

**MAYOR ERIC GARCETTI, SUPERVISOR RIDLEY-THOMAS,
SUPERVISOR SHEILA KUEHL, SUPERVISOR HILDA SOLIS,
DIRECTOR MIKE BONIN & DIRECTOR JACQUELYN DUPONT-WALKER
Executive Management Committee Meeting**

February 19, 2015

Item 40: Public Transportation, Affordable Housing, & Environment

MTA has been a national leader among major transportation agencies in working with local jurisdictions and affordable housing developers in the production of affordable housing through MTA's Joint Development Program.

According to updated information from MTA, nearly 2,077 units, or 33% of all units, developed through MTA's Joint Development Program are affordable units.

According to a recent study from UCLA's Ziman Center for Real Estate, Los Angeles is the least affordable rental market in the country, based on the portion of a renters' income that goes to pay rent.

Since 2009, the Los Angeles County Metropolitan Transportation Agency (MTA) has made significant contributions toward reducing air pollution through investments in compressed natural gas (CNG) buses, new and expanded transit lines, additional bicycling programs, and rideshare projects. However, to achieve 25 percent reduction in Greenhouse Gas emissions (GHG) by 2020—following the goal set forth by the U.S. Environmental Protection Agency (EPA)—Los Angeles County needs to do more.

Last year, MTA joined with the California Community Foundation and the California Endowment to study:

- A. The status of affordable housing financing resources in Los Angeles County;
- B. The role that other major transit agencies nationwide have played in affordable housing support;
- C. The options available to MTA to continue its successful inclusion of affordable units in MTA Joint Development Projects; and,
- D. What can MTA and others do to support and protect affordable housing near transit throughout the County.

While MTA cannot shoulder the burden of affordable housing creation alone, it can work in partnership with local communities to protect and create affordable housing near transit in order to preserve ridership and the associated greenhouse gas benefits.

It is now time to consider policy and program implementation that ensures MTA's success in affordable housing production continues.

WE THEREFORE MOVE that the CEO direct staff to report back to the Board with the following items:

- A. Amendment to MTA's Joint Development Policy, establishing a goal that in the aggregate, affordable housing units represent 35% of all residential units developed on MTA-owned property;
- B. Recommended criteria under which MTA would allow proportional discounts to the fair market value of MTA owned property for the purpose of contributing towards the cost of affordable housing;

FURTHERMORE, WE MOVE that the CEO direct staff to:

- C. Develop a memorandum of understanding with interested local cities and the County of Los Angeles to promote co-investment along transit corridors, such as leveraging municipally-controlled affordable housing and small business dollars for MTA's Joint Development affordable housing sites;
- D. Negotiate terms and conditions for the Board's consideration that reflect MTA's participation in the collaborative creation of a multi-partner Countywide Transit Oriented Affordable Housing loan fund, and report back to the Board on the following:
 - 1. Criteria for eligible joint development projects, including neighborhood serving businesses to be funded by the loan fund;
 - 2. Administration of the fund;
 - 3. Loan Program Structure;
- E. Report back to the Board during the FY2015-16 Budget regarding the feasibility to budget \$2 million annually for 5 years, up to \$10 million to establish the fund; and
- F. Work with the affordable housing community to establish a revenue neutral TAP purchase program that provides passes to current and future occupants of MTA joint developments.

###