



JOINT POLICY COMMITTEE

Minutes of the Meeting of March 21, 2008 Held at 10:00 AM at the MetroCenter Auditorium, Oakland

Attendance:

ABAG

Jane Brunner
Mark Green
Scott Haggerty
Rose Jacobs Gibson, Chair
Gwen Regalia

BAAQMD

Chris Daly
John Gioia
Yoriko Kishimoto
Mark Ross
Pamela Torliatt
Gayle B. Uilkema

BCDC*

Geoffrey Gibbs
Anne Halstead
*non-voting

MTC

Tom Bates
Bill Dodd
Jon Rubin
Jim Spering
Ken Yeager

1. Call to Order

Chair Jacobs Gibson called the meeting to order.

2. Approval of the Joint Policy Committee Meeting Minutes of February 15, 2008

The Minutes of the previous meeting were approved.

3. New Revenue Sources to Support Priority Development Areas

Ted Droettboom very briefly summarized the staff report.

Committee members agreed with the need to provide financial support to focused growth and acknowledged that new revenue sources will be required to fulfill the large need.

In discussion, a number of ideas were put forward to guide the selection of potential sources and to direct their development and subsequent application:

- PDAs and any revenue source used to fund them will need to be supported by all four of the regional agencies, though administration may need to be assigned to one;
- If transportation fees are used, there will likely need to be, and there can be, a nexus to transportation projects which support PDAs;

- The application of regional fees will need to be broad, not local; all segments of the region will need to see potential benefits and jurisdictions ought to be seen as not benefiting at the expense of other jurisdictions;
- Legal analysis is required to differentiate the permissions required for various fees and taxes (i.e., what needs to go to the voters, what needs legislative permission, and what can be implemented with current authority);
- We need to be careful not to usurp fees that may be more appropriately collected and used at a local level (Parking fees may be an example.);
- Some fees and taxes are potentially regressive and we need a strategy that addresses equity issues;
- Taxes and fees collected regionally should be seen as being used for a regional purposes, not as redistributing from one area to another;
- Tax increment or betterment levy schemes that PDAs can use to finance capital improvements are logical and will not require regional administration, except perhaps to seek legislation and designate eligible areas;
- Tax increments should be available to fund services as well as capital improvements;
- Political feasibility is key and polling may be required;
- Polling will likely indicate immediate acceptability, but leadership may also be required to champion ideas that are not immediately popular;
- Development fees like those from indirect source rules, traffic mitigation regimes, and linkage programs are attractive as they move toward the idea of future growth being fully mitigating;
- However, we need to be wary of loading so much on new development that it does not happen with unintended equity consequences;
- Some regional rules, fees, and taxes may be required to help protect local governments from their own development decisions made under pressure;
- Linkage fees are attractive as they may potentially balance some of negative consequences of an over-emphasis on sales tax revenue growth;
- Revenue generating capacity will be key to sorting out what sources to pursue and what to leave alone for now;

- We cannot rely on the State of California to support regional priorities; we will need to build on our own strengths and seek our own sources of regional revenues;
- Nexus may not be all that big an issue, as money collected subject to a tough nexus requirement may be substituted for general revenues that could be diverted to other purposes that directly support PDAs;
- There are some sub-regional success stories that we can use to model regional programs;
- Consider a transfer tax as another revenue source; as it is levied at the point of sale, ability to pay is less of an issue;
- We need to be mindful of finding a reliable funding source for ABAG.

Staff will take the Committee's comments into consideration and will report back at a future meeting with a smaller set of potential revenue sources based on an assessment of revenue capacity, political feasibility, ease of authorization and implementation, and equity consequences.

4. Regional Housing Needs Allocation

Paul Fassinger summarized the staff report.

Committee members and staff referenced some desire for continued RHNA reform, including credit for past performance, more explicit links to other programs, and the need for deep subsidies to meet affordable housing requirement. The absence of state funding to support the regional process was also noted.

The Committee approved the staff recommendation, endorsing the 2008 RHNA process.

5. Public Comment

There was no public comment.

6. Adjournment

The meeting adjourned at 11:40 AM.