

Mr. Ezra Rapport, Executive Director
Association of Bay Area Governments
101 Eighth Street
Oakland CA 94607



April 24, 2012

SUBJECT: Comments on Draft Jobs-Housing Connection Scenario

Dear Mr. Rapport:

The Marin Conservation League has actively engaged in protecting and preserving Marin's natural assets for over 75 years. MCL was behind the effort to develop the county's first comprehensive plan, and we have been involved in land use and conservation planning throughout the county since our inception in 1934. It is fair to say that MCL's efforts have substantially contributed to making Marin an outstanding place to live and that we have played a key role in creating the abundance of parks and open space lands in Marin that serve as an important resource for the entire Bay Area and draw visitors from around the world.

MCL has been tracking the evolution of the Sustainable Communities Strategy from the outset of the SB 375 process. We would like to provide ABAG with some initial comments regarding its March 9, 2012, "Jobs-Housing Connection Scenario" draft (the "preferred scenario"). Overall, we support ABAG's view, as stated in the draft preferred scenario, that Bay Area growth should be focused in existing employment centers, such as the East Bay, San Francisco and Silicon Valley, rather than Marin. Accordingly, we believe ABAG is correct in promoting a scenario that assigns Marin the lowest percentage growth of any county in its planning area. We also appreciate ABAG's recognition of the importance of preserving Marin's park and open space lands that serve the entire Bay Area.

Nonetheless, we believe the preferred scenario overstates the overall population and jobs growth numbers for the Bay Area. Specifically, we question the assumptions that population growth and job creation in California will exceed national averages, and that Bay Area population and job growth will exceed those of California. Given the critical role that population and job growth numbers play in developing an SCS, it is vital that ABAG gets these numbers right. While we do not question the expertise and professionalism of the effort that went into arriving at the growth numbers used by ABAG, we believe that a "reality check" is in order because they do not seem to make sense.

We understand that ABAG's growth numbers are derived from a report by Stephen Levy entitled "Bay Area Job Growth to 2040" (February 2012). That report shows that the Bay Area share of U.S. jobs growth decreased significantly between 1990 and 2010, and that most of this decrease occurred before the economic downturn in 2008. While there were ups and downs during this period, the Bay Area share of U.S. jobs went from 2.65% to 2.40% between 1990 and 2010. Despite this twenty-year downward trend, Dr. Levy predicts an unabated upward trend in Bay Area job growth, exceeding national averages, for the next twenty years. (Likewise, despite showing an overall decrease in California's share of U.S. jobs during the twenty-year

PHONE: 415.485.6257
FAX: 415.485.6259

EMAIL: mcl@marinconservationleague.org
URL: www.marinconservationleague.org

ADDRESS: 1623-A Fifth Avenue
San Rafael, CA 94901



period 1990 – 2010, Dr. Levy predicts an unabated increase in California job share between 2010 and 2040.)

The dramatic disparity between the historic numbers and the projected numbers raises a red flag; yet Dr. Levy makes no effort to reconcile or even account for the disparity. Instead, his projections are largely based on an academic analysis of the area's "economic base" and "industry sector projections." If anything, history teaches that there will be ups and downs in the economy over any twenty-year period. A stretch of twenty years of unabated growth, as predicted by Dr. Levy and adopted by ABAG, is highly implausible.

Like weather forecasting, economic modeling is extremely difficult, and the difficulties compound as you attempt to peer further into the future. Expert predictions about future economic conditions are very often wrong, and their accuracy diminishes as the time horizon increases. In view of the vagaries of economic modeling, and the need to take realistic account of local trends and constraints, we urge ABAG to reassess its growth numbers for Marin as well as the greater Bay Area. Instead of relying on one consultant, we urge ABAG to study the full range of opinions about what the future may hold, and to ensure that history is not ignored. We understand that many Bay Area communities have, likewise, requested a peer review of Dr. Levy's report. Any peer review should be by an entity that is totally independent of Dr. Levy. We believe that Dr. Levy's close relationship with the Bay Area Council disqualifies it for this review.

Thank you for the anticipated careful consideration of our comments.



Susan Stompe, President