Incentivizing TOD

Case Studies of Regional Programs Throughout the United States

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Growing Transit Communities Partnership

STRATEGIC ECONOMICS

Table of Contents

A Closer Look: Exemplary Program Components

Introduction

Purpose

This report illustrates and assesses different approaches to supporting transit-oriented development, through six case studies of regional programs throughout the country. Through describing the structure, funding and implementation of these programs, the report provides a broad but detailed survey of strategies employed by regional organizations working in concert with local actors to support the balanced growth of communities near transit. Particular attention is paid to the ways in which the programs support equitable TOD.

Acknowledging that differences in governmental structure, transportation infrastructure and development patterns can make some strategies viable in one region but not in another, each case study begins with a description of the regional context in which the program was developed. Each case study concludes with key lessons that may be applicable to other regions looking to implement similar programs.

This report is intended to help the Puget Sound Regional Council and other Growing Transit Communities stakeholders understand the range of approaches that are possible for supporting TOD at the regional and local level. While the case studies focus on programs administered at a regional level, the roles of other actors—such as local jurisdictions, community groups and developers—are highlighted throughout. Pull-out boxes provide examples of specific projects and stakeholder actions. (See table on page 2 for a listing of these exemplary program components.)

The case studies are based on a interviews with program staff, review of program documents and Strategic Economics' prior experience working on several of these programs.[1]

Case Study Descriptions

Of the six case studies, four feature programs led by Metropolitan Planning Organizations (MPOs). One is a joint development program led by a transit agency and one is a regional collaborative of community-based non-profit and philanthropic organizations. This section provides a brief description of each program. Figure 1 provides a comparison of all six case studies.

The **Atlanta Regional Commission's Livable Centers Initiative** (LCI) program distributes federal transportation dollars as grants to local governments and community improvement districts for planning and transportation projects that support increased residential development, mixed use development and connectivity between uses in the region's activity and town centers. Notable features of the program are its inclusive approach to encouraging smart growth in places with varying land uses and urban form, the use of capital funds as an incentive for participation, and the way in which the program structure establishes ongoing relationships with local jurisdictions.

In the San Francisco Bay Area, the **Metropolitan Transportation Commission's Transportation for Livable Communities** (TLC) program is comparable to Atlanta's LCI Program in using federal transportation funds for planning and capital grants. This case study illustrates the evolution of the program over time, with changes in grant size, project eligibility, and the degree of discretion granted to county agencies in administering funds.

The **Metropolitan Council's Livable Communities Demonstration Account** (LCDA) grant program in the Twin Cities region provides grants for basic infrastructure, placemaking infrastructure and site acquisition for development projects. The Met Council's Livable Communities program also supports brownfields cleanup and affordable housing through two other grant funds. The program is funded by regional property tax, enabling greater flexibility in the use of funds than in programs using federal transportation dollars.

In the Portland region, **Metro's TOD Program** also funds development projects through small, strategic grants for projects that are expected to catalyze additional high density development and to support transit ridership. The program is largely funded by federal transportation funds.

The case study on **LA Metro's Joint Development** program provides a look at a transit agency's efforts to stimulate TOD through joint development on its properties. Affordable housing has been incorporated into a significant portion of completed projects despite the fact that the agency does not have an explicit requirement for affordable housing.

The case study on the **Great Communities Collaborative** (GCC) highlights the role that non-profit, philanthropic and grassroots organizations can play in supporting transit-oriented development, particularly equitable TOD. GCC is an alliance of regional, national and local non-governmental organizations that partner with local communities on station area planning efforts, and also influence policy and funding at a regional level.

[1] Strategic Economics has worked directly with the Metropolitan Transportation Commission, the Great Communities Collaborative and Portland Metro, and has also worked extensively in the Los Angeles and Twin Cities regions.

Figure 1. Summary of Case Studies

Region	Organization	Program	Year Started	Activities Funded	Annual Funding	Key Lessons
Atlanta	Atlanta Regional Commission (MPO)	Livable Centers Initiative	1999	Planning and transportation capital projects	$1 million for planning, $500 million from 2000-2017 for construction Federal transportation funds	• Inclusive approach • Capital funds as an incentive • Ongoing relationship with local jurisdictions
San Francisco	Metropolitan Transportation Commission (MPO)	Transportation for Livable Communities / OneBayArea Grant	1998	Planning, transportation, and infrastructure capital projects	$27 million Federal transportation funds	• Evolution of program over time • Benefits and drawbacks of giving discretion over grants to counties
Twin Cities	Metropolitan Council (MPO)	Livable Communities	1995	Basic and place-making infrastructure, site acquisition, brownfields clean up and affordable housing	$14 million Regional property tax levy	• Regional funding source with no ties to federal transportation funding • Integrating affordable housing into grant criteria • Performance criteria for TOD projects
Portland	Metro (MPO)	TOD Implementation	1998	Development projects	$2.9 million Federal transportation funds	• Funding market-rate private development • Quantitative evaluation of transit ridership impact • Use of typologies to identify investments
Los Angeles	LA Metro (Transit Agency)	Joint Development	1994	Development projects on agency property	Five staff, estimated program budget of $1 million Agency operating budget	• Market realities of joint development • Incorporating affordable housing into joint developments
San Francisco	Great Communities Collaborative (Alliance of nonprofits and foundations)	Local planning regional strategy, funding innovations	2006	Community involvement in station area planning; regional strategies for sustainable and equitable TOD	Program budget is roughly $2 million Funders network	• Role of community-based organizations in supporting TOD • Partnerships between non-governmental organizations and public agencies for more effective use of federal transportation funds

PSRC Context

In order to better understand how Puget Sound regional governance compares with the other regions discussed in this report, this section provides a brief overview of the Puget Sound Regional Council and its responsibilities.

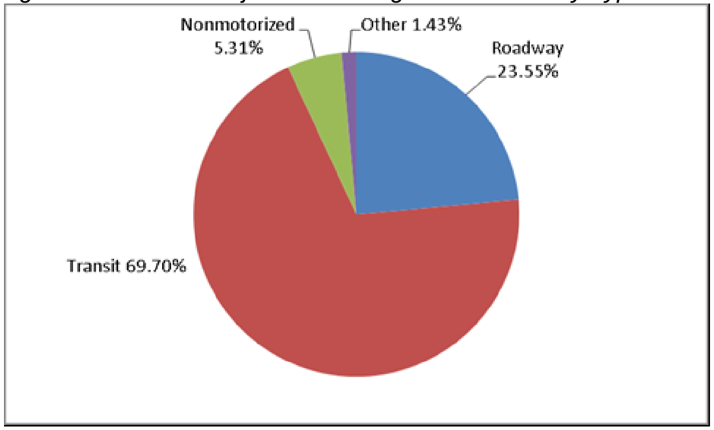
The Puget Sound Regional Council (PSRC) is the regional planning organization for the central Puget Sound region of Washington State. The region includes four counties, 82 cities and a population of 3.7 million. PSRC maintains a common vision for the region's future, expressed through three connected major activities: VISION 2040, the region's growth strategy, Transportation 2040, the region's long-range transportation plan, and the Prosperity Partnership, which develops and advances the region's economic strategy. PSRC also distributes about $180 million a year to transportation projects and provides regional data for planning.

Like the other regional organizations discussed, PSRC is designated under federal law as the Metropolitan Planning Organization (required for receiving federal transportation funds) and under state law as the Regional Transportation Planning Organization for King, Kitsap, Pierce and Snohomish counties. As such, it is responsible for programming and maintaining the four-year Regional Transportation Improvement Program (TIP), which includes all current, regionally significant transportation projects. PSRC also supports the work of the region's federally designated Economic Development District (EDD).

Othello light rail station. Source: Strategic Economics.

PSRC receives several types of federal funds for transportation projects and programs in the central Puget Sound region. These include Surface Transportation Program (STP) and Congestion Mitigation and Air Quality Improvement Program (CMAQ) funds from the Federal Highway Administration and Urbanized Area Formula Program (5307) and Fixed Guideway Modernization Program (5309FG) from the Federal Transit Administration. These federal transportation funding sources have been key to leveraging TOD-supportive investments in other regions; they are also critical to capital expenditures for transit.

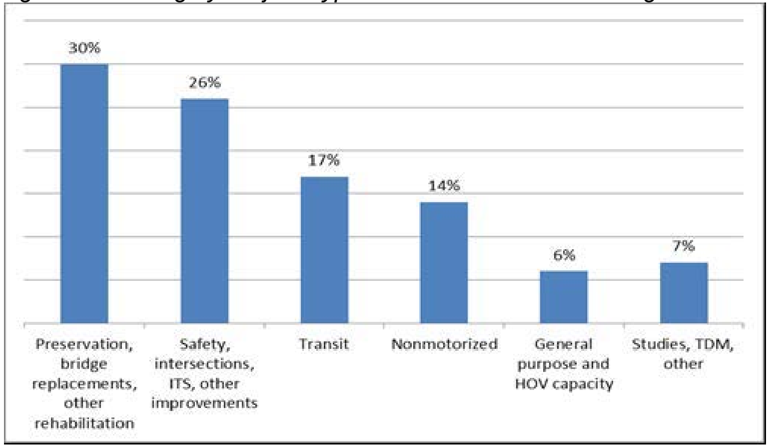
Figure 2. 2012 TIP Projects Receiving PSRC Funds by Type



Source: PSRC, 2012.

While PSRC has primary responsibility for selecting projects to receive funds from these FHWA and FTA funding programs, the majority of funds in the Regional Transportation Improvement Plan are under the selection authority of other agencies. These include other federal transportation funds and state transportation funds distributed by Washington State Department of Transportation and other state agencies, as well as discretionary sources managed by Congress and federal agencies, including New Starts transit funding. Cities, counties, ports, transit agencies, and other local authorities have primary responsibility for selecting projects to receive their respective local funds. To demonstrate consistency with local comprehensive plans, projects in the TIP must be consistent with the transportation element of the appropriate city or county plan that has been certified by PSRC. All regionally significant projects must be explicitly listed as a project in Transportation 2040 prior to funds for that project being programmed into the TIP; all other projects are reviewed for consistency with Transportation 2040 prior to funds being programmed into the TIP. T2040 contains policies that specifically call for supporting centers and the corridors that connect them through plans and investments.

Figure 3. Funding by Project Type in the Draft 2013-2016 Regional TIP



Source: PSRC, 2012.

Key Themes

This section discusses key themes that emerge from across the six case studies.

***Advancing TOD across a diverse range of environments*.** As with the Puget Sound region, each of the regions profiled in this report contain a variety of existing development patterns and physical infrastructure conditions, ranging from transit-rich city centers to suburban settings with minimal transit service. This diversity in place types requires administrators of regional programs to make strategic decisions about where to focus resources and how to incentivize appropriate development in these locations over time. The programs profiled represent a variety of approaches, primarily implemented through qualifying criteria for program participation.

Notably, several of the programs profiled in the case studies accomplish TOD goals without being exclusively focused on TOD. The grant programs in the San Francisco Bay Area and Atlanta encourage infill development by requiring projects to be located in designated areas for regional growth, a policy that enables participation from a much broader set of jurisdictions than would be possible if the programs focused only on station areas. This approach also enables a more even distribution of federal transportation funds throughout the region than would be possible if funding were limited to areas with fixed guideway transit.

In terms of strategies for targeting investments to specific place types, the Twin Cities' Met Council recently created a special TOD grant category while still supporting smart growth throughout the region with regular Livable Communities Demonstration Account funds. Portland Metro's TOD Program recently adopted a framework that identifies appropriate investments for different station area typologies.

In terms of performance criteria, none of the profiled programs impose specific density thresholds on funded projects, largely due to the infeasibility of setting thresholds that would work across place types.[2] Nevertheless, selection criteria and other program guidelines typically ensure that funded projects are aligned with smart growth principles, such as intensifying development in core areas, prioritizing development near transit and enhancing connectivity via non-motorized transportation modes such as walking, biking and transit.

Incorporating equity considerations. Different programs have evolved different approaches to addressing equity concerns. In both the Atlanta and San Francisco Bay Area regions, areas of potential concern have been identified through tracking demographic indicators, and priority may be given to proposed investments in these areas.

Another approach to equitable TOD is to encourage affordable housing production. Both the Twin Cities' Livable Communities program and the new One Bay Area Grant Program require jurisdictions to accept housing allocations and reward jurisdictions that have actually produced housing. These two regions have also developed tools to fund affordable housing directly: the Local Housing Incentive Account in Twin Cities and the

New Holly HOPE IV Housing and LINK light rail. Source: Strategic Economics.

[2] Strategic Economics' final implementation report will address transit-supportive densities and standards in detail.

Transit-Oriented Affordable Housing fund in the Bay Area.

Program experience also shows that equity issues are addressed outside of formal policy. Non-profit and philanthropic community organizations play a key role in advocating for and mobilizing community interests during planning processes, as demonstrated in the Great Communities Collaborative case study. MTC's program guidelines acknowledge the importance of community process by requiring extensive community engagement for funded projects.

Planning versus capital investments. The regional programs in these case studies support TOD by funding three major types of activities: planning, transportation and public infrastructure capital projects and development projects. The ARC and MTC programs focus on planning and transportation grants. At MTC, the planning and capital projects are unrelated, whereas at ARC, capital projects are based on prior planning work funded by the program. In both cases, the capital funds are used primarily for "complete streets" projects such as pedestrian improvements and streetscape enhancements. Housing and other types of real estate development are not directly funded by either of these programs.

In contrast, Portland Metro's TOD Program focuses almost exclusively on grants to development projects. The program does not currently fund planning or infrastructure, although staff do provide technical assistance to local governments. The Twin Cities' Livable Communities Demonstration Account program is also focused on development projects rather than long-range planning; however, it funds basic and place-making infrastructure, including utilities and transportation improvements.

The role of non-governmental actors**.** Although public agencies are responsible for establishing a regional policy and funding framework for supporting TOD, non-governmental stakeholders play a key role in advancing sustainable and equitable development around transit. Non-profit organizations, community foundations and financing institutions possess the expertise and access to resources to support TOD in ways that a public agency could not accomplish alone. For example, the Bay Area's innovative Transit-Oriented Affordable Housing Fund was the outcome of a collaboration between regional non-profits, philanthropic organizations, banks and community development finance institutions and the Metropolitan Transportation Commission. In Twin Cities, the Central Corridor Funders Collaborative has invested in a range of projects supporting affordable housing, economic development, place-making and collaboration along the light rail corridor.

Need for funding alternatives to federal transportation funds**.** Implementing TOD is costly, particularly in auto-oriented suburban areas where significant investments in new infrastructure are required to retro-fit existing built environments to support transit access and multi-modal connectivity. Public costs for the construction of the Central Corridor from Downtown Minneapolis to Downtown St. Paul are estimated to be $1.5 billion, one-third of which is non-transportation related surface infrastructure.[3] In the Puget Sound, the expansion of the light rail system itself is likely to consume a large share of federal transportation resources. Alternative resources and tools will be needed to fund the additional infrastructure improvements necessary to support TOD. The Livable Communities program in Twin Cities is unique among the MPO programs profiled in this report in being funded by a regional property tax levy rather than federal transportation funds.

Ongoing program evaluation and evolution*.* Each of the programs profiled in this report has evolved over time based on lessons learned through experience. Some organizations, such as the Atlanta Regional Commission, publish regular evaluation reports to track project progress and solicit feedback from grant recipients. This approach provides both quantitative data and qualitative feedback that enables program staff to understand where investments are most effective and where efficacy could be improved.

Brave Horse Tavern & Amazon Campus, South Lake Union Trolley route.
Source: Strategic Economics

[3] Center for Transit-Oriented Development. "TOD Financing Forum" presentation, May 2010.

Case Study #1: Atlanta Region, Livable Centers Initiative

Program Summary

The Atlanta Regional Commission (ARC) established the Livable Centers Initiative (LCI) in 1999 to encourage local jurisdictions to link transportation improvements to land use planning, becoming one of the first MPOs to use federal transportation funds to fund such a program. The LCI program is designed to create an ongoing relationship with communities in the region, using transportation capital grants as an incentive for the creation and implementation of long-term plans that increase residential development, mixed use development and connectivity in activity and town centers. Participating jurisdictions are eligible for supplemental study grants for planning projects related to plan implementation.

Regional Context

As the federally designed MPO for the Atlanta region, the Atlanta Regional Commission is responsible for regional transportation planning for 18 counties. ARC is also the regional planning and intergovernmental coordination agency for a subset of 10 counties, with state responsibilities for comprehensive planning as the Atlanta area's designated Metropolitan Area Planning and Development Commission (MAPDC).

The 10-county Atlanta region for which ARC performs regional planning has a population of 4.1 million. The MARTA rapid transit system serves Fulton and KeKalb Counties, with four lines totaling 38 stations and 48 miles of track. The service first started operation in 1979, and the most recent station openings were in 2000.

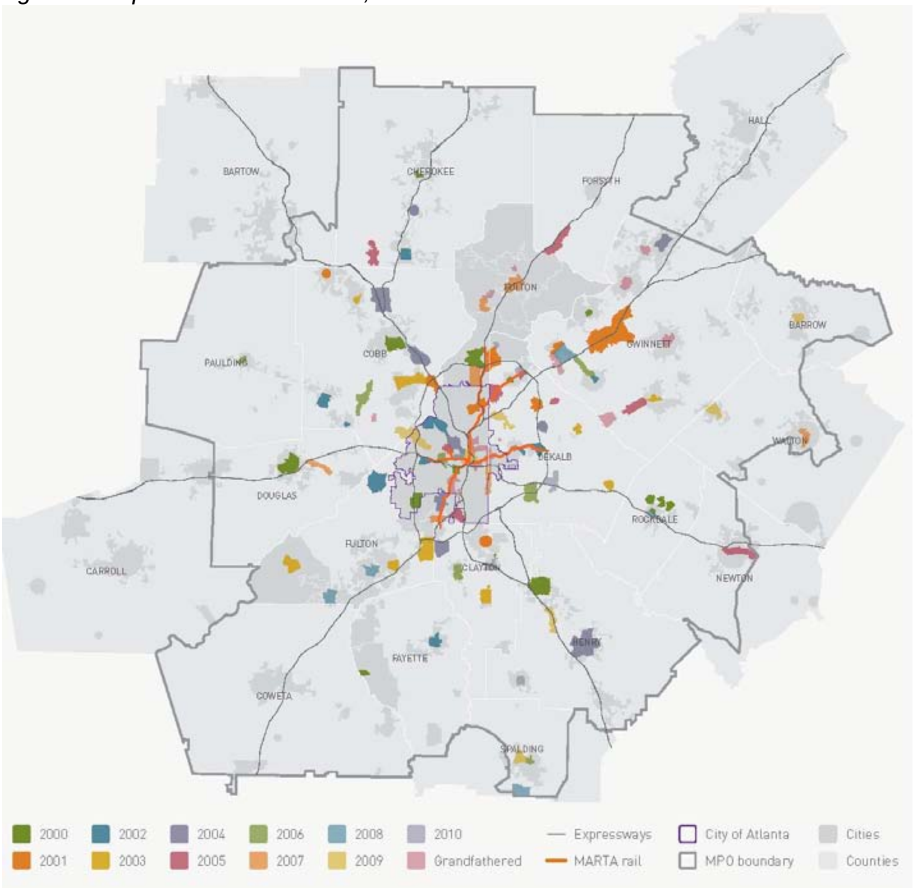
Funding Framework

The LCI program is funded by federal Surface Transportation Program-Urban (STPU) funds, which are earmarked for urban areas with populations over 200,000 and apportioned to ARC as the MPO for the Atlanta Region.

The STP-Urban program is one of several Surface Transportation Programs that provide funds for projects not on the Interstate System or the National Highway System. Funds can be used for a wide range of projects including roadway widening, roadway reconstruction and transit projects. STPU funds require a minimum 20 percent local cash match and follow a federal-aid project approval process administered by the Georgia Department of Transportation (GDOT).

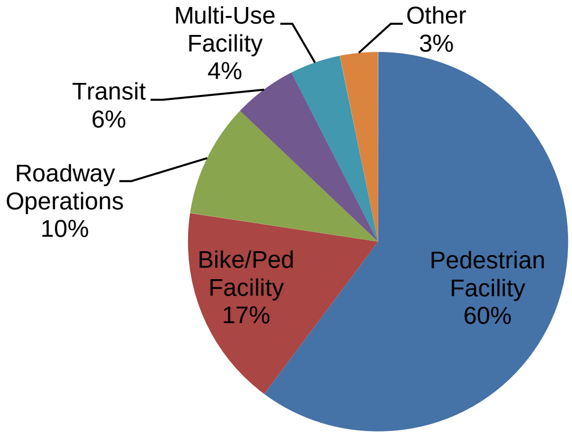
Approximately $1 million is made available annually for LCI planning grants, with a total of $18 million allocated for the program from 2000 to 2017. The transportation program funding, which serves as the incentive for program participation, is a much larger pot of money, with a total of $500 million committed from 2000 to 2017. To date, ARC has allocated $9.7 million to LCI studies in 107 distinct areas, $4.7 million for supplemental studies, and $203 million for transportation projects.

Figure 3. Map of LCI Communities, 2000-2010



Source: Atlanta Regional Commission, 2011.

Figure 4. Transportation Project Funding by Type



Source: Atlanta Regional Commision, 2012

Project Eligibility

To be eligible to apply for grants, projects must be in an area designated for growth on the region's Plan 2040 Unified Growth Policy Map. Growth areas include historic town centers, regional centers, activity centers and station communities.

Once a community has conducted an initial LCI planning study, it becomes an "LCI community" and may apply for supplemental study grants and construction grants for transportation projects, provided it has adopted the study and made progress on its 5-year implementation plan. To ensure that LCI funds are used to advance a cohesive plan, all transportation projects receiving funds must be identified in the initial study or in one of the succeeding 5-year and 10-year plan updates.

While the program is not limited to locations with fixed-guideway transit, projects that support transit use are prioritized for transportation capital grants.

Project Selection

Project applications are first evaluated by staff, then reviewed by a committee that develops final funding recommendations. Study grant applications are scored based on regional significance, adherence to LCI program goals, project need, and perceived commitment to implementation. Discretionary points are awarded for innovation, maximization of resources, and coordination with other organizations and programs. Priority is given to projects that meet certain goals such as increasing connectivity to transit station areas and major centers of activity.

Transportation grant applications are scored not only on the merits of the transportation project itself, which accounts for 35% of the score, but also the applicant jurisdiction's progress in implementing its LCI Plan, which accounts for 50% of the score. Using a bonus point system, priority is given to transportation projects that demonstrate complete streets principles, support transit ridership or include innovative features.

TOD in the City of Decatur

Decatur Station. Source: Atlanta Regional Commission

The City of Decatur has been proactive in using its own resources, as well as LCI resources, to improve the quality of its MARTA station areas. In 2000, the City developed a 10 year Strategic Plan to address physical and economic planning issues for the area, with heavy involvement of residents, business owners and other community stakeholders. Although the Strategic Plan was not funded as an LCI study, it was aligned with LCI goals and was thus grandfathered into the program, making the City eligible for LCI construction grants. In 2003, Decatur received LCI funding of $4.4 million to improve the street and plaza environment surrounding Decatur station in downtown. In 2002, the City prepared an LCI Plan for another MARTA station, Avalon, located in a primarily single-family residential neighborhood. In 2010, the City prepared a new Strategic Plan, serving both as the 10 year update to the original plan, and as the 5-year update to the Avalon station plan.

Equity Considerations

ARC has identified Equitable Target Areas based on an index comprised of demographic indicators for high concentrations of seniors, low educational attainment, low housing values, poverty and minorities. Priority is given to LCI projects located in areas with medium, high and very high index scores.

Community Improvement Districts as Project Sponsors

Although LCI project sponsors are typically local governments, non-governmental organizations can also apply for LCI funds, a feature that differentiates LCI from similar programs in other regions. Most commonly, these non-governmental organizations are Community Improvement Districts (CIDs), self-taxing entities authorized by Georgia state legislation to use additional property tax dollars to fund transportation and infrastructure improvement projects. CIDs are comprised only of private commercial properties; residential properties are not taxable by a CID.

In the Atlanta region, Community Improvement Districts (CIDs) have leveraged LCI grants to fund plans, zoning amendments and transportation projects. To ensure successful implementation, CIDs work in close coordination with local governments. LCI grant applications must be accompanied by a letter of support from the local government, as it is the local government that will ultimately adopt the resulting LCI plan. The local government also controls the right-of-way for construction projects, so it is the local government that signs the agreements with the state department of transportation (GDOT), even if the CID is responsible for managing the project.

Project Tracking

ARC checks on the status of LCI-funded transportation projects every six months and publishes findings in a twice-yearly “Breaking Ground” report. These regular reporting efforts help to identify stalled projects and address problems in program delivery. For example, after noting major delays related to federal and state approval, ARC has increased its role in LCI project management and oversight to assist project sponsors in moving projects through the Georgia Department of Transportation plan review and approval process.

Perimeter Community Improvement District

Sidewalk improvements in the Perimeter CID. Source: Atlanta Regional Commission

Perimeter Center is the neighborhood around Perimeter Mall, located north of Atlanta proper between the cities of Dunwoody and Sandy Springs, and in proximity to two MARTA stations. It is one of the region’s largest business districts, with 29 million square feet of office space, 6 million square feet of retail space and 40,000 residents.

There are two Perimeter Community Improvement Districts, one in DeKalb County and the other in Fulton County. The PCIDs mission is to implement transportation enhancements and land use strategies to improve access to the Perimeter district.

In 2001, Perimeter CID applied for and received a $119,000 grant for its initial LCI study. The purpose of the study was to identify potential opportunities for developing high density TOD in the Perimeter Center area. Since then, Perimeter Center has received multiple LCI transportation grants to fund streetscape improvements such as sidewalks, crosswalk, curb improvements, street trees and other pedestrian amenities in the vicinity of Dunwoody MARTA Station.

In 2012, Perimeter CID received a $64,000 grant for an LCI Supplemental Study to assess mobility, housing options and access to services for seniors.

Program Evaluation

Every two years, ARC conducts a detailed review of the LCI program, primarily through questionnaires issued to all LCI communities. Staff in local jurisdictions are asked to give feedback on the program and to provide information on new development, policy changes, and improvements to community livability. Findings are published in a biennial “Implementation Report” and used to guide future changes to the program structure.

The 2011 Implementation Report includes a quantitative comparison of development in LCI communities and in the surrounding region based on Co-Star real estate data. As shown in Figure 6, LCI areas account for only 5% of the region’s land area, but have captured much larger share of regional development, particularly office and commercial development. The definition of the region as 13 counties was determined by the counties in which LCI areas are located. These results suggest that the region has been successful in focusing development in core areas. Seventy percent of survey respondents agreed that the LCI program was effective as an incentive for development.

Figure 5. Comparison of 2000-2010 Development in LCI Areas and the Region

	LCI Areas	13 County Region	LCI Share
Land area	113,104 acres	2,451,000 acres	5%
Office development	18.8 million s.f.	45.7 million s.f.	41%
Commercial development	12.4 million s.f.	59.8 million s.f.	21%
Residential development	31,400 units	390,500 units	8%

Source: ARC, 2011 LCI Implementation Report.

Lessons Learned

An inclusive approach focused on “getting communities under the tent”.
The LCI program embodies an inclusive approach to encouraging the development of livable communities, one that takes into account the variation in place types and transit access throughout the region. Particularly in the first decade of the program’s existence, the focus was on getting communities to participate, rather than limiting the program to locations with fixed guideway transit. The philosophy behind this approach is that smart growth can be applied in a wide variety of place types, including those without transit, which includes about half of the communities currently participating in LCI program. In this regard, the program has been very successful, having brought 107 communities into the program. The project selection process does look at evidence of prior commitment to creating an urban environment. In implementing plans, local jurisdictions are given general guidelines regarding the incorporation of multiple transportation modes and a mix of land uses, but are not required to zone to specific densities. LCI program staff have indicated that the program’s performance criteria will continue to evolve and may become more specific in the future, now that the program has matured.

Using capital funds as an incentive for good planning.
The sizeable construction grants for transportation projects provide an effective incentive for communities to participate in LCI. The program thus encourages local jurisdictions to link their transportation infrastructure projects with land use planning efforts, and to concentrate development in activity and town centers.

Using grant programs as a means of engaging with local governments.
Although ARC does not have the authority to set land use policies for the region, the LCI program has provided an effective means for ARC to influence member jurisdictions and to develop relationships with local staff. ARC staff members are involved in core team meetings for LCI study and transportation projects. While staff are careful not to take a heavy-handed approach by pushing policy on local jurisdictions, they monitor the progress of plans, and have generally found that ARC’s stance on policy is understood and respected.

Dealing with the administrative overhead of federal authorization procedures.
While the federal transportation program provides the resources that make the LCI program possible, the administrative requirements attached to these funds imposes a significant obstacle to implementation. GDOT, the state department of transportation, administers a process for federal aid projects that is time-consuming for local governments, and particularly inefficient for small projects that are typically funded by LCI grants. The average LCI-funded project takes four years to complete, but can take as long as seven years.[4]

To address this issue, ARC has hired a former Georgia DOT project engineer to conduct design reviews for local jurisdictions, and has hired a full-time LCI Project Manager to act as a liaison between local governments and GDOT. ARC is also working with GDOT to improve the process.

[4] Atlanta Regional Commission, “2011 Livable Centers Initiative Implementation Report,” June 2011, p.23. http://www.atlantaregional.com/File Library/Land Use/LCI/lu_2011_lci_implementation_report_06-2011.pdf

Case Study #2: San Francisco Bay Area, Transportation for Livable Communities Program

Program Summary

The Metropolitan Transportation Commission (MTC) was one of the first regional agencies in the United States to establish a grant program using federal transportation funds to support local transit-supportive projects with explicit smart growth objectives. MTC's Transportation for Livable Communities (TLC) program has awarded over $200 million of planning and capital grants over its 15 year history, primarily for pedestrian, bicycle and transit access improvements.

In addition to the TLC program, MTC has developed a suite of policies and programs to support TOD, including:

- TOD policy to set minimum housing thresholds in proximity to transit expansion projects that receive regional funding (see pull-out box to the right of this page)
- FOCUS, a regional development and conservation strategy to incentivize growth in locally-identified Priority Development Areas
- Transit-Oriented Affordable Housing Fund (described in the Great Communities Collaborative case study)

This case study illustrates how MTC's programs have evolved over time to integrate regional housing and transportation goals.

Main Street Promenade, a pedestrian-only walkway in downtown San Mateo, funded by a $1.9 million TLC Capital Grant as part of a larger project to build a new Caltrain station, cinema and parking facility . Source: Strategic Economics.

MTC's TOD Policy

MTC adopted a Transit Oriented Development Policy in 2005 to promote the development of mixed-use neighborhoods around new stations. The policy applies to physical transit extensions receiving regional discretionary funds, including BART, light rail, bus rapid transit, commuter rail and ferry.

There are three elements to the policy.

- Corridor-level thresholds that set minimum levels of development around transit stations along new corridors.
- Local station area plans that implement zoning that meets required housing levels.
- Corridor working groups that bring together county congestion management agencies, city and county planning staff, transit agencies and other stakeholders.

This TOD policy was the first of its kind by an MPO or other regional agency in the United States.

Regional Context

MTC is the transportation planning, financing and coordinating agency for the nine-county San Francisco Bay Area, a region that includes 101 cities and has a population of over seven million. MTC serves as the federally-designated metropolitan planning organization (MPO) and state-designated regional transportation planning agency.[5] In the state of California, MPOs are granted greater control over transportation spending than in many other states, enabling MPOs to allocate significant amounts of funding to support transit-oriented development.

The regional transit network consists of over two dozen systems run by different agencies. The two major regional rail systems are Bay Area Rapid Transit (BART), in operation since 1972, and Caltrain, a commuter rail system in operation since 1987. The maturity of the system means that planning efforts can focus on expanding ridership at existing station areas and infill opportunities.

[5] The Council of Governments is a separate agency, the Association of Bay Area Governments, which deals with regional land use planning.

Evolution of a Program

The Transportation for Livable Communities program was launched in 1997 to fund small-scale, community- and transit-oriented projects in local jurisdictions. Figure 7 summarizes major developments in the program's history. Originally, the Transportation for Livable Communities program consisted of three components, each of which has been modified over the years.

- Planning Program, initially providing local jurisdictions with grants for small planning projects. These grants were eventually replaced with larger station area / PDA planning grants and smaller, technical assistance grants.
- Capital Program, providing grants for local transportation infrastructure projects that encourage pedestrian and bicycle trips and improve transit access. In 2010, the eligible project categories were expanded to include transportation demand management programs, non-transportation infrastructure necessary to support higher intensity development, and land-banking.
- Housing Incentive Program (HIP), funding capital projects in local jurisdictions that successfully build high density housing near transit stops. This program was discontinued in 2010. (For more details, see the lesson at the end of this case study on "Getting the incentive right with grant size.")

Starting in 2012, funding for Transportation for Livable Communities capital projects will be consolidated with other categories of capital funding in the OneBayArea Grant Program (OBAG). This new approach will provide counties with increased authority and flexibility in making decisions about how transportation funds are spent, with MTC playing an oversight role. Planning grants will continue to be administered at the regional level.

The purpose of these changes is to better integrate regional transportation funds with housing goals by rewarding jurisdictions that adopt regionally-preferred housing and transportation policies. The new structure aligns the program with the region's Sustainable Communities Strategy, required by California's new climate change law, Senate Bill 375.

Figure 6. Timeline of MTC's TOD Policies and Programs

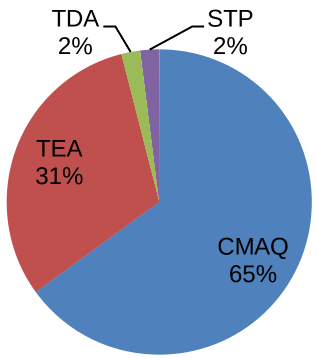
Year	Transportation for Livable Communities	Other TOD Policies and Programs
1997	TLC Planning Program created	
1998	TLC Capital Program created	
2000	HIP Incentives Program (HIP) created	
2001	MTC triples TLC funding; gives discretion over 1/3 of TLC funds to county-level agencies	
2005	Station Area Planning grant program pilot	MTC adopts TOD policy
2007	Internal evaluation of program	First round of Priority Development Areas (PDAs) are adopted
2008	MTC commissions the Center for Transit-Oriented Development to develop recommendations for financing TOD	
2010	TLC criteria amended so that only projects located in PDAs are eligible for TLC grants; eligible project categories expanded to include projects not directly eligible for CMAQ funding; Housing Incentive Program discontinued	
2011		Transit-Oriented Affordable Housing Fund is launched with $10 million from MTC
2012	County-level CMAs given full discretion over TLC capital grant funds through the OneBayArea Grant Program (OBAG)	

Source: MTC, 2009; Strategic Economics, 2012.

Funding Framework

TLC planning grants are primarily funded by Federal Surface Transportation Program (STP) funds, while TLC capital grants are primarily funded by the federal Congestion Management and Air Quality Improvement Program (CMAQ). Federal Transportation Enhancement Act (TEA) funds have also been used in some years. State Transportation Development Act (TDA) provided some funds in the early years of the program. Figure 8 shows the breakdown of TLC funding sources from 1996 to 2009.

Figure 7. TLC Funding Sources, 1996-2009



Source: MTC, 2008.

CMAQ and STP funds were first established in 1991 under the Intermodal Surface Transportation Efficiency Act (ISTEA), and have been reauthorized in every federal transportation bill since then, including the most recent bill, Moving Ahead for Progress in the 21st Century (MAP-21). Both CMAQ and STP funds are distributed to states using a formula. States vary in the degree of flexibility they allow MPOs in allocating those funds. California's Department of Transportation assigns a significant portion of CMAQ and STP funds to MTC and other regional planning agencies to be used at their own discretion, subject to federal regulations. CMAQ and STP dollars can be used for a wide range of transportation-related capital investments; STP dollars can also be used for planning.

MTC has prioritized spending CMAQ and STP funds on TOD-related improvements. When the Transportation for Livable Communities program began, annual program funding was $9 million. In 2002, annual funding was raised to $18 million, and in 2006, it increased again to $30 million.

Federal funds are not intended to be the only funding source for TLC grant recipients; jurisdictions are required provide a certain percentage local match. The federal requirement is a local match of 11.5 percent; MTC increased the requirement to 20 percent in 2010.

Lessons Learned

Over the past 15 years, MTC has continually evaluated and refined its approach to incentivizing smart growth. This section summarizes the pros and cons of various changes that have occurred over the program's history.

Getting the incentive right with grant size.
In any grant program with a limited funding source, there is a trade-off between the size of individual grants and the number of awards. Based on feedback from project sponsors in a 2007 survey, MTC learned that the Planning Program grants, with an average award of $40,000 and a maximum of $75,000, were too small to cover the costs of significant planning efforts. As a result, the original planning grants were phased out, while the station area planning grants, first introduced in 2005, are still in

Richmond Intermodal Transit Station and Nevin Walkway

Nevin Street Pedestrian Walkway. Source: Calthorpe Associates

Richmond Transit Village is a mixed use development centered around the Richmond BART/Amtrak station. The neighborhood surrounding the station is characterized by low incomes and high unemployment rates. The Transit Village project and associated pedestrian improvements were part of a revitalization effort that brought ownership housing and improved public space to the neighborhood.

Phase I of the project included 132 townhomes which were completed in 2006. Using $750,000 in TLC Capital Funds awarded in 1999 as well as a second grant of $1.6 million awarded in 2005, the Richmond Community Redevelopment Agency was able to improve access to the west side of the station by elevating Nevin Avenue Walkway and constructing a new public plaza. The total project cost was $10.7 million.

In 2010, the Redevelopment Agency obtained another TLC grant for $2.7 million to improve access to the east side of the BART station, with a similar elevated walkway, as well as new pedestrian lighting, landscaping and Class II bike lanes. The Redevelopment Agency secured local match funding from several sources, including the Safe Routes to Transit program and the West Contra Costa Transportation Advisory Committee (WCCTAC) Surface Transportation Mitigation Program.

existence in the PDA Planning Program, with a maximum award amount of $750,000. There are also smaller technical assistance grants consisting of in-kind awards up to $60,000.

The 2007 evaluation also revealed that the capital grants associated with the Housing Incentive Program were too small to incentivize housing; instead, they simply rewarded jurisdictions that were already building housing. The HIP grants were discontinued in 2010. MTC has continued to support housing production through TLC capital grants, TOD policy and the TOAH fund.

The OneBayArea Grant Program takes housing incentives to a new level by incorporating housing production into the formula for distributing funds, with additional weighting to acknowledge very low and low income housing. Jurisdictions must also have a complete streets policy to be eligible for funds.

In terms of striking a balance between federal and local funds, the 2007 evaluation found that local jurisdictions provided an average of 76% of funds for a project, much higher than the minimum of 11.5% required at the time. While this suggests that TLC funds rarely cover the majority of project costs, project sponsors indicated that TLC funds were often the first funds on the table, thus helping to build project momentum and generate other sources of funding.

Capital projects and funding constraints.
The vast majority of projects funded by TLC have been transportation infrastructure improvements that are directly eligible for CMAQ funds. The degree of MTC's control over this funding source, per the California state framework, is a critical factor enabling the TLC program.

In 2010, the capital grant program was expanded to include transportation demand management (TDM), non-transportation infrastructure improvements such as sewers, land banking and site assembly. With the exception of TDM, these new project categories are not directly eligible for CMAQ funds. Instead, they require local jurisdictions to exchange TLC funding with other local funds reserved for a project that is CMAQ-eligible. The innovation of "fund-swapping" enables MTC to fund a greater range of project types; however, the complexity involved in the process appears to limit the number of applicants in these categories.

In addition to the project eligibility constraints associated with federal transportation funds, the administrative and reporting requirements are also challenging. Managing federal funding is time-consuming and can result in project management costs ranging from 10% to 20% of the project's total cost.

County Perspective: Valley Transportation Authority

The Santa Clara Valley Transportation Authority (VTA) provides bus, light rail and paratransit services for Santa Clara County. VTA serves as the Congestion Management Agency for Santa Clara County, taking responsibility for countywide transportation planning, funding and congestion management programs.

As a Congestion Management Agency, VTA is allocated CMAQ and STP funds for livable communities projects by MTC, previously through the County TLC program and now through the OneBayArea Grant program. VTA has also launched its own programs to promote livability and transit-oriented development.

In 2002, the VTA established the Community Design and Transportation (CDT) Program in partnership with cities, the county, developers and other stakeholders. A key product of the program was a Manual of Best Practices for Integrating Transportation and Land use, intended as a guide for local development decisions. VTA used County TLC funds to provide capital grants to pedestrian, streetscape and transit access projects that implement the guidelines in the manual.

With the transition from the TLC Program to the One Bay Area Grant Program, VTA will have decision-making authority for a larger amount of funds than it has historically administered, potentially placing the agency in a stronger position to influence local land use.

As of mid-2012, VTA staff were in the process of developing the guaranteed formula and competitive grant criteria through which funds will be distributed to local agencies. VTA plans to use MTC's formula as the basis for directing guaranteed program funds to each city, thus rewarding jurisdictions that have produced housing for the region.

The types of projects in Santa Clara County that have historically been funded through the Transportation for Livable Communities program at both regional and county levels will now be funded through VTA's Countywide Competitive Complete Streets Program. Only PDA and PDA-serving projects will be able to apply.

Small-scale transportation investments can make a big difference. The TLC program has funded over one hundred projects that have made tangible improvements to streetscapes, transit access, pedestrian safety and bike connectivity throughout the region. While relatively small in scale, these projects have improved community livability by enhancing neighborhood amenities and bringing vibrancy to downtown areas. In a 2007 survey, project sponsors indicated that TLC capital projects had been effective in improving the community's sense of place and quality of life. With an average capital grant size of $1.4 million, MTC has been able to spread funds throughout the nine counties that comprise the Bay Area while promoting goals of infill development and multi-modal transportation. Through the station area planning grant program, MTC has funded over 50 station area planning efforts with grants totaling $20 million.

Distribution of grant funds. MTC is attempting to focus regional growth in core areas through incentives aimed at locally-identified Priority Development Areas. PDAs are typically at least 100 acres in size and must be within an existing community, near fixed transit or comparable bus service, and planned for more housing.

The agency has encountered some opposition in its efforts to directt funding to specific geographic areas. In 2009, the TLC project criteria were amended so that only projects in PDAs were eligible for TLC funds. Now that TLC funding is being rolled into the OneBayArea Grant Program, MTC is imposing a requirement that larger counties direct at least 70% of OBAG funds to PDAs. This requirement initially applied to all counties, but met with resistance from county agencies, particularly in less urbanized areas, who argued that there were significant transportation infrastructure needs outside of PDAs. As a result, the more rural counties of Napa, Marin, Solano and Sonoma have a less stringent requirement that 50% of OBAG funds be spent in PDAs.

Regional vs. county control. MTC distributes funds to county-level Congestion Management Agencies (CMAs) that are responsible for preparing and implementing Congestion Management Programs.[6] Over the course of the Transportation for Livable Communities program history, MTC has increasingly given counties more control and flexibility over TLC funds.

Initially, both planning and capital grants were administered at the regional level. In 2001, MTC started giving counties discretion over one-third of TLC capital project funds. In 2009, MTC created the CMA Block Grant program to enable counties to flex funds between the TLC, bicycle and roads projects. The OneBayArea Grant Program expands this idea by giving counties discretion over all capital project funds, subject to guidance issued by MTC.

The rationale for giving counties more decision-making power is that county agencies may be better able to coordinate grant decisions to address local transportation needs. However, these county agencies, like MTC itself, do not have land use authority.

The OneBayArea Grant program removes the distinction between TLC and other program funds, with the possible consequence that TLC program goals will be weakened. County agencies will set the criteria for TLC projects, and they will vary from county to county. With no set amount of money dedicated to TLC projects, it is possible that some counties will divert more funds to streets and roads, rather than to bicycle, pedestrian and transit access improvements. Because CMAQ funds are intended for congestion and air quality improvement projects, however, there is some degree of assurance that bicycle and pedestrian projects will continue to receive at least some funding.

The full implications of the new OneBayArea Grant program structure are yet to be determined. Ultimately, the impact of the program will depend on the decisions of individual county agencies and upon the oversight provided by MTC.

Passengers at a light rail station in Santa Clara County. Source: VTA

[6] Although all counties were required to designate CMAs in 1990, they are now optional. Most Bay Area counties still have CMAs.

Case Study #3: Twin Cities Region, Livable Communities Program

Program Summary

The Metropolitan Council's Livable Communities grant program is unique in being based on statute and having a regional funding source that enables greater stability and flexibility than similar programs funded by federal transportation programs.

In 1995, the Minnesota State Legislature passed the Livable Communities Act, which established the Livable Communities Fund as a means of incentivizing local jurisdictions to build affordable housing and promoting compact development.

The Livable Communities program is divided into three separate programs.

- The Livable Communities Demonstration Account (LCDA) provides grants for development projects that leverage existing and planned infrastructure and contribute to development patterns than link housing, jobs and services.
- The Tax Base Revitalization Account (TBRA) provides grants for site investigation and clean-up of contaminated urban land and buildings, for the purposes of redevelopment.
- The Local Housing Incentives Account (LHIA) expands and preserves affordable housing through grants that can be used for gap financing, property acquisition, site preparation and hard construction costs.

Although it is not exclusively a TOD program, TOD has been a core part of the Livable Communities mission from the beginning. A subset of the program focused exclusively on TOD was created in December 2011, dedicating excess funds from previous award cycles to TOD projects in both LCDA and TBRA categories. There has been a positive response to this new program in both the 2011 and 2012 award cycles, but future funding is uncertain.

The LCDA program deals most closely with the goal of linking transportation and land use, so both the regular LCDA and TOD LCDA programs will be the focus of this case study.

Regional Context

The Minneapolis-St. Paul (Twin Cities) metropolitan area consists of seven counties with a population of 2.8 million. The Metropolitan Council was created by the Minnesota State Legislature in 1967 as a regional government body charged with planning for the orderly development of the Twin Cities metro area**.** Metropolitan Council board members are appointed by the state governor. Originally, control over the wastewater treatment system was intended as the primary tool by which the Council could constrain sprawl. Today, the agency is also responsible for a regional bus and light rail service, parks and affordable housing allocation. Similar to Portland Metro, the Met Council has greater legal authority than most other MPOs. For example, the Metropolitan Land Planning Act requires the Council to review local jurisdictions' comprehensive plans to ensure they conform to regional system plans for public infrastructure.

A mixed-use, pedestrian-friendly development in downtown Burnsville, MN, funded in part by a Livable Communities grant. Source: Metropolitan Council

The Hiawatha Light Rail, which connects downtown Minneapolis to the Minneapolis-St.Paul airport and the Mall of America began operation in 2004. In 2010, construction began on the Central Corridor, an 11-mile light rail corridor that will connect Minneapolis and St.Paul. Service is expected to begin in 2014. Both light rail lines, along with regional bus and commuter rail services, are run by Metro Transit, a division of the Metropolitan Council.

Funding Framework

The Livable Communities Demonstration Account is funded by a regional property tax levy, authorized in the Livable Communities Act (Minnesota Statutes, Section 473.253). The method for setting the amount of the levy has changed over the years. In the most recent version of the statute, the total amount of the levy was set to $8,259,070 for 2004 and 2005, and is increased based on inflation each year. Each year, the levy amount is adopted in the Met Council's budget and proposed to county auditors.

From 1996 to 2011, Livable Communities programs awarded 714 grants totaling $252 million, with the LCDA program responsible for 231 grants totaling $119 million.

Eligible Uses

LCDA grants are divided into two categories: pre-development and development.

Pre-development grants are intended to catalyze development projects by funding activities such as detailed design, redevelopment plans and economic feasibility studies.

Development grants are provided to projects which will be completed within two years of the grant award. Funds can be used for:

- Site assembly, including land acquisition, demolition and grading. ,
- Basic infrastructure, such as utilities, stormwater management, streets, and public or shared-use parking structures.
- Place-making infrastructure, such as sidewalks, lighting, and street furniture.

Development grants cannot be used for surface parking, building construction or project administrative costs.

Grant Amounts

LCDA pre-development grants are limited to $100,000 each. Regular LCDA development grants have no minimum or maximum amount; in 2011, grants ranged from $78,000 to $2 million. TOD LCDA development grants are limited to no more than $1 million for projects not involving site acquisition, and $2 million if site acquisition is included.

Connection with Affordable Housing

The Livable Communities grants are intended as incentives for jurisdictions to participate in the regional affordable housing allocation process. Housing is integrated into the process at multiple levels.

- Eligibility. To apply for grants, local governments must agree to work towards providing their share of affordable housing by negotiating housing goals with the Met Council and developing a Housing Action Plan. As of January 2012, 94 Twin Cities jurisdictions were participating in the program.
- Competitive grant criteria. All cities in the Twin Cities region are assigned a housing performance score each year, and this score is included in the project selection criteria.
- Direct funding. The Local Housing Incentives Account provides grants to affordable housing projects.

Project Evaluation Criteria

Projects are scored on a range of performance criteria, including housing provision and induced transit ridership. Funding recommendations are made by an advisory committee composed of 13 members with expertise in local government, development, finance, transportation, natural resources and site design.

<u>Regular LCDA Development Grants</u>

The weight assigned to proximity to transit was lessened for the regular LCDA grant category after the introduction of the TOD program.

The first stage of project evaluation looks primarily at land use criteria, including overall density, inclusion of housing, pedestrian access, and connectivity between residential, employment and educational uses. In the second stage of evaluation, the advisory committee looks at the degree of innovation in the project, whether LCDA funds will help to catalyze the project, and the overall readiness of the project.

<u>TOD LCDA Development Grants</u>

To apply for a grant under the TOD LCDA program, a project must be part of an existing or near-future station area, within a quarter-mile of a high frequency local bus line, or within a half-mile of a high frequency express bus route with significant passenger infrastructure.

TOD applications must first pass threshold criteria not included in the regular grant process, including minimum densities (summarized in Figure 9) and TOD design features such as pedestrian amenities and limited parking. Equity considerations are also required in TOD areas, with local jurisdictions required to have a plan to address preservation of existing affordable housing and to create a mix of housing opportunities in the TOD area, either through the addition of affordable housing or, in lower income areas, the addition of higher value housing. Project applicants must also have a strategy for addressing gentrification.

Figure 8. Density Thresholds for TOD LCDA Grants

Type of density	Light rail supportive TOD	Bus and commuter rail supportive TOD
Residential density	30-75 units/acre	15-50 units/acre
FAR	1.5 to 3.0	0.5 to 3.0
Employee density	50-200 employees acre	50-200 employees acre

Source: Metropolitan Council, 2012

Lessons Learned

Flexibility gained by using regional funds.

The Livable Communities Fund provides the program with a predictable funding source that can be used for a wide variety of activities, including many that would not eligible under federal transportation programs. For example, federal transportation funds cannot be used for site assembly or non-transportation public infrastructure, both of which can be very helpful for TOD projects. MPOs using federal transportation dollars for their programs, such as Portland Metro and MTC, must engage in complicated local fund-swapping procedures to enable these activities.

Integrating affordable housing goals into the grant program.

Affordable rental townhomes in Maple Grove. The financing gap for this project was closed by a $255,000 LHIA grant. Source: Metropolitan Council.

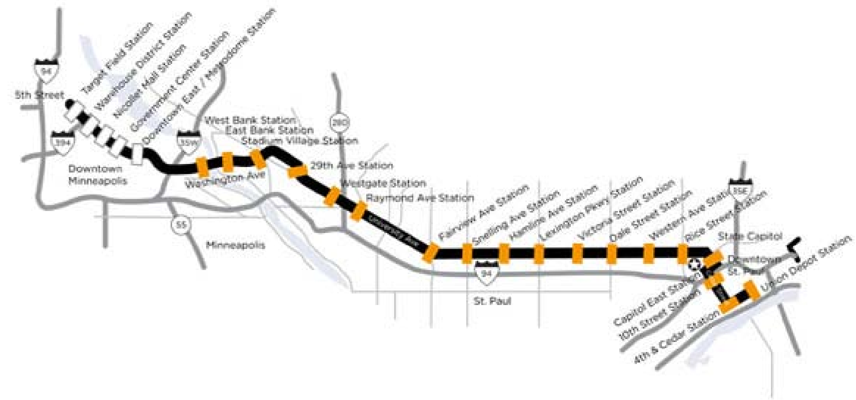
More so than other regional livability programs, the Livable Communities grants are tightly integrated with regional goals for affordable housing. There has been some debate about whether a voluntary, incentive-based program is effective in meeting the region's affordable housing needs; however, the program's design still serves as an illustration of how affordable housing and TOD can be linked together.

Another affordable housing program that deserves mention is the Land Acquisition for Affordable New Development (LAAND) Fund, a pilot loan program started in 2009 by the Met Council, Minnesota Housing and the Family Housing Fund. Only modest use was made of the LAAND program due to complications in implementation, including standards requiring the Council to be the first lienholder. No funding was proposed for this program in 2012.

Relationships with developers.

Although the grants are given to cities, cities often sub-grant the funds to developers, making an educated developer community critical to the success of the program. Program staff have invested time in educating the developer community and building relationships with developers, resulting in a developer community that understands the goals and benefits of the program. The staff aims to do more outreach, particularly to communities that are not regular applicants.

Central Corridor Funders Collaborative



Source: Central Corridor Funders Collaborative

The Central Corridors Funders Collaborative was established in 2008, bringing together 13 local and national philanthropic foundations to invest in activities that ensure that the Central Corridor Light Rail's will benefit all people and businesses along the corridor.

To date, the Funders Collaborative has made 76 grants totaling over $5.6M in four key areas: Access to Affordable Housing, Strong Local Economy, Vibrant Transit Oriented Places and Coordination and Collaboration. Below are descriptions of example grants in each of these four areas.

- Affordable housing: $146,000 to Local Initiatives Support Corporation in March 2011 to support the Central Corridor Affordable Housing Coordinated Plan Working Group and its creation of an affordable housing strategy for the Central Corridor
- Strong local economy: $75,000 to Ramsey County in December 2011 to support the Jobs Central Initiative, a project to integrate economic development and workforce development efforts along the Central Corridor.
- Transit-oriented places: $75,000 to the Asian Economic Development Association in June 2012 to support the implementation of the Little Mekong business and cultural district
- Communication and collaboration: $20,000 to the Higher Education Consortium for Urban Affairs to support a Central Corridor Internship Program in the Central Corridor Affordable Housing Coordinated Plan Working Group.

Balance between regional distribution of funds and focus on TOD. With the creation of a separate TOD program, the Metropolitan Council has made it clear that it places special importance on transit-oriented projects, but at the same time, it has maintained the regular Livable Communities program that funds areas that are not necessarily in close proximity to transit.

Additional measures are in place to ensure that funds are not concentrated in one place. In a given application cycle, no more than 40% of the funds may be granted to projects in Minneapolis or Saint Paul.

Case Study #4: Portland Region, TOD Program

Program Summary

Metro's TOD Program is unique in applying federal transportation funds to site-specific development projects near transit. The program focuses on small, strategic grants to overcome market barriers associated with higher density development, with the goal of catalyzing additional private investment in the area. To date, grants totaling $29 million have been made throughout the metro region in 19 station areas. Additional program activities include technical assistance and grants to promote urban living infrastructure (commercial services and amenities such as restaurants and bookstores).

Regional Context

Metro is the Portland area's designated Metropolitan Planning Organization (MPO), but it is structured differently from most other MPOs in the U.S., with an elected council and greater land use authority than most peer organizations in other states. Metro's primary charter is regional land use planning, with responsibilities including urban growth boundary management and the regional transportation plan.

The Portland region consists of 25 cities and three counties with a total of 1.5 million residents. Trimet, the regional transit agency, provides bus, light rail and commuter rail service in the Portland metro area. The first line of the now 52-mile, 85 station Metropolitan Express (MAX) light rail system opened in 1986, with more recent lines opening in the past decade, and another extension currently under construction.

Funding Framework

Portland's Metropolitan Transportation Improvement Plan (MTIP) allocates approximately $3 million annually in federal Surface Transportation Program (STP) funds to the TOD Program. Because these federal funds cannot be directly used for development grants, Metro has an intergovernmental agreement with TriMet to trade STP funds for fare box revenues, which have no restrictions attached to them.

Grants typically cover 1 to 2 percent of the overall cost of development, and are executed by purchasing transit-oriented development easements from the developer. In some cases, if Metro owns the property, the land is sold to the developer at a reduced cost. To ensure that appropriate development takes place, conditional use requirements stipulating densities, building heights, land uses, pedestrian friendly amenities, and reduced parking ratios are included in the terms of the easement or land sale.

New Mixed Use Development in a Historic Downtown

Source: Metro

Gresham, a city of over 100,000 people located east of Portland, has a historic Main Street that is over 100 years old. The City is actively working to build upon existing infrastructure by adding high-quality housing and services to strengthen the downtown area. In 1994, a 20-year Downtown Plan was adopted to increase permitted densities and to allow a mix of uses. More recently, the City completed a market study in 2005 and a Downtown Development Strategy in 2007.

Completed in 2009, 3rd Central is a four story mixed use development in downtown Gresham in walking distance to a light rail station and urban living amenities. The project contains 34 market rate apartments, achieving a density of 52 dwelling units per acre. There are a total of 47 parking spaces, and the development's parking facility is the first underground structure in downtown Gresham. A natural foods market on the ground floor exemplifies the urban grocery retail format.

Metro's TOD Program provided a grant of $345,000 to help cover the cost premium of over $1.0 million associated with higher density mixed use development. The City of Gresham also contributed a package including fee reductions, off-site refuse and recycling space and on-street parking. Additionally, an Urban Living Infrastructure grant of $85,000 from the TOD Program helped to cover the costs of improvements for the grocery store.

Project Eligibility and Selection

Because the TOD grants are intended to fund catalytic projects, project selection is critical. Unlike many grant programs targeted at local jurisdictions, project proposals are accepted on a rolling basis, rather than through an annual or bi-annual call for projects. Thus, projects are not evaluated in relation to competing applications, but on a case-by-case basis.

Metro imposes a number of threshold requirements on project, including the following:

- Connection to transit: Properties must be connected to public transit, typically within a ½ mile of a station area, within ¼ mile of a bus or streetcar corridor, or within the boundary of an urban center.
- Transportation and environmental benefits: The project must generate additional transit trips and reduce vehicle miles travelled (VMT) relative to a baseline project with no public assistance.
- Land use efficiency: The development must have the highest reasonable floor area ratio and site coverage ratio, as well as a low parking ratio.

Additionally, projects are evaluated on the basis of competitive investment criteria, including

- Creation of new market comparables for higher density buildings near transit
- Contribution to place-making goals
- Ability to attract investment, create jobs and strengthen the local tax base.

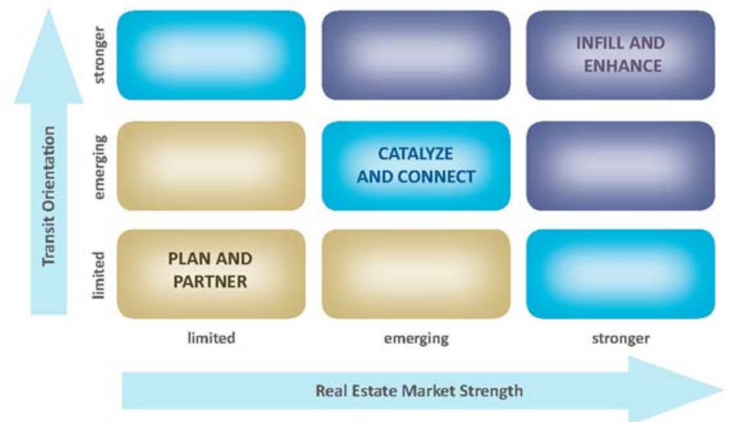
Metro also performs a rigorous cost-benefit analysis that compares the financial need of the project to the benefit of induced transit ridership. Financial need is determined by the cost premium associated with high density, urban infill or vertical mixed use development. A spreadsheet model is used to estimate the benefits in terms of new transit trips per day, and the net present value of this increased ridership over a 30 year period.

Investment Framework

In 2012, Metro adopted an updated TOD Program Work Plan to implement recommendations from a strategic plan developed in 2011 and a program audit from 2008.[7,8] The Work Plan introduces a TOD Strategic Plan Investment Framework that uses station area typologies to identify critical needs and direct program activities towards areas where they will have maximum impact. The TOD place types are grouped into three clusters, with different investment strategies associated with each cluster, as follows:

- Plan and Partner areas do not yet have the market or physical characteristics to be ready for TOD project investments, but they are eligible for technical assistance, outreach and opportunity site investments.
- Catalyze and Connect areas have the potential to support TOD, but require public assistance to achieve TOD building types, making them prime locations for the TOD Program's catalytic grants.
- Infill and Enhance areas already possess the urban character, mix of uses and real estate market to support continued TOD. Grants in these areas would focus on projects that contribute to place-making or serve as a new prototype for development.

Figure 9. TOD Typology Clusters



Source: Metro, 2012.

Affordable Housing

The TOD Program does not have explicit affordability goals, but it does support the provision of affordable and workforce housing in areas where

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[7] Center for Transit Oriented Development and Nelson/Nygaard. *Transit-Oriented Development Strategic Plan*, 2011, http://library.oregonmetro.gov/files//tod_final_report.pdf

[8] Suzanne Flynn, Fred King, Kristin Lieber and Bevin Clapper. "Transit-oriented Development Program: Improve transparency and oversight – A Report by the Office of the Auditor," August 2008, http://rim.metro-region.org/webdrawer/rec/212954/view/Office of the Auditor - Performance Audit Reports - Audit Reports - Transit-Oriented Development Program.PDF

such projects would increase the diversity of housing options and would not exacerbate concentrations of poverty. The reason for this latter condition is that some station areas already have a high number of affordable housing projects and substantial amounts of lower cost market rate housing. Many of the projects that have received TOD program grants have included a significant number of subsidized affordable units.

Other TOD-related Programs at Metro

In addition to the TOD Program, Metro has several other programs linking transportation and land use. Extensive corridor planning efforts bring multiple stakeholders together to help communities in the region make the most of public investments in transit. For example, the Southwest Corridor Plan is a partnership between Metro, TriMet, Multnomah and Washington County, the Oregon Depart of Transportation, and 10 cities along the corridor, from Portland to Sherwood. The project will integrate local land use planning, corridor transportation planning, and a transit alternatives analysis to determine the best mode and alignment of high capacity transit to serve the corridor.

The TOD Program's 2011 Strategic Plan recommended that grants for station area planning grants and infrastructure could help to address other aspects of TOD not addressed by the direct grants to development projects. Program staff suggested that new programs in these areas would likely be led by other departments at Metro and would not be directly related to the existing TOD Program.

Lessons Learned

Foster productive relationships with developers.
TOD Program staff work directly with developers, and report that these relationships are generally very positive. Although there is no marketing budget for the program, staff members establish connections through the Urban Land Institute and make themselves available to meet with developers and architects for consultations. The process is designed to be as straightforward as possible for grant applicants. Because the program is small, staff are able to be responsive to developers and work within their timeframes.

Making an impact with small grants.
Metro's program is based on the notion that a small amount of funding can make a critical difference in increasing density, if applied to the right project. The relatively small budget can also be a boon to a program, allowing it to operate with more flexibility and less scrutiny than programs that disburse larger amounts of funds.

Transit alignments are critical.
TOD Program staff emphasized that it is very difficult to catalyze compact urban development if land uses surrounding stations are not transit-supportive. For example, alignments may be chosen next to highways because of the lower right-of-way costs, which have traditionally been favored by the Federal Transit Administration's New Starts allocation process. Implementing pedestrian and bicycle improvements to improve connectivity to stations can also be costly.

Plan for the corridor, not just the station area.
TOD Program staff observed that station areas planned in isolation tend to plan for more mixed use than the market can support. Planning at the corridor-level can help to establish a more balanced and supportable mix of uses.

Family-Friendly Density in the Suburbs

Source: Metro

Nexus is a mixed-use project near the Orenco MAX light rail station and near to the high tech job cluster in Hillsboro, Oregon. With 422 apartment units and 7,100 square feet of ground floor retail on a 10.4 acre site, the project achieves a residential density of 40.5 dwelling units per acre, a significant increase over typical three-story apartments in suburban areas. The project provides an example of family-friendly transit-oriented housing, with almost half of all units providing two or three bedrooms. The TOD program provided a grant of $300,000 to the project, which had a total cost of $50 million.

Case Study #5: LA Metro Joint Development Program

Program Summary

LA Metro's Joint Development Program is responsible for the development and management of Metro-owned properties at transit stations and along transit corridors. The Joint Development Program has existed since the early 1990s, but has expanded its activity significantly in the past decade to promote TOD.

To date, the program has completed 11 projects, ranging from a small-scale, low-to-mid-rise affordable apartments at Hollywood/Western station to a large, glitzy 300-room W Hotel and luxury condominium development at Hollywood/Vine station. Currently, four projects are under construction and nine projects are in negotiation.

Figure 10. LA Metro's Joint Development Project Locations

Source: LA Metro, 2012.

Regional Context

LA Metro (Los Angeles County Metropolitan Transportation Authority) is the transportation provider for Los Angeles County. The county includes 88 different municipalities with a total population of 10.4 million. Metro Rail, the rapid transit system serving LA County, currently consists of six lines and 80 stations. The system has expanded several times since beginning operation in 1990 and more expansions are underway. In 2008, voters approved Measure R, a 0.5% sales tax increase that will provide billions in dollars in funding for new rail and bus rapid transit projects over the next 30 years.

Program Goals

The stated goals of the Joint Development Program are to encourage comprehensive planning and development around station sites, and to reduce auto use and congestion through "transit-linked development."

With each development property, the Joint Development Program seeks to promote transit-ridership, enhance the transportation corridor, enhance the land use and economic development goals of surrounding communities, and generate value to LA Metro by seeking a fair market return on its properties.

How It Works

- LA Metro does not deliberately acquire property for real estate development; all properties in the Joint Development program are surplus land previously used for a purpose related to LA Metro's transit service, such as a construction staging or parking.
- Periodically, LA Metro conducts market feasibility studies for its properties, and also consults with local jurisdictions regarding local land use development efforts. These efforts help to shape the project priorities and implementation strategies. If the market analysis shows that there would be support for a project, LA Metro prepares development guidelines articulating the type of land uses and intensity of development desired for the site, as well as desired transit or urban design features. These guidelines are developed in consultation with key stakeholders.
- Once the development guidelines have been approved by the Board, LA Metro issues a Request for Proposals (RFP). Proposals are evaluated by a panel consisting of key personnel, consultants and other professionals.
- The chosen developer executes an Exclusive Negotiation Agreement (ENA) which includes the agreed planning and development goals of the project.
- LA Metro enters into a Joint Development Agreement (JDA) for the implementation of the project.
- LA Metro remains the landowner for the property, entering into a Ground Lease when the project is completed. By retaining ownership, the agency ensures that it will control future changes to

the development. This is important because many of Metro's properties are located on top of transit stations, and the resulting joint developments are often physically integrated with the station.

Funding Framework

The Joint Development Program's budget consists primarily of salaries for five full-time staff members, who are paid out of the agency's general fund. Under the terms of the public-private partnership joint development agreement, developers pay for a project's hard and soft construction costs, property management and operating costs. Metro does not subsidize developments on its properties, although it may fund parking intended for use by Metro Rail commuters. The program's revenue from joint development and right-of-way leases for fiscal year 2012 was $18 million.

Affordable Housing and Joint Development

LA Metro's policy encourages residential developments "to provide a range of housing types to meet the needs of a diversity of household income, sizes and ages particularly if such diversity of housing is not currently provided within walking distance of the transit system."

LA Metro staff confirmed that the agency does not require or pro-actively seek affordable housing developments on its properties, but it does implement affordable housing when it makes sense to do so. Although LA Metro does not subsidize developments on its properties, other public agencies have often played a role in subsidizing affordable housing developments. In the past, the LA Community Redevelopment Agency was an importance source of funds for affordable projects, but with the dissolution of redevelopment in California, it is unclear where public sector support for these projects will come from.

The inclusion of affordable housing can sometimes be the key to making a project work. Prior to the economic downtown, LA Metro had entered a Joint Development Agreement and Ground Lease for the development of its property next to Santa Fe Yards maintenance complex in the City of Los Angeles. The four acre property was to be developed into a mixed use project with market-rate apartment housing, neighborhood-serving retail and commercial space. When the onset of the credit market crisis created a challenging market for regular financing, the developer was able to secure a loan of $86 million from HUD by increasing the project's share of affordable housing units to 20%. The project also received financing from the Los Angeles Housing Department, the Los Angeles Community Redevelopment Agency and the use of New Market Credits and Low Income Housing Tax Credits.

Other examples of Metro's joint developments incorporating affordable housing are Hollywood/Western, with 120 units of affordable apartment

Affordable apartments at Hollywood/Western Station. Source: LA Metro

units, completed in 2004, and the recently-opened MacArthur Park Apartments, with 90 affordable units adjacent to a Metro rail station. Another 82 affordable apartments planned for the second phase of the MacArthur Park development.

Lessons Learned

Joint development projects are subject to the laws of the market.
Program staff emphasized the fact that the market remains the key factor in the viability of joint development projects. In the absence of a market for a given use on a site, it will be challenging for the agency to create vitality and momentum with a project. Many potential joint development properties are park-and-rides in the San Fernando Valley; these have not been developed simply because there has not been market support for higher intensity development at these locations.

Development projects are complex, requiring qualified staff and agency support to be successful.
The time frame for development projects can be very drawn out, with many factors that must come together at the right time: market conditions, developer interest, project financing, entitlements and community support. LA Metro staff have had to renegotiate of Joint Development Agreements and Ground Lease terms for several recent projects due to the ripple

effects of changing market conditions on project financing and development programs.

Transit agencies can support affordable housing without a highly formalized policy.

LA Metro encourages a diversity of housing options in residential projects, but it does not have a minimum affordable housing requirement. Despite the lack of a formal policy, 22% of residential units developed on LA Metro properties are affordable.[9] This type of result is not uncommon in transit agency joint development efforts. A 2010 survey of transit agencies with joint development programs found that agencies vary in their formal endorsement of affordable housing, and that several agencies without an explicit policy on affordable housing had still implemented a significant number of affordable projects.[10] Strong institutional expectations and input from community organizations were identified as key factors leading to affordable housing joint developments.

TOD Planning Grants

In addition to the Joint Development Program, LA Metro has launched a new planning grant program to support TOD, run by the agency's Planning Department. (The Joint Development Program is housed in LA Metro's Real Estate Development). The TOD Planning Grants provide resources for local jurisdictions to engage in station area planning in preparation for major expansions of the transit system, particularly at a time when city finances are struggling and funds for long range planning are scarce.

The grant program is open to municipalities with land use regulatory control over property within a quarter-mile of designated transit corridors and within a half-mile of designated Metrolink Stations, as well as to Joint Powers Authorities and Councils of Governments that represent such municipalities. Two rounds of grants totaling $6 million have been awarded since September 2011, with a third round of grants totaling $10 million set to be awarded this fall.

Due to the variation in place types throughout the region, the program does not stipulate minimum densities, but plans are required to be transit-oriented. If the resulting plan is not transit-oriented, the grant agreement will be terminated.

[9] Robin Kniech and Melinda Pollack. Making Affordable Housing at Transit a Reality: Best Practices in Transit Agency Joint Development. 2010, http://www.fresc.org/downloads/TransitDev.pdf.

[10] Kniech and Pollack.

Case Study #6: Great Communities Collaborative

Program description

This case study provides an example of the role that non-profit and philanthropic organizations can play in supporting TOD.

Founded in 2006, Great Communities Collaborative (GCC) is a unique alliance of non-profit organizations and philanthropic organizations dedicated to promoting equitable and affordable TOD throughout the San Francisco Bay Area. GCC initially focused on influencing local station area planning efforts, but the housing market and financing bust led to a sense of urgency regarding the development of tools for implementing equitable TOD. In 2011, the Collaborative expanded its role to include strategic work to influence regional policies, convene key stakeholders and increase the availability of funding to support TOD in the Bay Area.

Governance structure

Initially, GCC's structure consisted of eight core partners supported by a number of local community groups and technical assistance providers. The eight core partners were four regional nonprofits (Greenbelt Alliance, the Nonprofit Housing Association of Northern California, TransForm and Urban Habitat), one national transit advocacy and research non-profit (Reconnecting America) and three community foundations (East Bay Community Foundation, The San Francisco Foundation, and Silicon Valley Community Foundation). Program management tasks were handled on a part-time basis by staff members from one of the core partner organizations.

In 2011, GCC completed a Strategic Plan process that resulted in a new governance structure, consisting of three distinct components:

- Funder Network. Bay Area community foundations play the lead role in the network, joined by private foundations with local, state or national focus. Currently, the lead foundations are The San Francisco Foundation and the Silicon Valley Community Foundation. The Funder Network makes decisions about the annual budget and fundraising activities.
- Advisory Board. Comprised of individuals representing nonprofit organizations working on issues that overlap with GCC's mission, the Advisory Board meets with the Funder network on a quarterly basis to adopt the annual work plan, make budget recommendations and discuss other issues related to the Collaborative's work.
- Staff. Program management, communication and coordination are handled by full-time staff members who report to the Funder Network. Currently, the San Francisco Foundation provides two-and-a-half dedicated staff members for the GCC.
- Program Committees for the four work areas of Local Policy and Planning, Regional Policy and Planning, Convening and Mobilizing, and Finance. These committees include GCC staff, representatives from non-profit partners, and potentially individuals from other organizations in the region. The role of the Program Committees is to ensure that the work plan for each program area is implemented. Funding framework

The GCC's annual budget of approximately $2 million is funded by a network of local and national foundations. Current funders are: Silicon Valley Community Foundation, The San Francisco Foundation, Surdna Foundation, William and Flora Hewlett Foundation, Ford Foundation and Living Cities.

Resident's of Oakland's Lake Merritt neighborhood at a community planning workshop. Source: Great Communities Collaborative.

Station area planning activities

To support local station area planning, GCC partners with local community groups, providing training and technical assistance to build residents' capacity to advocate for their community's housing, transportation and employment needs.

Each GCC non-profit organization focuses their work in selected communities undergoing a Station Area Plan or Specific Plan process. In 2012, GCC was working with local groups on plans for 10 different sites in the Bay Area. The sites range from existing stations in the downtown core of large cities, such as Oakland's Lake Merritt BART Station, to planned stations in more suburban contexts, such as the North Santa Rosa SMART Station. **Figure 12** shows the locations of GCC's current and past local station area planning efforts.

TOD Tools

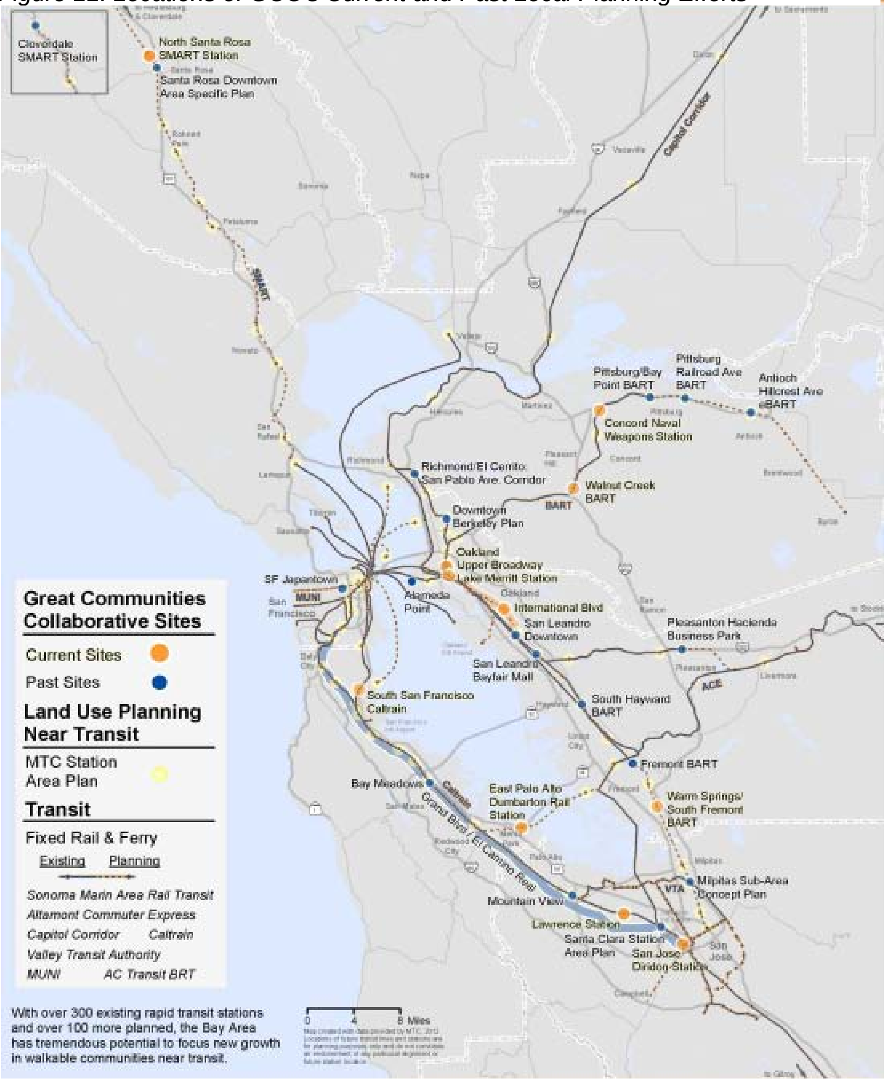
GCC has developed TOD tools and communications materials that can be used by advocates in communities throughout the Bay Area and beyond. These materials include fact sheets on the benefits of TOD, a guide to developing a station area plan, and research reports that make the case for mixed-income TOD.

Increasing the flow of TOD Funding

GCC played a key role in catalyzing the development of the Bay Area's $50 million Transit-Oriented Affordable Housing (TOAH) fund, launched in 2011. Eighty-five percent of fund capital is targeted to support the creation and preservation of affordable housing, while the remaining 15 percent can be used to support community facilities, child care centers, health clinics, fresh food markets and other neighborhood retail in proximity to transit. Consistent with the regional policy of focusing investment in Priority Development Areas in the Bay Area, loans are only made to projects located in PDAs.

The idea for the TOAH fund originated with GCC in 2008, as the Collaborative recognized that the depressed housing market provided an opportunity for preserving property for permanent affordable housing. Following the recommendations of a feasibility study conducted by the Center for Transit-Oriented Development (CTOD) in 2010 that identified acquisition lending and other pre-development debt needs as key financing gaps inhibiting the development of equitable TOD, GCC pursued the formation of a short-term structured acquisition loan fund modeled after existing funds developed in other parts of the country.

Figure 11. Locations of GCC's Current and Past Local Planning Efforts



Source: Great Communities Collaborative, 2012.

In 2010, the Metropolitan Transportation Commission (MTC) agreed to make a $10 million grant investment in the fund through the Transportation for Livable

Communities program. The grant was accomplished by exchanging federal Congestion Mitigation and Air Quality Improvement Program (CMAQ) and Surface Transportation Program (STP) dollars for discretionary funds from one of the region's county Congestion

Management Agencies, as part of the Transportation for Livable Communities program (see case study #2). With MTC's commitment and fund development efforts by the Low Income Investment Fund (LIIF), GCC was able to obtain an additional $40 million in private capital for the fund. MTC officials have pointed out that MTC gets a excellent return on its fund investment compared to regular grants, due to the four-to-one leverage with private capital and the fact that the initial investment will be used repeatedly in the form of new loans.[11]

Figure 13 illustrates how the TOAH Fund is structured. The $10 million grant investment from MTC occupies the "top loss" risk position in the fund, so that if any of the loans default, the grant funds take the first loss. The investments from foundations and community development finance institutions (CDFIs) occupy the second tier. Two banks occupy the senior risk position. GCC retains two seats on the TOAH fund advisory board.

Figure 12. TOAH Capital Stack

EQUITY OR GRANT MONEY Public sector: $10 million from MTC
PROGRAM-RELATED INVESTMENTS AND FLEXIBLE LOANS Philanthropic organizations and CDFIs: $15 million from the Ford Foundation, Silicon Valley Foundation and The San Francisco Foundation and six CDFIs
SENIOR LOANS Banks: $25 million from Morgan Stanley and Citi Community Capital

Source: MTC, 2011

The fund is currently intended to exist for ten years; loans will be originated in the first five years and repayment will be collected in the latter five years. The Fund currently offers five different short-term loan products ranging from acquisition loans to leveraged commercial loans intended to complement New Market Tax Credits investments, with a range of below-market rate loan specifications.

The fund's first loan consisted of a $4.8 million property acquisition loan to the Tenderloin Neighborhood Development Corporation for a 14-story, 150-unit complex expected to include affordable family apartments at the corner of Eddy and Taylor Streets in San Francisco. The project also includes a retail space the developers hope to fill with a full-service grocery store. In July of 2012, the Fund approved its third loan and had two more in process; while all five were acquisition loans, the Fund manager anticipates demand for other loan products in the near-term.

[11] Metropolitan Transportation Commission. "MTC Contribution Keys New Affordable Housing Fund," March 23, 2011, http://www.mtc.ca.gov/news/press_releases/rel523.htm.

San Leandro's Downtown TOD Strategy

San Leandro residents at a council meeting. Source: Urban Habitat

In 2006, San Leandro began a station area planning process around a proposed BRT station in the city's downtown, within close proximity to a BART Station. The plan was funded by a Transportation for Livable Communities grant for $450,000 from MTC. Urban Habitat, one of the partner non-profits in GCC, partnered with local group Congregations Organizing for Renewal (COR) to engage residents in the planning process, offer GCC's TOD resources to city staff and provide analysis to help the community make decisions about the Plan.

Based on identified needs, Urban Habitat and COR advocated for strong affordable housing and anti-displacement policies in San Leandro's Downtown TOD Strategy. Urban Habitat also conducted a training for COR's leadership on mixed income TOD, met with city staff on a regular basis, and contracted consults to provide an affordable housing analysis.

The Plan was finalized in 2007 and allows for up to 3,400 new housing units, with increased densities near the BART station. The Plan includes a section on "Mixed Income and Workforce Housing Policy" articulating the city's intent to ensure housing that is affordable to households with a range of incomes. The City Council also committed to holding two work sessions on affordable housing following the adoption of the plan.

The Crossings is expected to be the first project implementing San Leandro's Downtown TOD Strategy. As originally proposed, it included 700 housing units, of which 100 would be affordable rental housing. Due to the economic conditions, the project was put on hold in 2010, but a revised plan is under negotiation, with some housing units replaced by office development to make the project more feasible. The plan still includes 200 apartment units providing affordable workforce housing.

MTC is currently evaluating an additional $15 million investment in the TOAH Fund that will allow the Fund to expand its offerings to include outreach and planning grants to non-profits, and, potentially, permanent financing.

Lessons learned

Many different types of organizations play a role in supporting TOD.
While most of the case studies in this report have focused on public agencies, the Great Communities Collaborative illustrates the role of three different types of non-governmental organizations. GCC is funded by philanthropic foundations, including several that are locally based and very engaged with the communities in which they work. GCC's activities are primarily carried out by staff at regional non-profit organizations. These organizations have specific issues and constituencies that they advocate for, in multiple communities throughout the Bay Area. To be effective at a local level, these regional non-profits partner with grassroots community groups in the cities where key planning processes are taking place. The collaborative relationship between the regional metropolitan planning organization (MTC) and the GCC has also proven to be very productive, resulting in innovations such as the TOAH fund.

Community organizations help to ensure that regional grants are used for maximum benefit.
The goals of GCC are in many ways aligned with the goals of the Bay Area's two regional agencies, the Association of Bay Area Governments and the Metropolitan Transportation Commission. While the regional agencies incentivize TOD through high-level policies and programs, GCC supports TOD by working on the ground with local residents.

Many of the station area planning processes that GCC has been involved with were funded by grants from the MTC's Transportation for Livable Communities program. (See case study #2.) By educating local residents about TOD and empowering them to participate in planning processes, GCC helps to ensure that the MTC's funds are being used effectively. Community engagement and affordable housing strategy are required elements of station area plans that receive funding from MTC. Furthermore, while MTC does not have the resources or the authority to enforce housing production in all jurisdictions within its boundaries, community organizations do track affordable housing development and can be instrumental in placing pressure on local governments.

Even with limited resources, non-profits can be instrumental in catalyzing innovative funding sources.
The TOAH Fund represents the cutting edge in TOD property acquisition funds, and while it was made possible by funds from large public and private institutions, GCC played a key role in identifying the critical need for a regional gap financing tool and making the case for development of a fund. TOD funding is one of GCC's four key areas of work, and the organization expects to continue to develop other innovative funding mechanisms in the future.

Organizations with diverse but overlapping missions can collaborate for maximum impact.
The Great Communities Collaborative brings together a wide variety of organizations that have identified mixed income TOD as supporting their goals. The philanthropic foundations, issue-based non-profits and community groups that participate in GCC are able to be work more effectively by building on each other's work and sharing resources. Each partner organization brings different issue expertise, geographic diversity and constituencies to the alliance.

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