

February 24, 2004
Bay Area Alliance for Sustainable Communities
Quarterly Meeting (8:30 – noon)
Sierra Club, 85 2nd Street, San Francisco
MINUTES

Michele Perrault, International Vice President for the Sierra Club opened the meeting, **welcomed** all attendees, led attendee introductions and introduced the day's agenda.*

BAY AREA ALLIANCE UPDATES

2004 Q3 Indicator Updates: Ed Schoenberger, Executive Director of Helplink for the United Way of the Bay Area

E. Schoenberger presented the 2004 3rd quarter updates for the indicators developed as part of the report, *2002 State of the Bay Area: A Regional Report*. This report examined four general topic areas – economic self-sufficiency, health, education and safety. Since the release of the 2002 report, four indicators have been updated: sustainable economy, housing supply, resource use and pollution and educational system. The most significant findings of the updates include:

Sustainable Economy: Poverty

- Poverty rates from 2002-2003 have increased in 5 Bay Area counties: Alameda, Contra Costa, San Mateo, Solano, Sonoma.

Sustainable Economy: Unemployment Rate

- Yearly unemployment rate for the Bay Area has been increasing since 2000.
- Over 2002-2003, the unemployment rate has been increasing at a slower rate.
- Monthly unemployment has been steadily decreasing from 6.0 to 4.8 during the period of January to September 2004.

Housing Supply: Housing Affordability Index

- Bay Area Index continues to fall from 21% in January 2004 to 14% in July 2004.

Educational System: STAR Scores

- Despite changes by the State of California to the testing requirements, there was still a significant drop in 3rd grade reading and math scores in the Bay Area in 2003 and 2004.
- The percent of 3rd grade students scoring at or above the 50th NPR in 2002 was 59%, dropping 14% in 2004 to 42%.

In an effort to make data continually available, including data not published in the report, the Northern California Council for the Communities (NCCC) is housing the data on their website under Data Central at: <http://www.nccscsf.org>. Utilizing the State of Caring Index, developed by the United Way of America, individuals can view and compare data for the nine Bay Area counties in the areas of economic self-sufficiency, health, education and safety.

Q& A

Q: The indicators have been around for awhile now, have you had a chance to go back and adjust the indicators that are included?

A: The Bay Area Alliance went through a lengthy process to determine which measures would be included. Right now we are trying to determine if we should be developing goals. We are also trying to create a sustainability indicator for the Bay Area. We want indicators that suggest solutions.

The Community Capital Investment Initiative (CCII) and the Bay Area Family of Funds
Update: Elizabeth Y.A. Ferguson, Executive Vice President for the **Bay Area Council (BAC)**
and Managing Director for the **Bay Area Family of Funds**

Lyz Ferguson presented an update on the CCII and the Bay Area Family of Funds.

Community Capital Investment Initiative

- Engages business, community, environmental and government leaders to collaborate in using market forces to reduce poverty and promote smart growth.
- Reduces poverty, promotes smart growth
- Encourages private investments that meet “double bottom line” criteria in or near priority Bay Area low to moderate income (LMI) neighborhoods (80 % or less of county median household income).
 - 1) First bottom line: risk adjusted market rate of financial return
 - 2) Second bottom line: substantial economic, social and environmental returns; including:
 - *Location.* Project is in or near a priority neighborhood.
 - *Job creation.* Livable wage jobs are created for local residents.
 - *Community benefits.* Affordable housing, joint ventures with community developers, local and minority contracting and supporting community groups
 - *Economic development.* Stimulation of additional economic activity in the neighborhood is generated.
 - *Wealth creation.* Health care, employee ownership and financial education are provided.
 - *Environmental performance.* Energy conservation, waste reduction, recycling, pollution prevention and green building are a part of the project goals.
 - *Community participation.* Internships and volunteer programs in schools and neighborhoods are created.

Bay Area Family of Funds consists of three funds that invest in projects or companies located in or near LMI neighborhoods:

- **Smart Growth Fund:** An Overview
 - Invests in mixed-use, mixed-income, transit-oriented real estate developments
 - Sponsored by the BAC; managed by Pacific Coast Capital Partners
 - Raised \$65.8 million
 - 11 total investments: 3 shopping, 5 housing, 1 theater and 2 commercial
 - Smart Growth Fund Investment: **Marin City Gateway**
 - Awarded real estate deal of the year by the San Francisco Business Times
 - Unique venture between the Fund and a community nonprofit
 - \$7.9 million investment
 - By 2008, the Fund expects to give 100 percent ownership to the community
- **Equity Fund**
 - Sponsored by the BAC and the Alliance for Community Development
 - Target of creating 1,500 new jobs in or near priority neighborhoods, with at least 750 jobs for low and moderate income residents, especially minorities and women
 - Raised \$75 million in 2002

- **Environmental Redevelopment Fund (CERF)**
 - Statewide environmental clean-up fund for remediation of brownfields throughout California with 25 percent going to the Bay Area
 - Sponsored by BAC, the Federal Reserve Bank of San Francisco and the Los Angeles Chamber of Commerce
 - Provider of Cal ReUse funds
 - To-date had raised \$34.4 million

Q & A

Q: How do you track progress of the 2nd bottom line and do you have any results to share?

A: We received a small grant to monitor progress. With assistance from the region's universities, the Fund is working on a program to examine the bottom lines. On the environmental side, 200 acres have been cleaned and returned to productive use. Opportunities for first time homeownership are being created and relationships with community housing groups have been formed.

Q: How can community groups take your successes and illustrate to funders the possibilities?

A: Groups need to have the double bottom line objectives built into the projects at the start. In a double bottom line fund, a project can only be funded if the 2nd bottom line has been defined- job creation, joint venture are one of the ways to evaluate.

Information on CCII and the Bay Area Family of Funds is available on the following websites:

CCII: <http://www.bayareacouncil.org/site/pp.asp?c=dkLRK7MMIqG&b=241267>

Bay Area Smart Growth Fund: <http://www.basgf.com>

CA Environmental Redevelopment Fund: <http://www/ca-cerf.com>

SMART GROWTH: STATEWIDE INITIATIVES 2005

Ezra Rapport, Chief Policy Analyst to **Senator Don Perata** and **Nick Bollman**, President/CEO of the **CA Center for Regional Leadership** both addressed the question: *What can Bay Area Alliance do to help shape/support their efforts?*

Ezra Rapport, Chief Policy Analyst to Senator Don Perata

Currently, the Bay Area is faced with an unsustainable situation and there is a great deal of frustration at the state level on how to deal with it. Even if the Bay Area grows more slowly the state, the region will continue to experience population pressures. Currently there are 7 million people in the Central Valley and Sacramento many of whom commute into the Bay Area. There is no regional transportation system, the road network is saturated and there really is no more room to add additional vehicle capacity.

The state does not have the solutions. The state does not see the big picture and continues to focus on CEQA, ballot box planning and other micro issues. Mr. Rapport believes that the Bay Area is organized for failure because there is no framework for helping the state address these issues.

Regional agencies do not have "teeth" or political will power and need to be reformed. The Bay Area needs a regional land use and transportation plan. There is a tremendous need for infill housing and this must be zonal. Currently land use and transportation agencies do not collaborate.

Transportation planning at the regional level will not focus on land use but rather choose to focus on side issues.

As Mr. Rapport sees it there are **three primary issues** for the Bay Area:

Housing Affordability

- Need to require 15 percent affordable housing for all new housing throughout the state
- Need to dampen appreciation of land prices (not housing costs)
- Cities should get more money returned to their general funds.

Housing Supply

- Need to address time, certainty and costs
- CEQA focus misplaced; CEQA should be reviewed by a special master, limited court appeal review
- Labor unions using courts to get labor agreements is slowing things down
- COGs should conduct cumulative impact analysis- providing a safe harbor for developers (with respect to reviewability)
- TOD overlay zones should be identified by regional agencies
- One of the biggest barriers to high density housing is construction defect litigation insurance which is prohibitive for most small infill projects – one solution is group insurance
- Central Valley issues affect the Bay Area - growth that occurs there needs to be planned
- One way to begin planning the Central Valley is with habitat conservation plans

Mobility

- Road system is not the solution to mobility problems. Adding capacity pushes congestion down the line and the road network is full
- Every metropolitan area in the world has a functioning rail system- the Bay Area has BART; opportunities exist for a more advanced system; Bay Area needs a regional rail master plan
- High speed regional rail system should be an option (Sacramento-Bay Area-Central Valley)
- Levy a ¼ cent sales tax statewide and a ¼ sales tax for the Bay Area to provide connections
- MTC's previous master plan contained no consideration of land use, connections to other regions

Nick Bollman, President/CEO, CA Center for Regional Leadership

Senator Don Perata, Tom Torlakson, and Alan Lowenthal introduced a package of new legislation to combat sprawl, reduce traffic, maintain open space and farmland and improve air quality in California. Mr. Bollman pointed out that these bills could strengthen infill projects under CEQA and allow agencies to use TIF funds for TOD projects. Governor Schwarzenegger believes in better use of public funds. The Governor appointed a group of people to an “anti-dumb growth” working group whose task is to determine how to promote smarter growth. Appointees include Mike Crisman, Sunni McPeak, and Kim Belshe. . Mr. Bollman stressed the importance of regionalism and the need for multi-purpose regional organizations like the Alliance.

He pointed out that economic vitality conversations are taking place around the state. What the Bay Area needs is a complete business climate approach and a thoughtful investment strategy for things such as education and infrastructure.

Smart growth is the most important economic approach. But, what role should the state play in promoting smart growth? The state is interested in performance based measures for smart growth.

Issues regarding smart growth:

- GO CA idea – effort to rethink quality of state transportation policy
- Longer more comprehensive land supply and affordable housing needed - 20 year land supply requirement has been proposed
- Should create a state and regional smart growth toolbox
- The Governor has called for a comprehensive review of CEQA headed by Secretary Mike Crisman.
- Things have changed since CEQA enacted in 1970 - e.g. more sprawl, increased attention to environment justice - how can CEQA be improved to support smart growth?

Proposition 36 funds are running out. The State needs to have a permanent fund for affordable housing. Thirty other states have such a fund. California has ballot box initiatives and Bollman believes this is risky, expensive and unplanned.

We have yet to support the kind of planning we need at the local and regional level. CEQA was not intended to be responsible for all planning issues. Planning is a community process for thinking longer term that should be transparent, participatory, across regions. The goal is to affect decisions – better planning, better funding, more impact.

Q&A

Q: The federal government is a major influence – what can they do to respond to regional issues?

A: They must come to the table. In San Joaquin County 35 agencies, including the Federal government came together but the process was long and expensive.

Q: How can we bridge the gap between plans and actions?

A: Under SB45, transportation dollars go through one agency but this agency does not have the political will power to move to a regional land use plan for transportation. The philosophy needs to change for distribution of funds

Q: What is the chance that we can get the Administration and the legislature to come together and address smart growth?

A: There is a tremendous opportunity if we keep the following in mind:

- Listen to people like this group - don't reinvent the wheel
- Address conflict about budget - look for places to work together
- Deal with CEQA legislation - it's an opportunity to work together

It is difficult to focus on implementation at the regional level for the following reasons:

- Difficult to untangle the issues
- Regional agencies get let off the hook- they need to tell the state what they need

PANEL DISCUSSION: SMART GROWTH COMMUNITY INITIATIVES

The panel was introduced by Robert Harris, Vice President Environmental Affairs for Pacific Gas & Electric Company

City of Oakland: Randy Hayes, Sustainability Coordinator discussed Green Building Programs and other sustainability initiatives

According to Mr. Hayes each generation should leave less and less of a footprint (to repair damage of last 10,000 years). We need to be bold to get to sustainability. When developing policies we should think of three versions: basic, bold and paradigm shifting. Most green building policies and ordinances are basic because it is politically difficult to do more. Examples of basic, bold and paradigm shifting policies or programs are presented below:

Basic

The Alameda County Waste Management program has a good but “basic” green building program. Next month the Alameda County green building ordinance template will be passed. Information regarding their program can be found at www.stopwaste.org.

Currently, the City of Oakland requires all civic buildings to achieve a silver or higher on the Leadership in Energy and Environmental Design (LEED) rating system (<http://www.usgbc.org/>). Oakland also provides incentives for commercial buildings to achieve green building designations in the form of fast-tracking and rebates of permit fees.

Bold

Pleasanton requires that all new commercial and municipal buildings be green buildings. Their ordinance can be reviewed at: <http://www.ci.pleasanton.ca.us/pdf/greenbldg.pdf>.

Paradigm Shifting

In Australia, every time a title transfer occurs the building must achieve a higher green building rating. To learn more about Australia’s programs and policies go to: <http://www.gbcaus.org/>.

According to Hayes we need to develop a comprehensive energy plan that takes a system-wide prospective. Cities are systems and green building programs need to be couched in other City programs. For example:

1. Energy efficiency programs
 - 50 percent of electricity needs to be renewable by 2017
 - 100 percent needs to be renewable by 2030
2. A greenhouse gas reduction plan
 - 50 percent in 2010 below 1990 levels
 - 75 percent in 2050 below 1990 levels

These components need to be encompassed in an overarching sustainability plan.

If you can get four systems of the following systems right you are on your way.

- Energy
- Food/agriculture
- Transportation
- Manufacturing
- Other (equity, ecology, economy)

“The Bay Area should be the model for the state and California can be the model for the rest of the country.”

Sonoma County: Ann Hancock, Coordinator for Sonoma County Climate Protection Campaign

Sonoma County has set two national precedents for climate protection. It is the first community where 100 percent of its nine cities and the County have pledged by resolution to reduce their greenhouse gas emissions, and the first where all municipalities have completed their baseline emission inventories for their municipal operations. Sonoma County local governments follow

Cities for Climate Protection, an international program in which more than 600 local governments worldwide participate. Campaign coordinator Ann Hancock provided background and discussed how the campaign has progressed.

Ecological footprint: the energy component

- Nexus between environment, economy and health
- Focus on greenhouse gas emissions etc.
 - not the only measure but a good one
 - this metric could feed into smart growth
 - ICLEI program is simple and easy to understand

ICLEI: Local Governments for Sustainability

- 600 governments following their program worldwide, 150 in the U.S., 10 in Sonoma County
- Voluntary and customizable program
- Focus on fact that solutions exist
- Sonoma County is the only County with 100 percent participation of local governments
- Leverages significant money for energy efficiency
- BAAQMD considering tracking emissions region-wide

Next steps: Climate Change Protection

- Good research is needed
- How do we talk about global warming?
- Keep the message positive- this will motivate people into actions
- We need good models

For more information: <http://www.climateprotectioncampaign.org>

Ella Baker Center for Human Rights: Van Jones, Executive Director

How do we go from good policy to good politics? According to Van Jones it is about local action. And, the key to making it happen is to get urban America to support the agenda.

California spends more money per capita and absolute on incarceration. Since 1995, California spent more every year on prisons than on universities. Every year a young person spends in jail costs the State \$80,000.

We need to focus on green jobs not jails. There has to be a paradigm shift for urban America. The 3rd wave of environmental conscientiousness is occurring - regulate the bad and invest in the good. These investments should be in new jobs, wealth, and the environment. How can we bring labor and environmental organizations together?

Will the green wave lift all boats? The issues are:

- Currently we are not engaging all communities
- Eco-apartheid is occurring. Marin is focused on clean and green energy, Oakland is focused on asthma rates and other environmental health issues

“Those locked out of the last century’s pollution based economy must be included in the new green economy but this will not happen spontaneously.”

V. Jones identified **three primary problems for Smart Growth:**

1. Radically undercapitalized
 - banks are missing in action
 - we need new allies
2. Government has not been a good partner

- government has an active partnership with oil and gas industry contributing \$87.3 billion but not smart growth
- 3. Vision is driven by a marketing strategy
 - we need a town such as, Oakland, to stand up and say we will turn this City into the world capital for triple bottom line green job training.
 - Oakland could be the world capital for green economy

Steps to **addresses** some of these **issues**:

- Promote and support urban entrepreneurs- link urban environmental entrepreneurs to the money they need
- Form partnerships with government agencies
- Get banks on our side
- Merge philosophies- restorative economics and restorative justice

For more information on the Ella Baker Center for Human Rights:

<http://www.ellabakercenter.org/index.html>

Sustainable Silicon Valley: A Public Private Partnership Spearheads Regional Sustainable Development; Jennifer Smith Grubb, Executive Director

Sustainable Silicon Valley (SSV) was created in 2000-2001 by a collaborative group of businesses, government agencies and nongovernmental organizations to explore the possibility of improved regional environmental performance without 'command and control' regulations. The group used the model of an Environmental Management System to identify opportunities and priorities for action.

Members cross a variety of professional disciplines:

- Silicon Valley Environmental Partnership
- Silicon Valley Manufacturing Group
- California EPA
- NGOs
- Academia
- Local governments

In their efforts, Sustainable Silicon Valley has employed a consensus building approach. In Fall 2004, the coalition became a 501 c3 organization, an independent entity with a board of directors and executive director. Fundraising occurs through participant contribution, grants, foundations and education events.

Regional Environmental Management System (EMS)

1. Identify major community environmental issues
2. Determine which issues are most significant
3. Narrow the groups focus to address the most significant issues

Sustainable Silicon Valley focuses on CO2

- Based on a web survey, energy and water were biggest issues
- SSV set CO2 targets modeled after Sonoma County's work
- Developed a reporting protocol
- Partnered with Flex Your Power to develop media campaign
- Companies now report CO2 data annually
- Took four months to get buy-in from members

- Began with 16 SSV organizations pledging reductions and now have 50 organizations
- Emissions reduction goal for the region is 20 percent below 1990 levels by 2010

Pledging Organizations

- | | |
|-------------------------------------|-------------------------|
| ▪ HP | ▪ City of San Jose |
| ▪ Oracle | ▪ Calpine |
| ▪ Lockheed Martin | ▪ Akeena Solar |
| ▪ Santa Clara Valley Water District | ▪ PG&E |
| ▪ NASA Ames | ▪ Roche Pharmaceuticals |
| ▪ Alza | ▪ Agilent Technologies |
| ▪ LifeScan | ▪ City of Palo Alto |
| ▪ County of Santa Clara | ▪ Applied Materials |

Other priorities: Water Sustainability

- Maximize water use efficiency and conservation
- Ensure reliable supply of high quality water
- Preserve existing water rights that serve the region

Building Partnerships

According to J. Smith Grubb tenacity, working through the issues and building relationships has been the key to the success of SSV.

For additional information on SSV please see: <http://www.sustainablesiliconvalley.org>

Status Report: World Environment Day

Lisa Gautier, Director of Strategic Planning

Event Dates: June 1-5, 2005

- Booths are available to interested individuals, companies or organizations
- Requesting Bay Area restaurants to include one organic or free range dish on their menu during the week, priced affordably
- Requesting business to distribute canvas bags during the week
- Welcomes suggestions regarding Environmental Accords
- Setting up conversation cafes throughout the Bay Area during the week in order to help facilitate conversation among interested parties
- Craigslist Foundation is setting up an online environmental forum

More information about World Environment Day can be found at: <http://www.wed2005.org>.

PUBLIC ANNOUNCEMENTS

Upcoming Events:

Who: EcoCity Builders

When: Wednesday

Where: Oakland Scottish Rite Center

What: **Built Environment Impacts on our Health; Land Use and Transportation Planning/ Green City Visions;** includes a digital charette by Quest to develop a framework to analyze indicators (A very visual program is based on SIM City)

For more information please visit: <http://www.ecocitybuilders.org/>

Who: Social Equity Caucus

When: March 18th from 10 am to 1pm

Where: Alameda Public Health Department

What: **CEQA reform and transportation justice**; will include over 75 organizations

Who: Transportation and Land Use Coalition (TALC)

When: April 9, 2005 from 9:30 am – 1:30 pm

Where: Laney College, Oakland (Lake Merritt Bart Station)

What: **Transportation and Land Use Summit- “Got Sustainability”**

For more information please visit: <http://www.transcoalition.org/cal/summit05/summit.html>

The meeting **adjourned** at noon.