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

Metro

Board Report

File #: 2015-0554, **File Type:** Policy **Agenda Number:** 68.

EXECUTIVE MANAGEMENT COMMITTEE
JULY 16, 2015

SUBJECT: RESPONSE TO REQUEST FOR ACTION REGARDING METRO INVOLVEMENT IN AFFORDABLE HOUSING

ACTION: ADOPT UPDATED METRO JOINT DEVELOPMENT POLICY

RECOMMENDATION

EXECUTIVE MANAGEMENT RECOMMENDED (4-0-1) adopting **updated Metro Joint Development Policy** (Attachment B).

ISSUE

In March of this year, the Metro Board of Directors approved a motion (Attachment A) directing staff to report back on several actions that support affordable housing creation and preservation around transit. Two of those actions can be implemented through amendments to the Metro Joint Development (JD) Policy.

In addition, since November of 2014, Metro has engaged in outreach in several communities as well as to the development community surrounding JD projects that are in the project definition and negotiation phase. Throughout this outreach, staff has been explaining the joint development process, increasing its focus on meaningful community engagement, and has reconsidered the process for the creation of Development Guidelines, to become more community-driven. Staff is recommending additional amendments to the JD Policy such that the policy matches the commitments the JD team has made to its community stakeholders, and to elevate transparency for all stakeholders participating in the Joint Development (JD) process.

Beyond the recent and ongoing outreach regarding the JD Process, the JD Team has heard from some stakeholders that there is interest in revisiting the JD Policy once the projects currently in the process of project definition, community engagement and negotiations are more clearly defined. The JD Team will evaluate the lessons learned in the outreach process used for the current projects and bring to the Board any suggested modifications at that time.

The proposed new *Joint Development Program: Policies and Process* (Proposed JD Policy) is included as Attachment B and is summarized herein. The remaining actions requested in the March motion are under development and will be brought to the Board in September of this year.

DISCUSSION

Nexus / Background

As Metro transportation investments expand, the potential exists for land values to increase near transit. A large portion of Metro ridership is made up of lower-income, transit dependent patrons. It is within Metro's mission to promote ridership along existing and planned transit corridors by promoting affordable housing near transit. It is also in keeping with federal and state guidance surrounding greenhouse gas emissions reductions strategies.

The Metro JD Program is a real estate management program that seeks to collaborate with private sector developers to create developments on Metro properties. The JD Program is guided by the existing joint development policy document, the Joint Development Policy and Procedures ("JD Policy"), which was last updated in October 2009.

The proposed changes have two goals: (1) to implement direction from the Board regarding affordable housing and (2) to reinforce the recent conversations with community stakeholders regarding the need for more transparency and meaningful engagement in the JD Process. The policy changes are summarized below.

Summary of JD Policy Changes

Affordability Goal: The Board of Directors instructed staff to establish a goal of 35% affordable units in Metro joint developments in the aggregate, portfolio-wide. This goal is included as a new Joint Development Objective in the Proposed JD Policy. The portfolio-wide goal allows for flexibility between projects and between communities which have varying affordability goals.

Proportional Discount: The Board of Directors also instructed staff to recommend criteria under which Metro would allow proportional discounts to Metro JD properties for the purpose of contributing towards the cost of affordable housing. Staff recommends a proportional discount that would be capped at 30% of the land value. The recommended policy language regarding this discount has been submitted to the Federal Transit Administration (FTA) for consideration and approval with regard to joint development sites that are subject to FTA review.

Staff is recommending a 30% maximum discount to ensure that Metro will maintain value in its properties and generate revenue from its assets for public transportation benefit, in keeping with the mission of the agency and pursuant to FTA requirements. It is proposed that discounts to affordable housing projects will be proportionate to the percentage of affordable units in the project. For example, a project that includes 20% affordable units could be discounted up to 20%. Given the proposed maximum 30% discount, land values for a project with 100% affordable units, could be discounted up to 30%.

Joint Development Process and Community Engagement: Over the past six months, the JD team has engaged in significant outreach in several communities where JD is either already active or where the process is about to begin. Much of this outreach has focused on, and caused a recalibration of, the JD Process and how community stakeholders are engaged. Further, with

increased attention on Metro's expansion of the transit system, JD has become a popular topic at conferences and events related to real estate and community development. The JD team has participated in these conferences to share the JD Process and has stressed the importance of meaningful community engagement in the JD process. In addition, the JD Team has developed a pilot program using experienced design firms to lead community charrettes in the creation of Development Guidelines.

Upon review of the existing JD Policy, it became apparent that parts of the policy were outdated and should be amended to match Metro's focused efforts around community engagement and clarification of the JD Process. The Proposed JD Policy reflects the recent recalibration of the community engagement process, efforts at ensuring that Development Guidelines are meaningful, and includes an explanation of the JD Process. These amendments are critical to increasing transparency for all stakeholders involved in the process. The policy does not prescribe a "cookie cutter" community engagement process. Rather they require that for each JD project, a community engagement process designed for the specific affected community is required to be developed as an initial step in the process.

Other Requested Actions in March Board Motions
In addition to the updated policy, Metro staff is working on several other actions that were requested in the March motion.

Affordable Housing and Small Business Collaborative Loan Fund: Metro staff has been working with a diverse stakeholder group to develop the vision, goals, and action plan for a Metro collaborative loan fund(s) for affordable housing and small businesses near transit. Staff will return to the Board in September with a progress report.

Group Rate TAP Purchase Program: Metro Planning and Communications departments are working together to develop an affordable housing TAP purchase program. The Board will be presented with options for the TAP program in September. The main considerations of the program will be the price of the TAP pass, the revenue impact of the program, and whether it is available to Metro affordable housing joint development projects only or to any transit-oriented affordable housing project.

Memorandum of Understanding with Cities: Staff is working work with County Counsel to outline an MOU with cities for co-investment in affordable housing on Metro sites, and other opportunities for cities to promote affordable housing near transit, and will then convene cities to solicit feedback. Staff will report back to the Board in September with a draft MOU and request authority to execute MOUs with cities.

DETERMINATION OF SAFETY IMPACT
This Board action will have no impact on safety.

FINANCIAL IMPACT
Adoption of the Proposed JD Policy would potentially reduce the revenue that Metro receives in ground lease payments on its JD projects.

In approximate terms, staff has estimated how much revenue would have been forgone for existing

Metro joint developments, were Metro to have had this policy in place previously (and housing projects received the maximum proportional discount). It is difficult to calculate the precise financial impact, because ground leases are negotiated using a variety of project-specific inputs. As a rough estimation, Metro would have foregone approximately $5.5 million from ground lease payments from affordable housing projects. This is out of the approximately $22 million that has otherwise been generated from completed affordable housing joint development projects to date.

ALTERNATIVES CONSIDERED

The Board could elect not to adopt the policy. This is not recommended because it would not accomplish the goals and instructions requested by the Board in the March motion. It would also leave the current JD Policy in place, and the language in the policy does not make clear the JD Process or Metro's commitment to meaningful community engagement in the JD Process.

NEXT STEPS

Upon approval of the updated Proposed JD Policy, staff will update the JD Policy which will take effect immediately.

In response to feedback that staff has received, once the projects currently in the process of project definition, community engagement and negotiations are more clearly defined, the JD Team will evaluate the lessons learned in the outreach process and bring to the Board any suggested modifications.

ATTACHMENTS

Attachment A - Motion 51.1
Attachment B - Proposed Joint Development Policy

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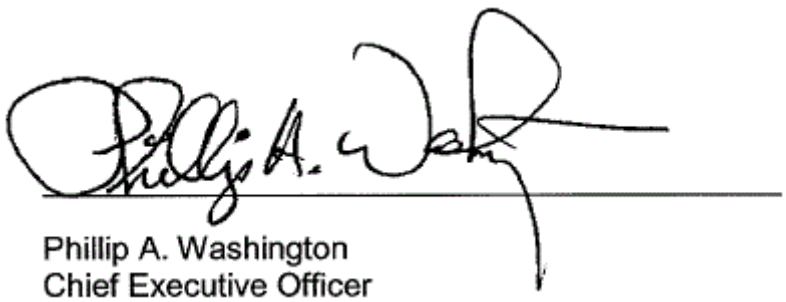

Phillip A. Washington
Chief Executive Officer

51.1 APPROVED **REVISED MOTION by Directors Garcetti, Ridley-Thomas, Kuehl, Solis, Bonin and Dupont-Walker AS AMENDED by Directors DuBois and Knabe** that the CEO direct staff to report back to the Board with the following items:

A. amendment to MTA's Joint Development Policy, establishing a goal that in the aggregate, affordable housing units represent 35% of all residential units developed on MTA-owned property;

B. recommended criteria under which MTA would allow proportional discounts to the fair market value of MTA owned property for the purpose of contributing towards the cost of affordable housing;

FURTHERMORE, that the CEO direct staff to:

C. develop a memorandum of understanding with interested local cities and the County of Los Angeles to promote co-investment along transit corridors, such as leveraging municipally-controlled affordable housing and small business dollars for MTA's Joint Development affordable housing sites;

D. negotiate terms and conditions for the Board's consideration that reflect MTA's participation in the collaborative creation of a multi-partner Countywide Transit Oriented Affordable Housing and Business loan fund. Potential partners should include community development financing institutions and community-based development organizations whose primary goal is to develop, invest in or preserve affordable homes or businesses within ½ mile of MTA rail stations, bus rapid transit or rapid bus stops. Through the loan fund, developers would be able to access flexible, affordable capital to purchase or improve available property near transit lines for the development or preservation of affordable housing and small business, creating and retaining community job opportunities for MTA's joint development. ~~and~~

E. report back to the Board on the following:

    1. criteria for eligible joint development projects, including neighborhood serving businesses to be funded by the loan fund;

(Continued on next page)

(Item 51.1 – continued from previous page)

2. administration of the fund;

3. loan program structure;

4. potential sources of funds including, but not limited to partners/collaborators.

F. report back to the Board during the FY2015-16 Budget regarding the feasibility to budget $2 million annually for 5 years, up to $10 million to establish the revolving loan fund; ~~and~~ from sources, including but not limited to, non-operations/maintenance eligible funding sources, such as cap and trade affordable housing funds and with a plan to geographically disperse the funds equitably so that sites within each subregion are eligible for a share of the funds

G. work with a diverse stakeholder ~~the~~ affordable housing community to establish a revenue neutral TAP purchase program that provides passes to current and future occupants of MTA joint developments.

H. reference MTA's Sustainability Planning Policy to insure a compatible and integrated approach to joint development and any potential loan fund

I. to the extent possible, provide an estimate or projection of the "proportional discount" to the fair market value of MTA-owned properties listed in Attachment C of the report using the "typical subsidy" level of $80,000 to $150,000 per unit.

MA	PK	JB	SK	MB	JF	EG	MRT	DD	JDW	HS	DK	AN
ABS	Y	A	Y	A	Y	Y	Y	Y	Y	Y	Y	Y

ATTACHMENT B

PROPOSED
METRO JOINT DEVELOPMENT PROGRAM: POLICIES AND PROCESS
July 2015

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I. INTRODUCTION / PURPOSE

The Metro Joint Development Program is a real estate development program for properties owned by the Los Angeles County Metropolitan Transportation Authority (Metro). It is a real property asset development and management program designed to secure the most appropriate private and/or public sector developments for Metro-owned properties.

This document outlines the goals, policies and process that will guide the Metro Joint Development Program as it develops Metro-owned properties. It serves to inform communities in which joint developments take place, developers who build them, and the general public, about the objectives, policies, and processes that govern the Joint Development Program.

II. OBJECTIVES / GOALS

The Joint Development Program is centered on three main goals:

A. Transit Prioritization:

1. Preserve Properties for Transit Use. Metro will preserve the ability to safely operate and maintain transportation facilities on its properties.

2. Increase Transit Ridership. The Joint Development Program aims to reduce greenhouse gas emissions and increase transit ridership by attracting new riders and increasing the number of trips generated from joint development projects.

B. Community Integration, Engagement, Affordable Housing and Design:
Metro's Joint Development Program will seek projects that engage stakeholders and create vibrant, transit-oriented communities that offer a range of housing types, job opportunities, and services centered around public transit facilities.

1. Community Integration. Metro will seek to create projects that are compatible with the surrounding community and reflect the needs and desires of the neighborhood in which they are situated. Like any private development, joint developments are subject to the land use policies and approval processes of the host jurisdiction.

2. Community Engagement. Metro will ensure that the Joint Development Process actively engages community members at every development stage.

3. Affordable Housing. Metro's Joint Development Program seeks to facilitate construction of affordable housing units, such that 35% of the total housing units in the Metro joint development portfolio are affordable. (The joint development portfolio includes properties for which Metro maintains long term ownership. It does not include surplus land that is sold in fee.) (Affordable housing is defined as housing that is covenant-controlled, provided on an income-restricted basis to qualifying tenants at rents below the current private market, and often subsidized by public or non-profit funding sources.)

4. Design and Placemaking. Metro's Joint Development Program will pursue high quality design that enhances the surrounding community and creates inviting spaces and places around Metro transit facilities.

C. Fiscal Responsibility:

1. Maximize Revenue. Joint development projects are expected to generate value to Metro based on maximizing ground rent revenues received, or equivalent benefits negotiated, for the use of Metro property.

2. Minimize Risk. Projects should minimize financial risk to Metro.

3. Feasibility. Projects should be viable, now and in the future.

III. POLICIES

To achieve its goals, the Joint Development Program shall conform to the following policies:

A. Transit Prioritization and Integration:

1. Preservation of Transit Facilities. Metro shall retain authority over its transit facilities and services, and no development shall negatively impact existing or future public transportation facilities, nor shall any development obligate Metro to any particular operational level of service.

2. Density and Program. Metro will prioritize dense, trip generating uses on joint development sites.

3. Transit Connections. Metro will maximize connections to transit facilities from and through joint developments, where appropriate. Projects are encouraged which provide for increased station access using buses, active transportation and other alternative modes of travel.

B. Community Outreach:

1. Community Engagement. Metro will pro-actively engage with the communities where the joint development projects occur through a variety of methods, which may include charrettes, focus groups, workshops, email updates and social media communications. Developers selected for joint development projects shall be required to create a community engagement plan.

2. Local Collaboration. Metro will consult and work cooperatively with local jurisdictions and developers to encourage intensive, high-quality development at stations and surrounding properties.

3. Design Rigor. Projects shall demonstrate a high quality of design that is both sensitive to community context and enhances the surrounding community.

C. Financial Policies:

1. Risk Minimization. Projects should not require commitment of Metro financial resources, should minimize any investment risk to Metro, and should maximize asset security for Metro.

2. Collaborative Contribution. Projects are encouraged which obtain capital or in-lieu contributions from other public agencies to create greater community economic benefit to Metro-sponsored joint development projects.

3. Ground Lease Preference. Use of a long term ground lease is generally preferred to fee disposition.

D. Affordable Housing Policies:

A large portion of Metro riders are low-income and transit dependent. Meanwhile, Metro transportation investments have the potential to raise the value of property near Metro transit investments. Thus, it is in Metro's and the community's interest to maintain and grow ridership by promoting the development of affordable housing on appropriate Metro joint development sites. In addition, State and Federal guidance encourages coordination of investments and policies to accommodate affordable housing near transit. Metro will use the following policies to promote affordable housing on joint development sites:

1. Range of Types. Joint development projects with a residential component are encouraged to provide a range of housing types to meet the needs of a diversity of household incomes, sizes, and ages.

2. Land Discounting. Where appropriate, and subject to Federal Transit Authority (FTA) approval (if applicable), Metro may discount joint development ground leases below the fair market value in order to accommodate affordable housing. Such a land discount may not be greater than 30% of the fair market value.

3. Proportional Land Discounting for Affordable Housing. The proportional discount of the ground lease may not be greater than the proportion of affordable units to the total number of housing units in the project, with a maximum discount of 30%. For example, land value for a project that has 20% affordable units could be discounted up to 20%. Land value for a project with 100% affordable housing could be discounted up to 30%. In the case of mixed use projects, the discount will be to the land value attributable to the housing portion of the project.

E. Development Solicitation Policies:

1. Competitive Solicitation. Metro will seek to develop joint development sites via a competitive selection process that is further detailed in the following Process Section. The competitive process will be managed through the Vendor/Contract Management Department and will be consistent with Procurement Policies.

2. Unsolicited Proposals. Metro does not encourage unsolicited proposals. Metro will consider unsolicited proposals in limited cases, including, but not limited to, the instance of small or constrained sites with adjacent landowners whose property could be combined with Metro property to create a suitable development site. Further detail regarding the process for unsolicited proposals is also included in the following Process Section.

F. Acquisition Policies:

1. To encourage opportunities for joint developments surrounding transit investments, when appropriate, Metro will consider joint development opportunities in the acquisition of required property, location of new station sites, and construction of station facilities.

2. In the initial planning of a transit corridor project (e.g., during the environmental and preliminary engineering phases), Metro may conduct site analysis, include a preliminary layout of each passenger station site, develop conceptual urban design strategies integrating station sites with adjacent communities, and evaluate proposed station sites for their joint development potential.

IV. PROCESS

A. Inventory and Site Selection:

1. Inventory. Metro maintains an inventory of properties that are potential sites for future joint development. Metro staff will monitor market conditions and communicate with local jurisdictions and stakeholders about development potential.

2. Site Selection. The determination to select sites for joint development is dependent on several factors including, but not limited to: market conditions, community input, local jurisdictions, and Metro resources. These factors may provide the basis for establishing project priorities, project implementation strategies, and ultimately the creation of Development Guidelines, to ensure maximum attainment of Metro's Joint Development Objectives.

3. Determination of Financing Requirements. Upon the selection of a site for a joint development project, Metro staff will determine the funding sources that were involved in the acquisition of the selected site. Depending upon the financing that was used, the project may be subject to review by the FTA, the California Department of Transportation (Caltrans), and/or review pertaining to the presence of tax-exempt bonds.

B. Community Outreach and Scoping

1. Community Engagement. Once a site has been selected for a potential joint development, Metro will consult with local jurisdictions, and conduct outreach to solicit input from the community surrounding the site. The Joint Development Program staff, working closely with Metro Community Relations, will work with the community stakeholders and local jurisdiction to determine a vision for the potential project.

2. Development Guidelines. Upon determination of a unified vision that is desirable to the community and economically feasible, Metro will prepare Development Guidelines specific to the site. The Development Guidelines will articulate the intensity and type of land uses that Metro and the community desire for that site, as well as any desired transit and urban design features. The Development Guidelines will be presented to the Metro Board for approval. Within Metro, the Development Guidelines shall be informed by:
    a. Existing or planned transit stations or stops
    b. Metro Rail Design Criteria
    c. Input from the Metro Operations Department
    d. The First/Last Mile Strategic Plan
    e. The Complete Streets Policy
    f. The Sustainability Policy
    g. The Supportive Transit Parking Plan (once completed and adopted)

h. The Public Restroom Policy

C. Competitive Solicitation Process:

1. Solicitation. After Board approval of the Development Guidelines, Metro will solicit proposals for joint development of the site through a Request for Information and Qualifications (RFIQ) and/or a Request for Proposals (RFP). The standard RFIQ/RFP procedure will be managed through the Vendor/Contract Management Department and will be consistent with Procurement Policies.

2. Evaluation. Joint development proposals should be evaluated based on their support of the Joint Development Objectives and conformance with the site-specific Development Guidelines. Staff will assemble an evaluation panel generally consisting of key Metro personnel, and a representative of the governing jurisdiction. Additionally, an urban design or development consultant, financial services consultant and/or local jurisdiction technical staff may be used to provide support and advisory services in the evaluation of proposals. The evaluation panel shall evaluate joint development proposals and advise the Metro Chief Executive Officer (CEO) on a developer to be recommended to the Board. The CEO may recommend a developer to the Board or defer joint development if none of the proposals maximize Joint Development Objectives.

3. Unsolicited Proposals. Neither Metro nor the FTA encourages unsolicited proposals. If Metro receives an unsolicited proposal for a joint development site, staff will evaluate the proposal and determine if further action should be taken. Unsolicited proposals shall only be recommended to the Metro Board for consideration under certain limited circumstances, including but not limited to:

   - The Metro property is a small or constrained site and the proposal is from an adjacent landowner(s) (or Developer(s) with site control of adjacent properties) that make the Metro site feasible or better able achieve the Joint Development Objectives.
   - The proposal is feasible and meets the Joint Development Policy Objectives.

   In any case, unsolicited proposals on properties with an FTA interest are subject to FTA approval. If these and any other conditions identified during review of the unsolicited proposal are met, staff may recommend that the Developer reach out to community stakeholders to seek input, and then may recommend the proposal to the Metro Board. Even if these conditions are met, staff may open the site to a competitive solicitation process.

D. Development Phase:

1. Exclusive Negotiation and Planning Agreement. Before the CEO recommends the selected developer's proposal to the Metro Board, developer shall negotiate and execute an Exclusive Negotiation and Planning Agreement ("ENA") with a project concept, terms and conditions regarding community engagement, general planning and development goals, deposit and fees, design review and a predevelopment schedule agreed to by the proposed developer and Metro staff. Upon approval of a recommended developer and authorization by the Metro Board, the CEO shall execute the ENA with the developer.

   Developer Responsibilities under the ENA include but are not limited to:

   a. Negotiate in good faith, including such project design and project financing information as necessary for Metro staff to negotiate a transaction.

   b. In consideration for entering into the ENA, developer shall provide Metro a non-refundable fee in an amount determined by the CEO but in no event less than fifty thousand dollars $50,000 or such other consideration as determined by the CEO or designee.

   c. In addition to the fee, developer shall also provide Metro with a deposit in an initial amount determined by the CEO or designee to pay Metro's actual costs to negotiate and evaluate the proposal, including Metro in-house and third party costs.

   d. Create a robust community engagement plan that will carry throughout the design, entitlement and construction process for the project.

   Metro Responsibilities under the ENA:

   e. During the negotiation period, provided that developer is not in default of its obligations under the ENA, Metro shall negotiate exclusively and in good faith with the developer a Joint Development Agreement ("JDA") and Ground Lease to be entered into between Metro and the developer, and shall not solicit or entertain offers or proposals from other parties concerning the site.

   Term of the ENA:

   f. The term of the ENA shall generally be eighteen (18) months; provided, the term and any extensions shall not exceed thirty (30) months. In considering an extension, the CEO or designee shall determine whether substantial progress has been made towards fulfillment of the requirements of the ENA and may require payment of additional fee and/or deposit amounts.

2. Joint Development Agreement.

a. Before the Metro Board can authorize a JDA for a project, the project must be environmentally cleared through the California Environmental Quality Act (CEQA). Metro is not the lead CEQA agency for joint development projects; the agency with local regulatory land use authority generally serves that function.

b. Upon satisfactory fulfillment of the development requirements in the ENA, negotiation of acceptable terms, and adoption of CEQA findings by the lead agency, Metro staff will recommend to the Metro Board to (a) adopt the CEQA findings as a responsible party and (b) enter a Joint Development Agreement (JDA) for the implementation of a project. The JDA shall describe the rights and responsibilities of both parties. The recommendations may also include the terms for a Ground Lease, or another form of purchase and sale agreement as appropriate.

3. Ground Lease. Upon satisfactory fulfillment of the closing conditions required in the JDA, Metro shall enter into a Ground Lease for the lease of the site. The Ground Lease shall describe the rights and responsibilities of both parties with respect to the site. The Metro CEO or designee may also enter into such other documents and agreements to implement and administer the project as described in the JDA and Ground Lease.

4. Environmental Compliance. As noted above, Metro shall not approve or be committed to a project until the Metro Board as a responsible agency under CEQA and/or NEPA considers and analyzes the environmental impacts of the project. The project must be cleared through CEQA before a JDA or a Ground Lease can be approved by the Board.

V. LEGAL FRAMEWORK

A. Statutory Basis:

The Metro Joint Development Program maintains statutory basis as obtained by a predecessor agency, the Southern California Rapid Transit District. Under California Public Utilities Code, Section 30600: "the district may take by grant, purchase, gift, devise, or lease, or by condemnation, or otherwise acquire, and hold and enjoy, real and personal property of every kind within or without the district necessary or incidental to the full or convenient exercise of its powers. That property includes, but is not limited to, property necessary for, incidental to, or convenient for joint development and property physically or functionally related to rapid transit service or facilities. The Board may lease, sell, jointly develop, or otherwise dispose of any real or personal property within or without the district when, in its judgment, it is for the best interests of the district to do so."

B. FTA Regulations:

Metro joint development sites which were acquired with assistance from the FTA are subject to FTA joint development policies. Current guidance in FTA Circular 7050.1 on FTA-funded real property for joint development, stipulates that joint developments follow four criteria:

1. Economic Benefit – project must enhance economic benefit or incorporate private investment.
2. Public Transportation Benefit – project must provide physical transit improvement or enhanced connection between modes.
3. Revenue – generally, project must generate a fair share of revenue (at least equal to the amount of original federal investment) and be used for public transportation purposes.
4. Tenant Contributions – tenants pay a fair share of the costs through rental payments or other means.

Metro joint development sites which were acquired with FTA funds are subject to and will follow FTA guidance as it is updated from time to time. Joint development projects will be reviewed individually by the FTA to ensure compliance.

In addition, Metro is responsible to ensure that joint development projects comply with FTA Title VI Civil Rights and Environmental Justice requirements. Compliance with Title VI will be required of Developer's selected for joint development projects.

C. Local Jurisdictions:

Metro joint developments are subject to local land use policies and procedures in the host jurisdiction, similar to any private development. The selected developer for any joint development site must follow the land use, zoning, permitting, and entitlement process for the local jurisdiction of that site.

EXHIBIT A: JOINT DEVELOPMENT PROCESS CHART

Metro Joint Development Process

STAGE	Initial Community Outreach	Developer Solicitation/ Selection**	Project Refinement, Joint Development Agreement (JDA) and Ground Lease (GL) Negotiations	Permitting and Construction
ACTIONS	>Community Meetings >Creation of Development Guidelines*	>Issue Request for Information and Qualifications (RFIQ) and/or Request for Proposals (RFP) >Evaluate Proposals >Community update	>Developers progress architectural design >Community outreach and input - several iterations >Entitlements and CEQA process*** >Negotiation of financial terms	>City engineering >Construction documents >City building permits >City-related approvals >On-site construction >Occupancy
RESULT	Board approves Development Guidelines	Metro Board authorizes Exclusive Negotiation Agreement (ENA) with recommended developer(s)	Metro Board approves JDA and GL	Completed project
	approximate overall time frame: 42 - 60 months			
	6 months	6 months	12 - 24 months	18 - 24 months

*Staff may undertake preliminary market analysis or related studies prior to the drafting of development guidelines.

**Once the RFIQ/RFP is released, Metro is in a "blackout" period. During this period, Metro cannot discuss the specific content of proposals until staff releases their recommendations for a developer. Metro can do general outreach to keep stakeholders appraised of the process and key dates.

***Proposed use requires local jurisdiction approval and may include environmental, zoning, and local plan consistency review and public hearings.