

TOD Development and Finance Strategies

FOCUS Working Group

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Reconnecting America/CTOD

Regional Models

- Portland METRO, Oregon
- Met Council, Twin Cities, Minnesota
- Other Programs
 - WMATA Joint Development, DC
 - Rainier Valley CDF, Seattle, WA
 - Dallas, TX
 - CA Redevelopment Areas

Key Questions

- Source of Funding?
- Eligible Uses?
- Measurable Goals and Outcomes?
- Grants vs. Loans?
- Who Administers Funds?

Portland METRO TOD Program

- Goal to create demonstration projects where the market would otherwise build a less dense, or poor quality project.
- Metro places 30-year easements on projects to assure the project is built according to plan and will remain a public benefit.
- All funding in form of grants and easements.

Portland METRO TOD Program

- Eligible projects: mixed use, high density residential along bus routes or adjacent to light rail station
- 50% of the funding is expended to acquire property in an around transit stations or bus routes
 - Metro wants to acquire more property and develop

Portland METRO TOD Program

- Federal Funds go to program
 - Metropolitan Transportation Improvement Program (MTIP)
 - CMAQ
 - direct FTA and earmarks,
- Local funds and interest earned used to swap out federal share for greater flexibility
- Funding level
 - \$4 million two year cycle
 - next cycle request additional \$1 million

Met Council Livable Communities Demonstration Account (LCDA)

- Grant program initiated in 1996.
- Has supported both planning and capital, now just capital.
- Eligible Uses include land assembly, transportation (streets) and site infrastructure.
 - Land acquired through eminent domain not eligible

Met Council Livable Communities Demonstration Account (LCDA)

- \$8 million/year in state funding with high demand.
 - Federal funds (CMAQ) have proven difficult in other Met Council TOD programs
- Municipalities apply on behalf of developers.
- Advisory Committee reviews and evaluates applications.

Met Council Livable Communities Demonstration Account (LCDA)

- No geographic preference, but currently drafting a TOD bonus.
 - Minneapolis/St. Paul capped at 40% of annual total.
- Affordable Housing not specific goal, part of evaluation criteria.
- Grants can be any size. Some projects are funded in more than one round.

Met Council Livable Communities Demonstration Account (LCDA)

- No monitoring of outcomes or long-term strings attached to funding.
- Program is intended as incentive to encourage municipalities to participate in affordable housing projections and shares.

Other Programs

- Lack of overlap between
Redevelopment Areas and TOD
 - Diverging geographies
 - Diverging purposes and needs

Examples: CA Redevelopment Areas

Other Programs

- Joint Development programs utilize banked land resources acquired for transit programs to leverage private development
 - Seeking revenue to agency
 - Often secondary goal to boost ridership/VMT reduction

Examples: WMATA (DC), DART (Dallas)

Other Programs

- Community development loan programs create flexible, community-controlled funding sources
 - Responsive to local implementation needs
 - More flexible to respond to opportunities
 - Potential oversight issues

Examples: Rainier Valley CDF (Seattle)

Other Programs

- Flexibility and rapid response are important for success.
 - Federal funds often less flexible than state funds

Examples: Dallas, TX (DART and NCTCOG)

Preliminary Lessons

- Federal funds can restrict flexibility
- Most programs not focused on affordable housing
- Funds allocated according to project goals, but little monitoring
- Often hard to tell what outcomes are leveraged beyond project

Next Steps

- MTC Advisory Council Weds 3/12
- MTC Planning Committee Fri 3/14
 - Increased funding request for TLC program
- MTC Partnership TAC Mon 3/17
 - Review Full TLC Evaluation Report
- FOCUS Working Group Thurs 4/3
 - Review Full TLC Evaluation Report
- MTC Planning Committee Fri 4/11
 - Review Full TLC Evaluation Report
- Revise TLC Guidelines & Criteria
 - April through Summer 2008
 - Pending Commission direction on 4/11