



# Memorandum

**TO:** RULES COMMITTEE

**FROM:** Betsy Shotwell

**SUBJECT:** SEE BELOW

**DATE:** June 4, 2004

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Approved

Date

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**SUBJECT: SB 849 (TORLAKSON) -- REGARDING THE METROPOLITAN TRANSPORTATION COMMISSION AND THE ASSOCIATION OF BAY AREA GOVERNMENTS**

## **RECOMMENDATION**

That the Rules Committee recommend to the Council an oppose position for SB 849 (Torlakson) regarding the Metropolitan Transportation Commission (MTC) and Association of Bay Area Governments (ABAG). A one-week turnaround to Council is requested.

## **BACKGROUND**

The MTC was created by the State Legislature in 1970 to serve as the transportation planning, coordinating and financing agency for the nine-county San Francisco Bay Area. In the Bay Area, MTC functions as both the region's metropolitan planning organization (MPO), a federal designation, and the regional transportation planning agency (RTPA) for state planning and programming purposes. MTC is responsible for the Regional Transportation Plan, a comprehensive blueprint for the development of mass transit, highway, airport, seaport, railroad, bicycle and pedestrian facilities. MTC also screens requests from local agencies for state and federal grants for transportation projects to determine their compatibility with the Plan. MTC receives policy direction from a 19-member panel made up of appointed local elected and agency officials from throughout the Bay Area.

In 1961, ABAG was established to protect local control, plan for the future, and promote cooperation on issues of area-wide significance. Like other Councils of Government in California, ABAG addresses regional issues, which include land use, housing, environmental quality, and economic development. ABAG provides a wide range of services to its members, most notably demographic projections (e.g., *Projections 2003*) and the allocation of the regional housing need for inclusion in city and county General Plan Housing Element updates per state law. ABAG is overseen by a General Assembly made up of 109 members representing each of the 100 cities and nine counties in the Bay Area. An Executive Board of 38 elected officials from member cities and counties directs the organization's operations.

During 2003, representatives of ABAG and MTC met as a Joint Task Force to examine methods for improving comprehensive regional planning, including possible organizational and structural changes to ABAG and MTC. The Task Force held six meetings, to discuss ways to better integrate land use and transportation planning in the region and to explore the issue of merger of the two agencies.

Although a merger of the two agencies was not the outcome of the Task Force, it was recommended that a permanent joint standing committee, consisting of representatives of the ABAG Board and MTC Commission be created. Pending approval of the formation of the committee by the ABAG Board and the MTC Commission, the standing committee would focus its efforts on updating the regional vision, and outlining implementation strategies for consideration by ABAG and MTC. The joint standing committee would have the authority to review and comment any substantial regional plans or strategies that are devised by either agency, including ABAG's Projections and MTC's Regional Transportation Plan. The joint committee would then report directly to the Board of each agency. The specific scope of work for the committee has not been determined but would be developed in the future.

### **ANALYSIS**

As currently amended, SB 849 would require the joint policy committee formed by MTC and ABAG to oversee specified actions relating to regional housing, land use, air quality, and transportation planning. Additionally, the bill requires that the committee report to the Legislature by January 1, 2006 analyzing the feasibility of consolidating functions separately performed by ABAG and MTC. The bill also requires the committee to coordinate the development and drafting of major planning documents prepared by ABAG, MTC, and the Bay Area Air Quality Management District (BAAQMD).

Examples of these plans include but are not limited to:

- MTC's 2008 Regional Transportation Plan (RTP)
- ABAG's Housing Element planning process for regional housing needs
- BAAQMD's Ozone Attainment Plan and Clean Air Plan

In 2003, a Joint Task Force made up of members of ABAG and MTC's Boards held a series of meetings over a six-month period to discuss the ABAG/MTC merger issue and to work to develop a consensus on regional planning issues. As previously explained, the outcome of the meetings was the development of the Joint Policy Committee with the focus of its efforts on periodically updating the regional vision and outlining implementation strategies for consideration by ABAG and MTC. The committee would coordinate and evaluate other regional plans dealing with incentives, transportation, land use, housing, jobs, environment, economy and equity with the view of coordinating revisions and updates to coincide with the 2008 Regional Transportation Plan (RTP).

Santa Clara County representatives on the Task Force included: David Cortese – City of San José (ABAG), John McLemore – City of Santa Clara (MTC), and Pete McHugh – County Board of Supervisors (ABAG).

SB 849 includes additional tasks that were not agreed upon in the ABAG/MTC Joint Task Force Report and does not truly reflect the agreed upon action plan included within the Task Force's Final Report. SB 849 would again begin a process of mandating local regional issues/activities from Sacramento. The Task Force developed a plan of action that directs the Joint Policy Committee's activities. The ABAG/MTC Task Force approved the final report, which included the Plan of Action, unanimously in December 2003.

What had originally caused the creation of the Task Force was Senator Torlakson's introduction of SB 1243/SB 864 in 2002, which if passed, would have mandated the merger of the two agencies. At the final hearing of SB 864 in the Assembly Local Government Committee the author indicated to Bay Area legislators that the region needed to come together to develop a mutually acceptable arrangement or the outcome would be legislated by Sacramento.

The Joint Task Force created by ABAG and MTC came together in 2003 to discuss the merger and other issues. At the end of its' tenure it created a regionally accepted outcome: a Joint Policy Committee, which should have the opportunity to begin its' scheduled work with State legislation enacted only as recommended by the Joint Policy Committee

SB 849 continues to promote the merger of ABAG and MTC whether or not it is a recommendation adopted by the Bay Area's transportation and planning agencies. The differences between what the joint policy committee agreed to and the proposed bill are as follows:

- The bill includes language that states the Joint Policy Committee has a substantial role in facilitating progress on regional transportation matters. Additionally, the bill includes language, which mandates that BAAQMD becomes a member of the joint policy committee. The inclusion of BAAQMD was discussed during the task force meetings, but it was decided that there were already structures in place where ABAG/MTC/BAAQMD were able to discuss regional issues. The joint policy committee approved by the task force included only ABAG and MTC.
- SB 849 states that the committee shall oversee several actions while the Task Force's approved final report states that the committee shall consider them.
- The proposed legislation has also modified the Task Force's Plan of Action. SB 849 would define a specific legislative agenda for the committee, added language that the group consider a regional investment strategy and incentives that reinforce the "2002 Smart Growth Strategy: Regional Livability Footprint Project" and made other modifications to the plan.

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**RECOMMENDED CITY POSITION:** Staff recommends that the City oppose SB 849.

At this time the development of the Joint Policy Committee is underway. MTC has agreed to fund staff that will assist the committee in the development of a work plan that will meet the goals of the ABAG/MTC Joint Task Force's Plan of Action. The goal of the Task Force and the reason for its' creation in 2003 was to work locally and to create an acceptable process to deal with regional issues. State legislative action that drives the process from Sacramento does not meet the goal of creating a grass-roots, locally initiated and adopted program. The Joint Policy Committee should be allowed an opportunity to develop its' program and process as opposed to its' activities being mandated by the State Legislature.

**STATUS:** Dual referral to the Assembly Local Government and Transportation Committees. Pending a hearing in the Local Government Committee.

### **COORDINATION**

This memorandum has been coordinated with the Department of Transportation, and Planning, Building and Code Enforcement, the City's Legislative Representative in Sacramento and the City Attorney's Office.

BETSY SHOTWELL  
Director, Intergovernmental Relations