



TOWN OF PORTOLA VALLEY

7:00 PM – Special Meeting of the Town Council
Wednesday, April 22, 2020

**THIS SPECIAL MEETING IS BEING HELD
VIA TELECONFERENCE ONLY**

SPECIAL MEETING AGENDA

COVID-19 DISEASE ADVISORY NOTICE

The San Mateo County Health Officer, in conjunction with colleagues from five other Bay Area Counties, has issued legal orders to help stop the spread of the coronavirus. These legal orders include directing all residents to shelter in place, with exceptions for visits to essential service providers such as grocery stores, gas stations, and pharmacies.

This meeting will be conducted in compliance with the Governor's Executive Order N-25-20 issued on March 12, 2020, and N-29-20 issued on March 18, 2020, allowing for deviation of teleconference rules required by the Brown Act. On Thursday, March 19, Governor Gavin Newsom issued a statewide stay-at-home order to protect the health and well-being of all Californians. In an effort to reduce the risk of spreading Coronavirus (COVID-19), members of the Town Council, the Town Manager, and the Town Attorney will all participate via teleconference. The purpose of this is to provide the safest environment for officials, staff, and the public while allowing for public participation.

Remote Public Comments: Meeting participants are encouraged to submit public comments in writing in advance of the meeting. Please send an email to jdennis@portolavalley.net by 5:00 PM on the day of the meeting. All received questions and comments will be read by the Mayor and addressed and will be included in the public record.

Additionally, the Town Council will take questions by using the Q&A button for those who attend the meeting online or on the App.

Finally, if you can only call in and you did not send in questions and comments ahead of time, you can press *9 on your phone to "raise your hand" The town council will call on people to speak by the phone number that is calling in.

We encourage anyone who has the ability to join the meeting online to do so. You will have access to any presentations that will be shown on your screen and can easily ask questions in the Q&A.

Below are instructions on how to join and participate in a Zoom meeting.

<p><u>Join Zoom Meeting Online:</u></p> <p>Please click the link below to join the webinar: https://zoom.us/j/99088791807</p> <p>Or Telephone: US: +1 669 900 6833 Webinar ID: 990 8879 1807</p> <p>Or iPhone one-tap : US: +16699006833,,99088791807#</p>	<p><u>Remote Public Comments:</u></p> <p>Meeting participants are encouraged to submit public comments in writing in advance of the meeting. Please send an email to jdennis@portolavalley.net by 5:00 PM on the day of the meeting. All received questions and comments will be read by the Mayor and addressed and will be included in the public record.</p> <p>Town Council will take questions by using the Q&A button.</p>
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7:00 PM - CALL TO ORDER AND ROLL CALL

Councilmember Wengert, Councilmember Richards, Councilmember Hughes, Vice Mayor Derwin, and Mayor Aalfs

ORAL COMMUNICATIONS

Persons wishing to address the Town Council on any subject may do so now. Please note, however, that the Council is not able to undertake extended discussion or action tonight on items, not on the agenda.

CONSENT AGENDA

The following items listed on the Consent Agenda are considered routine and approved by one roll call motion. The Mayor or any member of the Town Council or of the public may request that any item listed under the Consent Agenda be removed and action taken separately.

1. **Approval of Minutes** – April 8, 2020 (3)

REGULAR AGENDA

2. **Report by Town Manager** - Updates on COVID-19 and Town Response (14)
3. **Recommendation by Town Manager** – FY 2019-20 and 2020-21 Council Priorities Status Report (15)

4. **COUNCIL LIAISON COMMITTEE AND REGIONAL AGENCIES REPORTS** (20)

Oral reports arising out of liaison appointments to both in-town and regional committees and initiatives. *There are no written materials, and the Town Council does not take action under this agenda item.*

5. **TOWN MANAGER REPORT** (21)

WRITTEN COMMUNICATIONS

6. **Town Council Digest** – April 16, 2020 (22)

ADJOURNMENT

ASSISTANCE FOR PEOPLE WITH DISABILITIES

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Town Clerk at (650) 851-1700. Notification 48 hours prior to the meeting will enable the Town to make reasonable arrangements to ensure accessibility to this meeting.

AVAILABILITY OF INFORMATION

Copies of all agenda reports and supporting data are available for viewing and inspection at Town Hall and at the Portola Valley Library located adjacent to Town Hall. In accordance with SB343, Town Council agenda materials, released less than 72 hours prior to the meeting, are available to the public at Town Hall, 765 Portola Road, Portola Valley, CA 94028.

SUBMITTAL OF AGENDA ITEMS

The deadline for submittal of agenda items is 12:00 Noon WEDNESDAY of the week prior to the meeting. By law no action can be taken on matters not listed on the printed agenda unless the Town Council determines that emergency action is required. Non-emergency matters brought up by the public under Communications may be referred to the administrative staff for appropriate action.

PUBLIC HEARINGS

Public Hearings provide the general public and interested parties an opportunity to provide testimony on these items. If you challenge any proposed action(s) in court, you may be limited to raising only issues you or someone else raised at the Public Hearing(s) described in this agenda, or in written correspondence delivered to the Town Council at, or prior to, the Public Hearing(s).

PORTOLA VALLEY TOWN COUNCIL SPECIAL MEETING NO. 586, APRIL 8, 2020

MEETING HELD BY TELECONFERENCE ONLY

CALL TO ORDER AND ROLL CALL

Mayor Aalfs called the Town Council's Special meeting to order at 7:02 p.m. Ms. Hanlon called the roll.

Present: Councilmembers Craig Hughes, John Richards, and Ann Wengert; Vice Mayor Maryann Derwin;
Mayor Jeff Aalfs

Absent: None

Others: Jeremy Dennis, Town Manager
Cara Silver, Town Attorney
Sharon Hanlon, Town Clerk

ORAL COMMUNICATIONS

None.

CONSENT AGENDA

- (1) **Approval of Minutes** – Town Council Special Meeting of March 17, 2020.
- (2) **Approval of Minutes** – Town Council Special Meeting of March 25, 2020.
- (3) **Approval of Warrant List** – April 8, 2020, in the amount of \$127,072.24.

Councilmember Wengert moved to approve the Consent Agenda after Mayor Aalfs suggested striking the reference to the Pledge of Allegiance in both sets of minutes. Seconded by Councilmember Hughes, the motion carried 50, by roll call vote.

REGULAR AGENDA

Mayor Aalfs adjusted the lineup of Agenda Items, with the permission of the Council.

- (5) **Report by Town Manager** – Farmer's Market Update

Nile Estep explained how they have adapted to the shelter in place environment. He expressed appreciation for the relationships with the Town and the customers. He said the number of vendors has remained constant. They hope to conduct more events, such as a dinner in the park, and add aspects such as food trucks and more seating to the market, which are obviously on hold for now. Mr. Estep appreciated the Town's support of the vendors during this time. He read a note from the Little Sky Bakery – "Having the Safe PV Market program has really helped our small business during this difficult time. It has let us continue to provide bread to our customers in Portola Valley in a safe manner and helps sustain our livelihood. Little Sky Bakery and our customers really appreciate the program and hope it can be extended as long as the market is not open." Mr. Estep said they have been trying to utilize all Farmer's Market vendors and they have been grateful for that opportunity. Mr. Estep said in the three weeks they've been operational, they have sold more than 1,500 bags and 300 pounds of grass-fed beef, 160 donation bags have been purchased by the community and they have received more than 70 positive thank you notes. He said they sell more bags every week, this week selling out 560 bags. He said they heard from a thankful self-isolating

gentleman whose neighbor delivers his bag to him. They delivered a bag to a very thankful and emotional woman who has no family, lives alone, and has been very afraid to go outside.

Town Manager Dennis thanked Nile and his team for stepping up and bringing the safe market idea, allowing the vendors to continue to work. He said the donation aspect of the program has been well received. The donated bags, which are purchased by residents, are donated to students in the school district who do not live in Portola Valley.

Mayor Aalfs said he has received a lot of positive feedback about the Farmer's Market and the donated bags. He thanked Mr. Estep and Town Manager Dennis and the staff for making this work. Mayor Aalfs invited questions from the Council.

Councilmember Hughes said Nile has done a great job in maintaining and enhancing the Farmer's Market. He said the safe program has been spectacularly successful. He said the Councilmembers have been trying to share this model with other cities and towns who are trying to continue with their Farmer's Markets.

Councilmember Wengert asked Mr. Estep how the vendors are doing. Mr. Estep said it varies among the vendors. He said the meat vendors are very busy with people stocking up. He said accessory vendors, such as cookies, etc., are struggling. He said some Farmer's Markets have opened up to purchase items individually from the vendors which does not help the accessory vendors. He said with this model, they use a little from every vendor and can share the purchasing power.

(7) **Recommendation by Town Manager and Planning & Building Director** – Adoption of a Resolution to Ratify Ordinance No. 12 of the Woodside Fire Protection District

(a) Adoption of a Resolution of the Town Council of the Town of Portola Valley to Ratify Ordinance No. 12 of the Woodside Fire Protection District (Resolution No. 2820-2020)

Town Manager Dennis presented the background and discussion items regarding the proposed resolution to ratify Ordinance 12 of the Woodside Fire Protection District, which adopts by reference the 2018 International Fire Code with the 2019 California amendments, as detailed in the staff report. Woodside Fire Marshal Don Bullard was present to answer any questions.

Mayor Aalfs invited questions from the Council.

Councilmember Hughes asked what is allowed in the new fire code in terms of grouping of buildings on a lot and proximity to setbacks if there are buildings on adjacent lots. His concern is that there are extensive details in the Town's code regarding setbacks and he wants to understand if the adoption of the new fire code would change that, potentially rendering properties or existing building envelopes effectively no longer buildable because of the fire code. Mr. Bullard said the Fire District can make recommendations based on what they know as far as proximity of buildings, but building proximities are the Town's building code issue, not a fire code issue. Councilmember Hughes described a hypothetical project with a new house with a detached carport 10 feet from the house. He asked if the Fire Department would write a comment similar to the one that came to the Stanford Wedge project, advising that structures should not be that close together. Mr. Bullard said there is nothing in the fire code that gives them the authority to make that call and it would be merely a recommendation to the homeowner based on the materials used. He said, for example, the recommendation is that fences should not be attached to a house and there should be a break in the fence to protect the structure. He said they do not have any authority regarding setbacks or the proximity of a carport to a house.

With no other questions from the Council, Mayor Aalfs invited public comment. Hearing none, Mayor Aalfs brought the item back to the Council for discussion.

The Councilmembers were supportive of the proposed ordinance.

Councilmember Richards moved to approve the Resolution to Ratify Ordinance No. 12 of the Woodside Fire Protection District. Seconded by Councilmember Hughes; the motion carried 5-0 by roll call vote.

(4) **Report by Town Manager** – Updates on COVID-19 and Town Response.

Town Manager Dennis highly recommended the various online resources and links found on smcgov.org, including San Mateo County Strong, which is funding San Mateo County small businesses, nonprofits, individuals and families.

Town Manager Dennis shared informational websites: www.smchealth.org for regularly updated County data regarding COVID-19; www.smco.community.zonehaven.com which shows the County's evacuation districts; and the Town's website at www.portolavalley.net/what-s-new/covid-19-updates.

Town Manager Dennis said communications is generally through the daily Mayor's message. He said staff has adjusted to working from home and, in some cases, have moved to regular work, especially in Planning and Building and the Public Works Department. He said the Planning team is working on permits already in-house; however, the Town is still not accepting new applications. He said 11 projects have requested and been granted continued construction due to life/safety issues, erosion control issues, etc. Town Manager Dennis said Public Works is working on regular right-of-way issues, vegetation management related to wildfire management, maintenance of facilities being used by residents such as the Town Center. He said they are seeing much better overall social distancing across the board. He said, unfortunately, they have had to take some measures such as removing basketball hoops and tennis court nets.

Town Manager Dennis said the Finance Committee has put together some initial figures to be discussed with the subcommittee. Some assumptions are that the Town may not see much in the way of sales tax for the rest of the fiscal year as well as planning and building related fees and permits, home sales, business license renewals, leasing income, rental income, sports leagues, etc. He said if all those assumptions occur, the high estimate would be a \$300,000 hit to the budget. He said, however, there will be opportunities within the budget to make up the shortfall within the general fund – such as salary savings for a position that has not been filled, more than anticipated in the ERAF (education fund), consultants that will not be used at this time, etc. He said there are also expenditures within the Capital Improvement Program that will be on hold for now, including the road project, storm drains, and pedestrian safety improvements.

Town Manager Dennis participated in a CalPERS call today and was pleasantly surprised that they are not taking as dramatic a hit as anticipated. Councilmember Hughes added that the portfolio is down approximately 4% as of the end of March. He said they discussed when the Towns may expect to see an impact from that in terms of how it affects the actuarial calculation for the top-up payments the Towns must make for their unfunded liability and they've come up with a formula where the shortfall that may come out from this will be passed on to the Towns two years from now (2022) and they have a long-term ramp period to smooth it in over time. He said Portola Valley is already healthily funded (approximately 95% range) compared to a lot of other towns against the CalPERS liability, so it will take a hit. He said the Town may lose 4% to 5%, which should be manageable. He said CalPERS is working hard to smooth that out as much as possible. He said he was pleasantly surprised at how well CalPERS has been managing the portfolio, particularly compared to 2007-2008 when they took a much bigger hit. He said the portfolio planning has been much improved to better handle situations just like this.

Town Manager Dennis said there have also been some emergency expenditures such as Windy Hill signage (\$2,000 a month per sign). He said he and Public Works Director Young are looking at replacing those signs with more locally placed signs in the Willowbrook area. He said the Town is contributing \$6,000 a week for Farmer's Market support. They have also made a number of purchases (i.e., computers, etc.) to support working from home. He said the Town is in good shape with a very healthy reserve. He said

the Town is able to make the kinds of changes needed to keep it together. He said staff will make a presentation to the subcommittee for their feedback. He said Portola Valley is in an enviable position with other cities looking at enormous hits to their transient occupancy taxes, sales taxes, etc., and having to make decisions regarding personnel, which Portola Valley will not need to deal with.

Town Manager Dennis said reopening must be planned for because it is not as simple as unlocking the door and resuming business as usual. He said he anticipates a lot of energy pent up over time to rent the facilities, get back into planning and building activities, etc., and it will not be manageable if certain activities are not strategically phased in. He has been talking with colleagues in other cities to brainstorm creative ideas of phasing in services.

Town Manager Dennis said the Cultural Arts Committee is holding the first virtual Committee meeting tomorrow. He said other Committees are also looking to resume meetings.

Town Manager Dennis said the EOC remains open. He said if there are recovery dollars related to the FEMA aspect of this, the Town is eligible.

Town Manager Dennis said some signage has been installed at the turnouts on Upper Alpine to discourage parking. The barricades remain up on Willowbrook. He said he is not sure that they are still effective. He said traffic and parking has fallen considerably. He said Coal Mine Ridge is not a regional destination in the same way Windy Hill is and people seem to be adhering better to the five-mile radius restriction for exercise. Town Manager Dennis said they worked with Alpine Inn to put some parking restrictions in place because people were parking there to access the Arastradero Preserve, one day having 40 cars parked in that lot.

Town Manager Dennis said they plan to launch a virtual Parks and Recreation page very quickly, calling for all artists, musicians, and other content providers to be hosted on the site. They are also working to have a staff corner to provide virtual tours, music, mindfulness exercises, etc. They are looking for potential content from the school district, Palo Alto University, and the library.

Town Manager Dennis said Portola Valley is in 5th place for returns on the census in San Mateo County.

Mayor Aalfs invited questions from the Council.

Councilmember Hughes said the Town has reached out to all the businesses to advise about the options and benefits available on the Federal level. He asked Town Manager Dennis if he had heard any feedback on that and how the businesses are doing. Town Manager Dennis referred the question to Councilmember Wengert. Councilmember Wengert said there is a lot of frustration about the ability to get through to any lenders. She said the feedback she's received is that people are working very hard on it and are very aware of the options. She said the Town's website has been very helpful. She said it is, obviously, an incredibly backlogged system. She said Jackie Spier said there is likely to be another significant amount added to the CARE Act by the end of the week, much of it designated to the small business side. She said the goal is to facilitate that process as quickly as possible and a lot of the issues are resident with the commercial banks.

Councilmember Hughes said he has heard about the issues with applying for loans. He said most of the people he's been talking to are tech-savvy start-up companies that are aware of these opportunities and he wanted to make sure the Portola Valley businesses are aware of those options. Town Manager Dennis said he and Councilmember Wengert have been working on that and the information sent out has been well received.

Town Manager Dennis asked for feedback and direction from the Council regarding Willowbrook. He said he does not think the barricades need to be there right now. He said the new signage should be sufficient for regional traffic. He said the barricades can be used other places.

Councilmember Wengert asked if the thinking was to stop parking on all of Willowbrook. Town Manager Dennis said the order he issued currently does not allow parking on Willowbrook associated with Windy Hill, but they have not been able to logically mark the street. He said the signs are intended to help with regional traffic. He said people are not supposed to be getting to recreational areas by car and staff wants to support the shelter in place. He said he is not necessarily looking to keep everyone off of Willowbrook who is looking for a recreational opportunity, but he also does not think the barricades are particularly useful at this point and probably just pushing the problem down the street a little bit.

Councilmember Richards agreed with Town Manager Dennis. He said if it is expected that people will continue to park on Willowbrook to hike on the Coal Mine Ridge trail and the signs may make parking there ticketable; however, it will not possible to tell if people are going up to Windy Hill or onto Coal Mine Ridge. He agrees that the parking has shifted and reduced quite a bit, mostly by the signs saying Windy Hill is closed at the entries to Town. He said taking down the barricades makes sense.

Town Manager Dennis said the Town is in the position to allow the Farmer's Market to continue for three or four weeks under the current order, maybe longer. He said the cost is just over \$6,000 a week to support the infrastructure. He said the program has been very successful and he expects that to continue. He asked the Council for feedback considering the cost.

Mayor Aalfs said there are definitely people from outside of Town buying some of the Farmer's Market bags but people are very happy about this program. He said the feel-good factor for the community and the public relations is valuable. He was supportive of continuing the program.

Councilmember Hughes said the initial subsidy requested was higher with a lower price for the bag of groceries. He said they have set a reasonable price for the bags. He was supportive of keeping this going. He said people feel good about it and enjoy being able to support the Farmer's Market vendors. He said they are also using it as a mechanism with the donation bags to help feed people who might not otherwise be able to get food at this time. Councilmember Hughes asked if there might be room to increase the price per bag slightly, perhaps \$5, to reduce the amount the Town subsidizes.

Vice-Mayor Derwin agrees the bag price should be increased a bit to take some pressure off the Town. She said she did not think the residents would have difficulty spending another \$5 per bag. She said it is a very wonderful program and should continue.

Councilmember Richards asked if there was the capacity to increase the number of bags sold, since they're selling out. Town Manager Dennis said they can accommodate some increase in bags and a lot has to do with what the vendors can provide. He said Mr. Estep has not asked to provide more bags. Councilmember Richards supported continuing the program and also supported a small increase to the price of the bags.

Councilmember Wengert was supportive of continuing the program and also increasing the cost of the bags by \$5. Councilmember Wengert said it is clear the need for food is rising and will continue to rise. She suggested a donation could be considered to go to Second Harvest as people place their orders or as a separate thing. She said people in Town may be very generous in that regard if they were aware of how much that need is increasing. Mayor Aalfs supported this suggestion.

Town Manager Dennis said it was discussed at the Mayor's virtual coffee last week the opportunity for local restaurants to donate to local hospitals. He said he reached out to Stanford and they are not taking any donations because they are being overwhelmed, but that could change quickly. He said he will be happy to reach out to Second Harvest to ask about their capacity to take increased donations.

David Cardinal said he appreciated the Farmer's Market and supported the Town's contribution, but asked if the Town was doing the same for other local businesses that are suffering and that, to some extent, compete with the Farmer's Market. Mayor Aalfs said the Town has not been subsidizing local business but

has been trying to encourage people to order locally. He said the Farmer's Market has been subsidized so that the vendors will still be around when the Farmer's Market is reopened. He said obviously they want the Town restaurants and Roberts to stay in business as well. Mr. Cardinal requested that the Council think about it. He said he is much more of a fan of the local businesses who are more a core than the Farmer's Market.

Councilmember Wengert said the Town has begun more outreach to some of the local merchants in a more direct way. She said two in the Jelich property complex have Go Fund Me campaigns. She said there are individual efforts in addition to the financing packages being pursued. She said one of the goals going forward is to be able to aggregate information about that and take in new ideas for supporting local businesses. Mr. Cardinal said he is not supportive of using taxpayer funds to subsidize one and not the other.

Town Manager Dennis pointed out that the Town financially supports the Farmer's Market anyway, outside of the COVID pandemic, at a different price point and different amount. Mr. Cardinal said he would rather his tax dollars go to support local businesses and then, when the local businesses are doing okay, put the leftovers into the Farmer's Market.

Councilmember Hughes suggested Town Manager Dennis work out with Mr. Estep if there is room for a per bag price increase or increasing the number of bags. He would support continuing to subsidize the Farmer's Market but would like to see it reduced, if possible, from the sale of the bags.

(6) Recommendation by Town Attorney - Consideration of Adoption of an Urgency Ordinance of the Town Council of the Town of Portola Valley Establishing a Moratorium on Evictions for Non-payment of Rent by Small Business Commercial Tenants Directly Impacted by the COVID-19 Pandemic (Ordinance No. __)

Town Attorney Cara Silver explained that the County passed a commercial tenant eviction ordinance that applies only to unincorporated County businesses. Because of the many variables among the different cities in the County, they left the decision about adopting such an ordinance to the individual cities. She presented and explained the proposed urgency ordinance, as detailed in the staff report.

Councilmember Wengert said there is a shared community concern for all of the Town's small tenants. She said Portola Valley rents cannot be compared to Palo Alto rents, with PV serving a much smaller population, but the Town has many beloved small retail tenants. She said the Town was looking for ways to try to help these commercial tenants make it through this difficult time. She said the advice was that all landlords and tenants work on this together as a first step, discussing what can realistically be done to make it work. She said, from her conversations with the majority of the landlords in town, that dialogue has started and is well underway if not nearly complete. She said the landlords and tenants are all trying to permeate the CARE package and SBA loans.

Mayor Aalfs invited questions from the Council.

Councilmember Hughes asked if "local emergency" refers to the Town of Portola Valley, the State, or the Federal emergency. Town Attorney Silver said it is the Portola Valley declared emergency and the ordinance will be amended to clarify that.

Councilmember Hughes asked if the ordinance was legally allowed to disallow the collection of late fees, which could essentially invalidate portions of a landlord/tenant contract, which takes real value from the landlords. Town Attorney Silver said the proposed six-month deferral period is a policy decision. She said the City of San Mateo is also enforcing a six-month deferral. She said in the rental moratorium ordinances, there was more diversity in terms of the deferral period with some cities adopting 90 days, some 120 days. She said, with respect to the late fees, across the board the ordinances have incorporated that waiver

because if a tenant is struggling financially and having to pay at the end and then also having to pay late fees, it defeats the purpose of the ordinance. She said it is very unlikely that disallowing the late fees constitutes a taking, although someone could assert that. She said another claim that has been asserted is impairment of contract. Town Attorney Silver said the courts look at the entire context of the situation in which these ordinances are adopted and it is not thought likely the court would find the waiver of a late fee in this context to be a taking or impairment of contract.

Councilmember Hughes asked if any other towns or jurisdictions looked at the size of the landlord to define "small business." He said in Portola Valley all of the businesses are small and many landlords are small. He said while the businesses have a facility through the SBA payroll protection program for specifically covering their rent payments, landlords do not have any protection for whatever payments they have to make on money they've borrowed against their properties. He said his concern is that while the Town tries to protect retail businesses, the small landlords will not be able to afford to have all of their tenants not paying rent. That loss of cash flow means they will not be able to service their loans and they have no other facility to get money, unlike the retail businesses. He said he does not want to see businesses go under and also does not want to see landlords go under with banks owning all of the commercial properties in Portola Valley with all the tenants now having banks as their landlords.

Town Attorney Silver said one of the aspects incorporated into the ordinance in an attempt to address that issue is the inclusion, in Section 2G, a hardship waiver, designed for landlords where this is their only income-producing asset and their tenants asking for this relief would cause them financial hardship. She said there is an administrative review process in place for that circumstance.

Councilmember Wengert said she is also concerned about the issues raised by Councilmember Hughes. She said in advance of this meeting tonight, she tried to get a feel from the Town's largest landlords about how they were feeling about this. She said most of them were not concerned because they are far along in negotiations with their tenants relative to what they are going to provide for them. She said that may not be universal throughout Portola Valley, however, and she suggested that if there are those who have not been in active negotiations with their tenants to date, that they be given another week to do that to exhaust efforts to stay outside of a legislative solution like this.

Town Manager Dennis said there are a few resources available to landlords including the Economic Injury Disaster Loan Program. He said several banks and credit unions have agreed to a 90-day forbearance of mortgage payments for smaller property owners impacted by COVID-19.

Town Attorney Silver said the Judicial Council's Emergency Rule #2 stays judicial foreclosures for both commercial and residential. Councilmember Hughes said that while this prevents foreclosures from moving forward now, those foreclosure actions can be filed once the courts open again.

Mayor Aalfs invited public comment.

Town Manager Dennis said approximately 15 emails were received from residents, all supportive of a commercial eviction moratorium.

Stanley Lo. Mr. Lo said that commercial businesses such as Hillsdale and Crystal Springs, which have been family owned for years and do not have mortgages, can replace their tenants in a manner of weeks. He said in Portola Valley, the tenants are very hard to replace, sometimes taking six months to a year to find a new tenant. He said the internet has caused the death of retail stores. He said it is very competitive for restaurants, chiropractor offices, etc. He said he works like partners and families with his tenants, most of whom have been with him more than 10 years. He said if the tenants don't do well, the landlord doesn't do well. He said the emergency ordinance doesn't really apply to Portola Valley because no landlords at this time would send eviction notices because they will not be able to replace their tenants for a long time. He said he also has property on what used to be a hot area of Burlingame, but now has many vacant stores.

He said he has borrowed almost \$5 million on his property but getting no return and will not be able to sell. He said it is a very difficult situation and they are on the front lines of the real estate market battlefield. He said the end result of this moratorium will be ruining a good relationship with his tenants telling him they will not pay him because they are protected by law. He said he doesn't want to argue with his tenants, subpoena their financial statements and bank accounts, etc. He said right now he is only getting 60% of his rents and he is trying to work it out with his tenants.

With no other public comments, Mayor Aalfs brought the item back to the Council for discussion.

Councilmember Wengert said it will be important for the Town to make sure that if the ordinance is not adopted, there is progress being made to ensure that all the local tenants have the ability to move forward and do the best they can in this environment, working together in a positive way with their landlords to solve this now. She would support not adopting the ordinance tonight and revisiting it in a week.

Mr. Cardinal said he's hearing Mr. Lo saying the ordinance is unnecessary because everything is fine and then says everything is not fine. Mr. Cardinal said there are very few retail spaces and fewer landlords. He said he loves the Town's businesses and would like to make sure the Town does whatever possible to make sure they stay in business.

Councilmember Hughes agreed with Councilmember Wengert's suggestion to push this off for a week because he is also concerned that the ordinance might halt the conversations and compromises between landlords and tenants. He is concerned that all tenants may stop paying their rents due to the ordinance instead of working out a compromise with their landlord. That situation could result in the banks becoming landlords and banks will be much less likely to have conversations and make compromises. He said the courts are closed and evictions cannot be filed right now anyway and he would prefer to give landlords and tenants the chance to work something out.

Councilmember Richards said it is clear that the broader interest of the community is to protect the small businesses as much as possible. He said he would be supportive of delaying a week, but he would probably want to have something in place as a backstop in the event that the talks between the landlords and tenants are not satisfactory.

Vice-Mayor Derwin said the interest is in making everyone as whole as possible, although there is clearly misery on all sides. She is supportive of waiting another week to see if landlords can work things out with tenants, and also agrees with Councilmember Richards to move forward with the ordinance if it is found that some of the Town's small businesses are not as protected as they should be.

Mayor Aalfs said two weeks ago when the County was putting together the eviction moratorium for residential properties, there was discussion about the issue that tenants can be protected from landlords but landlords cannot be protected from banks. He agreed that the preferred solution is landlords and tenants working it out themselves but the Town should also be prepared for worst case scenario. He would like to do whatever possible to protect the local small businesses.

Councilmember Hughes said the landlords are small businesses as well as the renters. The landlords live in Town, own the properties, and rent them out to single tenants. He asked why the Town would protect retail businesses at the expense of a different category of small business. He said the landlords of the retail businesses are a critical part of the infrastructure of the Town. He said the landlords do not have funding sources to go to for relief. He said perhaps within a week the SBA loans may start unblocking and people may be able to get those facilities. He said he fully appreciates wanting to protect the small businesses that are renting retail in town, but is much more concerned about the landlords, particularly considering the already difficult burden of trying to fill a commercial vacancy in Portola Valley.

Councilmember Wengert said she has talked to two of the major landlords in town who were incredibly positive, definitely optimistic about their ability to work closely with their tenants to try to solve this. She was supportive of waiting the extra week, confirming that the discussions have moved forward, that the tenants and landlords have worked things out. She said if that does not happen, then the ordinance is potentially a good backstop.

Vice-Mayor Derwin asked Councilmember Wengert if there were other landlords as worried about the proposed ordinance as Mr. Lo. Councilmember Wengert said she was not away of any. There is one landlord she has not yet spoken with and will reach out to them again. She said there are a fair amount of owner-occupied businesses in the Town's relatively small retail corridor.

Councilmember Hughes asked if there would be a special meeting held next week to consider this issue or if it should be pushed to the meeting scheduled for April 22.

Town Manager Dennis said there has been interest expressed in holding weekly meetings for a while, perhaps with not the regular agenda items, instead having COVID updates and opportunities for the Council to discuss pressing issues.

Councilmember Wengert agreed with having weekly Town Council meetings, particularly because there will be reopening discussions and planning to be done.

Councilmember Hughes moved to table voting on the proposed ordinance until next week. Seconded by Councilmember Wengert; the motion carried 5-0 by roll call vote.

(8) **Recommendation by Town Manager** – Recommendation of Proposed Public Comment Policy

Town Manager Dennis described the proposed public comment policy, the background and discussion items, as detailed in the staff report. Staff recommended the Town Council adopt the Public Comment Policy for Town Council meetings and amend the Decorum Policy.

Mayor Aalfs said things have been handled informally in Town but it is a good idea to have something like this in place for times when there needs to be a more formal process.

Mayor Aalfs invited questions from the Council.

Councilmember Hughes said #11 authorizes the Mayor or Presiding Officer to shorten speaking time to two minutes. He suggested that it be put into the policy that the time can be extended by unanimous consent of the Council.

Councilmember Wengert said in the last couple of years there has been some intimidation due to applause at meetings and some people interrupting and speaking from the audience without being called on. Town Manager Dennis said mention of applause and interruptions can be added to #2 under general rules. Councilmember Hughes said it needs to be made clear that applause that is intended to be supportive may be intimidating and damaging. Mayor Aalfs agreed that the reference to cheers and jeers could be more explicit.

Councilmember Hughes said his understanding is that speakers can be entirely anonymous under the Brown Act. Town Attorney Silver agreed. Councilmember Hughes said #3 should still have the request to provide name and address but add that name and address disclosure are not required.

Vice-Mayor Derwin said she thought Steve Tobin had a good explanation of why it is not helpful to clap at a meeting when they were serving on the Town-Owned Property Committee. Vice-Mayor Derwin will find that language and provide it to Town Manager Dennis.

Mayor Aalfs invited public comment. There was no public comment.

The Council directed staff to bring this issue back on the next Consent Agenda.

(9) **COUNCIL LIAISON COMMITTEE AND REGIONAL AGENCIES REPORTS**

Councilmember Wengert – Attended a remote Roundtable regional meeting today. She said the new portal will provide real-time data that was previously only available to Roundtable members on a monthly or every other month basis.

Councilmember Richards – None.

Councilmember Hughes – As previously reported, Councilmember Hughes attended the CalPERS meeting. He added that CalPERS has yet not accounted for the impact on their private equity investments. The 4% figure may rise a bit because of those impacts. He said during the call today with the elected officials and County Manager, Jackie Spiers reported that she is expecting that Congress will pass by unanimous consent another large amount of Federal money (trillions) with \$250 million to top up the PPP plan, \$100 million for hospitals, \$150 million for local governments, including those left out of the original projects.

Vice Mayor Derwin – None.

Mayor Aalfs – He and Town Manager Dennis were on a call this afternoon with two School Board members. He said it came up that parents of younger children are struggling with ways to have some contact outside of their homes. He would like to help people initiate more groups with common interests to get together, perhaps through things like Zoom.

(10) **TOWN MANAGER REPORT** – Town Manager Dennis reported that just prior to tonight's meeting, he listened to the Mid-Peninsula Regional Open Space District Special Meeting on their Wildfire Vegetation Management Plan. He said while they have a great plan, they are not planning to do some of the work until winter 2021, including some of the work at Windy Hill. He said as staff moves more into their regular schedule, they are spending some time on policy work. He said Assistant to the Town Manager Brandi de Garreaux and Administration and Operations Specialist Taylor Soleno are looking at ways to improve facility management and rentals, bringing it through the appropriate committees. He said the Town has seen an increase in trespassing into the creek at the Georgia Lane/Grove bridge, with a number of police reports of trespass signage damage, private webcams stolen, graffiti on rocks, etc. He said there has been some vegetation management work being done at Blue Oaks that is visible from the Ranch and caused some concern. The work is being guided by the Woodside Fire Protection District as part of the vegetation management plan for the Blue Oaks subdivision. Town Manager Dennis said Capt. Corpus is looking to do a virtual coffee, possibly on April 14.

WRITTEN COMMUNICATIONS

(11) **Town Council Digest** – March 27, 2020

None.

(12) **Town Council Digest** – April 2, 2020

None.

ADJOURNMENT [9:30 p.m.]

Mayor Aalfs adjourned the meeting.

Mayor

Town Clerk

There are no written materials for updates on COVID-19 and Town Response



MEMORANDUM

TOWN OF PORTOLA VALLEY

TO: Mayor and Members of the Town Council

FROM: Jeremy Dennis, Town Manager

DATE: April 22, 2020

RE: FY 2019-20 and 2020-21 Council Priorities Status Report

RECOMMENDATION

Staff recommends that the Town Council accept this status report on the FY 2019-20 and 2020-21 Council Priorities for use in the FY 2020-21 budget revision process scheduled for the summer of 2020.

BACKGROUND

For the past four years, the Town Council has adopted “Council Priorities” that are used, in part, to develop the budget.

On February 26, 2020, the Town Council held a study session to review potential FY 2020-21 Council Priorities.

DISCUSSION

1. February 26 Study Session

At their Study Session, the Town Council agreed with Town Staff’s recommendation for a less project-driven document that would provide high-level guidance to staff on the primary direction the Council directed resources. The Council also directed Staff to include, as provided by additional committees, further recommendations.

Draft FY 2020-21 Council Priorities

The initial draft FY 2020-21 Council Priorities document has been revised based on Council feedback at the February 26 meeting.

Council Priorities are listed in order of import.

1. Resident Resiliency
 - a. Wildfire emergency preparedness

- i. Implementation of remaining Wildfire Preparedness Committee recommendations
 - ii. Add wildfire preparation issues to Town committees' current processes/reviews
 - b. Town Committee Support
 - i. Use of new Communication position to support Town Committees
 - ii. Continued focus on Town Committee support/recruitment
 - c. Expansion of the linkages between residents and communications tools
 - d. Neighborhood watch program support continued
 - e. Explore with Emergency Preparedness Committee viability of Town Center Facilities in emergency scenarios and how Town can support community (i.e., smoke, heat events, power outages)
2. Housing Strategic Plan Implementation
 - a. Determination of Expenditures for Inclusionary Housing Funds
 - b. Further Expansion of the Affiliated Housing Program
 - c. Adoption of a Housing Preference Program for Town units
3. Open Space Stewardship
 - a. Implement Conservation and Open Space Acquisition Advisory Committees' recommendations for vision of, support for, and maintenance of the Town's open space properties
4. Sustainability
 - a. Capitalize on BayRen and Peninsula Clean Energy programs focused on building efficiency, electrification and EV charging stations
 - b. Research and develop potential program related to connection and opportunities amongst energy efficiency, EV charging, battery backup and emergency preparedness
 - c. Continue work on Smart Water Meter implementation and expand to alternatives depending on outcome of CPUC Rate Case
 - d. Engagement, education and outreach to community

Ongoing Priorities:

- Communications and Community Engagement
 - Website update implementation
 - Outreach on code enforcement issues
 - Continued resident engagement and outreach
 - PV Connect – Phase II engagement

- Health of Town Resources
 - Implementation of New Finance Software
 - Creation of a Pension Trust Fund
 - General Plan Update
 - Town Policies
 - Review and recommend updates to Town Center Use Policies and Applications
 - Ensure Town policies and procedures are in line with current practices and laws
 - Review Town contracts and insurance requirements
 - Ensure Town fees are in line with current practices and updated annually per Consumer Price Index.

2. COVID-19 Pandemic Impact on Council Priorities

The COVID-19 pandemic has affected the Council Priority process in two fundamental ways:

1. Some Current (FY 2019-20) priorities are not being implemented
2. FY 2020-21 Council Priorities planning has been disrupted by Town Hall closure, uncertainties related to revenues, and the projected FY 2020-21 budget process that will be provisional in nature

FY 2019-20 Council Priorities

The council adopted six priorities with a number of associated projects (Attachment 1):

1. Sustainability
2. Strategic Housing Plan Implementation
3. Continuation of Resident Resiliency
4. Communications and Community Engagement
5. Health of Town Resources
6. Strategic Planning Efforts

As stated above, the COVID-19 pandemic has interrupted Staff's ability fully implement remaining Council Priorities. The following Priorities will not be completed in the 2019-20 fiscal year:

- Continued implementation of the leaf blower incentive and education program
- Climate Action Plan
- Creation of plan for efficient end-of-life replacement for aging Town Center Equipment, and Town Center Facility maintenance schedule
- Potential new EV charging stations for Town Facilities

- Determination of Expenditures for Inclusionary Housing Funds
- Building code changes to reduce flammable materials
- Exploration with the Emergency Preparedness Committee viability of Town Center Facilities in emergency scenarios and how Town can support community (i.e., smoke, heat events, power outages)
- Aspects of the website update
- Newsletter reimplementation
- Pension Trust Fund
- General Plan Update
- Pedestrian Safety Plan implementation
- Trails system review implementation

These remaining FY 2019-20 Council Priorities should be considered for inclusion in the final FY 2020-21 Council Priorities document that will be developed during the budget revision process.

COVID-19 and the FY 2020-21 Budget

Under normal circumstances, Town Staff would be well underway for the development of the FY 2020-21 budget. Due to the timing of the COVID-19 shelter-in-place, and the need for staff to focus on COVID-19-related issues for the past several weeks, this budget process was set aside. Additionally, as staff reviewed the impacts of the shelter-in-place on the Town's revenues and expenditures, it was recognized that a "normal" budget would not be possible or recommended to pursue.

Instead, Town Staff is currently developing a provisional budget that will be recommended for adoption in June 2020 and will satisfy the core functions of Town Government service delivery, based on the best analysis of revenue impacts that are still underway. Following adoption of the provisional budget, Town Staff will then begin work on a revised budget that will reflect more accurate and up-to-date revenue projections, and potential future COVID impacts, that could alter the Town's expenditure plan. This revised budget would be presented to the Town Council in September/October, barring any new COVID impacts.

STAFF RECOMMENDATION

Staff recommends that the Town Council accept this report and utilize it to finalize the FY 2020-21 Council Priorities document in the summer of 2020 and to help develop a revised budget for proposed adoption in September 2020.

FISCAL IMPACT

There is no fiscal impact from accepting this status report. There is potential for significant fiscal impact should the Council adopt priorities that result in major projects; however, adoption of priorities does not preclude the Council from reviewing any new costs in either the upcoming budget process or as one-off items brought to the Council for approval at a later date.

Approved by Jeremy Dennis, Town Manager

A handwritten signature in black ink, appearing to read 'JDennis', is positioned to the right of the text 'Approved by Jeremy Dennis, Town Manager'.

There are no written materials for Council Liaison Committee and Regional Agencies Reports

There are no written materials for Town Manager Report

TOWN COUNCIL WEEKLY DIGEST

Thursday – April 16, 2020

1. Agenda (Cancellation) – Trails & Paths Committee – Tuesday, April 21, 2020
2. Agenda – Ad-Hoc Wildfire Preparedness Committee – Thursday, April 23, 2020
3. Letter to the Town Council South San Francisco Mayor Richard Garbarino and Millbrae Council Member Wayne Lee re ABAG Board Meeting and Housing forecast to determine RHNA commitments for each city
4. Letter to the Town Council from Millbrae Council Member Wayne Lee re Statement against Racism and Xenophobia
5. Letter to the Town Council and Town Manager from David Cardinal re Retail Businesses in Town

Attached Separates (Council Only)

(placed in your town hall mailbox)

1. None



Town of Portola Valley
Trails and Paths Committee Meeting
Notice of Cancellation
Tuesday, April 21, 2020

TRAILS & PATHS COMMITTEE MEETING

CANCELLATION NOTICE

The regular meeting of the Trails and Paths Committee, scheduled for Tuesday, April 21, 2020 has been canceled.



TOWN OF PORTOLA VALLEY
Ad Hoc Wildfire Preparedness Committee
Thursday, April 23, 2020 4:00 PM
Virtual Meeting via Zoom

CoVID-19 DISEASE Advisory Notice

The San Mateo County Health Officer, in conjunction with colleagues from five other Bay Area Counties, has issued legal orders to help stop the spread of the coronavirus. These legal orders include directing all residents to shelter in place, with exceptions for visits to essential service providers such as grocery stores, gas stations, and pharmacies.

This meeting will be conducted in compliance with the Governor's Executive Order N-25-20 issued on March 12, 2020, and N-29-20 issued on March 18, 2020, allowing for deviation of teleconference rules required by the Brown Act. On Thursday, March 19, Governor Gavin Newsom issued a statewide stay-at-home order to protect the health and well-being of all Californians. In an effort to reduce the risk of spreading Coronavirus (COVID-19), members of the Committee and staff will all participate via teleconference. The purpose of this is to provide the safest environment for officials, staff, and the public while allowing for public participation.

We encourage anyone who has the ability to join the meeting online to do so. You will have access to any presentations that will be shown on your screen and can easily ask questions in the Q&A.

<p><u>Join Zoom Meeting Online:</u></p> <p>Join Zoom Meeting https://zoom.us/j/4308779879</p> <p>Meeting ID: 430 877 9879 One tap mobile +16699006833,,4308779879# US (San Jose)</p>	<p><u>Remote Public Comments:</u></p> <p>Meeting participants are encouraged to submit public comments in writing in advance of the meeting. Please send an email to jdennis@portolavalley.net by 5:00 PM on the day of the meeting. All received questions and comments will be read by the Chair and addressed and will be included in the public record.</p> <p>The Committee will take questions by using the Q&A button. If you can only call in and you did not send in questions and comments ahead of time, you can press *9 on your phone to "raise your hand" The town council will call on people to speak by the phone number that is calling in.</p>
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Meeting Agenda

1. Call to Order
1. Welcome New Committee Member
2. Open Communications

3. Approval of Minutes: Regular Meeting, March 4, 2020
4. New Items
 - a. Consider Funding Concept for Risk-Based Vegetation Management Plan
(Member Youstra)
5. Status Update from Subcommittees
6. Staff Updates
7. Adjournment



April 9, 2020

Dear Esteemed Colleagues,

South San Francisco Mayor Richard Garbarino and Millbrae Council Member Wayne Lee are the San Mateo County representatives on the Association of Bay Area Governments (ABAG) Executive Board of Directors. We want to update you on the latest issues regarding housing that will affect your city.

At today's ABAG Executive Board meeting, ABAG staff presented their forecast models. ABAG uses these housing forecasts to determine Regional Housing Needs Allocation (RHNA) commitments for each city. RHNA is a critical issue. The final vote of approval will occur this summer.

Summary - See attachment 06a3 presentation.

Note: The housing forecast does not include data from the 2020 Census data.

- The Bay Area continues to grow.
- Ethnicities will become more equally diverse.
- The middle class continues to shrink.
- Average ages, high 20's-60's, will rise.
- The economy will grow over the long term.
- Population growth will slow, mostly due to immigration policies and the high cost of living.
- Coupled with the latter point and growth in housing, the cost of housing will decrease.
- The regional economy will recover quickly after the COVID-19 crisis is over.

Wayne pointed out at the meeting that the last point is exceptionally optimistic and assumptions absent of analysis taking COVID-19 recession into account, produce detrimental outcomes to cities for these reasons:

- The economy has not experienced an extreme shock as deep as the previous great depression.
- COVID-19 may rebound next winter if there is no vaccine.
- It took five years for the market to recover from the 2008 crash.
- Most cities will experience financial stress that will mean layoffs, and therefore, will lack the personnel to plan and review new housing developments.
- The effects, based upon the last three recessions, will be long-lasting. To expect to catch up with this forecasted/planned housing will need funding from the State and Federal Government since the likely forecast will be ambitious without due consideration of the effects of the current COVID-19 crisis. Wayne asked the Executive Officer if there are any plans from the State or Federal Government to provide funding to cities to help them plan and execute the proposed forecasted housing. The Executive Officer effectively said no. (Wayne's thought bubble - Federal and State Government will step up? Could happen? Hopeful thinking.)

Most of the Board members agree that the ABAG planned forecast will produce inaccurate RHNA numbers, and any legislation to produce more housing will be difficult at best. They also agreed that the housing forecast and Plan Bay Area 2050 need to be either extended or postponed until there is a better understanding of the effects of COVID-19.

The speaking audience of council members on the video conference commented that the forecast methodology and assumptions are not credible.

Staff remarked that the plan's schedule of completion is a state mandate.

Also attached is ABAG staff's report (Attachment 06a2).

Please feel free to contact Mayor Richard Garbarino or Councilman Wayne Lee if you have questions or comments.

Respectfully,



Richard Garbarino
South San Francisco Mayor
E-mail: Rich.Garbarino@ssf.net



Wayne J. Lee
Millbrae Councilmember
E-mail: waynejlee@ci.millbrae.ca.us

M E M O R A N D U M

PLAN BAY AREA 2050

Attachment A

TO: ABAG Executive Board

FR: Bobby Lu and Paul Fassinger

RE: Plan Bay Area 2050: Final Regional Growth Forecast

DATE: April 16, 2020

Introduction

The Regional Growth Forecast is an important input to Plan Bay Area 2050, the San Francisco Bay Area's long-range plan developed by Metropolitan Transportation Commission (MTC) and Association of Bay Area Governments (ABAG). The Plan Bay Area 2050 Regional Growth Forecast identifies how much the Bay Area might grow between the Plan baseline year (2015) and the Plan horizon year (2050), including population, jobs, households, and associated housing units. The forecast also includes important components of that growth, including employment by sector, population by age and ethnic characteristics, and households by income level. During the Blueprint planning phase, the Regional Growth Forecast is being used to identify the total amount of growth. These figures are then integrated into the Bay Area UrbanSim 2.0 land use model; UrbanSim explores how Blueprint planning strategies might affect the local distribution of growth in households and employment. This memo focuses on the projections associated with the Regional Growth Forecast; local area forecasts will be released as part of the Draft Blueprint and Final Blueprint.

Setting the Stage: The Context for Plan Bay Area 2050

For decades, developing a Regional Growth Forecast has been a key element of the long-range transportation planning process for the Bay Area. However, in recent years, it has become apparent that critical issues need to be better addressed in the context of developing such a forecast.

The first is related to **regional affordability**. In Plan Bay Area 2040, it was estimated that the average share of lower-income household income spent on housing would rise by approximately 13 percentage points; this was due in part to the fact that regional housing strategies were limited in nature and affected only the geographic distribution of forecasted growth rather than overall level of housing growth in the Regional Growth Forecast itself. As part of this planning process, policymakers specifically asked "what it would take" to move the needle on affordability, but solutions for these affordability shortcomings were not identified in time for integration into that Plan. Plan Bay Area 2050 presents an opportunity to integrate new housing strategies specifically designed to increase supply for all income levels - consistent with policymaker direction for the Draft Blueprint - which will in turn contribute to a more affordable region and a slightly higher Regional Growth Forecast.

The second is related to **uncertainty**. While required by statute, the creation of a single Regional Growth Forecast in prior cycles did not provide the opportunity to explore how different trajectories for regional growth would affect critical environmental, economic, and other goals. To address this gap, MTC and ABAG staff undertook the Horizon initiative in 2018 and 2019, which explored not only how different growth trajectories would affect the region but also how the region could respond to those different trajectories through new strategies.

Both of these factors mean that developing the Regional Growth Forecast is a more policy-conscious effort, equally focused on contextual uncertainties as well as policy linkages and implications.

Upon the kickoff of the Plan Bay Area 2050 cycle, staff accordingly worked with technical stakeholders to make methodological refinements to incorporate lessons learned from both efforts. The methodology adopted by the ABAG Executive Board in September 2019 enables the Regional Growth Forecast to incorporate changes in strategies that would affect the level of growth in the region, while also affecting affordability, equity, economic mobility, and other critical outcomes.

This memo first introduces the economic and demographic assumptions underlying the Regional Growth Forecast. This presents a reasonable baseline for the future of the Bay Area. After that, the memo delves into how a selection of key strategies from the Draft Blueprint were incorporated into this forecast. Note that while the proposed strategies were approved for integration into the Plan Bay Area 2050 Draft Blueprint for further analysis by MTC and ABAG, these strategies may be further refined before being included in the Final Blueprint. Should significant changes be made, the forecast presented in this memo could be further revised later this year.

Methodology and Assumptions

Similar to Plan Bay Area 2040, the Regional Growth Forecast was primarily developed using the REMI (Regional Economic Modeling Inc.) model¹. version 2.3. The REMI model integrates into one package a dynamic accounting of the core components of the economy, which are listed below. The population is explicitly connected to industry growth and demand for labor, with migration increasing in times of strong employment growth.

- Industry structure and competitiveness relative to other regions
- Propensity to export
- Population and labor market structure

To generate other key components of the Regional Growth Forecast, staff also developed a household model and a household income distribution model, built around the projections from

¹ Plan Bay Area 2050 was developed with REMI Bay Area version 2.3, whereas Plan Bay Area 2040 was developed with REMI Bay Area version 1.7.8.

the REMI analysis. The REMI model produces population and total income but does not estimate households or a household income distribution.^{2 3}

Working with the Technical Advisory Committee⁴, staff has reviewed REMI data, assumptions and its default results, and made some changes to both national demographic data and regional economic data to get a better baseline picture of the region's future. In particular, staff factored in more recent historical trends where slowing Hispanic international migration and birth rates have been observed, in alignment with the most recent U.S Census Bureau projections, as well as observations and assumptions of California Department of Finance.

While this employment forecast recognizes the region's continued economic competitiveness compared to the rest of the United States, staff assumes that the Bay Area will face increasing challenges. Therefore, the region's share of national employment is assumed to stabilize by the last decade of the forecasting horizon. Without strategies and policies in place to address issues such as high housing costs and economic disparity, it would be difficult for the Bay Area to grow at the current rate. The following section describes how Blueprint strategies are included in the analysis.

Syncing the Regional Growth Forecast with Approved Draft Blueprint Strategies

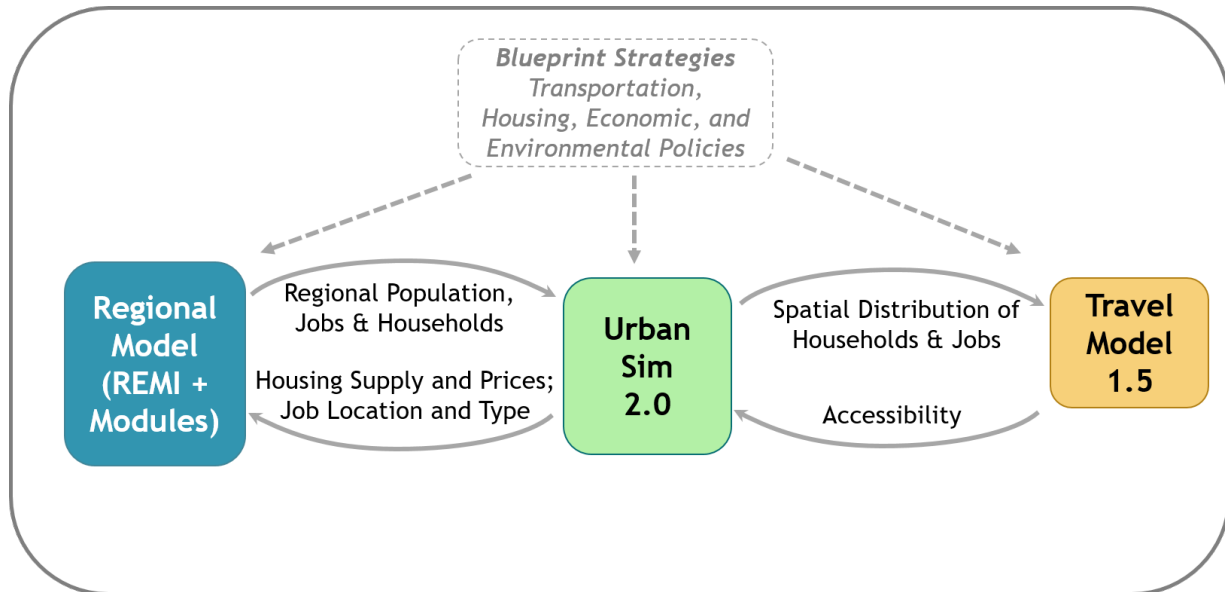
The regional agencies agreed to investigate the impacts of a set of strategies, and with them, different revenue assumptions, that have implications for the Regional Growth Forecast. These strategies impact all of the models used, but in this memo, the focus is on the Regional Model shown in the lower left of Figure 1.

² Household projections are generated through a headship rate analysis. The household module uses the projected age and racial/ethnic composition of the adult population and an accounting of the percent of people in different age categories that are "heads of household" to project the expected number of households formed given the future composition of the population

³ The household income distribution analysis estimates the share of households in each of four mutually exclusive income groups, to coincide with analysis required in the transportation model. The share of households in low, middle-low, middle-high, and high-income categories is estimated using a regression analysis which ties the share in each wage category with ethnic and age distribution, industry and occupational characteristics, relative housing prices, and per capita income.

⁴ The technical advisory committee included: 6 Bay Area economists, 3 California Department of Finance experts, 3 megaregion representatives (Sacramento Area Council of Governments, San Joaquin Council of Governments, University of the Pacific), and 3 experienced REMI users (from the Atlanta Regional Commission, a Michigan think tank, and a Colorado nonprofit).

Figure 1: Integrating Strategies into the Regional Growth Forecast for Plan Bay Area 2050



Ultimately, not every strategy is anticipated to have significant impacts on the Regional Growth Forecast; many strategies only need to be incorporated in UrbanSim 2.0 and/or Travel Model 1.5. After reviewing the 25 strategies integrated into the Plan Bay Area 2050 Draft Blueprint, staff determined that the following strategies would likely influence the total amount of growth envisioned for the Bay Area, with impacts ranging widely across strategies (Table 1).

Table 1: Strategies Incorporated in Regional Growth Forecast

Category	Strategy	Model Adjustments
Transportation	Operate and Maintain the Existing System	Increase Construction, Admin
	Advance Low-Cost Transit Projects	Increase Construction, Admin
	Build a Complete Streets Network	Increase Construction, Admin
	Build New Transbay Rail Crossing	Increase Construction, Admin
	Reform Regional Transit Fare Policy	Increase Disposable Income (Consumer Spending)
	<i>Fund Projects with Remaining Capacity (placeholder for Final Blueprint strategies/investments)</i>	Increase Construction, Admin
Housing	Allow a Greater Mix of Housing Types and Densities in Growth Areas	Decrease Housing Cost, Increase Construction
	Reduce Barriers to Housing Near Transit and in Areas of High Opportunity	Decrease Housing Cost, Increase Construction
	Transform Aging Malls and Office Parks into Neighborhoods	Decrease Housing Cost, Increase Construction
	Fund Affordable Housing Protection, Preservation, and Production	Increase Disposable Income (Consumer Spending)
Economy	Expand Childcare Support for Low-Income Families	Increase Disposable Income (Consumer Spending)
	Create Incubator Programs in Economically-Challenged Areas	Increase Manufacturing & Education
Environment	Adapt to Sea Level Rise	Increase Construction Spending
	Modernize Existing Buildings with Seismic, Wildfire, Drought, and Energy Retrofits	Increase Construction Spending

Transportation Strategies

The economic impact of transportation investments generally fits into two categories: (1) direct effects from spending -- in operation and maintenance (O&M)⁵ and construction of new projects -- as well as multiplier effects; (2) enhanced economic competitiveness through improved network efficiency and congestion reduction (which reduces cost for businesses), as well as improved air quality and quality of life. While staff recognizes the importance of capturing the

⁵ O&M is where the majority of the forecasted transportation revenues will be spent. Staff considers current level of operation and maintenance spending to meet existing demand and to maintain existing conditions of the region’s transportation assets will continue. Therefore, we do not simulate the impacts of these baseline investments separately. However, in cases where there are additional revenues to improve the condition beyond today’s levels, reaching a full state of good repair, or to fund operation and maintenance demand necessitated by new projects, staff would make explicit assumptions of these investments.

comprehensive effects of the proposed transportation strategies, the forecast included in this memo only considers the impact in the first category due to limited model capacities. Therefore, the forecast reflects a more conservative estimate of the transportation spending in the Plan.

Four of the transportation strategies include transportation investment: *Operate and Maintain the Existing System*, *Advance Low-Cost Transit Projects*, *Build a Complete Streets Network*, and *Build New Transbay Rail Crossing*. These strategies are represented in the Regional Growth Forecast as increased demand within the construction industry. For the transportation strategy to *Reform Regional Transit Fare Policy*, staff expects that a \$10 billion means-based fare discount, funded through existing transportation revenues, would increase transit subsidy and allow for consumer spending reallocation (i.e., money saved would be spent on other commodities).

Housing Strategies

Housing strategies are designed to spur housing production as well as to protect and preserve affordable housing. Boosting housing capacity is addressed through both strategic zoning changes, seeking to support the development of housing throughout the region where appropriate. Staff assumes these zoning change related strategies would allow and encourage private construction investment for market rate housing, which would significantly increase total jobs and population during the forecast period. This is modeled in REMI by changing the Bay Area housing cost relative to the nation and increasing the level of residential construction investment based on expected housing development. Staff expects the effect of the strategy to *Fund Affordable Housing Protection, Preservation, and Production* will be to increase disposable income and increasing consumer spending.

Economic Strategies

Economic strategies are primarily focused on improving economic mobility and shifting the location of jobs. Two of the strategies that are designed to improve economic mobility are included in the regional models: (1) *Expand Childcare Support for Low-Income Families*; and (2) *Create Incubator Programs in Economically Challenged Areas*. Other strategies designed to shift location of jobs are represented in the land use and travel models, but not the Regional Growth Forecast.

Reducing the cost of childcare is likely to increase labor force participation, primarily for mothers, but also for fathers. Providing childcare subsidy would also increase demand for the child care industry through increased spending, as well as reallocate consumer spending. Staff captures these changes by adjusting appropriate policy variables in REMI. The strategy to *Create Incubators in Economically Challenged Areas* is represented by increasing investment in the manufacturing and education industries.

Environmental Strategies

Adaptation to sea level rise focuses on protecting the shoreline as well as critical transportation infrastructure in areas at risk. To the extent that there would be increases in capital projects spending such as building levees and infrastructure enhancements (more likely in Blueprint Plus), staff increased demand for construction industry using REMI model.

The strategy to provide means based subsidy for retrofitting existing building assumes an additional \$20 billion in revenue, which is applied to the construction industry. This is not modeled as increased consumer spending because it is assumed that without the subsidies, homeowners would not be incentivized to retrofit existing building at all.

Revenues to Fund Plan Strategies

Plan Bay Area 2050 currently is exploring two potential revenue levels: 1) Blueprint Basic, with funding levels for transportation, housing, economic development, and environmental resilience remaining in line with historical trends (a total of \$608 billion for the 30 years of the Plan), and 2) Blueprint Plus, which includes a sizable influx of new revenues for all four areas of the Plan. Blueprint Plus assumes additional fiscal capacity for increased levels of investment in regional strategies to create a more aspirational plan, and these strategies are expected to further impact the economic growth and demographic changes of the region. There are two variants of Blueprint Plus: (a) Blueprint Plus Crossing, where \$50 billion would be allocated to fund the construction of a new Transbay Rail Crossing, and (b) Blueprint Plus Fix It First, where greater share of transportation funding would be spent towards system operation and maintenance.

Staff assumed that the current levels of government funding for programs, including transportation operations, maintenance, and investment will continue. Although staff expects existing levels of forecasted revenues will fund the strategies proposed for Blueprint Basic, additional revenues are needed for Blueprint Plus to fund more ambitious regional strategies; this funding gap would be filled from additional taxes.

For the purposes of this forecast, staff assumed that:

- Additional transportation revenues would be funded by a sales tax increase;
- Additional housing revenues would be funded by a business tax increase;
- Additional economic revenues would be funded by a personal income tax increase; and
- Additional environment revenues would be funded by a property tax increase.

Staff analyzed the strategies in Blueprint Basic along with the effects of these additional taxes and the additional strategies included in Blueprint Plus. In doing so, staff determined that the set of housing strategies aimed at increasing housing production (at all income levels) had the largest impact to the region's demographics and economy, and these strategies are included in both Blueprint Basic and Blueprint Plus. Further, the effects of the taxes and strategies only in Blueprint Plus had a marginal impact on the Regional Growth Forecast. As a result, the total population, households and employment for Blueprint Basic as well as the two variants of Blueprint Plus do not significantly differ from each other, and only Blueprint Plus numbers will be presented in the following section for the sake of simplicity.

Regional Growth Forecast Results

The Final Regional Growth Forecast starts from the baseline assumptions about the demographic and economic trend of the region as described at the beginning of last section. For the Plan Bay Area 2050 Draft Blueprint, staff has been directed to propose and implement bold and ambitious strategies for the Bay Area's transportation, housing, economy, and the environment -- including moving the needle on regional housing affordability.

Table 2 shows the Plan Bay Area 2050 Final Regional Growth Forecast. Staff forecasts that between 2015 and 2050, the region’s employment is projected to grow by 1.4 million to just over 5.4 million total jobs. Population is forecasted to grow by 2.7 million people to 10.3 million. This population will comprise over 4.0 million households, for an increase of nearly 1.3 million households from 2015. The number of housing units⁶ plans for no net growth in the in-commute into the region, consistent with state law and MTC/ABAG legal settlements.

Table 2: Plan Bay Area 2050 - Final Regional Growth Forecast⁷

	2015	2030	2035	2040	2045	2050
<i>Employment (in millions)</i>	4.0	4.7	4.8	5.1	5.2	5.4
<i>Population (in millions)</i>	7.6	8.7	9.1	9.5	9.9	10.3
<i>Households (in millions)</i>	2.7	3.3	3.5	3.7	3.9	4.0
<i>Housing Units (in millions)</i>	2.7	3.4	3.7	3.9	4.1	4.3
<i>Average Household Size</i>	2.8	2.6	2.6	2.5	2.5	2.5

Source: MTC/ABAG from U.S. Bureau of Labor Statistics, U.S. Bureau of the Census, American Community Survey, and modeling results from ABAG REMI 2.3.1; 2020 and 2025 forecasts to be integrated later this month

The Regional Growth Forecast projects approximately 400,000 more jobs, 200,000 fewer people, 300,000 more households and 300,000 more housing units in 2040 compared to the Plan Bay Area 2040 forecast. There are several reasons for the difference in the forecasts between Plan Bay Area 2040 and this latest forecast for the Bay Area. Differences in population are largely due to the assumption that the recent observed decline in Hispanic international migration and birth rates would continue, which is consistent with U.S. Census Bureau and California Department of Finance assumptions. Second, recent strong employment growth has caused us to adjust the early years of the forecast, and as a result the endpoint of the trend is also higher. Meanwhile, comparing the age composition of the population in these two forecasts, this forecast has a higher number of older adults, who usually have higher headship rates, forming more households. Finally, this forecast integrated housing strategies that would encourage more housing production and investment, resulting in higher household and housing unit numbers, as well as creating more jobs.

Employment Growth and Change

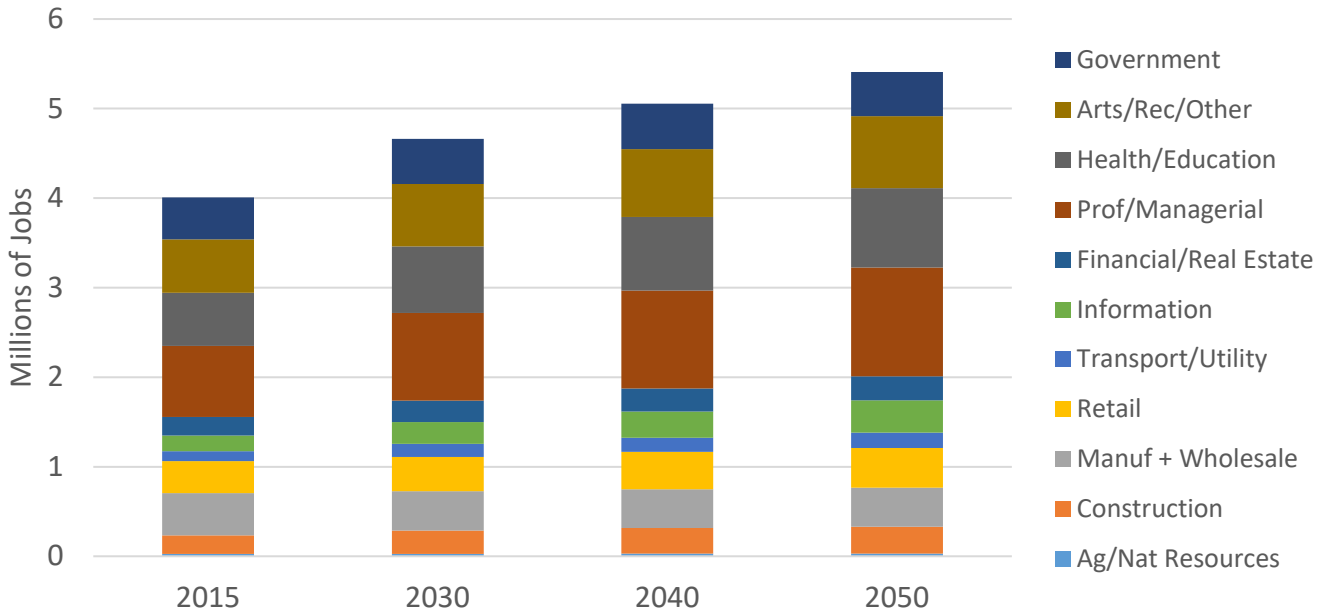
Figure 2 compares the level and distribution of employment in 2015 to projected employment in future years 2050. Professional & management and health & education industries are forecasted to continue dominating future employment in the San Francisco Bay Area, and the information

⁶ Consistent with the legal settlement with the Building Industry Association, this housing unit projection includes housing for all projected households plus the number of units that would be needed to house the increased number of workers estimated to commute into the region. The in-commute change is estimated using REMI output for employment, and “residence adjusted employment”. After adjusting for workers per household, an in-commuter household number is added to the base for estimating the regional housing control total. The regional housing control total is the sum of the households estimated for the projected population plus households equivalent to the maximum estimated in-commute number, plus a vacancy factor.

⁷ Staff is currently working on an estimate for 2020 numbers using most recent published public data available, which will be incorporated into the Final Plan Document.

sector more than doubles its current job numbers. Meanwhile, despite increases in both output and demand in all sectors as well as stimulus strategies proposed, the forecast shows declining employment in a few sectors, due to both technologically induced higher productivity and changes in economic structure, particularly in the manufacturing and wholesale industries. Finally, job forecasts both for construction as well as transportation and warehousing are boosted by the infusion of investments.

Figure 2: Employment by Sector in the Final Regional Growth Forecast

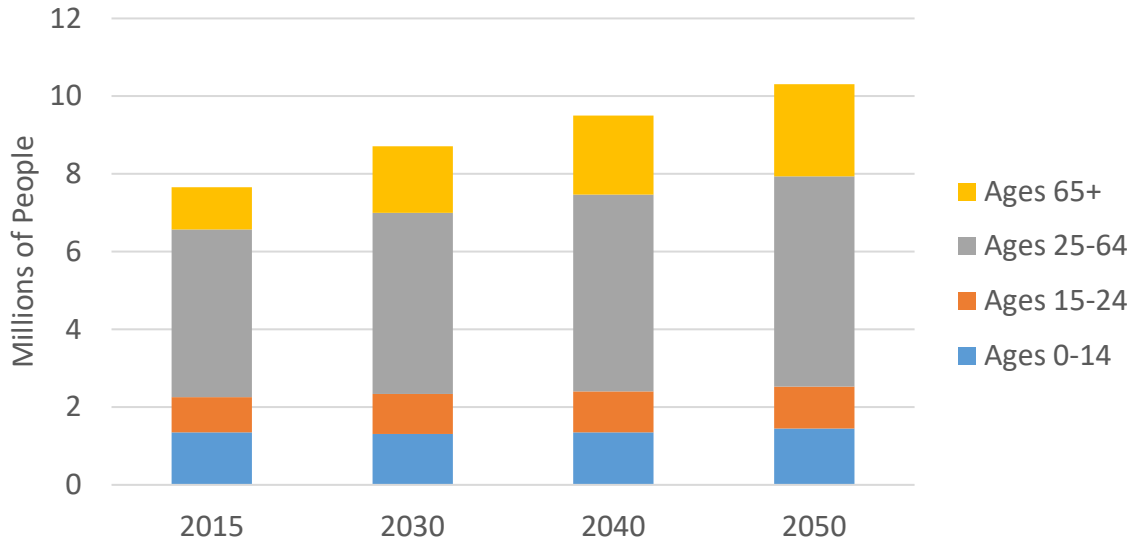


Source: MTC/ABAG from U.S. Bureau of Labor Statistics, U.S. Bureau of the Census, American Community Survey, and modeling results from REMI Bay Area 2.3.1

Population Growth and Change

Figure 3 compares the population by age group in 2015 with that of the projections for future years 2050. Between 2015 and 2050, the number of working-age adults is forecasted to grow by 25 percent, but the share declines by four percent (from 56 percent to 52 percent). The growth in the share of people in the 65+ age group is anticipated to continue in the decades ahead, more than doubling between 2015 and 2050, from 14 percent of the total population to 23 percent. While the 2050 total population is projected to be 35 percent higher than in 2015, growth will differ widely by age group.

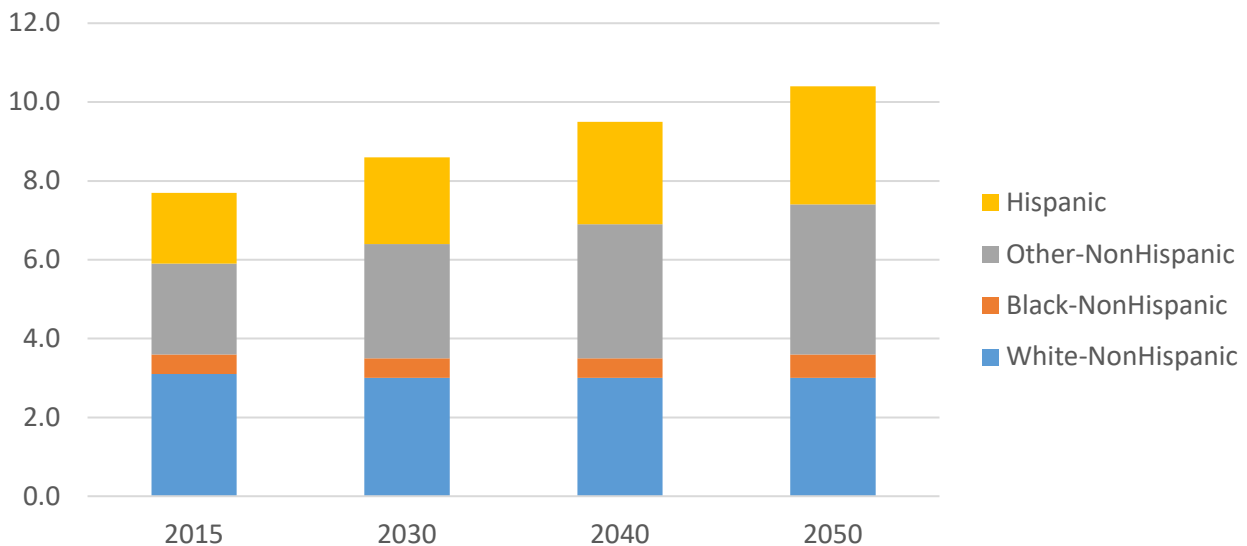
Figure 3: Population by Age Group in the Final Regional Growth Forecast



Source: MTC/ABAG from U.S. Bureau of the Census, American Community Survey, and modeling results from ABAG REMI 2.3.1

Ethnically, the region continues to diversify over time, as shown in Figure 4. Growth takes place mainly in Hispanic and Asian racial/ethnic groups (the largest group within the Other Non-Hispanic category in the figure). There is a small growth of the Black Non-Hispanic population, while the White Non-Hispanic population decreases steadily over time. By 2050, Asian, Native American, Pacific Islander, and More than One Racial group will reach 4 million people, while the Hispanic population will grow to the same level as White Non-Hispanics, to around 3 million people.

Figure 4: Population by Race/Ethnicity in the Final Regional Growth Forecast (in millions)



Other Non-Hispanic includes: individuals that are Asian-American, Native American, or Pacific Islander, as well as those of two or more races.

Source: MTC/ABAG from U.S. Bureau of the Census, American Community Survey, and modeling results from ABAG REMI 2.3.1

Household Income Distribution

Figure 5 compares the household income distribution in 2015 with the projected income distribution for future years. The amount of household growth projected (1.3 million new households between 2015 and 2050) reflects strategies that encourage both market rate and affordable housing development, increasing the number of housing units produced.

Figure 5: Projected Income Distribution of Households
(in millions; Bay Area, 2019 dollars⁸)



Source: MTC/ABAG household income distribution analysis

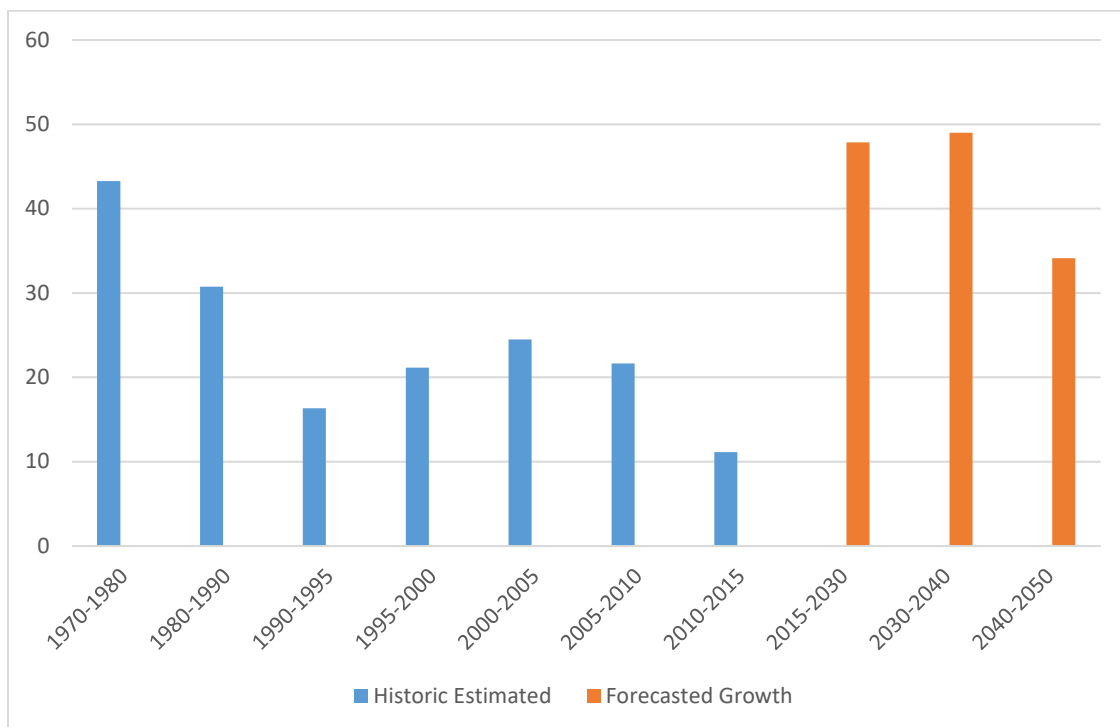
While the number of households in all four income categories are expected to grow, the greatest growth is expected in the lowest and highest income groups, despite strategies designed to strengthen the middle class in the Draft Blueprint. Household growth is anticipated to be strongest in the highest income category, reflecting the expected strength of growth in high-wage sectors combined with non-wage income (interest, dividends, capital gains, transfers). Household growth is also anticipated to be high in the lowest-wage category, reflecting possible occupational shifts, wage stagnation, the retirement of seniors without pension assets, as well as the proposed affordable housing strategies.

⁸ The income categories were originally defined as approximate quartiles by MTC/ABAG in year 2000, but over the years as income inequality has risen, they have morphed into quantiles. Escalated to 2019 dollars and rounded to hundreds, the income thresholds are as follows: less than \$51,300; from \$51,300 to \$102,600; from \$102,000 to \$171,000; above \$171,000.

Housing Production

To translate growth in households to the anticipated demand for housing units, staff assumed a healthy vacancy rate for the region of five percent beginning from 2030⁹ - leading to a projected increase of housing units by 1.4 million through 2050¹⁰. The forecast implies an annual average rate of increase of between 35,000 and 56,000 units, depending on the time period; the level of demand for new housing units follows the formation of new households. As shown in Figure 6, this means a significant increase of production for the next three decades to a level of production above that of 1970s and 1980s, which requires the region successfully implement the housing strategies proposed in the Plan.

*Figure 6: Annual Housing Production, Historic and Projected
(in thousands of housing units)*



Source: MTC/ABAG household and housing unit analysis

Next Steps

The Regional Growth Forecast is being integrated into the Draft Blueprint, with analysis currently underway using UrbanSim 2.0 and Travel Model 1.5. Staff are also finalizing assumptions this month for the early years of the Final Forecast (2020 through 2029) to

⁹ California Department of Finance estimates of Bay Area vacancies have varied from 3.4 to 6.4 percent since 2000. Current vacancy rate stands around 3 percent.

¹⁰ New housing units includes 39,000 units associated with preventing growth in the number of in-commuters between 2015 and 2050.

integrate the effects of an anticipated economic downturn this year. If needed, any remaining refinements necessary to fully align with the Final Blueprint can be made later this year.

Staff will also provide the Final Regional Growth Forecast assumptions and results to California Housing and Community Development Department (HCD) as part of the Regional Housing Needs Allocation (RHNA) process. HCD will review MTC/ABAG projections and compare those with Department of Finance (DOF) projections to determine the regional housing needs (RHND) for the Bay Area. Per statute¹¹, if the MTC/ABAG forecast is within 1.5 percent of the DOF forecast, the MTC/ABAG forecast will be used as the base for HCD to calculate Bay Area housing needs target. Otherwise, following consultation with MTC/ABAG staff, HCD will determine which forecast to use for the RHND.

¹¹ California Code, Government Code - GOV § 65584.01

PLAN BAY AREA 2050



Final Regional Growth Forecast

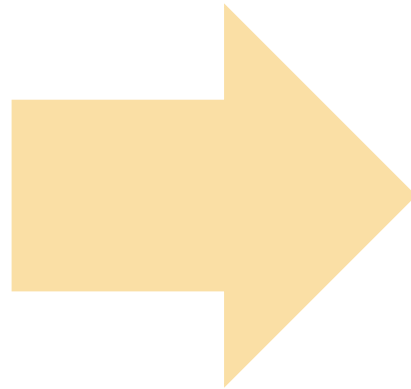
Paul Fassinger and Bobby Lu, MTC/ABAG

April 2020

Setting the Stage: Context for Plan Bay Area 2050

Regional unaffordability was a critical issue left unresolved in Plan Bay Area 2040

Horizon Initiative studied how the region could respond to uncertainties with a suite of new strategies



Plan Bay Area 2050 Regional Growth Forecast to integrate strategies that affect both the level of growth and critical regional outcomes

*The Regional Growth Forecast reflects **total growth across the nine-county region**. Distinct from the Regional Growth Framework and the Local Area Forecast, it focuses on the regional trajectory, rather than specific cities or PDAs.*

How was the Regional Growth Forecast developed?

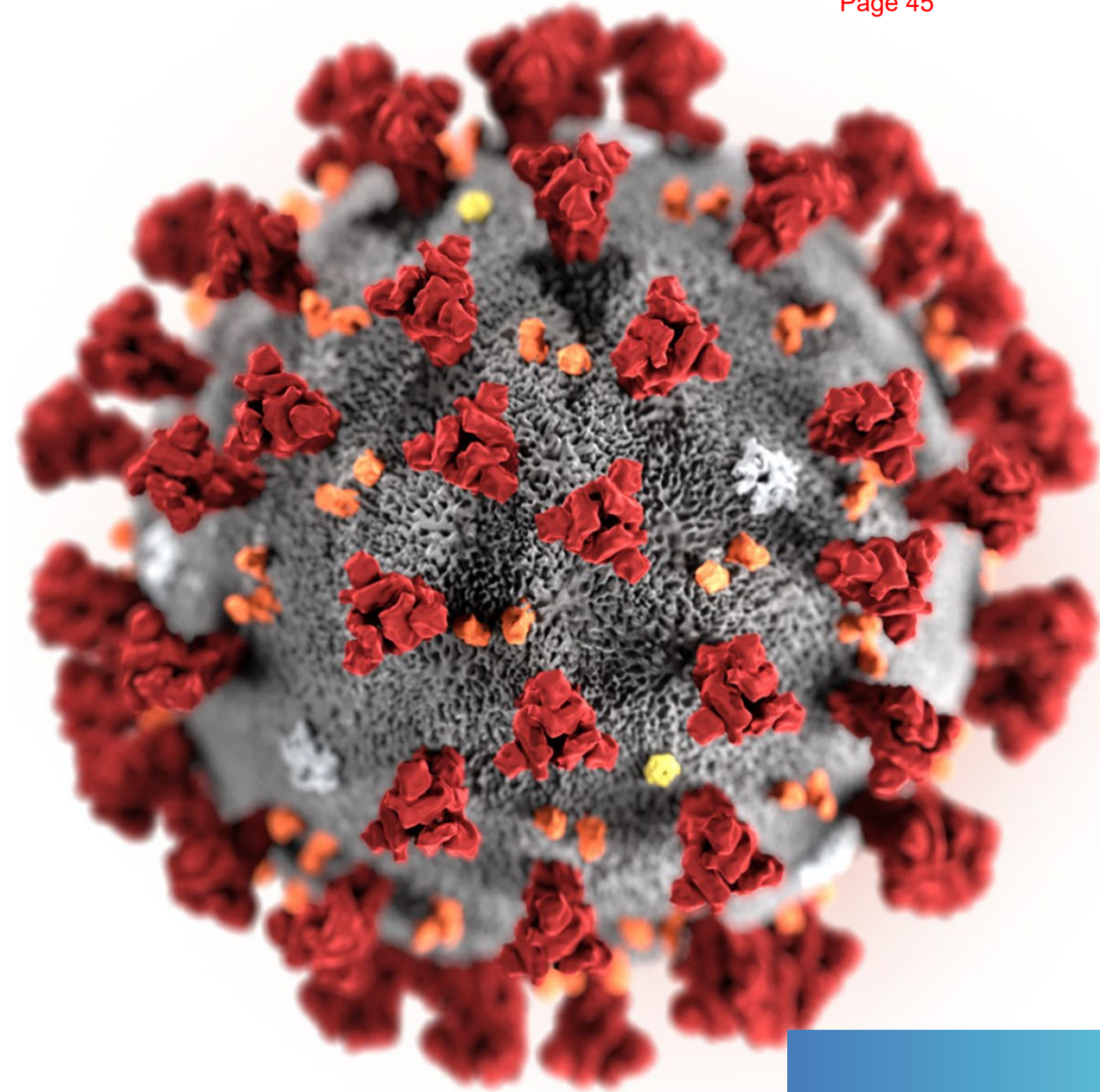
- **In September 2019, the Regional Growth Forecast methodology was adopted by the ABAG Executive Board.** Since then, staff have been working to develop a Regional Growth Forecast for use in the Blueprint planning phase.
- **To conduct this work, staff worked with a Technical Advisory Committee** of regional economists, demographers and modeling experts to provide feedback on critical assumptions.
- **Staff used the Regional Economic Models, Inc. (REMI) model for the Bay Area,** combined with in-house models, to estimate future nine-county totals for population, employment, households, and housing units.

What were some key assumptions integrated into the Regional Growth Forecast?

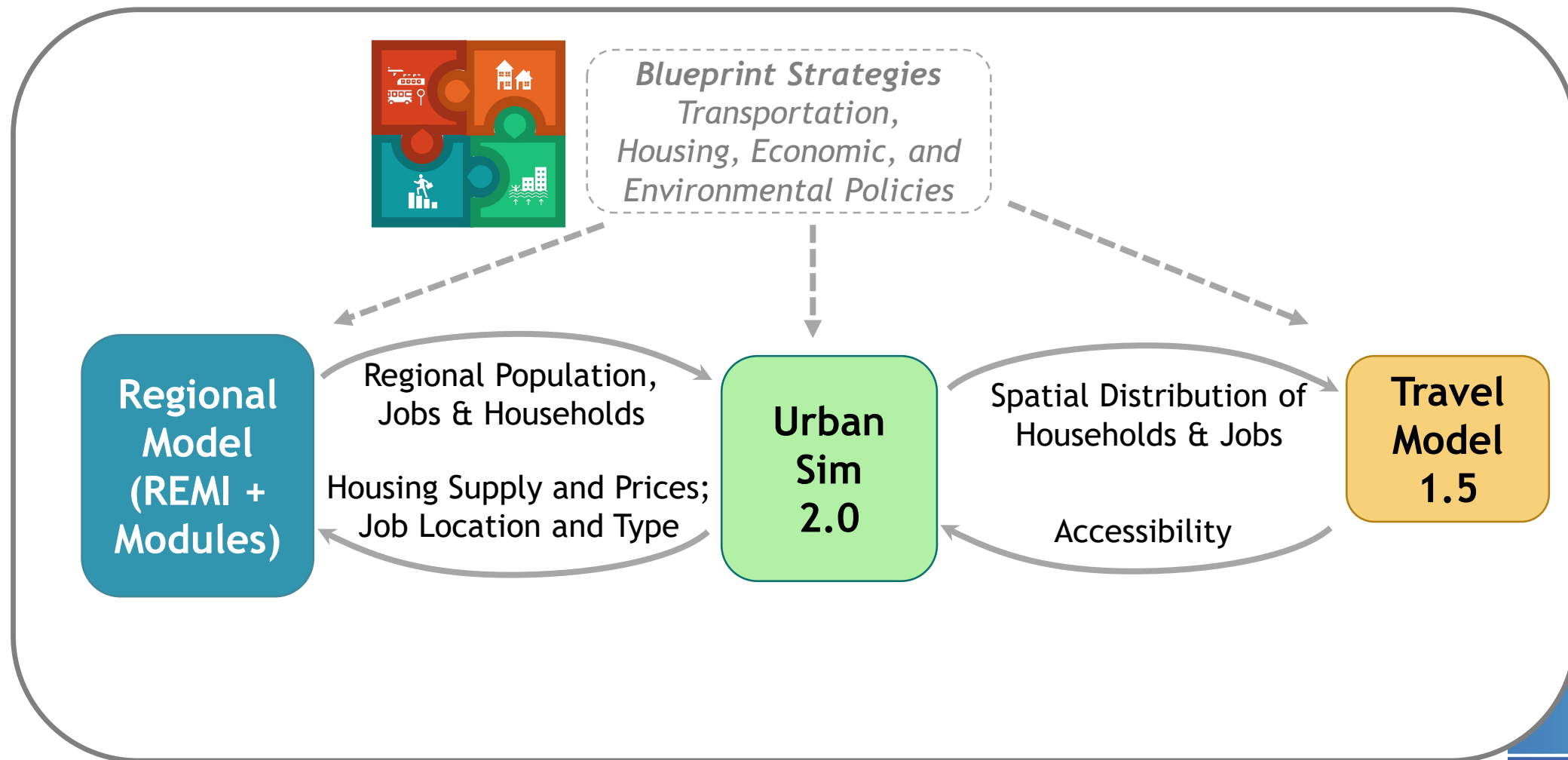
- Bay Area employment is **driven by national trends** in population growth and employment.
- Overall, U.S. population growth will likely slow over next three decades, particularly given **observed decline in Hispanic international migration and birth rates**.
- Competitiveness of Bay Area sectors relative to the equivalent sectors in the U.S. **will grow slowly then stabilize**.
- **Bay Area housing prices, relative to the national average, can decrease** if increased supply at all income levels is provided.

How might **COVID-19** affect the region's trajectory in the years ahead?

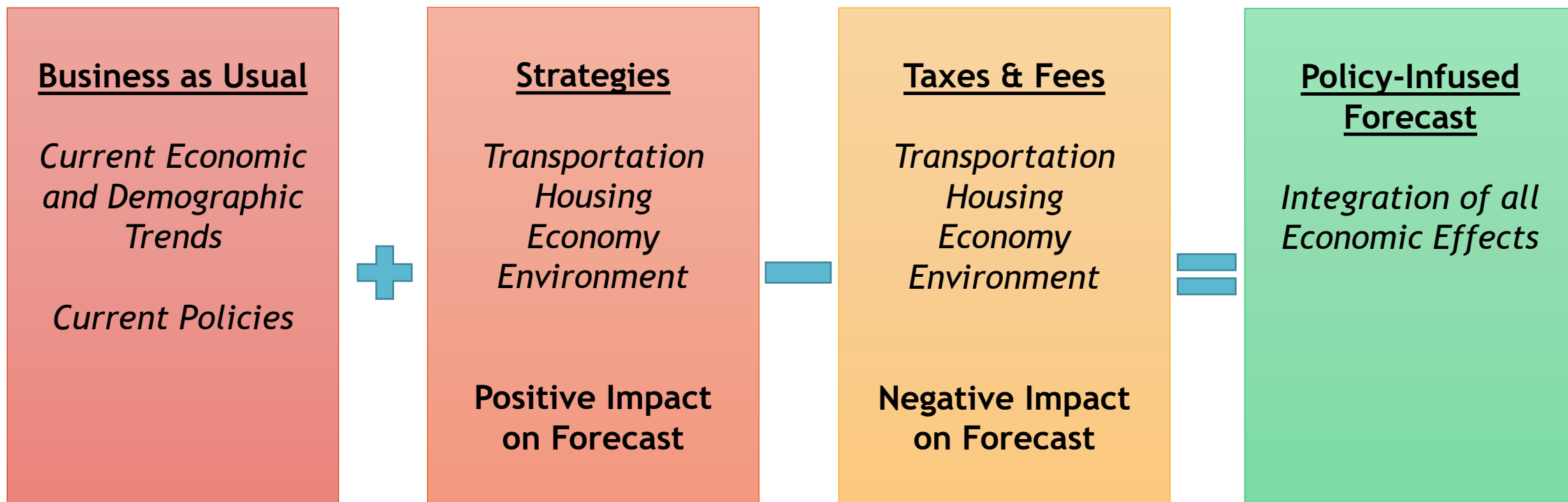
- Staff is currently evaluating a potential approach for **reflecting the economic impacts of a potential 2020 recession into the early years of the Final Regional Growth Forecast (i.e., through year 2025).**
- However, given that the Forecast already considered the cyclical nature of the regional economy, **the forecasts developed for years 2030, 2040, and 2050 - which will be highlighted today - remain relevant and appropriate for Plan Bay Area 2050.**








How do strategies in the Blueprint affect the Regional Growth Forecast?



How do strategies in the Blueprint affect the Regional Growth Forecast?



How do strategies in the Blueprint affect the Regional Growth Forecast?

Category	Strategies with Moderate or Significant Impacts on Regional Forecast
 <p>Transportation</p>	<ul style="list-style-type: none"> • Operate and Maintain Existing System • Advance Low-Cost Transit Projects • Build New Transbay Rail Crossing • Reform Regional Transit Fare Policy • Build a Complete Street Network
 <p>Housing</p>	<ul style="list-style-type: none"> • Allow a Greater Mix of Housing Types and Densities in Growth Areas • Reduce Barriers to Housing Near Transit and in Areas of High Opportunity • Transform Aging Malls and Office Parks into Neighborhoods • Fund Affordable Housing Protection, Preservation, and Protection
 <p>Economy</p>	<ul style="list-style-type: none"> • Expand Childcare Support for Low-Income Families • Create Incubator Programs in Economically-Challenged Areas
 <p>Environment</p>	<ul style="list-style-type: none"> • Adapt to Sea Level Rise • Modernize Existing Buildings with Seismic, Wildfire, Drought, and Energy Retrofits
 <p>Cross-Cutting</p>	<ul style="list-style-type: none"> • Generate New Revenues for Transportation, Housing, Economy, and Environment

The effects of the remaining 12 strategies on overall regional growth trends are anticipated to be *de minimis*.

How do strategies in the Blueprint affect the Regional Growth Forecast? (e.g., Housing)

- Housing is a **prime example of how strategies are incorporated into the model.**
- Market-rate housing changes are primarily motivated by **increased development capacity:**
 - Prices drop in response to expanded production, which is currently constrained by existing policy.
 - In our analysis, the Draft Blueprint strategies could enable a 35 percent reduction in Bay Area home prices compared to the nation. *(Note that housing prices would still rise but at a much slower rate than the past four decades.)*
 - In response to this, staff reduced relative housing prices, increased investment in construction and adjusted employment, which shifted the overall Regional Growth Forecast.
- **Similar adjustments were made for strategies** in the Transportation, Economy, and Environment elements of the Draft Blueprint to reflect both positive and negative economic effects.

PLAN BAY AREA 2050



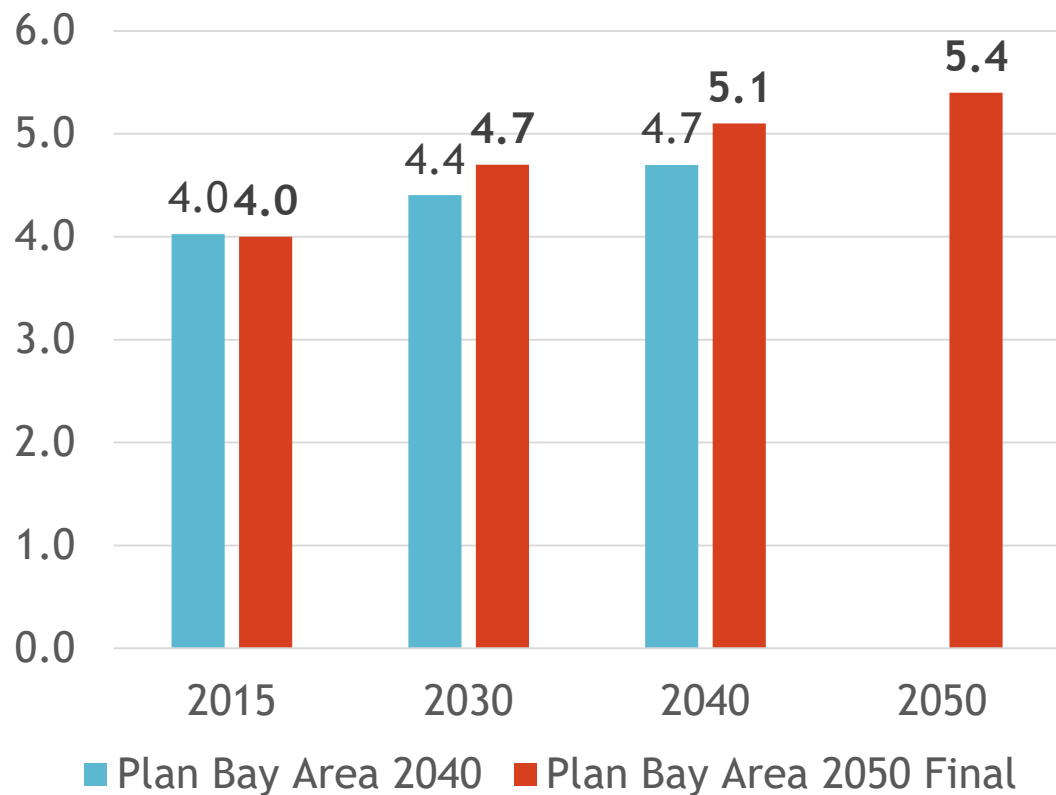
Final Regional Growth Forecast

Final Regional Growth Forecast: How does it differ from Plan Bay Area 2040?

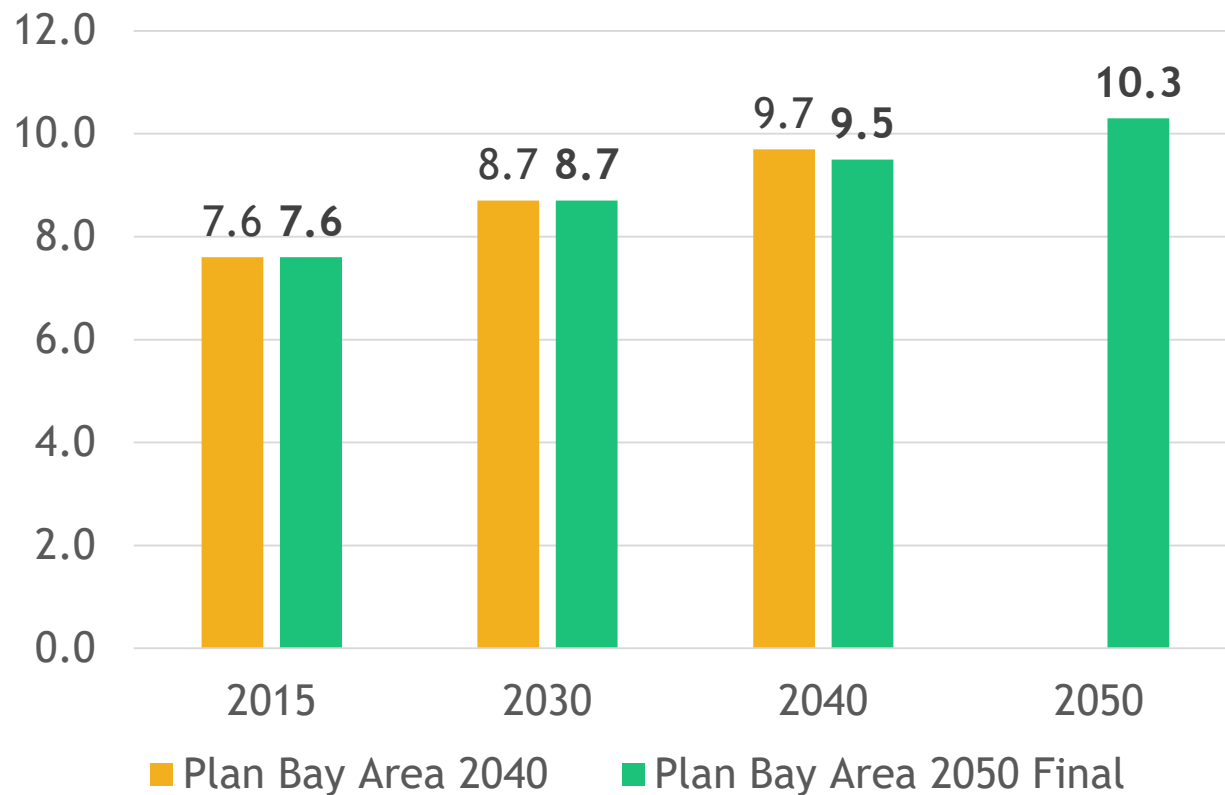
- In addition to the **integration of strategies**, as highlighted earlier, external forces beyond the region's control continue to evolve, affecting the region's trajectory in the coming decades.
- **The region's population growth is anticipated to grow more slowly** than previously forecasted due to declining Hispanic international migration and declining birth rates.
- **Robust regional employment growth between 2015 and 2020 has been integrated** into this forecast, establishing a higher baseline for future economic cycles.
- **The region is anticipated to continue to age more rapidly** in coming decades, subsequently yielding more households per capita (as older adults tend to have smaller household sizes).

Final Regional Growth Forecast: Employment and Population

Employment

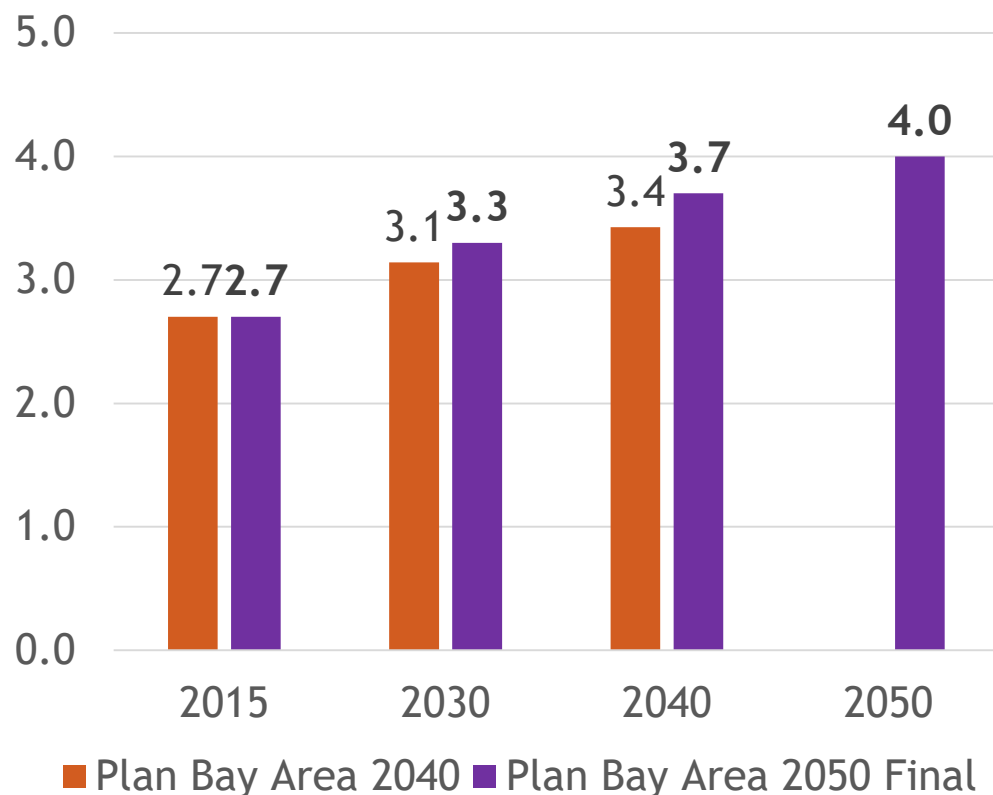


Population

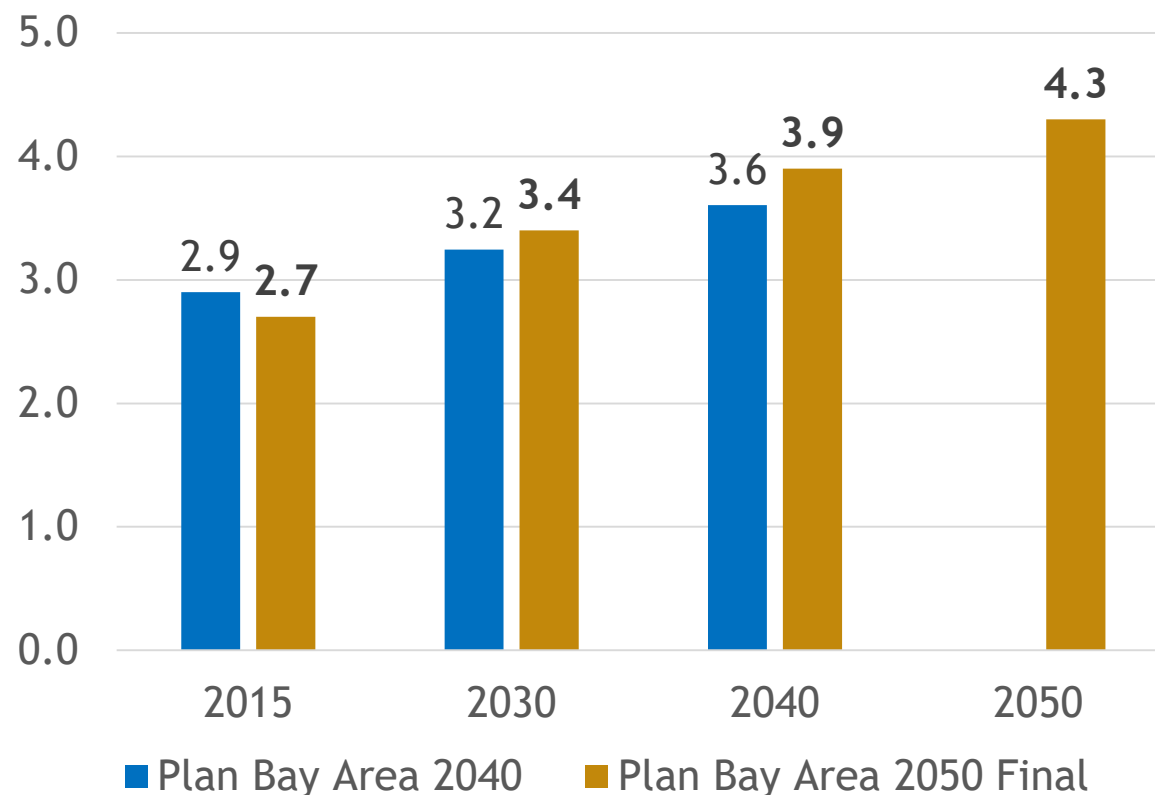


Final Regional Growth Forecast: Households and Housing Units

Households

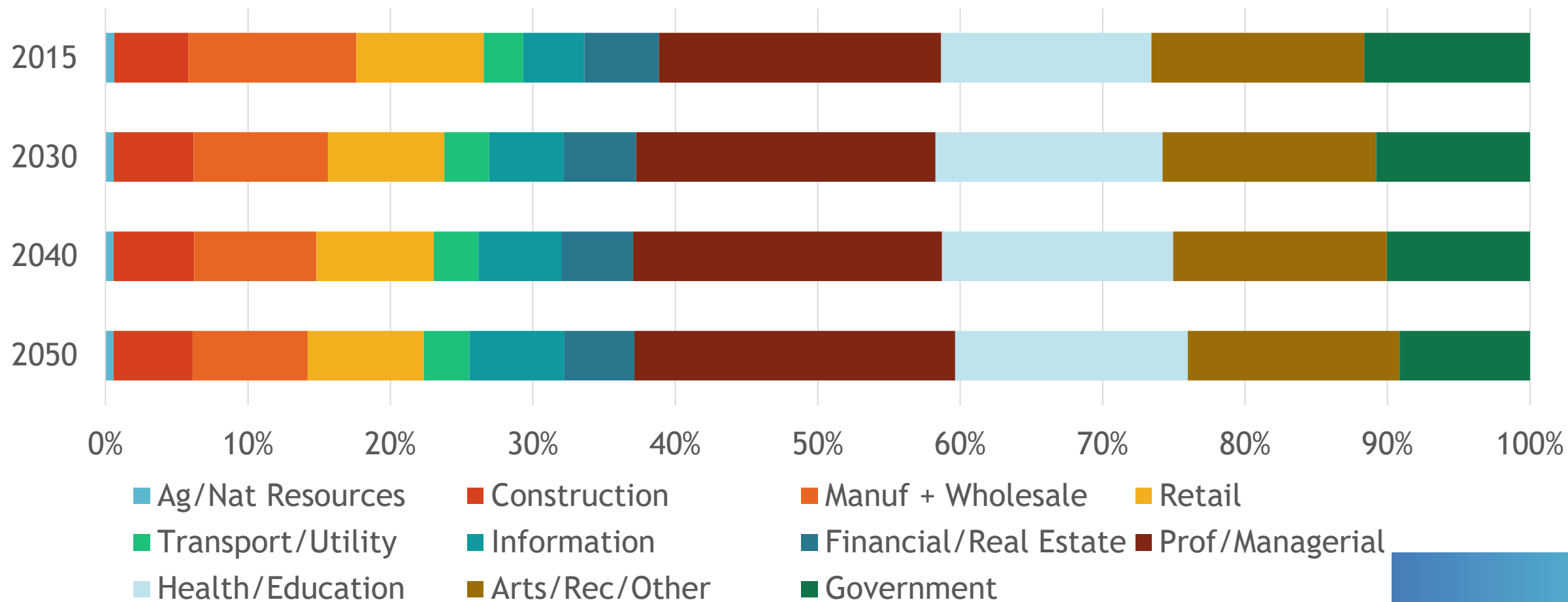


Housing Units

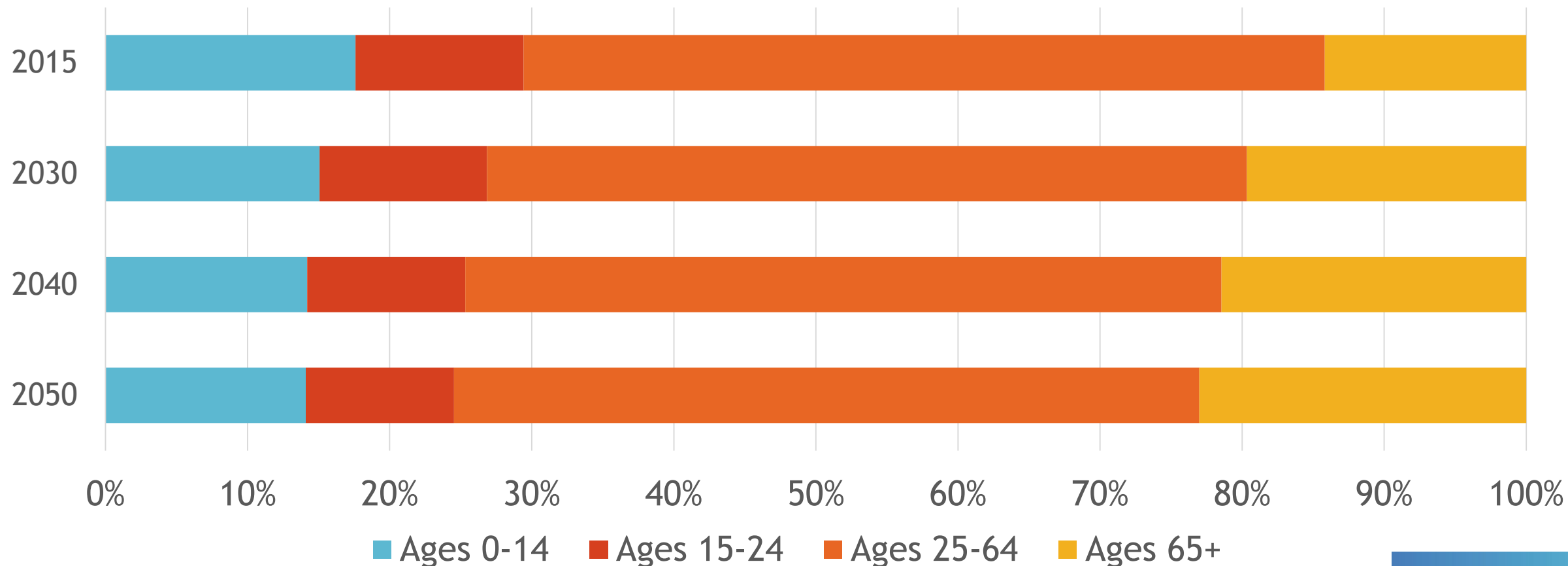


Note: The Plan Bay Area 2050 housing unit counts are prepared to be consistent with the HCD's vacancy accounting, which is limited to stock listed for rent or sales, excluding seasonal, secondary and occasionally occupied units, as well as units held vacant for other reasons.

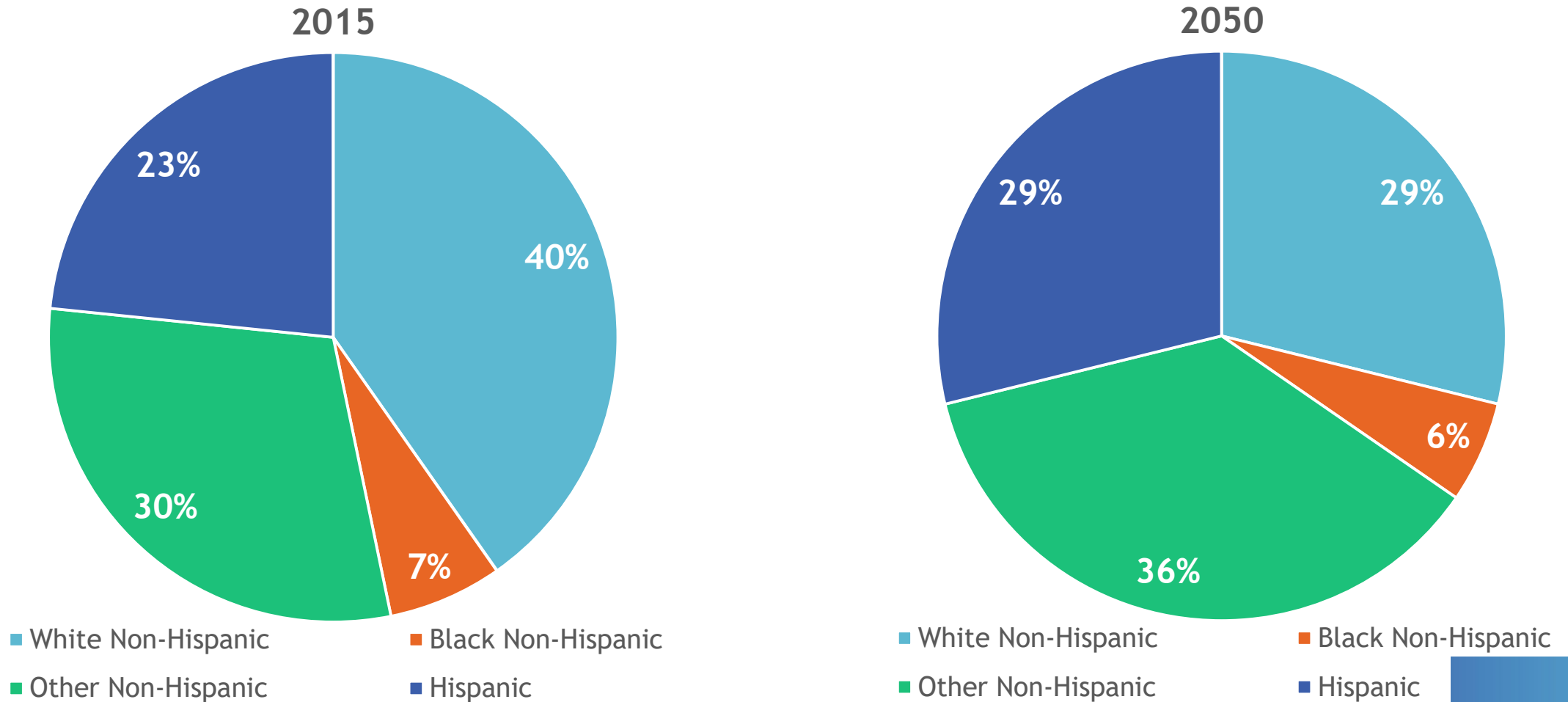
Final Regional Growth Forecast: Employment by Industry



Final Regional Growth Forecast: Population Age Distribution

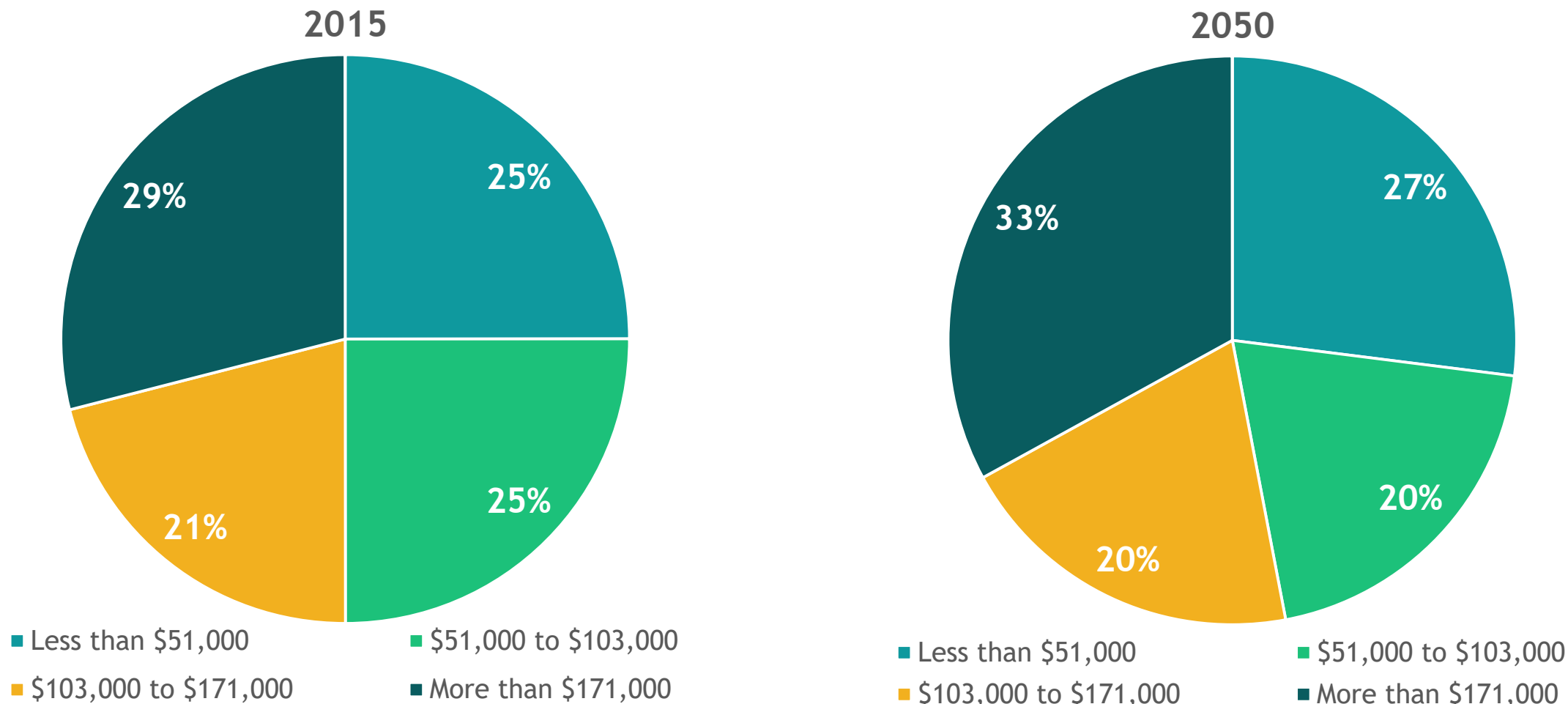


Final Regional Growth Forecast: Population Race/Ethnicity Distribution



Other Non-Hispanic includes: individuals that are Asian-American, Native American, or Pacific Islander, as well as those of two or more races. 16

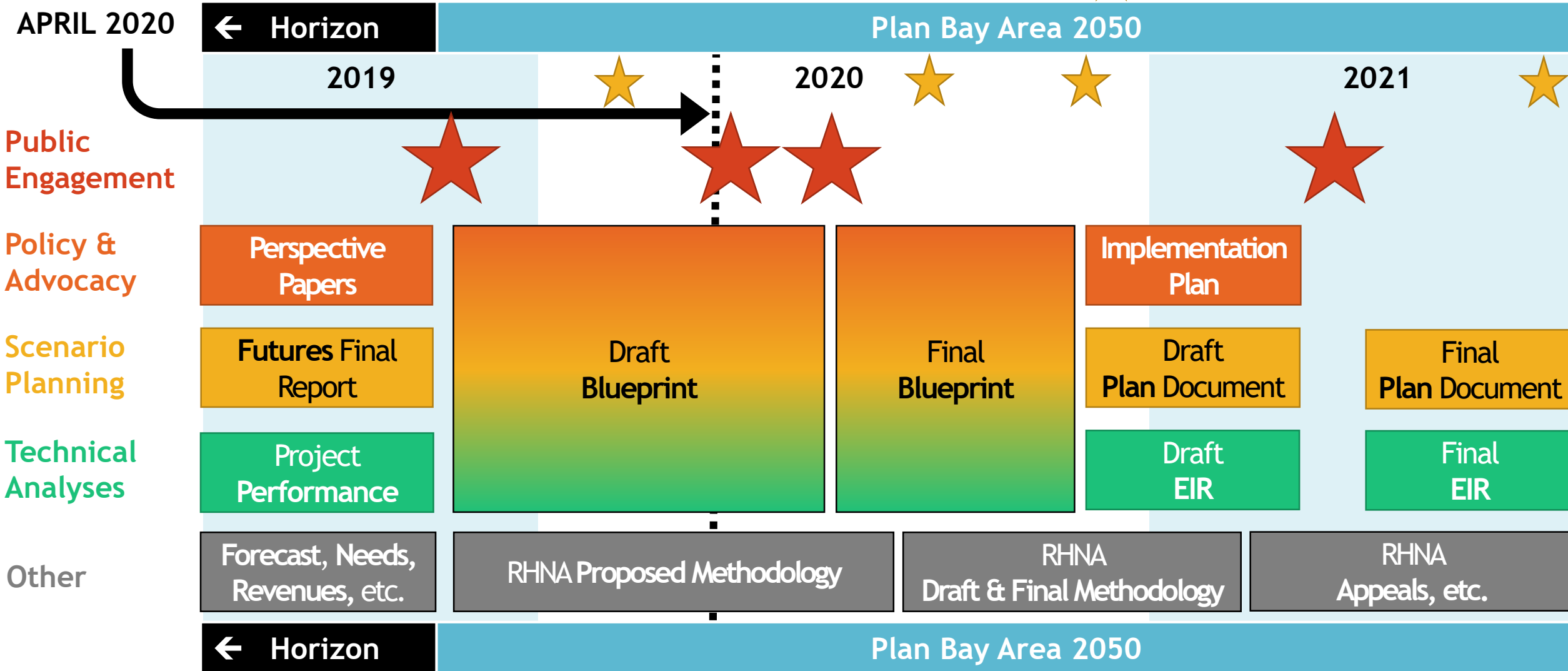
Final Regional Growth Forecast: Household Income Distribution



Values are shown in year 2019 dollars and have been rounded to the nearest thousand.

What's Next? Integration into the Blueprint Phase

★ = Major Policy Board Decisions



What's Next?

Nexus with RHNA Consultation

1 OF 3 KEY RHNA-PLAN CONNECTIONS

Key assumptions from the Plan's Regional Growth Forecast should be provided to the state during the RHND consultation process¹.

• However, the state is not required to integrate Council of Governments input on population growth estimates unless that total regional population forecast for the projection year is within ± 1.5 percent of the state's own forecast for the Bay Area.

- In order to receive the Regional Housing Need Determination (RHND) for the ongoing RHNA process, **staff must submit Plan Bay Area 2050's Final Regional Growth Forecast to HCD for their consideration.**
- However, as the Final Regional Growth Forecast is not within the narrow 1.5 percent range identified above, **staff anticipates that the state will likely use the Department of Finance's population forecasts for the Bay Area as an input to the RHND calculation.**
- Following submission of consultation materials, including the Final Regional Growth Forecast, **the Bay Area will receive its RHND for RHNA Cycle 6 later this spring.** Should the Board wish to appeal the RHND, there is a 30-day window to do so.

1. California Government Code 65584.01(a)

April 10, 2020

Contact:
Juslyn Manalo
650-713-4322
Wayne J. Lee
650-307-5220
smcapicaucus@gmail.com

For Immediate Release

**San Mateo County Asian Pacific Islanders Caucus
and Peninsula Leaders
Unite Against Racism and Xenophobia**

Redwood City, Calif. -- San Mateo County's elected leaders, including those from local, state and federal offices are standing with the API Caucus in San Mateo County against racism and xenophobia. The Covid-19 health crisis has fueled a disturbing, anti-Asian trend in the diverse communities nestled between San Francisco and San Jose.

"COVID-19 doesn't discriminate against anybody and neither can we." Congresswoman Jackie Speier passionately explained, "Intentionally coughing and spitting on people are not only despicable, they could be lethal. We will not tolerate hate crimes and racism in America. We are all in this together and need to support each other to make it through this unprecedented crisis."

Those pledging to support actions against hate crime and assaults on Asians to name a few are: Congresswomen Jackie Speier and Anna Eshoo, State Senator Jerry Hill, Assembly Members Kevin Mullin, Mark Berman, and Phil Ting. Complete list below.

According to US Census 2018 and 2019 estimates, some 30 percent of San Mateo County's 766,570 residents are of Asian heritage, compared with 15.3 percent for all of California. SMC API Caucus is asking all Peninsula leaders to take a stand against any type of racism, against any ethnicity or heritage.

"There is absolutely no place for racism in America and acts of hate will not be tolerated," said Assembly Speaker Pro Tem Kevin Mullin. "The diversity that makes up our great nation and serves as the fabric of our society should be welcomed and celebrated as it only makes us stronger. During these challenging times, our community will come together, as we have always done, because that is the San Mateo County Way."

"Racism and xenophobia in any form are unacceptable," says Congresswoman Anna Eshoo. "Now, more than ever, every communities must unite against the common enemy that is Covid-19. I'm proud of our Asian community and stand with them during these challenging times, and always will."

On April 13, Councilmembers in Daly City, the most populous city in the county, and boasting a 57-percent Asian population, are expected to consider a resolution condemning discriminatory behavior and urging support from all in Daly City.

The Stop-AAPI-Hate center has gathered more than 1,000 reports of anti-Asian discrimination in just over a week's time. Created by San Francisco State University's Asian American Studies program, Chinese for Affirmative Action and the Asian Pacific Planning and Policy Council, the center continues to receive about 100 reports a day.

Do an internet search for Stop-AAPI-Hate for the latest statistics and reports of incidents against Asians.

These incidents include shunning and verbal harassment to workplace discrimination and even physical assault. A large percent involves spitting and coughing at passersby who appear to be Asian.

"A person in line for a grocery store stood out of the line and coughed at me as I tried to pass by at the far side of the sidewalk," explained Millbrae Former Mayor Wayne Lee

"COVID-19 is a public health issue, not a racial one. Calling it a 'Chinese virus' only encourages hate crimes and incidents against Asian Americans at a time when communities should be working together to

get through this crisis. I encourage victims to confidentially input their encounters on the new reporting site, so we can monitor the situation and provide support to those impacted,” said Assemblymember Phil Ting (D-San Francisco).

“At a time when communities are coming together to help one another through this crisis, it is extremely disappointing that there are elements promoting racist and xenophobic actions against our fellow residents,” voiced Assemblymember Marc Berman. “It is incumbent on all of us to call out these hate crimes and stand in solidarity with our API community.”

“Racism in any form, at any time, is wrong,” said State Senator Jerry Hill. “We will beat this crisis through the efforts of our united community and our shared understanding that we are all in this together. That is the only way we will succeed: together.”

Report and call 911 when you witness or are a victim of an assault such as deliberate coughing, sneezing or physical threatening actions. These assaults are hate crimes. Please register your experience with the Stop AAPI Hate Center: <http://www.a3pcon.org/stopaapihate> Want to do something positive? Visit www.tolerance.org.

“My office will prosecute vigorously any hate crimes, especially towards Asians, during the Covid-19 crisis,” said San Mateo County District Attorney Steve Wagstaffe. “There is no justification for racism and misplaced anger. Ignorance wastes energy. We need to fight the virus, not humanity.”

Signed /s/

San Mateo County Asian Pacific Islanders Caucus
 San Mateo County District Attorney Steve Wagstaffe
 San Mateo County Sheriff Carlos Bolanos
 Hellenic Law Society of Northern California
 Congresswomen Anna Eshoo and Jackie Speier
 State Senator Jerry Hill
 State Assembly Member Speaker pro Tem Kevin Mullin
 State Assembly Members Phil Ting & Marc Berman
 San Mateo County Supervisors Dave Pine, Carole Groom, Don Horsley, Warren Slocum, and David Canepa
 Mayor of City of Atherton, Rick DeGolia
 Mayor of City of Belmont, Warren Lieberman
 Mayor of City of Brisbane, Terry OConnell
 Mayor of City of Burlingame, Emily Beach
 Mayor of Town of Colma, John Goodwin
 Mayor of City of Daly City, Glenn Sylvester
 Mayor of Town of Hillsborough, Shawn Christianson
 Mayor of City of Half Moon Bay, Adam Eisen
 Mayor of City of Millbrae, Reuben Holober
 Mayor of City of Pacifica, Deirdre Martin
 Mayor of Town of Portola Valley, Jeff Aalfs
 Mayor of City of Redwood City, Diane Howard
 Mayor of City of San Bruno, Rico Medina
 Mayor of City of San Carlos, Ron Collins
 Mayor of City of San Mateo, Joe Goethals
 Mayor of City of South San Francisco, Rich Garbarino
 Mayor of Town of Woodside, Ned Fluet

###

From: David Cardinal
Sent: Wednesday, April 15, 2020 4:58 PM
To: Jeremy Dennis <jdennis@portolavalley.net>
Subject: Comment for tonight's meeting

Jeremy – Some input for the town:

To: Portola Valley Town Council and Jeremy Dennis, Town Manager

Portola Valley isn't the easiest place to run a retail business. It is low-density, high-cost, and hard for many workers to reach. But we are blessed with a number of wonderful, long-term franchises. Many of them are seriously threatened by an almost complete loss of revenue due to the obvious and sensible restrictions placed on their operation. We're helping them in small ways, by taking online classes, putting money in GoFundMe campaigns, and ordering takeout food, but while that provides a bit of a lifeline, it is only a small fraction of what they need to cover their fixed costs, let alone pay their workforce.

There are some amazing-sounding, and hopefully-excellent, emergency loan programs, but it will take a month, or months, for the loans to be approved, processed, and paid out. If we can help our businesses during that time, it will reward us, them, and their employees, longer term.

In that spirit it is wonderful to see the town, and Ann Wengert in particular, reach out to our businesses, and try to make this happen. Her status update last week painted a fairly rosy picture of the issue resolving itself. In many cases reasonable discussions have taken place. However, it appears not to have in all cases. Not all landlords in town have been willing to make any accommodations at all without being forced to. And to be honest not all of them are small businesses.

If we adopt a total "wait and see" attitude, it may be too late to save some of our town's loyal retail businesses. Personally, I think there is a very straightforward position we can take: If we insist that landlords provide a 3-month rent deferral (not forgiveness, just a delay in receiving payment) to give their tenants time to get the funds they need from the emergency loan programs for which those in need have been applying for, then we will have provided a practical lifeline that won't deprive landlords of any revenue (they'll be paid, just not exactly now) and may help save some of the places we love to shop, exercise, and eat.

For businesses fortunate enough to have landlords who already recognize the issue and are accommodating their tenants, that's great. But if we wait indefinitely to see whether all of the landlords that own property in town "come around" we will likely regret it later. I hope that tonight's meeting includes a status report that highlights a successful resolution for all of our valued retail businesses, but if not, I hope the town takes a more active and prescriptive role.

Sincerely, David Cardinal