



# Metro Joint Development Policy Update

Policy and Planning Committee  
Wednesday, January 20, 2021

# Existing JD Policy

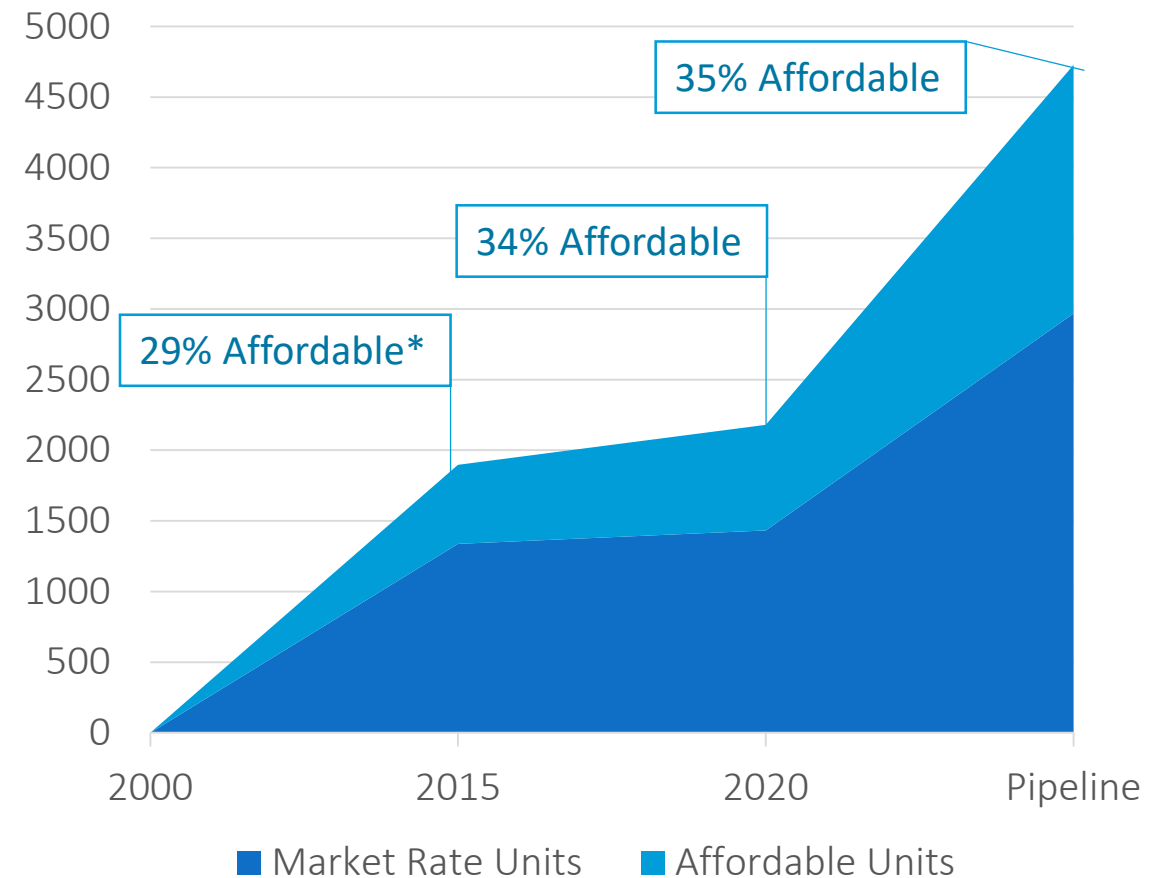


## Metro's Existing Joint Development Policy

- Sets a portfolio-wide goal of 35% affordable units;
- Defines “affordable” as housing for people earning less than 60% of area median income (AMI); and
- Allows up to 30% land value discount for affordable housing...
- ...and is on track to meet that goal despite significant reductions in local funding for affordable housing.



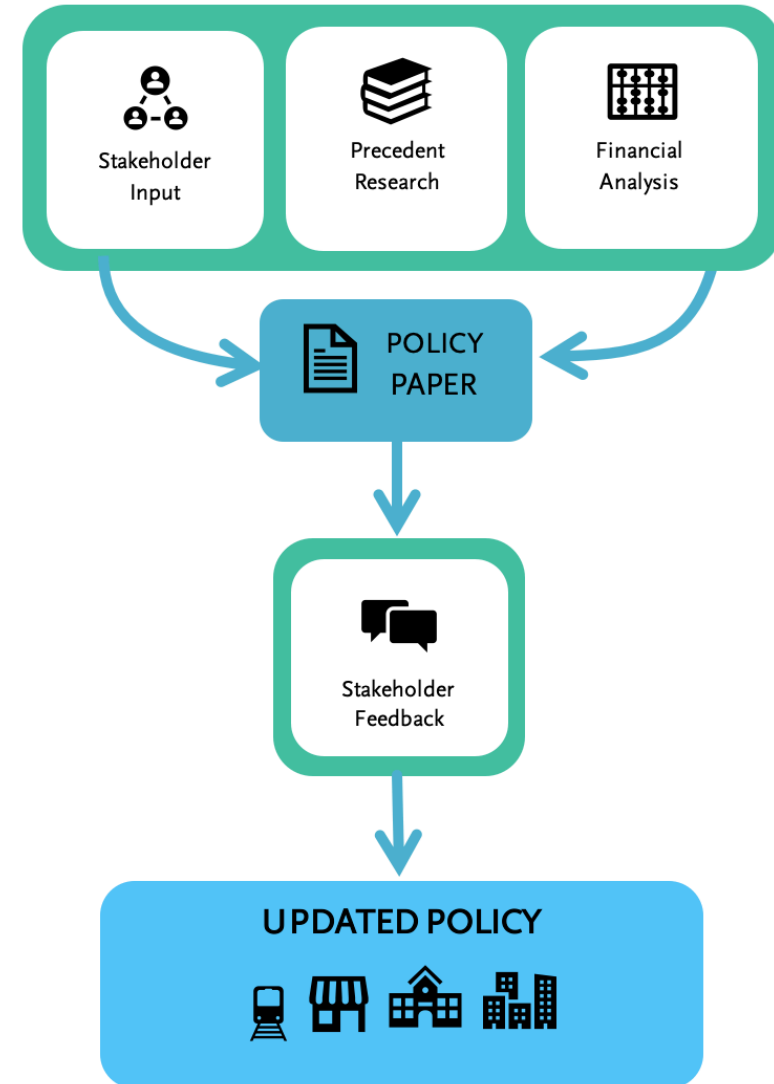
## Joint Development Housing Portfolio



# Policy Update Process

Research, outreach and technical analysis informed the Policy Paper.

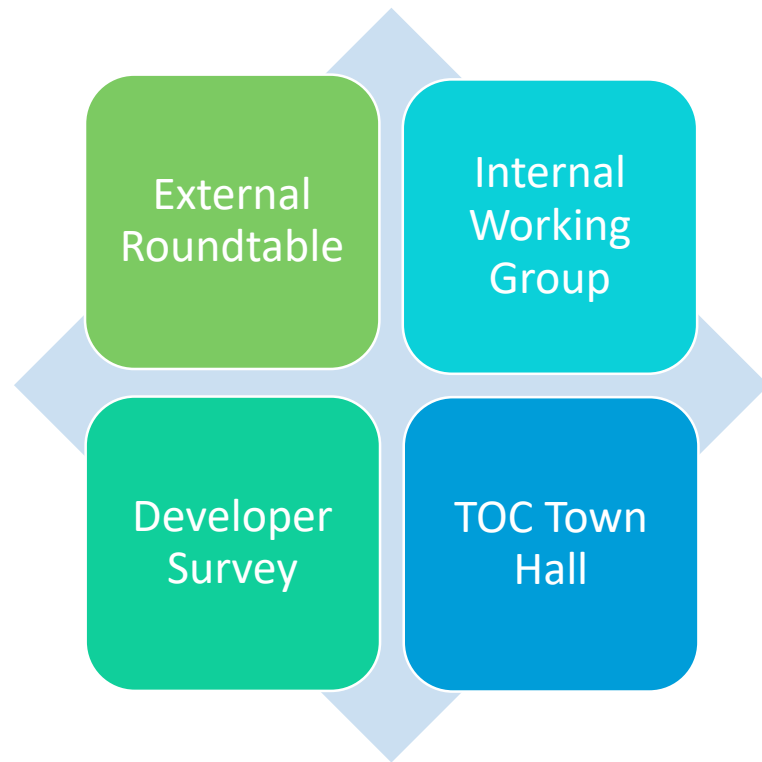
Feedback on the Policy Paper will inform the JD Policy.



# Outreach



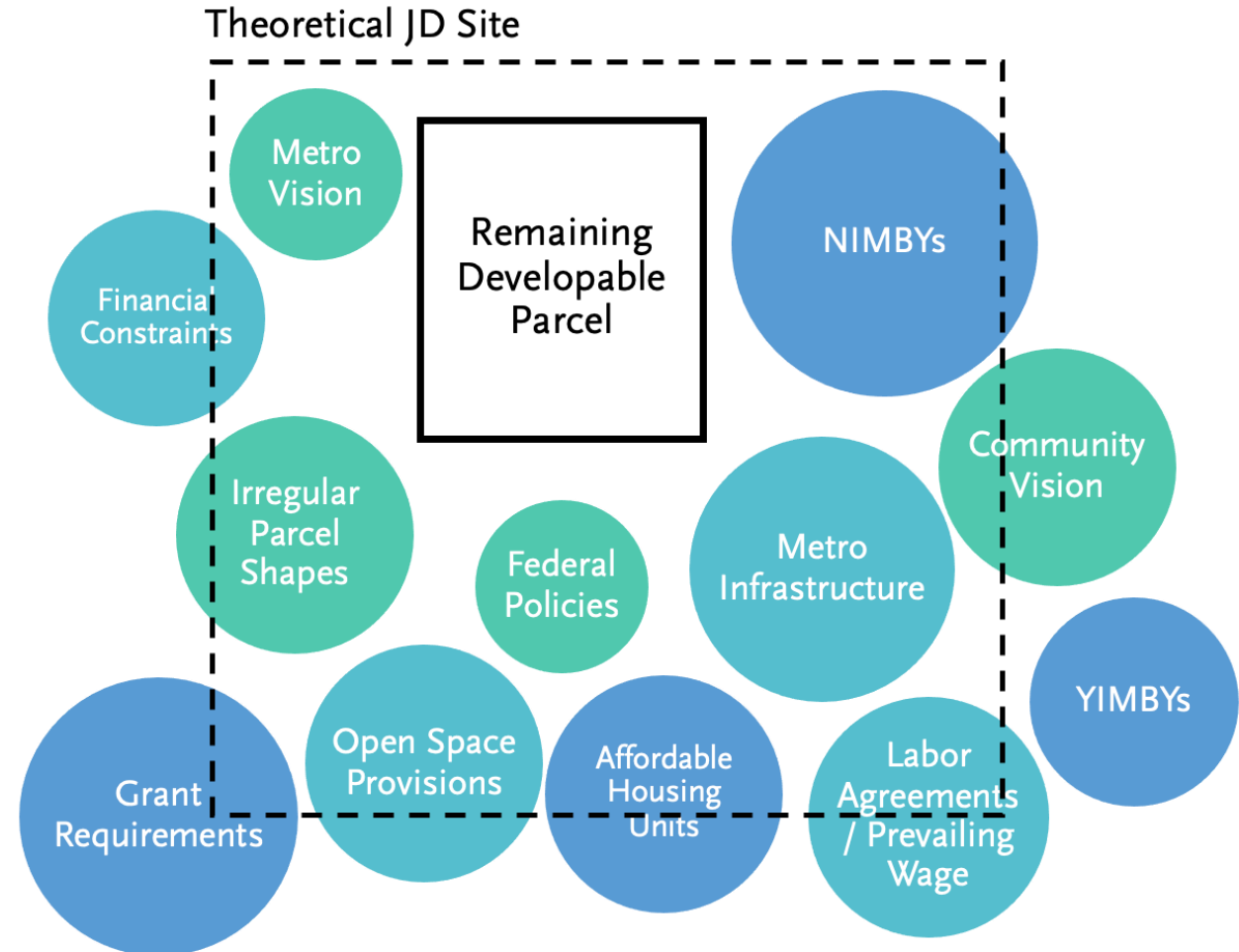
## Key Touchpoints



- **Internal Working Group:**  
Metro representatives from Equity, TOC, Innovation, Real Estate, Communications, and Sustainability.
- **External Roundtable:**  
Industry stakeholders including CBOs, affordable housing developers, non-profit lenders, municipal staff.
- **Developer Survey:**  
Online poll collecting technical information from affordable and market-rate developers
- **Town Hall (*planned*):**  
Community meeting (virtual) in partnership with CBOs and Board leadership.

# Tensions & Tradeoffs

- Balancing regional housing need with community vision
- Creating more units and incorporating public benefits
- Accommodating Metro infrastructure while keeping costs down

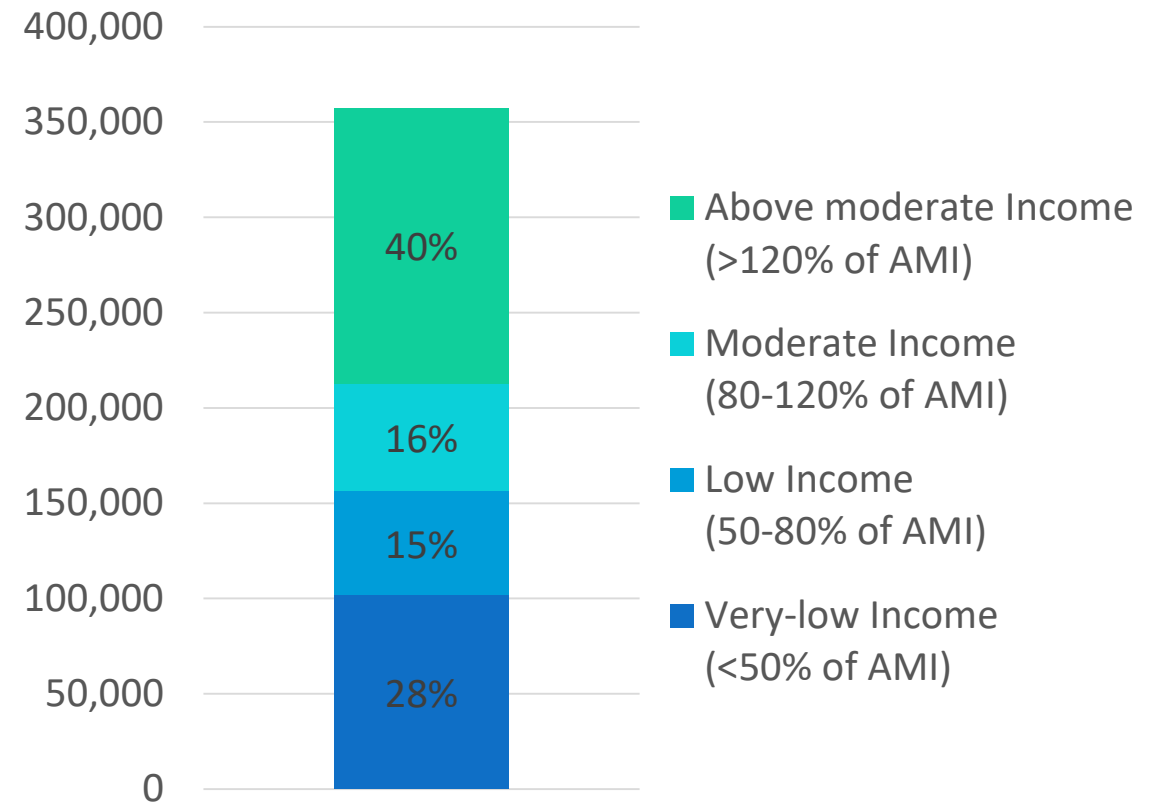


# Regional Housing Needs Assessment (RHNA)



- SCAG model identifies 350,000 unit county-wide housing deficit
- Housing need is spread across a wide range of income bands
- Substantial need among households earning <50% of Area Median Income (AMI)

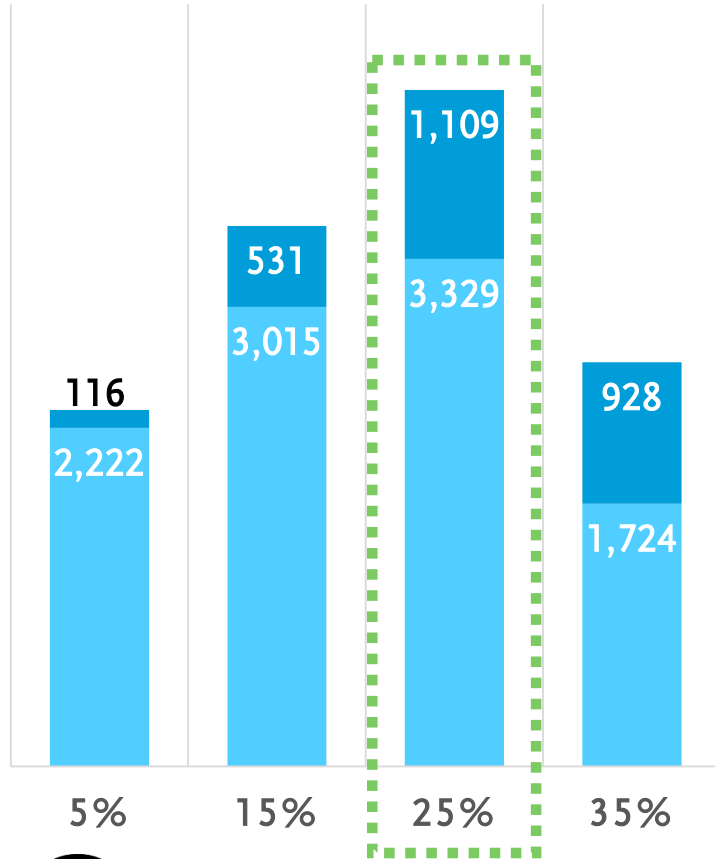
Regional Housing Need by Income



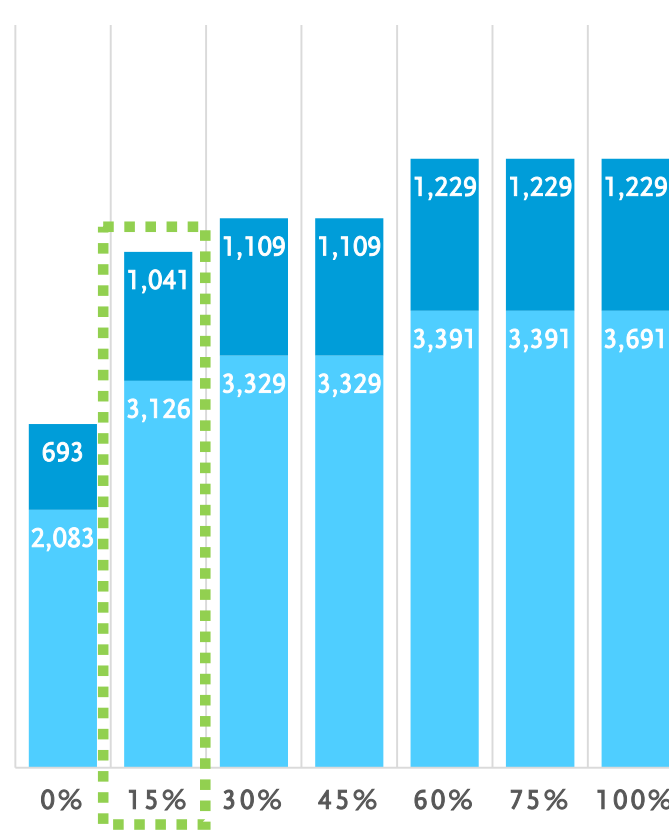
# Financial Model Findings



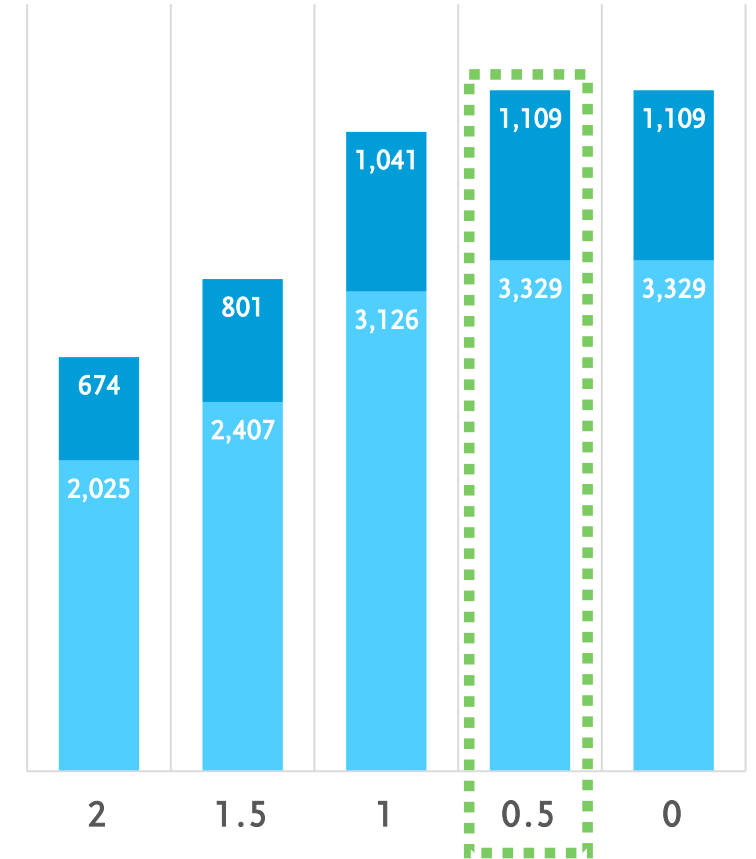
## Minimum Affordability



## Land Discount



## Parking Requirements



# Structure of the Policy Paper



## 1. Setting the Stage

- Introduction
- Methodology
- Policy Values:
  - **INCLUSION**
  - **ACCESS**
  - **PERFORMANCE**
  - **INNOVATION**
- Background
- Precedents

## 2. Potential Policy Tools

- **DELIVER** housing for everyone
- **MAXIMIZE** the public benefit derived from the JD Portfolio
- **RESPECT** communities by providing benefits and counteracting displacement
- **LEAD** the region and nation by driving innovation

## 3. Potential Process Tools

- **PRIORITIZE** communities with the deepest need
- **STREAMLINE** process for faster project delivery
- **EVALUATE** and select the most inclusive projects
- **MEASURE** outcomes against policy objectives



# Key Tools - Policy



## ***DELIVER Housing for Everyone***

- Affordable First: All JD sites to first be pursued as 100% income-restricted.
  - Define “affordable” to include up to 80% of AMI and “moderate” as 80% to 120% AMI.
  - Use “neighborhood AMI” for each project.
  - If not 100% income-restricted, provide at least 25% of units at 80% AMI.

## ***MAXIMIZE the Public Benefit***

- Eliminate existing (max. 30%) proportional land discount; use dollar amount subsidy only when required.
- Limit parking to 0.5 parking spaces per bedroom
- Use proceeds to invest in TOC-supportive activities such as an affordable housing trust fund, a strategic acquisition fund and a “Metro Housing Lab.”

## ***RESPECT Communities***

- Prioritize ground floor retail for community-serving, local, legacy businesses.
- Require baseline sustainability features for all projects.
- Prioritize community benefits focused on mobility.



# Key Tools - Process



## ***PRIORITIZE communities with the deepest need***

- Prioritize projects where the need is greatest.

## ***STREAMLINE process for faster project delivery***

- Increase transparency in the unsolicited proposals process.
- Only accept unsolicited proposals from developers with control of adjacent properties.

## ***MEASURE outcomes against policy objectives***

- Replace the 35% portfolio-wide affordable goal with unit number targets and other metrics.

# Schedule

