



Metro

Board Report

Los Angeles County
Metropolitan Transportation
Authority
One Gateway Plaza
3rd Floor Board Room
Los Angeles, CA

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REVISED
PLANNING AND PROGRAMMING COMMITTEE
MAY 16, 2018

SUBJECT: DRAFT TRANSIT ORIENTED COMMUNITIES POLICY

ACTION: RECEIVE AND FILE

RECOMMENDATION

RECEIVE AND FILE Draft Transit Oriented Communities Policy (Attachment A).

ISSUE

The voter approved Measure M Ordinance identifies “Transit Oriented Community (TOC) investments” as an eligible transportation-related use of Local Return funds. The inclusion of TOC investments is based on the success of the Metro TOC Demonstration Program. However, a formal policy does not exist. A TOC Policy will help ensure compliance by the cities and the County with the Measure M Ordinance and related Board adopted Guidelines. The Policy also clarifies Metro’s role and commitment to leveraging transit investments to enhance communities.

The draft Policy, included as Attachment A, was developed through an iterative review and discussion process with a working group made up of members, alternates, and delegates of the Policy Advisory Council (PAC), representing a diverse group of stakeholders (Working Group). Upon receipt of feedback from the Board, staff will return to the Board for adoption of the final Policy.

DISCUSSION

Background

The concept of Transit Oriented Communities (TOC) was introduced to Metro in May 2015 by then-new Chief Executive Officer (CEO) Phillip A. Washington, with the development of the TOC Demonstration Program. The aim of the TOC Demonstration Program was to identify ways to look beyond individual transit oriented developments and identify how Metro could influence, implement and leverage its investments to have broader positive community impacts that increase ridership and improve quality of life. The TOC Policy is the evolution of the TOC Demonstration Program and will formalize Metro’s definition of and approach to TOCs, clarifying Metro’s role and commitment to leveraging transit investments for enhanced communities.

The Local Return section of the Measure M Administrative Guidelines outlines a series of

transportation purposes eligible for Local Return funds. The guidelines include “TOC Activities” as eligible transportation purposes, to be defined by the creation of a TOC Policy. Upon adoption by the Metro Board, the activities established in the Policy will be deemed transportation purposes, eligible for Measure M Local Return funds as well as other Metro transportation funds, subject to any specific compliance, requirements or regulations for those funds.

Policy Development and Stakeholder Engagement

The Policy development process began at the January 9, 2018 meeting of the PAC. In addition to presenting the Policy, staff participated in a break out session with the PAC and members of the public, which included breaking into groups, brainstorming on key Policy issues to consider and report outs by each group. The brainstorming session provided valuable comments on the framing of the Policy and issues to be considered. Following this meeting, the TOC Policy Working Group was established among PAC members, alternates, and delegates, creating a mix of representation across stakeholder groups (consumers, providers and municipalities), with the expectation that these groups collect and reflect feedback from their broader networks. The first Working Group meeting was held on January 22, 2018 and there have since been 8 meetings in total. Before each meeting, a draft section of the Policy was distributed to the Working Group to allow them time to review and engage with key stakeholders in their sectors and bring this feedback to each meeting. This created a collaborative and comprehensive policy development process.

About half-way through the Working Group process, staff returned to the PAC to provide an update on the Policy on March 13, 2018. After additional work with the Working Group, staff presented a draft Policy to the PAC on April 3, 2018. The draft Policy herein reflects feedback and comments from the April 3 meeting, as well as extensive feedback from the Working Group.

Internal to Metro, the Policy (and related Nexus document) has been reviewed by County Counsel, staff that implements the current Local Return program, and staff working on various workforce development and small business programs. These reviews ensured that language and policy direction is consistent with Metro’s existing programs and initiatives and falls within administrative and legal parameters for funding.

Staff also participated in a Town Hall meeting hosted by ACT-LA on May 9. The draft Policy does not reflect feedback from this meeting, but comments from that meeting as well as feedback from the Metro Board will be incorporated into the final Policy.

TOC Demonstration Program: Lessons Learned

Along with direction and feedback from core stakeholders, the TOC Policy was informed by lessons learned from the TOC Demonstration Program, launched in October 2015. Focusing on eight (8) targeted sites, programs and projects, the TOC Demonstration Program showcased a more holistic approach to considering Metro’s impact on and ability to shape transit supportive communities. Quarterly reports on the Demonstration Program shared progress on the sites/projects and also highlighted other efforts across the agency that demonstrate Metro’s expansive approach to considering community. Key lessons from this exercise, which are reflected in the goals and activities in the TOC Policy, include:

1. Clarity and commitment: Metro must make clear our priorities in ensuring that our transit investments consider a more holistic approach to community development and our role in identifying and addressing the positive and sometimes more challenging impacts of our investments;
2. Deep and meaningful community engagement: The successes realized during the TOC Demonstration Program were reflective of a commitment to meaningfully engage with stakeholders. This means developing new partnerships with organizations that can facilitate deeper engagement of harder to reach stakeholders and innovative approaches to engagement. In particular, programs such as the Business Interruption Fund, the Joint Development process of creating Development Guidelines and the recently adopted Blue Line First/Last Mile Strategic Plan are examples of a new form of partnership and innovation in community engagement.
3. Enable and incentivize: Metro does not have jurisdiction over land use or other community development efforts that support TOC goals, and therefore is not the entity that can enact many of the policies or programs that enable TOCs. The agency must identify ways to leverage its power as planner, builder and operator of the transit system, as well as being a major funding entity in Los Angeles County, to enable and incentivize municipalities to embrace and implement TOC supportive goals, policies and programs.
4. Partnership and coordination: Building on the notion of enabling and incentivizing, realizing TOC goals requires direct partnerships and close coordination with municipalities, in particular cities (and LA County), who hold regulatory land use control and ownership of the public right of way. Metro's efforts to achieve transit supportive land uses in station areas and corridors, implement first/last mile improvements, and facilitate joint development on Metro-owned land all require cooperation and ownership, at every stage, with cities and LA County.

Policy

The Policy defines the concept of TOCs for Metro, develops a set of goals, and establishes TOC Activities which, upon adoption by the Metro Board, will be eligible for transportation funds Local Return Funds. ~~The Policy also creates a set of criteria to determine which TOC Activities Metro will fund and implement directly and which activities Metro will allow, enable and incentivize local partners to fund and implement.~~

Definition of TOC: The Policy defines TOCs as places (such as corridors or neighborhoods) that, by their design, allow people to drive less and access transit more. A transit oriented community maximizes equitable access to a multi-modal transit network as a key organizing principle of land use planning and holistic community development. TOCs differ from Transit Oriented Development (TOD) in that a TOD is a specific building or development project that is fundamentally shaped by close proximity to transit.

TOCs promote equity and sustainable living in a diversity of community contexts by: (a) offering a mix

of uses that support transit ridership of all income levels (e.g. housing, jobs, retail, services and recreation); (b) ensuring appropriate building densities, parking policies, and urban design that support accessible neighborhoods connected by multi-modal transit; and (c) ensuring that transit-related investments provide equitable benefits that serve local, disadvantaged and underrepresented communities.

Goals: The Policy establishes the following set of overarching goals:

1. Increase transportation ridership and choice
2. Stabilize and enhance communities surrounding transit
3. Engage organizations, jurisdictions, and the public
4. Distribute transit benefits to all
5. Capture value created by transit

TOC Activities: The Policy also defines a set of TOC Activities, which are projects, programs, and policies that support, enable and incentivize TOCs. The TOC Activities in this Policy are intended to capture activities that are not otherwise explicitly defined in existing Metro policies or guidelines, but serve a transportation purpose. Eligible Activities identified in the Policy include affordable housing, local business assistance, neighborhood amenities, grant assistance, land use planning, community engagement, and public improvements. While the Policy sets forth specific goals, the established Activities remain general in order to allow for innovation and for municipalities and partners to identify the appropriate programs and projects to achieve TOC goals. Staff has developed a Transportation Nexus document, included as Attachment B, to demonstrate how the TOC Activities identified serve a transportation purpose.

Implementation: All TOC Activities are subject to the requirements of the applicable funding program. Many of the TOC Activities outlined in the Policy will be implemented by municipalities and other eligible partners; some will be directly implemented by Metro through existing programs such as Joint Development, First/Last Mile and the TOD Planning Grant, and others Metro will allow, enable and incentivize local partners to fund and implement.

Metro staff will ask the following questions to determine which TOC Activities Metro will be implementing directly versus funding, enabling or incentivizing:

- *Jurisdictional role* - Is the TOC Activity within Metro's functional jurisdiction?
- *Funding sources* - Does Metro have the funds necessary to implement the activity and what governs how those funds are spent? Are the funds committed to other projects and programs?
- *Staffing Resources and Expertise* - Does Metro have sufficient and appropriate staffing resources and technical expertise to carry out the TOC Activity without impacting existing priorities, approved programs, projects and service delivery?

NEXT STEPS

Staff will review feedback from the Board and the May 9 Town Hall with the PAC TOC Working

Group, and bring a final Policy to the Board for consideration in summer 2018. With the adoption of a final Policy, staff will begin work on an implementation plan and metrics for measuring impacts. The implementation plan and metrics will be brought to the Board for consideration and will be followed by annual reporting on impacts. Development of this Policy, along with the implementation plan and metrics will replace the TOC Demonstration Program as the permanent TOC Program. The implementation plan and metrics will be developed concurrent with, and in coordination with the TOC Topical Framing Paper for the Long Range Transportation Plan (LRTP). (These are research papers that will be developed on several topics over the next year to inform the LRTP.)

ATTACHMENTS

Attachment A - Draft Transit Oriented Communities Policy

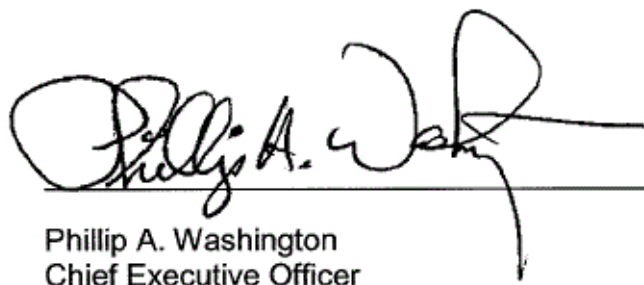
Attachment B - Transportation Nexus

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