



Sacramento Area Council of Governments

Suite 300, 800 "H" Street
Sacramento, California 95814
(916) 441-5930

Mailing Address:
P.O. Box 808
Sacramento, California 95804

Directors

LAWRENCE MARK (Chairman)
Councilman, City of
Yuba City

ROBERT N. BLACK
(Vice Chairman)
Supervisor
Yolo County

CHARLES D. CENTER
Supervisor
Yuba County

RONALD A. HAEDICKE
Vice Mayor, City of
Marysville

WILLIAM D. KOPPER
Mayor Pro Tem, City of
Davis

LYNN ROBIE
Councilwoman, City of
Sacramento

RICHARD ROCCUCCI
Councilman, City of
Roseville

FRED V. SCHEIDEGGER
Vice Mayor, City of
Folsom

JOSEPH E. (TED) SHEEDY
Supervisor
Sacramento County

RICHARD M. WITHROW
Supervisor
Sutter County

JAMES A. BARNES
(Executive Director)

Members

- City of Lincoln
- City of Rocklin
- City of Roseville
- Sacramento County
- City of Folsom
- City of Galt
- City of Isleton
- City of Sacramento
- Sutter County
- City of Live Oak
- City of Yuba City
- Yolo County
- City of Davis
- City of Winters
- City of Woodland
- Yuba County
- City of Marysville
- City of Wheatland

June 11, 1981

7-21-81 meeting

City Clerk
Sacramento City Council
915 I Street-City Hall
Sacramento, CA 95814

Enclosed please find 15 copies of a report entitled High Technology Growth in the Sacramento Area: A Summary of Issues and Recommendations. I would like to request that a presentation and discussion of this item by SACOG staff be placed on your Council's agenda at the earliest possible convenient time. The item should require about 10-15 minutes. The report can be distributed either with the agenda or sooner. If you require additional copies, please contact either Jim Harnish or Gary Stonehouse by letter or phone at 441-5930.

Thank you for your attention to this matter. Please contact me, Mr. Stonehouse or Mr. Harnish if you have any questions.

Thank you.

Sincerely,

James A. Barnes
for JAMES A. BARNES
Executive Director

JAB:JNH:pal
Enclosures

FILED
By the City Council
Office of the City Clerk

JUL 21 1981

HIGH TECHNOLOGY INDUSTRIAL GROWTH
IN THE SACRAMENTO AREA:

A SUMMARY OF ISSUES
AND RECOMMENDATIONS



APRIL 30, 1981

SACRAMENTO AREA COUNCIL OF GOVERNMENTS
800 H Street, Suite 300, Sacramento, CA 95814

BACKGROUND

Some months ago, SACOG staff initiated research into the high tech industrial* growth issue. The reason for this research was threefold: to gather information which may prove useful to Cities and Counties in the area; to facilitate a more informed review of projects and applications related to such growth; and to develop a well-defined role for SACOG in the decisionmaking process regarding high tech industrial growth.

The first step in this research was to visit Santa Clara County to learn from their experiences. A summary of that visit is Appendix I. The important lessons to be learned from that trip are:

- 1) a past and present lack of intergovernmental cooperation and coordination has led to conflicting, self-serving, short-sighted land development decisions which have resulted in skyrocketing land prices, great imbalances in job and housing locations, a seriously inadequate transportation system and a continually deteriorating quality of life;
- 2) the local governments continue to underestimate the job growth associated with high tech industry;
- 3) municipal services have lagged substantially behind demand for those services; and
- 4) in the face of dramatic increases in job availability, unemployment rates remain relatively similar to the national and state averages.

There appears to be consensus on some questions regarding the high tech industrial expansion into the Sacramento area:

- 1) the move to the Sacramento area is not so much a flight of industry out of the Bay Area, but is an expansion of operations (one estimate is that overall industry expansion will be tenfold in 10 years);
- 2) at least initially, the type of operations will be primarily assembly-line work requiring semi-skilled labor (the research and development activities will probably remain in the Bay Area for the time being);
- 3) the move to the Sacramento area has already begun with Hewlett-Packard, Shugart, and Signetics, and the question is not if the high tech industry is coming to this area, but rather how many and how fast; and

* For the purposes of this report, high tech industry includes generally the electronics industry, including semiconductor manufacturing, computer research and development, electronic components and other electronic instrument or machinery development and manufacturing.

- 4) there currently is vacant, industrially zoned land in the Sacramento area sufficient to accommodate more high tech industry than is in Santa Clara County today.

The implications for change to this region are quite substantial. There are currently about 1 million people, 400,000 homes, and 500,000 jobs in the SACOG region. Current projections for the year 2000 indicate a probable increase of 300,000 to 400,000 more people. That would result in a demand for another 150,000 homes and 255,000 jobs, about 75,000 of which would be basic jobs.

Much of the public planning for services and facilities are based on this level of projections. As specific examples, the transportation system and the air quality plan are both directly linked to that projected level of population growth in this area. Many other services and facilities are similarly linked.

In contrast to the projections, the Hewlett-Packard facility in Roseville projects that by the year 2000, it may employ as many as 22,000 people. That is almost 1/3 of the estimated basic employment job growth associated with our current population projections. The Hewlett-Packard facility occupies a 500-acre site in north Roseville. In the Sacramento, Yolo, Placer County area, however, there are about 30,000 acres of vacant industrial land available for further development. An additional 5,000 to 10,000 acres are at various stages of consideration to be added to that total (e.g., North Natomas, McDonald-Douglas, Sacramento-Yolo Port). A recent publication by the Sacramento Area Commerce and Trade Organization (SACTO) identifies 43 industrial parks currently available for development in the Sacramento, Yolo, Placer County area. There is some issue over exactly how much of the existing 30,000 acres is suitable for high tech industry, since it generally requires secure, relatively large parcels. A number of the industrial parks mentioned in the SACTO report are primarily vacant, large parcels. The areas under consideration, particularly the 3,500-acre McDonald-Douglas site, are fully undeveloped.

If the Hewlett-Packard facility represents a potential 30% of the currently projected basic employment on 1.5% of the available industrial land, there is clearly either an enormous oversupply in industrial land or our projections are tremendously underestimating probable growth. Given the Santa Clara County experience, it is likely to be the latter.

A major task facing this region then is re-evaluating our population projections and adjusting our expectations accordingly. Those adjustments could include such things as reducing available industrial land, increasing designations of residential land--particularly higher density, or modifying land use, transportation, and public facility plans.

Since the employee density of high tech industries range from 30 to 90 employees per acre (Hewlett-Packard is about 45 per acre, Shugart about 75 per acre), the number of basic jobs potentially located on even 10%

of the available industrial land is staggering when compared to current projections (e.g., 30 to 90 employees per acre on 3,000 acres would equal 90,000 to 270,000 basic employees vs. the currently projected 75,000). If a substantial portion of the existing industrial land is developed, the region is facing a growth rate which conservatively will be 2 or 3 times greater than our current rate. Implications of that underestimation to our facilities and services capacities are quite apparent. We only need to look at Santa Clara County to get some understanding of the results of such underestimation.

THE ISSUES

There are a number of basic issues which have begun to emerge over this high tech growth issue. The list below does not purport to be complete. It does, however, represent the most critical issues.

1. Intergovernmental Coordination/Cooperation: can we avoid the lack of intergovernmental coordination and cooperation which has led to serious environmental, economic, and social problems in the Santa Clara Valley?
2. Acceptable Levels of Growth: what is an acceptable level of growth for our region which will accommodate high tech industrial expansion but not at the expense of those qualities which make our communities attractive and desirable places to live?
3. Sizing and Financing Public Services and Facilities: depending upon the levels of growth expected, what new facilities will be needed in what time periods and how will those facilities and public services be paid for?
4. Health Issues: what are the health implications associated with high tech industrial manufacturing?
5. Linking Jobs with the Unemployed: if one of the major advantages of attracting high tech industry to this area is to provide jobs, how can those jobs be filled by the currently unemployed in this area?
6. Developing a Partnership with Industry: the Santa Clara County experience has indicated that a positive working relationship between local government and private industry will lead to more effective, workable decisions by local government. How can we develop such a relationship here?

Intergovernmental Coordination/Cooperation

Intergovernmental coordination and cooperation is probably the single most critical growth issue facing local governments in this area. The Santa Clara County area has been unable to address this issue and the result is a long line of inconsistent, incompatible and contradictory land use decisions. In the view of one observer, the experience has gone something like this: Palo Alto permits substantial amounts of electronics research and development industries but only limited amounts of housing. It is expected that many employees will live in the neighboring Cities, such as Sunnyvale. However, Sunnyvale is also permitting a substantial amount of employment growth in the City, but only limited residential development. Sunnyvale is expecting communities such as Mountain View to house much of its new work force. And so it has gone down the peninsula to the point where today many people employed in the Palo Alto/Sunnyvale area live and commute from South San Jose, Morgan Hill, Gilroy and the East Bay Area. Such housing/employment patterns have resulted in: incredibly high housing prices for the limited supply of housing near the job centers; long commutes for much of the work force; and deteriorating air quality as a result of the increasing dependence on longer auto commute trips.

The Santa Clara County experience has also shown that even where a city attempts to deal responsibly with its own problems (e.g., keeping housing supply increases in pace with job growth), if neighboring cities do not institute similar actions, the efforts of the first city will be effectively negated. The environmental and economic problems of air quality, transportation and housing costs are simply not local city issues. Rather, they are multi-jurisdictional, regional issues requiring multi-jurisdictional, regional solutions.

In view of the Santa Clara County problems, the question for this region is whether local governments can get together and achieve some level of areawide coordination of their growth-related decisions. If so, what might the mechanism for that coordination be? If not, what are the consequences?

The kind of coordination and cooperation necessary to minimize the potential problems does not mean that local governments must give up any of their authority or control over land use decisions. It does mean that they need to be sensitive to the effects of their decisions on their neighbors. It may mean occasionally foregoing a beneficial development (e.g., a new shopping center) because it would be more appropriately located in an adjacent city. In the long run, however, this type of understanding will be beneficial. Any coordinating mechanisms developed are likely to result in some level of sacrifice by local government. The sacrifices could include sharing equitably in the costs and burdens such growth brings (e.g., adequate, affordable housing; police and fire services; waste processing and disposal, etc.).

The benefits will include a balanced economy, a relatively clean environment and a minimum of unwanted spillover effects from activities in neighboring areas.

Finally, if some effective coordinative mechanism is not created, the Santa Clara County experience described above is the likely model for our future. Local governments will continue to make land use decisions independently of their counterparts. Industrial growth may occur at a high level in areas which at the same time may permit only a minimum of affordable housing. New housing will be located further and further from job opportunities. The inability of local governments to share equally in the benefits and costs of rapid industrial growth may lead to a deterioration in our quality of life. The failure in the Santa Clara County is becoming a classic example of local governments' inability to effectively guide their own growth. It would, however, be a greater tragedy for the Sacramento area, in full view of Santa Clara County, to replicate those failures.

Acceptable Levels of Growth

Another perplexing question facing this region relates to an acceptable amount of growth of the electronics industry specifically and the population in general. As was outlined earlier, there is enormous growth potential in our area. That growth represents substantial change to many things in our communities such as: increased population and jobs; economic diversity and growth; changing community identity and character; and increased demands for public services and facilities.

Unrestrained growth could result in unacceptable levels of change, either in terms of unacceptable costs or undesirable effects. For example, a doubling of the area's population in a 20-year period rather than the currently projected 50% increase is not at all an unlikely occurrence. But housing that many people could mean development of much land currently designated as permanent agricultural.

As a second example, high tech employee density means as many as 90 employees per acre in industrial areas which may only have transportation access for 20 or 30 employees per acre. Such levels of change would require significant capital improvements or alternative transportation programs. On the other hand, a limit on employee densities might reduce these costs.

The bottom line in this issue, however, is how much change is acceptable in our area. We are realistically faced with a change representing a five- to ten-fold increase in population in some smaller communities by the year 2000 and a two- to three-fold increase in the larger metropolitan areas. This level of change is inconsistent with all SACOG policy plans and most City and County general plans. Either these inconsistencies must be recognized and the growth limited or the plans must be subjected to major modifications.

Sizing and Financing Public Services and Facilities

Changes of the magnitude discussed in relation to high tech industrial growth will require substantial increases in public services and facilities, particularly streets and highways, water and sewer service, public transit, schools, etc. Local governments today are facing serious difficulties providing adequate services and facilities in the face of Proposition 13 and Proposition 4 limitations, as well as major federal support cutbacks. Finding new ways of financing major capital improvements such as sewage treatment, water supply, freeways, public transit, and school construction will be absolute essential in any event. Even more difficult than financing capital costs of facilities is the problem of financing continuing services of public agencies. The additional pressure of high tech industrial growth makes it even more critical that new financing methods be found.

Health Issues

Concern over the health-related implications of high technology industries has increased substantially. The issues include the storage and use of toxic chemicals, the disposal of toxic wastes, and the exposure of the work force to toxic chemicals during manufacturing processes.

Storage and use of toxic chemicals creates problems of potential accidents and requirements for specialized fire suppression equipment. Currently, we have little information regarding amounts and types of chemicals used in these processes--what the history of accidents are and what mitigation measures are available. At a minimum, such information (including specialized equipment requirements) should be included in each project application to be evaluated. It appears desirable, however, to initiate an areawide study of the toxic chemical use and storage issue to best prepare member jurisdictions to evaluate applications for industrial developments. This study should include follow-up enforcement issues once projects are approved with any conditions associated with toxic chemical storage/use.

A related issue is the disposal of the toxic chemical wastes. Clearly, special provision must be made for handling such wastes. Much better information must be developed to fully understand the issue. SACOG staff has recently initiated a toxic waste study to begin to address some of these issues.

Finally, of current concern to many people in Santa Clara County is the serious effects of the exposure of electronics workers to toxic and hazardous chemicals in the product manufacturing processes. There has been some research indicating much higher than average incidents of cancer and other illnesses of electronics workers. The industry representatives dispute such findings. Clearly, there is an unresolved question here that raises potential concern to this area. The matter must be much better understood.

Linking Jobs With the Unemployed

A major reason for encouraging industrial growth is to minimize unemployment. In fact, the unemployment rate in the Santa Clara County area recently dropped below the statewide average for the first time in many years. If a goal for this industrial growth is decreased unemployment, existing job training programs must be linked to industry needs. New industries must make an effort to hire the currently unemployed. Those public agencies in the business of funding jobs for the unemployed must establish a direct, continuing relationship with the employers. Some efforts to this end is already underway. More must be done, however, if the number and location of these new high tech industries increases significantly.

Developing a Partnership With Industry

A number of people in the Santa Clara County area are placing great emphasis on developing a close working relationship between public agencies and private enterprise. This partnership is viewed as a way of reducing conflict and increasing private participation in traditionally public activities (e.g., transportation, housing). From a limited public financing standpoint, this is of particular importance. More basic, however, is developing a mutual understanding of the needs and concerns of each group.

The relationship between public agencies and private enterprise is often marked by distrust, due to either failures in communications or differing expectations and values. Local governments have been accused of imposing coercive, unilateral, mandatory conditions of approval on industry with limited negotiation and exchange of ideas. Industry reaction is predictably negative and unconstructive. Industry, on the other hand, sometimes ignores the full implications of their particular proposals and often does not acknowledge full responsibility for impacts associated with their growth and development. While basic differences will always exist between public agencies and private enterprise, those differences certainly do not mean that there are not areas of agreement. If the agreements can be identified and capitalized upon, the differences remaining may even be minimized.

Two examples of such potential agreement are in order. First, the attraction of the high tech industry to this area due to certain physical and cultural amenities is known. The proximity to outdoor recreation opportunities, the relatively clean environment, the community atmosphere, and the slower pace of smaller communities all have great attraction to many high tech industry employees. That is, in fact, a major reason the industries are tending to leave the larger urban areas (not to mention high housing costs and other highly urban problems). The flight to this area may, however, have the ultimate effect so many attractive areas experience which is to have so many people come that it becomes indistinguishable from the area they left.

It is in neither industry's nor local government's best interest to produce such a future. Industry will simply be forced to flee to another "clean" environment and local government will be left with the unwanted results.

If, however, industry and government can work together to cooperatively limit expansion and restrain undue regulation, both will probably be better off. If industry can agree to an absolute limit on physical growth which is tied to some level of community preservation, then the attractiveness of the area can be preserved. If local government can agree to some reasonable expansion of the industry, then we may be left with a healthy, diverse economy.

Secondly, as briefly mentioned earlier, financing urban services necessary to support growth is a major, almost overwhelming task facing local governments today. It is at the same time essential for industry to have good, reliable public services and facilities. Certainly, industry and government can come to some mutual terms regarding community growth which are advantageous to both. Such agreements could range from employer participation in transit programs in exchange for parking requirement reductions to industry to support for housing programs in exchange for an increase in employee densities. For example, in Santa Clara County, the electronics industry through the Santa Clara Manufacturing Group has begun to participate positively in resolving some of the transportation and housing problems in the area. The possibilities for cooperation are numerous. The potentials for conflict and adversity, however, are greater.

CONCLUSIONS

A number of questions, concerns, and ideas have sprung up over the last few months regarding high tech industrial growth in this area. A few of them are raised in the preceding discussion. It is absolutely essential that these issues be directly and positively addressed over the coming year. If they are, we face the prospect of a healthy, positive environment in which to live and work. If not, we face the prospect of a deteriorating quality of life and the loss of those community and personal values which have caused us to choose this place as our home.

It is important that local government, industry and the residents of this area do their share in resolving the issues discussed above. No single organization, group or segment of the community can achieve any level of success working in a vacuum or without support. It would be presumptuous to suppose that SACOG can do much to directly affect the growth and employment issues which are the subject of this paper. SACOG can, however, provide useful research and direction for those directly responsible for issue resolution. SACOG can also serve as the catalyst for facilitating dialogue between cities and counties in the area and between local government and industry.

SACOG should help to sponsor workshops on the subjects of: land use and growth; financing urban services and facilities; health issues; linking jobs with housing and the unemployed; and developing a public/private partnership. Each workshop would be designed to provide common information to local government officials from this area (although any interest persons/organizations would be invited), with the expectation that future decisions or actions by them would be conscious of such areawide research.

SACOG staff should convene a task force of six to eight people for each workshop who could advise on organization and research. The task force members would be representative of local government, industry and private citizens. Each workshop would provide thorough research and data and a recommendation for action. Some workshops might involve speakers or experts, while others would simply be staff. The workshop participants would discuss and respond to the staff proposals. Follow-up implementation would depend upon acceptance or rejection of specific recommendations.

Implementation of these workshops clearly requires SACOG commitment of staff time and funding. There are presently no funds allocated to such an activity. In order to perform adequate research, it would require approximately \$1500 per workshop, or a total of \$7500 for this project. The actual workshops themselves could be self-supporting (e.g., space, materials, food, refreshments) through modest registration fees (\$10-\$20). It is suggested that the first workshop be scheduled for September 1981.

Finally, we cannot emphasize enough the importance of facing the issues directly and quickly. We presently have a great opportunity to learn from the failures of another region which has faced similar rapid high technology industrial growth. We have greater opportunities for repeating the same failures. Objectively, it is quite simple to pick a productive, effective course of action. Realistically, it will be inordinately difficult.

APPENDIX I:

SUMMARY OF THE
SANTA CLARA COUNTY FIELD TRIP

MEMORANDUM

January 2, 1981

TO: HIGH TECH TASK FORCE
FROM: JIM HARNISH
RE: SUMMARY OF THE SANTA CLARA COUNTY FIELD TRIP

On December 15 and 16 I interviewed 8 people in the Bay Area regarding growth of high technology industries and its potential impacts in the Sacramento Region. The trip was informative and well worth the time. Attached is a summary of the discussions I had with those people. I came back with several clear impressions:

- 1) The growth potential for high tech industry is extremely high and continues to be seriously underestimated by Bay Area jurisdictions;
- 2) It is quite likely that the Sacramento Region will be a focus for some portion of the high tech industrial expansion;
- 3) Local Bay Area governments continue to have serious intergovernmental communication and cooperation problems which lead to inconsistent, uncoordinated decisions;
- 4) There is a real need to better understand economic impacts of the land use decision making process;
- 5) Much more attention must be paid to job growth related to industrial land use;
- 6) High tech industries in general and semi conductor manufacturers in specific have high water demands, generate significant amounts of toxic waste requiring Class I disposal, and require specialized fire suppression equipment and training;
- 7) ABAG has played a positive role in the area of information gathering and dissemination.
- 8) A positive working relationship between local governments and industry representatives appears to be the avenue with the most potential for minimizing conflict between public and private goals and objectives;
- 9) Despite all its apparent problems, the Bay Area seems intent on accomodating as much new high tech industrial growth as possible;
- 10) Many people don't feel there are serious environmental problems in the Bay Area;
- 11) Increasing housing costs seem to be considered the number one problem by most people;

- 12) There is strong support for some form of job housing linkage by both industry and government;
- 13) Industries are not so much concerned with growth limitation as they are with inconsistent decisions or an unreliable decisionmaking process; and
- 14) Resolution of the housing and transportation problem absolutely requires substantial, positive participation by employers.

I think there are several actions we might take as a result of my trip:

- a) Make additional local contacts with industry and business representatives to establish some dialogue on needs and expectations surrounding high tech industry growth;
- b) Prepare data on the potential areawide land use, housing, population, and employment implications of high tech industrial growth;
- c) Assist in whatever way possible to facilitate open, constructive communication between local jurisdictions with the objective of producing some significant level of agreement on magnitude and amount of regional job and housing growth;
- d) Develop the in-house capacity to carry out more thorough comprehensive reviews of relevant local development projects in order to assist member jurisdictions in their decision making processes;
- e) Once some of the studies currently underway are completed (mid 1981) the Commission might consider sponsoring or co-sponsoring a workshop/conference on how the region should best respond to the probable expansion of high tech industry to this area; and
- f) Prepare a summary report of activities undertaken and data gathered to date by March.

Don Skinner, Economic Development Coordinator, ABAG

The major problem identified in this discussion was the underestimation of job growth in the bay area in general and Santa Clara County in specific. Mr. Skinner feels that this continues to be a major problem. It was clear from the conversation that most planning efforts in the Bay Area are focused on capturing as much of the industrial expansion as possible. This is occurring in spite of what Mr. Skinner observed as projections by industry which, on a cumulative basis, indicate and much higher job growth rate than can be accommodated by local government.

Some observations regarding characteristics of high technology industry were of interest. Despite popular belief, most employees are not well paid. Most of the highly publicized fringe benefits (eg: recreation facilities, parties etc) are cheap ways of avoiding higher pay scales. Secondly, there is general opposition to unions in the industry. They are reluctant to locate in areas with histories of strong unionism (eg: the East Bay) Third, the expansion characteristics of the industries are somewhat predictable. The new spinoff industries will locate in close proximity to established industries to facilitate employee pirating, which is essential to getting started in a short period of time. The larger established industries still want to locate in or near Palo Alto, the "mecca" of high technology. Expansion outside the Palo Alto/Sunnyvale corridor will then occur within a 2 hour radius of that area.

ABAG's role in the issue of high technology growth has been primarily of documentation and dissemination of facts. They consider the number one issue to be housing supply. They support the effort to locate industrial expansion near the major supplies of "cheaper" housing (eg: South San Jose, the north and east Bay areas). ABAG is attempting to facilitate communication between local government and industry. It did not appear that there was much concern over air quality and transportation issues (although a different perspective is likely to be held by ABAG staff in those subject areas).

Mr. Skinner felt it was quite likely that high technology industry would expand into the Sacramento area, although the extent of the expansion was unpredictable. As long as competition for an assembly line work force was low, the area would continue to be desirable. He suggested that a positive role SRAPC could play in addressing this industrial growth issue is one of facilitating dialogue between local jurisdictions and the business community.

Dave Miller, Planning Director, City of Morgan Hill.

Mr. Miller provide some interesting insights from a smaller city perspective. The City itself has gone through a major battle in the early seventies and concluded it wanted to limit growth to specific levels. It is now a City of 18,000 people and expects to be at 30,000 by 2000. They have passed an initiative which limits growth to approximately 220 housing units per year.

However, Santa Clara County growth is extending south from San Jose putting some additional pressure on the City. Further, the impacts of that growth (eg: traffic, air pollution) are affecting the City without it being able to do more than it has already done.

The City is interested in accepting a limited amount of high tech industry but only on a staged basis (eg: job growth linked to housing growth). An DEIR on the only major industrial park they are expecting to have is available.

Mr. Miller listed a number of problems associated with high tech industrial growth. First is housing costs. Related to that is the need to link job growth with housing. Second, water supply and waste water disposal problems are significant. He considers the toxic waste issue very significant. Third, the demands on public services, particularly special fire fighting equipment continues to be a problem. He made some suggestions for this area in dealing with high technology industrial growth. Initially, make sure thorough independent assessments of the full impacts of proposals are made. Secondly, understand the full implications of the toxic wastes issue (e.g., adequate, legal disposal facilities and illegal disposal problems). Third, there must be a link between jobs and housing growth (although a monitoring system is difficult to maintain). Fourth, make sure all costs of a development are assumed by the project proponent, especially specialized public services such as fire suppression equipment. Fifth, spend time deciding exactly how much job growth you want before making any commitments. He also suggested that it would have been helpful to cities like his to have an agency like SRAPC prepare a "cookbook" on how to prepare for and manage growth.

Steve McKinney, Senior Planner, Santa Clara County

Mr. McKinney views the interjurisdictional conflicts in Santa Clara County as a major continuing impediment to resolving their growth problems, a neighboring community will take conflicting action and negate any possible benefits from the first action. He also viewed housing costs as a very major issue. From the perspective of industry, energy availability is a significant factor in locating in a particular area (eg: Palo Alto is a desirable location in part due to a city owned power company similar to Roseville).

The City of San Jose and Santa Clara County are tending to respond to the jobs/housing growth issue by attempting to establish the south San Jose area as a jobs growth area thereby locating new jobs nearer the affordable housing in San Jose. This will generate a more balanced, two way commute on freeways on lessen congestion in one direction.

Mr. McKinney was primarily responsible for the Living Within Our Limits report which, among other things, suggests that an areawide (Santa Clara County) agency be responsible for land use decisions. The suggestion was not implemented. He feels that ABAG could play a more active role in dealing with the growth issues. He made the following suggestions for SRAPC to consider:

- a) Develop a consistent, systematic process for reviewing and commenting on all major projects;
- b) Provide accurate, accepted information to encourage consistent decisions by local government;
- c) Where appropriate use A-95 review to cover specific local actions.

Tom Fletcher, Director, Center for Public Policy Analysis, SRI International

Emphasis was placed on developing a "partnership" between local governments and industry. Mr. Fletcher felt that a major problem is conflict and misunderstanding between local governments and industry. Local government must also better understand issues from an economic perspective than they do today. Industry in the Bay Area is becoming more proactive than re-active in dealing with social and environmental problems.

Mr. Fletcher felt that there has been no decrease in the quality of life in the Bay Area despite the apparent problems. He pointed to the fact that air is cleaner and traffic better than they were ten years ago. Part of the problem is planners doing planning rather than elected officials.

There should be an emphasis on economic impact of any local land use decision. There should be active participation in the process by industry. There should also be a willingness on the part of government to give up something (eg: parking requirements) to get something (eg: financial support of transit) from industry.

Dick Carlson, Chief Economist, SRI International

Mr. Carlson placed an emphasis on linking jobs and housing in a given area. The Bay Area is experiencing severe environmental impacts as a result of the great distance between the job growth center (Palo Alto/

Sunnyvale) and housing growth centers (So. San Jose, East Bay). Marginal auto trips are experiencing substantial increases. He strongly supported concepts of increased residential densities.

Mr. Carlson felt Sacramento area was well suited for substantial expansion of high technology industries and that major expansion will occur in a 2-5 year time period. In particular, he felt that a good labor market and proximity to recreation opportunities were significant.

Gerry Maloy/Art Hubbard, Lockeed

Both were rather critical of local governments for their inability to recognize in advance of development their community goals and service needs. Government expectations of industry are not clear and it is therefore difficult to anticipate necessary actions. Major problems include housing costs, lack of cooperation between government and industry, and public services not keeping pace with job growth. Further, economics are not taken into account in land use decisions by local government. There is also a preoccupation with minor or insignificant problems. In particular, secondary issues (welfare, housing conditions, etc.) are too often mixed up with or inhibit decision making on primary issues (eg: ultimate job growth, housing supply, necessary public services and facilities).

Necessary changes include: increasing residential densities; making basic decisions on ultimate growth levels; increase the number of jobs per household; convert some industrial land to residential uses; and have local governments prepare more orderly, objective plans which then represent an established guide for development.

It was pointed out that there are insufficient public funds to solve either the housing or transportation problems and that solutions must rely on private funds.

Bill Powers, Community Development Director, Sunnyvale

Mr. Powers emphasized a number of high technology industrial growth related issues, first, the growth rate is difficult to adequately deal with inasmuch as the growth characteristics of the industry are so volatile. There continues to be a significant time lag between the demand for and the provision of public facilities. The problem of affordable housing continues to be serious. Toxic chemical use and disposal are significant problems. The use places great demands for specialized equipment and training. Disposal is a problem from the standpoint of illegal dumping and inadequate controls from a local planning perspective, regulation of employees per acre is the key to regulation industry growth (eg: lot coverage or parking limitations are inadequate).

SACOG BOARD MEMBERS

Lawrence Mark (Chairman), Councilman, City of Yuba City
Robert N. Black (Vice Chairman), Supervisor, Yolo County
Charles D. Center, Supervisor, Yuba County
Ronald A. Haedicke, Vice Mayor, City of Marysville
William D. Kopper, Mayor Pro Tem, City of Davis
Lynn Robie, Councilwoman, City of Sacramento
Richard Roccucci, Councilman, City of Roseville
Fred V. Scheidegger, Vice Mayor, City of Folsom
Joseph E. (Ted) Sheedy, Supervisor, Sacramento County
Richard M. Withrow, Supervisor, Sutter County

Staff

Jim Harnish, Author

James A. Barnes, Executive Director
Gary L. Stonehouse, Director of Environmental Planning
Michael Hoffacker, Director of Transportation Planning
Peter Hill, Senior Planner