

**Board Report**

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**PLANNING AND PROGRAMMING COMMITTEE
OCTOBER 14, 2015****SUBJECT: TRANSIT ORIENTED COMMUNITIES (TOC) DEMONSTRATION PROGRAM****ACTION: RECEIVE AND FILE****RECOMMENDATION**

RECEIVE AND FILE report on the **creation of the Transit Oriented Communities (TOC) Demonstration Program.**

ISSUE

At the direction of the Chief Executive Officer (CEO), the Joint Development (JD) Department has developed the Transit Oriented Communities (TOC) Demonstration Program (the "Program"), identifying changes to the JD process as well as a "TOC Toolkit" to promote a more expansive approach to integrating transit into communities. Attachment A is a draft of the TOC Demonstration Program, including a description of sites to be showcased through the Program and Attachment B has a more detailed TOC Demonstration Program Site Matrix.

DISCUSSION**Program Overview**

TOCs represent a comprehensive approach to creating compact, walkable and bikeable places in a community context. The key difference between Transit Oriented Development (TOD) and TOCs are that TOCs focus more broadly on the community rather than focusing on a single development.

Moving from TOD to TOCs requires that Metro take a leadership role in collaborating with a variety of local stakeholders, including local government, private developers and community members, to make our individual transit oriented developments and policies part of a vibrant built environment for existing and future residents to live, work, play, and commute. The TOC Demonstration Program will showcase a broader community development focus to all aspects of Metro's work in building the public transit system. The Program will be realized through two components:

1. A re-calibration of the JD Process focused on active collaboration with community stakeholders and local jurisdictions; and
2. Building a "TOC Toolkit" that draws upon an array of creative community development tools to support JD projects in achieving broader TOC goals.

The JD Process has been updated with the following components:

- TOC Webpage Reboot (June 2015);
- Update of the Joint Development Policy (July 2015);
- Development Guidelines - process refinement underway, will include more robust community participation and encompass additional Metro goals including active transportation;
- Design Review - Expanded beyond technical operational review to more comprehensively consider the quality of design and impact on community

The TOC Toolkit is a set of tools and strategies that can be applied as appropriate to the Demonstration Program sites and to the 1 - 1 ½ corridor radius around the sites, and includes:

- Affordable Housing Policies - 35% portfolio wide goal and proportional land discount approved at July 2015 Board meeting; an update on the affordable housing and small business development loan fund additional, in-development policies was reported to the Board in September 2015;
- Coordination on public funding;
- Joint ventures with other public agencies;
- Support for active transportation improvements;
- TOD Planning Grant Program (4 Rounds awarded, Round 5 anticipated in 2017);
- Other site-specific tools, including:
 - Bulk discounts on TAP cards for Metro JD affordable housing projects;
 - Inclusion of adjacent properties in Metro Joint Development projects;
 - Partnerships with Community-Based-Organizations;
 - Station Connections;
 - Reduction, relocation or consolidation of transit parking, if appropriate;
 - Innovative financial partnerships;
 - Transit improvements

Site Selection

The sites that will be showcased in the TOC Demonstration Program were selected based on the following criteria:

- Geographic spread across LA County, to the extent possible;
- Within an existing or in-construction rail or high quality bus transit corridor;
- Site is owned by Metro (or an interested public agency or private developer) and available for new construction within the next 5 years (i.e. not on hold for transit improvements and/or in

use for staging or other construction-related needs for more than 5 years from September 2015);

- Existing land uses support TOC development and/or land use planning underway;
- Commitment by local jurisdiction or County to collaborate in the demonstration program;
- Ability for Metro to have a direct and active role in the development of the site;
- Commitment by developer/property owner, where applicable;
- If not a development site, then a program/project area that is focused on a set of improvements that promote TOCs.

Each of the 7 sites identified for inclusion in the Demonstration Program was vetted with staff from each Board Director's office with jurisdiction as well as the participating municipality. The sites are described in Attachment B, the TOC Demonstration Program Site Matrix. It is important to note that the TOC approach will not be limited to those sites included in the Demonstration Program, but will be applied to all active Joint Development projects and sites, as well as any new Joint Development sites. The selected sites are being showcased because they have the potential to impact a broader area and best demonstrate the power of the TOC approach.

Implementation

Metro's JD staff will provide quarterly progress reports to the Board for each of the Demonstration sites, starting at the January 2016 Board meeting. In addition, any time that the Board is asked to take action regarding one of the Demonstration sites, staff will note the site's inclusion in the Demonstration Program and indicate how the proposed actions are in keeping with Program's goals. The TOC Demonstration Site matrix (Attachment B) identifies near and longer term goals for each site, however it is anticipated that each site will generate more specific TOC goals during the outreach and project development process. For example, specific public improvements or community uses to accompany each site, as well as creative financing opportunities and partnerships that will realize these goals will not be known until we progress further into the community outreach and project development phases of each site.

FINANCIAL IMPACT

The Demonstration Program will be managed with existing staff and budget from the Joint Development (cost center 2210) and Strategic Initiatives (cost center 4530) departments in FY16. Beginning in FY2017, it is recommended that we budget an additional \$200,000 each fiscal year, to support additional technical and feasibility studies and/or grant writers, or other opportunities to provide critical support to our municipal partners and the project and programs within the Demonstration Program. Because this is a multi-year program, the Chief Planning Officer and the Managing Executive Officer, Countywide Planning and Development, will be responsible for including future expenditures in proposed future year budgets.

Impact to Budget

The FY16 adopted budget includes funding for cost centers 2210 and 4530 to cover project costs associated with the TOC Demonstration Sites.

ALTERNATIVES CONSIDERED

The Board could request that staff not move forward with the TOC Demonstration Program. This is not recommended as the CEO has specifically requested the development of this program to showcase a more holistic, community development approach to Joint Development and station area planning. In addition, the subject sites are part of the Joint Development and Strategic Initiatives work program, and in many instances already subject to Board-authorized agreements, therefore they are moving forward regardless. The Board could also request that different sites be showcased through the Program. This is not recommended because the recommended sites were vetted through the criteria provided in Attachment A as well as through meetings with each of the Board Directors' offices. The sites have further been selected based on the capacity of the current staffing in the Joint Development and Strategic Initiatives departments.

NEXT STEPS

The JD team will continue with implementation efforts for the selected Demonstration Program sites and will provide a progress report to the Board in January 2016.

ATTACHMENTS

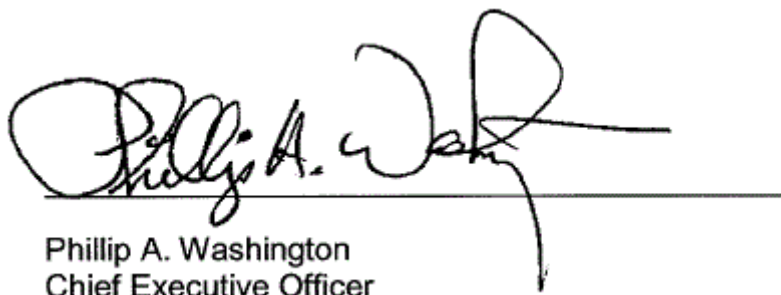
Attachment A - TOC Demonstration Program

Attachment B - TOC Demonstration Program Site Matrix

Prepared by: Jenna Hornstock, Deputy Executive Officer, (213) 922-7437

Calvin E. Hollis, Managing Executive Officer, (213) 922-7319

Reviewed by: Martha Welborne, FAIA, Chief Planning Officer, (213) 922-7267



Phillip A. Washington
Chief Executive Officer