers and transit lines, creating the opportunity to expand transit access for Bay Area residents.

At the federal level, there is renewed interest in coordinated housing, transportation, environmental, and economic development planning and policymaking. The recently-launched Sustainable Communities Partnership between the U.S. Department of Housing and Urban Development (HUD), the U. S. Department of Transportation (DOT), and the U.S. Environmental Protection Agency is an important mechanism for realizing this goal.

The Bay Area contains many innovative examples of equitable development, and is a national leader in developing new policy and programmatic efforts to build “communities of opportunity” throughout the region. Local leaders and the regional agencies should exhibit, and continue to build, their leadership in these areas to demonstrate what can be done and position themselves for federal funding streams related to coordinated planning efforts, climate change emissions reductions, green jobs development, and other national goals.

### Actions Moving Forward

As a part of the Development Without Displacement project, PolicyLink developed the following recommendations regarding what regional agencies (particularly ABAG and MTC) can do over the next several years to prevent displacement and to build inclusive, transit-oriented neighborhoods in the Bay Area. These recommendations are being considered by ABAG Regional Planning Committee.

- 1) Develop an online *Equitable Development Indicators System* to track, monitor and evaluate equity outcomes in PDAs and other geographies in the region over time.
- 2) Establish *specific equity-focused performance measures for Priority Development Areas* and include these measures as criteria for the receipt of capital infrastructure investments and station area planning grants.
- 3) *Continue to fund station area plans and strengthen community engagement* as a condition for receiving funds.
- 4) Promote a *regional affordable housing strategy* that emphasizes the retention and expansion of affordable housing and the prevention of displacement near transit.
- 5) Include an *Equity Innovations Forum* where practitioners can exchange best practices and resources as a part of its new web platform.
- 6) Convene an *Equity Caucus* to engage elected officials representing the PDAs to discuss how to meet equitable development goals.
- 7) *Evaluate current regional investment policies and make recommendations* for how to ensure equitable development and prevent displacement.
- 8) *Modify parking fee structures and policies* to benefit existing communities.
- 9) *Incorporate affordability, transit access, walkability and displacement prevention* in regional sustainable communities planning.

**Recommendation 1: Develop an online regional Equitable Development Indicators System to track, monitor and evaluate equity outcomes in PDAs and other geographies in the region over time.**

ABAG could leverage its role as the regional Census Data Center and its research and data expertise to develop and maintain an Equitable Development Indicators System: a comprehensive, region-wide online GIS database. This database could both make available a wide array of data already collected and maintained by the agency and serve as a repository for data collected by local governments or community groups.

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The system could incorporate Web 2.0 functionalities to enable users to provide feedback, verify data, and contribute their own data. It could be used for multiple purposes, including but not limited to:

- Tracking and monitoring a set of equity indicators in PDAs and other geographies;
- Measuring the agency’s own progress on equity performance goals;

- Providing data to support local governments and advocacy groups in developing and implementing housing, TOD and other strategies; and
- Fostering regional collaboration and data-sharing.

*Long-term Goal*

A longer-term goal should be to develop a parcel-level regional data system. Parcel-level indicators – land value, ownership, zoning, tax liens, vacancy status, etc. – are essential for understanding neighborhood change. Such a system could distribute agency data and gather an array of local datasets including property files generally maintained by local assessors and make this data available to the public, local governments and other regional agencies.

Local governments are increasingly making their property data available online and several regional systems have been developed. Efficiency is a prime reason for developing larger-scale data systems. The City of Portland decided to develop an institution-wide GIS system ([www.PortlandMaps.com](http://www.PortlandMaps.com)) after a business analysis documented the inefficiencies of running multiple GIS systems. The city’s initial \$7 million investment now saves \$1 million per year. Several regions have already developed such systems and are using them to effectively guide their planning and community development efforts:

- In Minneapolis-St. Paul, the MetroGIS ([www.metrogis.org/](http://www.metrogis.org/)) regional data-sharing platform has served as a one-stop shop for information in the Twin Cities since 1995 and has supported a wide variety of community development efforts. MetroGIS secured data-sharing agreements with each of the region’s seven counties to create a regional parcel layer with a set of common attributes.
- Chicago’s regional planning agency (Chicago Metropolitan Agency for Planning) manages a regional parcel data system and engages communities in regional planning through its

Full Circle Community Mapping Project. Full Circle provides wireless data capture devices to communities to undertake their own data collection and mapping. There have been dozens of application, but the system has been particularly useful for groups working to improve commercial corridors.<sup>38</sup>

One of the signature products and uses of the regional data system could be an Equitable Development Indicators project that would monitor equitable development goals in the PDAs and other geographies in the region. Community indicators are a widely used tool for tracking positive and negative community trends and assessing how well a place is doing. Successful indicators projects lead to community action, policy change and progress toward goals.

Coalition for a Livable Future's Regional Equity Atlas Project ([www.equityatlas.org](http://www.equityatlas.org)), for example, developed a set of equity indicators, shared them with community members and engaged them in the search for solutions, and developed an Equity Action Agenda. One of the actions to come out of the process was the development of the Affordable Housing NOW! Collaborative, which led a campaign that established a 30 percent set aside for the development, preservation, and rehabilitation of affordable housing in the city's urban renewal zones – the equivalent of \$125.5 million over five years.

### *Indicators*

A regional Equitable Development Indicators project undertaken by the regional agencies in collaboration with other stakeholders and residents could provide an ongoing analysis of the state of the region and serve as a roadmap for directing energy and investments in a way that creates more equitable and sustainable communities. A set of equitable development indicators would need to be developed and vetted in partnership with communities and other regional advocacy groups. The

equity indicators would cover critical areas, such as affordable housing, transit service, public investment, access to jobs, gentrification/displacement, healthy communities measures (access to healthy food and safe streets), etc.

Given the unique concerns and conditions across the PDAs, there might be PDA/community-specific indicators in addition to a common set of indicators. Indicators such as those developed by CCI<sup>39</sup> could potentially be incorporated into this data system, providing users with easy access to the information and the ability to analyze gentrification in relation to other data such as public investment. Adding public investments into the system (not only regional agency investments but federal, state and local investments as well) would allow communities to track their equity impacts.

To share the indicators with the public and support decision making and policy debate, regional agencies could regularly produce Scorecards or Progress Reports on the region as a whole, on particular PDAs, or on particular topics of relevance. The system could track development in air quality districts, for example, or evaluate the creation of quality jobs associated with development projects. This system could also be incorporated into the Sustainable Communities planning connected with SB 375 that the regional agencies will undertake over the next several years. A sustainability indicators system for the PDAs that prioritizes equity indicators could serve the same purposes as an equitable indicators system.

<sup>38</sup> See case studies of Chicago and the Twin Cities in *Transforming Community Development with Land Information Systems*, available at [http://www.policylink.org/atf/ctf/%7B97c6d565-bb43-406d-a6d5-eca3bbf35af0%7D/TRANSFORMINGCOMMDEVELOPMENT\\_FINAL.PDF](http://www.policylink.org/atf/ctf/%7B97c6d565-bb43-406d-a6d5-eca3bbf35af0%7D/TRANSFORMINGCOMMDEVELOPMENT_FINAL.PDF).

<sup>39</sup> See Karen Chapple, *Mapping Susceptibility to Gentrification: The Early Warning Toolkit, 2009*. Available from: <http://communityinnovation.berkeley.edu/reports/Gentrification-report.pdf>.

## Community Indicators Project in Jacksonville, Florida

Since 1985, the Jacksonville Community Council, Inc (JCCI), commonly described as a citizen think tank, has tracked quality of life indicators in the five-county Northeast Florida region. JCCI has been a pioneer in developing and using indicators to measure community progress and is recognized around the world for its work. A community progress report is produced annually with data and technical assistance from the region's MPO. The report includes over 100 indicators that reflect trends in nine areas: education, economy, environment, social wellbeing, arts, culture, and recreation, health, government, transportation, and safety. JCCI is widely recognized for moving the needle on key issues in the region including racial income disparities, pollution, and workforce training. Numerous public-private partnerships have developed out of its activities. Blueprint for Prosperity,<sup>40</sup> for example, was created after JCCI released its annual community progress report which described persistent racial income disparities in the region. The Chamber of Commerce, the local workforce agency, and the City of Jacksonville joined to advance a 15-year effort with the goal of increasing per capita income for all residents.

### **Recommendation 2: Establish specific social equity performance goals for Priority Development Areas and incorporate these goals into criteria for the receipt of capital infrastructure investments and station area planning grants.**

The FOCUS program already has a number of goals to support equity, including limiting displacement, revitalizing neighborhoods, and improving public health and safety. In concert with this and the recommended equity indicators project, ABAG and the other regional agencies (in collaboration with local agencies and organizations working within the PDAs) should define a set of social equity "performance goals" for the PDAs. The establishment of performance goals for the allocation of capital infrastructure funds is already being discussed by MTC, which recommended a 10 percent reduction

in housing and transportation costs as a target for the Regional Transportation Plan.

These goals should be factored into the Sustainable Communities planning process, in addition to its emissions reductions goals. Given the overlap between PDAs and "communities of concern" identified by MTC (more than 70 percent non-white, low-income, or both), it is critical that social equity considerations are not only included as performance measures but also prioritized, as plans for infill development and investment move forward.

Equity goals would need to be determined through a community process, possibly including measures such as: improvements in bus service, change in housing and transportation burden, affordable housing development and preservation targets, community engagement, anti-displacement strategies, and commercial revitalization or stabilization. ABAG's existing knowledge of the PDA communities could be used to create an initial list of equity goals.

Using measures of housing market demand, (the gentrification indicators developed by CCI and transportation/land use characteristics such as the TOD place types in MTC's station area planning manual), it might be possible to create a typology that divides the PDAs into 4-6 community types and indicates the equity issues they are likely to face. This would provide a useful tool for further discussions about equity indicators. A complementary tool would clearly highlight the policy mechanisms or strategies that enable progress in a particular equity indicator. This information could be taken from the PolicyLink Equitable Development Toolkit, the Great Communities Collaborative TOD Toolkit, HousingPolicy.org, and other existing resources.

Equity goals for PDAs should be developed as a part of the SCS process and should include, when possible, "climate

<sup>40</sup> <http://www.coj.net/Mayor/Blueprint+for+Prosperity/default.htm>.

equity” and “green jobs” measures in order to position localities and the agency for federal funding streams related to climate change emissions reductions (for example, EPA’s “Climate Showcase Communities” grants), and green jobs development. Once these equity goals are established, ABAG could encourage innovative efforts to meet these equity goals through:

- Allocating planning funds, technical assistance and capital infrastructure funds based on the ability of a project or a community to make progress on these equity issues.
- Working with MTC to include these equity goals in its Regional Transportation Plan (RTP).
- Encouraging local governments to insert these goals in their general plans, zoning ordinances, and design guidelines, and to adopt, strengthen, or retain policies that promote these equity goals.
- Collaborating with local governments to create incentives for developers to meet goals, for example, creating expedited permitting and processes for development projects that incorporate high levels of affordable housing.

In addition to these particular equity goals, community engagement is an equity component that is essential for all planning processes and should be required as a part of station area planning grants. The process could be made part of a “Diversity” component of the grant application, requiring a solid scope of work that includes working with at least one other partner that is not under the jurisdiction of the Planning Agency.

**Recommendation 3: Continue to fund station area plans and strengthen community engagement as a condition for receiving funds.**

Station area planning is a critical stage for addressing displacement and ensuring that new development aligns with neighborhood aspirations and goals. Additional funding for

good station area planning that incorporates authentic and meaningful community participation would translate to more thoughtful processes and plans. The Development Without Displacement case studies demonstrate the key roles played by community-based organizations in gathering resident perspectives, including diverse voices in planning processes, and devising new and innovative solutions. Station Area Planning Grants already include a requirement for community engagement and the inclusion of a housing strategy that minimizes displacement, but these requirements should be strengthened by incorporating more explicit standards for community participation (for example, demonstrated involvement of community-based groups in the planning process) and incorporating the equity performance measures described above.

**Recommendation 4: Promote a regional affordable housing strategy that emphasizes the retention and expansion of affordable housing and the prevention of displacement near transit.**

The 2007 evaluation of RHNA goals and outcomes shows the stark housing affordability issues in the region. Between 1999 and 2006 the region produced only 35% of needed very low-income housing and 72 percent of needed low-income housing. Despite the nationwide foreclosure crisis, the Bay Area continues to have extremely high housing prices and can expect this to be the case for the foreseeable future. Precedent and the CCI data analysis have shown that communities with transit access are likely to experience rising property values and an influx of wealthier residents. This situation requires a strong regional strategy to promote affordable housing near transit.

This strategy should include not only affordable housing development targets, which are already established through RHNA, but also targets to preserve existing affordable units near transit. Research by Reconnecting American and the National Housing Trust shows there is a strong connection between the location of many subsidized and unsubsidized affordable units and the proximity to public transportation options.

There is an urgent need to preserve existing affordability, as a majority of these units that have government contracts will be expiring over the next five years. In addition, it should seek to ensure permanent affordability through nonprofit rental housing and shared equity homeownership strategies (deed restrictions, community land trusts, or limited equity housing cooperatives).

The strategy could include several components:

- Provide capital funds for transit infrastructure based on the construction or preservation of affordable housing near transit.
- Develop agency capacity (through partnerships with housing groups) to acquire and transfer land for the purposes of affordable housing development or to develop a regional community land trust.
- Provide localities with information and technical assistance about affordable housing and anti-displacement strategies (including sharing the lessons learned from the Development Without Displacement partnerships).
- Encourage and reward localities for adopting measures to increase affordable housing near transit and prevent displacement such as adopting “no net loss” policies, inclusionary requirements, and putting in place value capture mechanisms to link TOD value increases with permanent affordability strategies such as Austin’s Homestead Preservation District (*see text box, above*).
- Develop a housing preservation inventory to guide and track preservation efforts as a part of the Equity Indicators Project described above.
- Promote regional employer engagement in workforce housing strategies.

### **TOD “Value Capture” in Hot Markets**

TOD adds value to a place by increasing the value of nearby land and properties, generating additional tax revenues.

Localities can implement strategies such as tax-increment financing (TIF), business improvement districts, and developer agreements to capture this value and use it to finance additional features that make TOD projects successful, such as streetscape improvements, parks, and historic preservation.

In hot housing markets like the Bay Area, higher home values spurred by TOD can counter community goals for housing affordability and lead to gentrification and displacement. In such markets, TOD value capture strategies can fund efforts to preserve housing affordability or build new permanently affordable housing. Maine, Massachusetts, Portland, and San Antonio have all used TIF to support affordable housing.

Austin, Texas passed legislation in 2007 to enable the creation of Homestead Preservation Districts in TODs that use tax increment financing, land trusts, and land banks to provide affordable housing opportunities to residents. The first tax increment district was approved by the city council in December 2008 and is currently being debated by the county, which is required as an equal funding partner.

**Recommendation 5: Include an Equity Innovations Forum where practitioners can exchange best practices and resources as a part of its new web platform.**

The Bay Area includes some of the highest-capacity equity advocates in the country who have decades of experience working to implement equitable development strategies. At the same time, there are other jurisdictions that have few organizations and little capacity. A web-based platform for sharing best practices, resources, and other information would enable them to exchange information with each other and would also provide ABAG and other regional agencies with a space for gathering feedback and ideas from the field. This forum should have a user-friendly design and sort conversations by equitable development strategy areas (e.g. protecting renters, inclusionary zoning, equitable infrastructure investment, etc.).

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## Preservation Inventories

The early identification of at risk communities can help prevent the loss of subsidized and unsubsidized affordable rental housing units by giving city officials, nonprofits, and others the opportunity to act quickly and offer incentives to private owners who agree to maintain a habitable building and keep all or a portion of units affordable to low- and moderate-income households. Databases that include characteristics about an area's housing stock, including subsidized and unsubsidized units, allow communities to take stock of their preservation challenges and prioritize where action is needed. Data on high-risk properties can be linked to mapping technology, allowing identification of areas where the risk of loss is the greatest.

- In Washington DC, local agencies, nonprofit housing groups, and community developers partnered to track expiring Section 8 units and develop targeted preservation strategies.
- In Florida, administrators of the Florida Housing Data Clearinghouse regularly prepare reports on the characteristics of the state's assisted rental stock and households in need of affordable housing for the Florida Housing Finance Corporation. The 2007 report included a risk assessment based on data from the preservation inventory.
- New York City Mayor Bloomberg and New Jersey Governor Corzine have implemented broad affordable housing plans that include goals related to housing preservation. Preservation inventories provided data explaining why rental housing preservation may be needed to achieve city- and state-wide housing goals.

A nonprofit organization, the California Housing Partnership Corporation, already maintains a database of at-risk affordable properties using HUD data, and is a likely partner for regional agencies on housing preservation.

**Recommendation 6: Convene an Equity Caucus to engage elected officials representing PDAs to discuss how to meet equitable development goals.**

Regional agencies could improve relationships with local elected officials and discuss equitable development strategies and challenges to their implementation by regularly convening an Equity Caucus with these officials. The Equity Caucus could serve to inform the development of a Sustainable Communities Strategy with social as well as environmental goals.

**Recommendation 7: Regional agencies should evaluate their current investment policies and make recommendations for how to ensure equitable development and prevent displacement.**

Regional agencies can examine existing programs to see how they can explicitly incorporate goals or protections related to the displacement of residents. For example, Resolution No. 3434 (*described on page 52*) showcases MTC's commitment to a regional vision for an expanded transit network as well as the goal of developing affordable housing near transit. This policy should be evaluated for its contributions to equitable TOD and modifications that could increase affordability and prevent displacement.

Potential relevant policies include: using the PDA equity performance standards as suggested above; providing incentives for cities modifying existing land use zoning to zone for housing; setting minimum housing requirements for receipt of funds; and requiring an explanation of displacement issues and how they will be addressed in funding proposals. In addition to conducting this self-assessment, regional agencies can help standardize local actions to stabilize businesses and address displacement.

**Recommendation 8: Encourage the use of parking fee structures and policies that benefit existing communities.**

Parking policies are an important component of equitable transit-oriented development. The Bay Area regional agencies have provided resources (such as the *Parking Best Practices & Strategies For Supporting Transit Oriented Development In the San Francisco Bay Area Toolbox/Handbook*) and technical assistance to local jurisdictions to help them develop parking policies and fees that support their broader community planning goals.

Residents, property owners, and small businesses located in TOD areas may support mechanisms (such as “parking benefits districts”) that recirculate the revenues generated by parking fees in the community to fund neighborhood improvements. Regional agencies can encourage localities to invest their parking fees toward community priorities such as affordable housing or small business stabilization.

**Recommendation 9: Incorporate housing affordability, transit access, walkability, and displacement prevention in regional sustainable communities planning.**

Under SB 375, the California Air Resources Board will set regional greenhouse gas emissions targets for 2020 and 2035, and the state’s 18 regions will be developing Sustainable Communities Strategies to meet these targets. This process will provide an opportunity to promote compact development patterns that expand housing and transportation choices and create healthy neighborhoods while reducing climate impacts.

It is essential that Sustainable Communities Strategies explicitly promote community diversity and minimize the

potential for residential displacement. The lessons learned from the *Development Without Displacement* Program, the local policies presented in this report, and the strategies employed by the community partnerships, provide a starting point for discussions about which strategies will be effective in which community.

While it is still early in the process of implementing the legislation (and therefore difficult to make specific recommendations) the following guidelines are offered for consideration by the regional agencies:

- 1) Identify communities that are particularly vulnerable including those that are or have been:
  - Disproportionately impacted by greenhouse gas emissions (e.g., environmental justice communities);
  - At risk of residential or employment displacement and loss of community diversity through higher density development near transit (e.g. San Francisco’s Mission District); and
  - Historically left out of planning processes (e.g., unincorporated communities).
- 2) Incorporate broad and meaningful community participation in developing the Sustainable Communities Strategy and related local plans.
- 3) Identify and prioritize mechanisms and policies to minimize negative impacts, such as displacement or loss of affordable housing units, and maximize co-benefits, such as transit access and walkability.