



METROPOLITAN
TRANSPORTATION
COMMISSION

Joseph P. Bort MetroCenter
101 Eighth Street
Oakland, CA 94607-4700
Tel: 510.464.7700
TDD/TTY: 510.464.7769
Fax: 510.464.7848

Memorandum

TO: FOCUS Working Group

DATE: March 5, 2008

FR: James Corless

W.I.:

RE: Supporting TOD Projects through the TLC Program

At your meeting in early February, MTC staff presented a summary of the grant programs that have been in place for over a decade under the banner of Transportation for Livable Communities (TLC) along with key findings from our current evaluation of these programs. Staff is currently finalizing the TLC evaluation report and will present it to MTC's Planning Committee on April 11th. In addition to the evaluation of past performance, staff is developing recommendations for the future direction of the TLC program.

One of the key recommendations is to continue the core TLC capital program while broadening the eligibility of projects that can qualify for funding. Staff is seeking input on how specifically the TLC capital program could be more flexible with the explicit goal of providing stronger and more direct support for specific development projects that can help implement the goals of the Priority Development Areas (PDAs) in general and station area plans in particular.

Among other questions that staff would appreciate feedback on are the following:

- Should a portion of TLC funds be used to more directly finance specific transit-oriented development projects, in addition to funding streetscape improvements adjacent to or in the vicinity of TOD projects as the program has traditionally done? Should TLC funds be used to assist local agencies in site acquisition and land assembly within station areas?
- What can and should other public and private partners pay for in any given development project? When is it reasonable to assume that a private developer can finance a surrounding transportation improvement and when should the public sector assist in that financing? What should redevelopment agencies be typically expected to take on in TOD projects?
- If some TLC funds were to more directly support specific TOD projects, what kinds of criteria should be used to evaluate whether a specific development project is deserving of public support? Should the focus be increased housing and commercial development, increased transit ridership or reduced vehicle miles traveled (VMT)? Should it include paying for the incremental costs of higher densities, greater levels of affordability or

accessibility (features that make development projects fully accessible for people with disabilities) over and above what the market and local practice would typically provide?

- If some TLC funds were to more directly support specific TOD projects, what specific elements of development projects are typically the hardest to finance? Are these elements typically eligible for transportation funding? (i.e. parking garages, podiums, sidewalks, street improvements etc).
- What are other regions and regional transportation agencies around the U.S. doing in terms of financial incentive programs for TOD? Are there experiences elsewhere that we can draw on to inform any future efforts we might undertake in this region?

We look forward to your thoughts and ideas at the working group discussion on March 6th.