

Sen. Don Perata
13-6-5



June 26, 2013

Mary D. Nichols
Chairman
California Air Resources Board
1001 "I" Street
Sacramento, CA 95814

Re: In Support of Plan Bay Area EIR

Dear Ms. Nichols:

The California Infill Builders Federation (CIBF) is a statewide organization of builders, developers and affiliated businesses and professions that build homes, schools and retail space in California's urban areas. Its core belief is that quality infill development results in environmentally and economically sound investments in this state's older communities.

We continue to follow the MTC-ABAG proposed Plan Bay Area (Plan) process. CIBF unequivocally supports the Plan's vision and focus. Some stakeholders have advocated for a less dense development pattern than envisioned in the Plan. We strongly disagree with their position.

On the contrary, we find the Plan and EIR conclusions on point and feasible. And it is CIBF members that must live with the Plan. It is their challenge to finance and build infill development; which should lend legitimacy to the Plan's objectives and feasibility.

In particular, the Plan:

- Underscores the need for compact, efficient infill development. Hopefully, proposed CEQA reforms under discussion in Sacramento may further encourage communities and developers committed to urban development.

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- Acknowledges how changing market demands – with increasing emphasis on seniors and “empty nesters” housing - will mean even greater need for infill. It is a bold concept that moves away from the traditional single-family home development towards a transit and amenities accessible infill model that is consonant with population projections and subsequently likely housing needs.

In sum, the Plan is an apt and accurate vision for future growth. That provides for the real housing needs of the region’s population, while protecting its natural resources and providing practical solutions to reducing greenhouse gas emissions and traffic congestion.

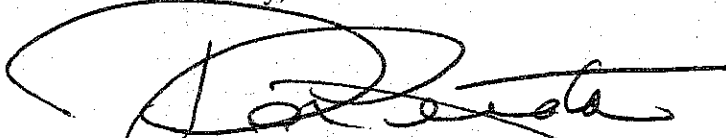
The Federation agrees with MTC and ABAG that the proposed Plan is feasible. The Federation also agrees that the Priority Development Area Development Feasibility and Readiness Assessment prepared by Economic & Planning Systems, Inc., March 2013 (EPS Report), does not contradict the conclusion that the proposed Plan is feasible. The EPS Report demonstrates what the Federation already knows: successful development of infill projects is challenging. Based on the collective experience of the Federation’s members, the Federation strongly believes the proposed Plan is precisely the type of coordinated regional vision that is critical to moving the State towards addressing existing regulatory obstacles to infill development. In other words, the Federation believes that rejecting the proposed Plan may render achieving its development pattern infeasible; if adopted, however, the proposed Plan, if adopted, would represent a critical step in ensuring the challenges identified in the EPS Report can and will be overcome.

The Federation also applauds MTC and ABAG for including the Environment, Equity and Jobs Alternative within the EIR. However, the Federation understands that development of the land use plan set forth in this alternative would require three times the amount of subsidies necessary to successfully develop the proposed Plan. There is no reason to believe that level of subsidy will be available. The subsidies required for the proposed Plan are in line with historical subsidy amounts available within the region. Notwithstanding the dissolution of redevelopment agencies, the Federation is confident that funding sources can be made available to provide subsidies consistent with the historical trends. Based on the Federation’s prior experiences and continued involvement in infill development planning on the local, regional, and state level, the Federation is confident that a number of funding sources are available to provide the subsidies necessary to achieve the Plan’s land use scenario including but not limited to One

Bay Area Grants, the Transit Oriented Affordable Housing Fund, Cap and Trade revenues, Housing Impact Fees, Commercial Linkage Fees, Density Bonus Programs, development of Infrastructure Financing Districts, Senate Bill (SB) 391, the Community Development Block Grant Program, and HOME Investment Partnership Program.

We congratulate ABAG and MTC for producing a pragmatic Plan that has a real chance to do more than merely check another mandate box and give theoreticians a place to speculate. Our members are enthusiastic about the prospects to help make the Plan the region's future.

Sincerely,



Senator Don Perata (retired)
Executive Vice President
CBIF