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**METRO**

# **Transit Oriented Development Grant Program Guidelines**

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**Round 2**

**2/24/2012**

## **I. INTRODUCTION AND PURPOSE**

The Transit Oriented Development (“TOD”) Grant Program (“Program”) provides Los Angeles County Metropolitan Transportation Authority (“Metro”) funds to encourage local governments to develop and adopt land use regulations that promote sustainable, transit-oriented design principles. TOD projects take advantage of proximity and access to public transit through appropriate density, reduced reliance upon private automobiles, and enhanced walkability. Such development may increase the accessibility and utilization of public transportation. This program will provide funds to local governments, Joint Powers Authorities (“JPAs”) that represent local governments, and/or Councils Of Governments (“COGs”) to adapt their existing general plans, specific plans, zoning, and other ordinances to encourage such sustainable development forms, or to develop model ordinances, planning tools, and/or recommendations that will lead to local regulatory changes in support of TOD. Grant funding for Round 2 of the Program is available to cities, the County of Los Angeles, JPAs, and/or COGs that: (1) have, or represent cities that have, Metrolink stations in Los Angeles County; (2) are along Metro’s South Bay Green Line Extension; or (3) are along the West Santa Ana Branch corridor. As in the first round, eligible cities, JPAs, and COGs may use grant funding to develop specific regulatory documents that can be adopted by the member 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.

Additionally, Round 2 of the TOD Planning grant may be used by applicants to complete planning efforts that:

- Identify opportunities for regulatory changes that promote TOD;
- Develop specific planning tools for member cities to consider in adopting regulatory changes that promote TOD;
- Assist member cities to collaborate on planning for the new stations and/or to promote TOD friendly regulatory change around existing or proposed stations;
- Develop model ordinances or other regulatory frameworks.

## **II. PROGRAM OBJECTIVES**

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

- Increase access to transit by assisting local governments to accelerate the adoption of TOD regulatory frameworks;

- Improve the transit network and increase 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 and transit use;
- Support and implement sustainable development principles.

### **III. ELIGIBLE APPLICANTS**

Local Governments, Los Angeles County JPAs, and/or COGs representing communities with land use regulatory jurisdiction:

- Within ½ mile of existing Metrolink Stations in Los Angeles County
- Within ¼ mile of the planned or proposed transit corridors of the Metro South Bay Green Line Extension and the West Santa Ana Branch.

JPAs or COGs that apply **MUST** demonstrate support of the proposed grant activities from **all** targeted local governments. Support can be demonstrated by a letter or resolution from the local government.

### **IV. FUNDING PRIORITIES**

Round 2 will give priority to the following:

- a. 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 both the immediate access to transit and the nature of the surrounding community, reduce dependency on the private automobile, and provide for strong pedestrian and bicycle connections between development sites and transit.
- b. Proposals that will result in model ordinances, guidelines, or other planning tools that act as a precursor to regulatory change that will eliminate constraints to TOD projects and create opportunity to develop the regulatory documents described in Section I above. Such studies will identify planning mechanisms that encourage development near transit stations, provide for appropriate density given both the immediate access to transit and the nature of the surrounding communities, reduce dependency on the private automobile, and provide for strong pedestrian and bicycle connections between development sites and transit.

- 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.

**Section 1A - Proposed Regulatory Documents and/or Planning Study:**

- (a) If the applicant is proposing to adopt or amend a regulatory document, this section should list each of the regulatory documents that will require revision to allow TOD projects to go forward and describe the new regulatory documents, if appropriate. This may include a community's general plan, zoning ordinances, parking codes, specific plans, Transit Village district documents, etc.
- (b) If the applicant is proposing development of a model ordinance or other pre-regulatory documents, this section should discuss the objective(s) of the effort, the targeted community(ies), and some of the anticipated outcomes, for example: description of appropriate TOD guidelines for the targeted communities; identification of specific opportunities for TOD; recommendation of regulatory documents to adopt and/or amend; development of general planning principles for communities to consider in moving forward with TOD-friendly regulatory changes, etc.

(Up to 25 points)

**Section 1B - Community and Policy Maker Support:** This section should identify all of the impacted communities and provide evidence that there exists community stakeholder and policy maker support for the types of regulatory changes and/or studies being proposed. This could be evidenced by prior actions implementing similar changes elsewhere in the community, specific direction by the impacted city councils and mayors, letters of support, etc. This section applies to all applicants, though COGs and JPAs are required to demonstrate support from the targeted communities. (Up to 5 points)

**Section 2A - Regulatory Constraints:** This section should identify those specific regulatory constraints and/or general land use challenges 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.; a lack of cohesive vision as to how to plan collaboratively for TOD around new and/or proposed stations; and a lack of clarity as to appropriate TOD principles given the nature of the impacted communities. 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 or offer a clear description of how the proposed planning efforts will lead to development, and likely adoption, of regulatory changes that support appropriate TOD. (Up to 15 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 planning studies and/or regulatory changes forward, has the support of the targeted local government and/or communities, and has considered the impact of the outreach/participation program on the project delivery schedule. (Up to 5 points)

**Section 4 - Opportunity Sites:** The strongest applications will be able to link the changes to the regulatory environment and/or the proposed planning recommendations with the near term potential for implementing neighborhood-appropriate TOD development principles. The availability of suitable sites, particularly if controlled by the applicant, will be one measure of near term implementation. (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 studies and/or 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, if any, 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 model ordinances or other planning tools can be completed, and/or that the regulatory changes can be completed and 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 applications 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. Costs 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 related actions by the governing body (if any) within 24 months of award.
- b. **Governing Body Authorization.** Completed TOD Planning Grant applications must include authorization and approval of the grant submittal and acceptance of award by the governing body, if required, within three months of notification of award.
- c. **Grant Agreement.** Each awarded applicant must execute a Grant Agreement with Metro. The Agreement will include the statement of work, including planning objectives to be achieved, financial plan reflecting grant amount and any local match, if applicable, and a schedule of 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 Metro 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 Metro 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**

### **GRANT AGREEMENT LAPSING POLICY**

Grantee must demonstrate timely use of the Funds by:

- (i) Executing a Grant Agreement within sixty (60) days of receiving formal transmittal of the Grant Agreement boilerplate;
- (ii) Meeting the Project milestones due dates as stated in the Scope of Work;
- (iii) Timely submittal 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 the 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 Metro's sole discretion. In the event that all the Funds are reprogrammed, the Project shall automatically terminate.