



Metro

Los Angeles County
Metropolitan Transportation Authority

One Gateway Plaza
Los Angeles, CA 90012-2952

213.922.2000 Tel
metro.net

METRO

Transit Oriented Development Grant Program Guidelines

10/1/2011

I. INTRODUCTION AND PURPOSE

The Transit Oriented Development (“TOD”) Grant Program provides Los Angeles County Metropolitan Transportation Authority (LACMTA) funds to encourage local governments to adopt land use regulations that promote sustainable transit oriented design principles. TOD projects take advantage of the proximity and access to public transit through appropriate density, reduced reliance upon private automobile, and enhanced walkability. Such development is found to increase the accessibility and utilization of public transportation. This program will provide funds to local government to adapt their existing general plans, specific plans, zoning and other ordinances to encourage such sustainable development forms. Grant funding shall be limited to the development of specific regulatory documents that can be adopted by the governing bodies, such as:

- New or amended specific plans
- New or amended ordinances
- New or amended overlay zones
- New or amended general plans
- Transit Village Development Districts
- Environmental studies required to support the new or amended regulatory documents.

II. PROGRAM OBJECTIVES

The primary objectives of the TOD Grant Program are to provide funding to:

- Increase access to transit by assisting local governments to accelerate the adoption of TOD regulatory frameworks.
- Improve utilization of public transit by reducing the number of modes of transportation necessary to access regional and local transit lines.
- Further the reduction in greenhouse gases through encouraging in-fill development along transit corridors.
- Support and implement sustainable development principles.

III. ELIGIBLE APPLICANTS

Communities with land use regulatory jurisdiction within 1/4 mile of Metro transit station locations.

IV. FUNDING PRIORITIES

- a. First priority will be for funding proposals that will result in eliminating regulatory constraints to TOD projects and developing the regulatory documents described in Section I above. Such regulatory changes will

result in conditions that encourage development near transit stations, provide for appropriate density given the immediate access to transit, reduce dependency on the private automobile and provide for strong pedestrian and bicycle connections between development sites and transit. While adoption of a Transit Village Development District [Government Code 65460] is only one method of achieving the regulatory changes desired under this grant program, proposals may seek to emulate major portions of the objectives stated in Government Code 65460.

- b. Second priority will be given to funding proposals that include planning at or near station locations that may be a precursor to regulatory change, including but not limited to, traffic modeling, density studies and financial feasibility of various development forms. Funding of such projects will only be considered if available funds remain after qualified first priority projects are funded.

V. SCORING: The following provides guidance in the scoring of the applications. Each section of the application contains an indication of the maximum points that may be awarded for each section.

Section 1A Regulatory Documents: This section should list each of the regulatory documents that will require revision to allow TOD projects to go forward. This may include a community's general plan, zoning ordinances, parking codes, specific plans, Transit Village district documents, etc. (Up to 5 points)

Section 1B Community and Policy Maker Support: This section should provide evidence that there exists community stakeholder and policy maker support for the types of changes being proposed. This could be evidenced by prior actions implementing similar changes elsewhere in the community, specific direction by the council and mayor, etc. (Up to 5 points)

Section 2A Regulatory Constraints: This section should identify those specific regulatory constraints that the program is meant to address. This could include outdated parking requirements, height or density restrictions, lack of bicycle and pedestrian access and utilization incentives, etc. The description should be comprehensive and subject to regulatory relief. (Up to 15 points)

Section 2B Impact of Proposed Regulatory Changes: A strong application will carefully describe how the regulatory changes will directly mitigate the constraints previously identified. Projects that include regulatory changes that support the incentives offered in Transit Village statutes (Transit Village Development Planning Act of 1994 [Government

Code 65460. - 65460.11.]), as well as provisions of the Public Resources Code Chapter 4.2, beginning with Section 21155, are indicative of the type of regulatory changes sought in this program. (Up to 25 points)

Section 3 Public Participation: This section should demonstrate that the applicant has thought through the public participation and outreach program necessary to bring the regulatory changes forward and has considered the impact of the program on the project delivery schedule. (Up to 5 points)

Section 4A Opportunity Sites: The strongest applications will be able to link the changes to the regulatory environment with the near term potential for implementing TOD development principles. The availability of suitable sites, particularly if controlled by the applicant, will be one measure of near term implementation. (Up to 10 points)

Section 4B Economic Development Implementation: The presence of an active economic development, housing, or redevelopment program may also provide evidence that regulatory change may lead to near term implementation of TOD principles. (Up to 5 points)

Section 5A Project Management Scope of Work: This section should clearly describe all the work to be undertaken to effect the changes proposed leading to and including any required action of the legislative body. The work program should be comprehensive, with clearly stated realistic milestones and deliverables by which progress can be gauged. Responsibilities between staff and consultants should be identified. (Up to 20 points)

Section 5B Project Schedule and Budget: In this section of the application, a narrative description of the schedule should be provided, and the schedule should demonstrate that the regulatory changes can be brought forward for legislative policymaker action within the 24 month grant period. Any innovative approaches to the schedule that will expedite the program should also be described in this section. Any local match should be described including its availability. Strong applicants will have presented a realistic and highly cost efficient schedule that maximizes the impact of the grant funds requested. (Up to 10 points)

VI. ELIGIBLE COSTS

- a. Applicants will develop and submit a budget as part of the application. Funds awarded will not exceed the budget submitted and may be less if the key objectives can be achieved at lower costs. Any cost overruns shall be the responsibility of the applicant.

- b. Both third party consulting costs and internal staff costs for staff directly providing services with respect to the project will be eligible for funding. Such eligible costs shall not include overtime costs.
- c. Cost associated with community outreach and meeting CEQA requirements are eligible costs.

VII. NON-ELIGIBLE COSTS

- a. Costs such as equipment, furniture, vehicles, office leases or space cost allocations or similar costs.
- b. Applicant staff overtime costs, mileage reimbursements, and use of pool cars.

VIII. GENERAL AND ADMINISTRATIVE CONDITIONS

- a. **Duration of Grant Projects.** Projects' schedules must demonstrate that the projects can be completed, including action by the governing body on the proposed regulatory changes within 24 months of award.
- b. **Governing Body Authorization.** Completed TOD Planning Grant applications must include authorization and approval of the grant submittal by the governing body, if required to be considered for funding.
- c. **Memorandum of Understanding.** Each awarded applicant must execute a Memorandum of Understanding (MOU) with LACMTA which includes the statement of work, including planning objectives to be achieved, financial plan reflecting grant amount and any local match, if applicable, schedule and milestones and deliverables. The schedule and milestones must reflect that the project will be completed within 24 months from date of award.
- d. **Funding Disbursements.** Funding will be disbursed on a quarterly basis subject to satisfactory compliance with the expenditure plan and milestone schedule as demonstrated in a quarterly report supported by a detailed invoice showing the staff and hours billed to the project, any consultant hours, etc. An amount equal to 5% of each invoice will be retained until final completion of the project and audits. In addition, final scheduled payment will be withheld until the project is complete and approved by LACMTA and all audit requirements have been satisfied. All quarterly reports will be due on the last day of the months of February, May, August, and November.
- e. **Audits.** All grant program funding is subject to LACMTA audit. The findings of the audit are final.

**Los Angeles County Metropolitan Transportation Authority (Metro)
Transit Oriented Development Planning Grant**

LAPSING POLICY

TIMELY USE OF FUNDS/REPROGRAMMING OF FUNDS

MOU LAPSING POLICY

Grantee must demonstrate timely use of the Funds by:

- (i) Executing an MOU within sixty (60) days of receiving formal transmittal of the MOU boilerplate,
- (ii) Meeting the Project milestones due dates as stated in the Scope of Work,
- (iii) Timely submitting of the Quarterly Progress/Expenditure Reports, and
- (iv) Expending the Funds granted within thirty (30) months from the date funds are available.

If the Grantee fails to meet any of the above conditions, the Project may be considered lapsed and may be submitted to the Board for deobligation. **Expenses that are not invoiced within sixty (60) days after the lapsing date are not eligible for reimbursement.**

In the event that the timely use of the Funds is not demonstrated, the Project will be reevaluated as part of its annual TOD Planning Grant Deobligation process and the Funds may be deobligated and reprogrammed to another project by the Board.

Administrative extensions may be granted under the following conditions:

- (i) Project delay due to an unforeseen and extraordinary circumstance beyond the control of the project sponsor (legal challenge, act of God, etc). Inadequate staffing shall not be considered a basis for administrative extensions.
- (ii) Project delay due to an action that results in a change in scope or schedule that is mutually agreed upon by Metro and the project sponsor prior to the extension request.
- (iii) Project fails to meet completion milestone, however public action on the proposed regulatory change(s) has been scheduled and noticed to occur within 60 days of the scheduled completion milestone.

Appeals to any recommended deobligation will be heard by a Metro appeals panel.

If Grantee does not complete an element of the Project, as described in the Scope of Work, due to all or a portion of the Funds lapsing, the entire Project may be subject to deobligation at LACMTA's sole discretion. In the event that all the Funds are reprogrammed, the Project shall automatically terminate.