



## Board Report

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### PLANNING AND PROGRAMMING COMMITTEE FEBRUARY 14, 2018

**SUBJECT: TRANSIT ORIENTED DEVELOPMENT PLANNING  
GRANT PROGRAM**

**ACTION: APPROVE ROUND 5 FUNDING RECOMMENDATIONS AND RELATED ACTIONS**

#### **RECOMMENDATION**

CONSIDER:

- A. AWARDING \$3,080,500 for Transit Oriented Development (TOD) Grants to the 8 recommended jurisdictions as shown in Attachment A;
- B. AUTHORIZING the Chief Executive Officer (CEO) or designee to execute Grant Agreements for funds awarded; and
- C. AMENDING the Round 5 TOD Planning Grant Program Guidelines (Attachment B).

#### **ISSUE**

On March 24, 2015, the Board approved releasing Round 5 of the Transit Oriented Development Planning Grant Program ("Program"). In April 2017, a request for applications was issued with a maximum of \$3,100,000 in funding.

Staff received 12 applications totaling \$5,098,570 in grant funds. The applications were evaluated by a panel that included internal and external evaluators. Staff recommends that the Board fund 8 projects totaling \$3,080,500 and authorize the CEO to execute Grant Agreements with successful applicants.

#### **DISCUSSION**

Metro developed the TOD Planning Grant Program in 2011 to spur the adoption of regulatory planning documents that remove barriers to transit-supportive planning. Since then, Metro has funded 35 projects in 29 cities and the County of Los Angeles, totaling \$21.6 million. The Program supports Los Angeles County municipalities in the adoption of transit-supportive regulatory plans. Round 5 continues the funding of transformative land use regulations and the newly created Transit

Oriented Communities Tax Increment Financing Pilot (TOC TIF Pilot) Program, which will fund feasibility studies for eligible cities and/or the County to consider tax increment financing districts around transit stations.

### Round 5

Funding for Round 5 was available to the County of Los Angeles, and all cities with regulatory jurisdiction within a one-half mile radius of Metrolink, Metro Rail, or Metro Transitway/Bus Rapid Transit stations and adjacent transit corridors. The Program funds two types of activities:

1. Using the Transit Supportive Planning Toolkit (Toolkit) as the guiding framework, continue to fund the development of regulatory documents (TOD Plans) that result in the elimination of regulatory constraints to transit-supportive planning. These activities include, but are not limited to, new or amended specific plans, ordinances, overlay zones or general plan amendments; transit village development districts; and environmental studies required for adopting the new or amended regulatory documents.
2. Through the new TOC TIF Pilot Program, the Program will fund initial feasibility analyses for the formation of Tax Increment Financing districts in areas around transit stations that have transit-supportive regulatory documents in place or under development.

Staff conducted outreach to local jurisdictions through Metro's Technical Advisory Committee (TAC) and subcommittees and the Councils of Government (COGs) in May 2017. Applications were made available on June 2, 2017, and four application workshops were held in June 2017. The submittal deadline was July 31, 2017.

### Evaluation

Round 5 applications were evaluated by two panels that included Metro staff and external public agency representatives. The first panel (TOD evaluation panel) focused on the TOD regulatory planning grant applications (specific plans, overlays, and general plan amendments, for example). The second panel (TOC TIF panel) focused on the new TOC TIF Pilot Program grant applications.

Grant applications were evaluated against the program criteria as identified in the Board-approved Program Guidelines and in the Round 5 grant application. Projects assigned a score of 70 points or higher are eligible for funding. Those projects are indicated in Attachment A by a solid "qualifying" line. Of the 12 applications received, eight received a qualifying score.

The TOD evaluation panel determined that the three applications which scored below the eligibility requirement for funding failed to provide a strong nexus between the proposed work and the subsequent transit-supportive regulatory changes that could lead to increased transit ridership. The three applications requested a total of \$848,470 in funds.

The TOC TIF evaluation panel determined that the grant application that scored below the eligibility requirement for funding did not clearly align with the TOC TIF criteria and did not clearly demonstrate how the proposed project could result in increased transit ridership. The TIF applicant requested a

total of \$350,000 in funds.

After the evaluation process was completed, a cost reduction analysis was prepared to identify ineligible costs based on a review of comparable grants. As a result, project costs that were determined to fall outside the purview of the grant program and/or related to tasks performed in recently adopted planning studies were eliminated. Attachment A provides a summary of the proposers' budgets and the recommended grant award. Metro staff discussed all budget reductions with awardees.

### TAC Appeals

All applicants were notified of the preliminary award recommendation on November 17, 2017, and were given two weeks to submit an appeal fact sheet to Metro staff for the TAC meeting held in January 2018. The four unsuccessful Round 5 applicants decided not to pursue an appeal. Staff provided a verbal presentation of the recommendations at the January 2018 TAC meeting.

### Round 5 Program Guidelines

The Program Guidelines (Attachment B) will be amended to incorporate two revisions as noted below.

#### *TOC TIF Pilot Program*

The first revision calls for providing greater flexibility in the type of TIF programs that the Program can fund. The current Program Guidelines only allow for grant recipients to evaluate creating Enhanced Infrastructure Financing Districts (EIFDs) or Community Revitalization and Investment Authorities (CRIAs). Staff would like to create greater flexibility in the type of TIF programs that grantees can explore.

As an example, in October 2017, Governor Brown signed AB 1568 which creates the Neighborhood Infill Finance and Transit Improvement Act of 2017 (NIFTI). NIFTI authorizes local communities to use their share of local tax dollars to address housing (inclusive of requirement that 20% of district funds are used for affordable housing) and infrastructure needs in infill areas. Staff recommends that the Board amend the Program Guidelines to allow grantees greater flexibility in evaluating TIF Programs that go beyond EIFDs and CRIAs, as they are developed by the state and as they align with Metro's Program goals.

#### *Adjacent Development Review*

The second amendment to the Program Guidelines will strengthen the integration of Metro's Adjacent Development Review process, as defined in Section VIII - General and Administrative Conditions in the Program Guidelines. Metro administers an Adjacent Development Review function in which Metro staff evaluates private development projects located within 100 feet of a Metro facility (stations, rights-of-way, maintenance facilities, etc.) across Los Angeles County for potential impacts to Metro operations.

Strengthening the Adjacent Development Review reference in the Program Guidelines will support

early interagency coordination and create greater predictability for development occurring in close proximity to a Metro facility by embedding the procedures in regulatory plans that are funded by the Program. As development activity continues to concentrate along Metro's expanding transportation network, embedding early interagency coordination into the development process, wherever feasible, will be of great benefit to Metro, local agencies, and the development community.

### Future Rounds

Round 5 will exhaust all funding identified for the TOD Planning Grant Program. With the Long Range Transportation Plan update underway, as well as the development of an Equity Platform to guide the LRTP and future planning efforts, staff will review the first 5 rounds of the TOD Grant Program, identify best practices, determine how to incorporate additional equity metrics and incentives into potential future rounds, and develop a funding plan for future rounds.

### **DETERMINATION OF SAFETY IMPACT**

There is no negative impact on the safety of our employees and patrons. The Program will advance transit-supportive planning and development policies that improve the integration of transit stations into existing communities and the built environment. This integration supports improved safety for passengers and for Metro operations.

### **FINANCIAL IMPACT**

The Short Range Transportation Plan (SRTP) identified \$24,600,000 in funds for the Program from FY13 through FY19. The program is funded by a combination of Measure R 2% (Metro Rail Capital - System Improvements, Rail Yards, and Rail Cars) and Measure R 3% (Metrolink Capital Improvement Projects within Los Angeles County - Operations, Maintenance, and Expansion). To date, the Board has awarded 35 projects totaling \$21.6 million across the county.

#### Impact to Budget

The \$3,080,500 recommended for Round 5 will largely exhaust the SRTP funds for the TOD Planning Grant Program. Funding is not available for future rounds.

### **ALTERNATIVES CONSIDERED**

This Board may choose not to approve \$3,080,500 in funding awards and related actions as recommended. We do not recommend this alternative. The Program as designed furthers the Board objectives to advance comprehensive transit supportive planning regulations that facilitate increased transit ridership through compact design, people-centric urban design, and first/last mile improvements. Additionally, funding for the Program is part of the 5-year SRTP.

The Board may choose not to amend the Program Guidelines. Staff does not recommend this alternative. Amending the Program Guidelines will create greater flexibility in evaluating TIF district

formation and will provide grantees and the region with more tools to advance the implementation of transit oriented communities principles near Metro and Metrolink stations.

Additionally, amending the Program Guidelines to strengthen the Adjacent Development Review language will support early, meaningful interagency coordination and create greater predictability for the development community investing near Metro transit facilities. As Metro continues to build out the system, having this embedded into planning processes will continue to be of benefit to all parties involved.

### **NEXT STEPS**

With Board approval, staff will initiate and execute Grant Agreements with Round 5 awardees.

### **ATTACHMENTS**

Attachment A - TOD Planning Grant Program Round 5 Summary and Funding Recommendations

Attachment B - Amended TOD Planning Grant Program Guidelines

Attachment C - Funding Table

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**TOD Planning Grant Program: Round 5**  
**Summary and Preliminary Funding Recommendations**

<b>Applicant</b>	<b>Amount Requested</b>	<b>Project Description</b>	<b>Avg Score</b>	<b>Recommended Funding</b>	<b>Stations</b>
El Monte*	\$120,000	TIF District Feasibility and Planning Study	88	\$120,000	El Monte Metrolink Station and El Monte Transit and Busway Station
Azusa*	\$141,000	TIF Feasibility Study for the Azusa TOD Specific Plan Area	87	\$141,000	Azusa Downtown and APU/Citrus College Stations / Metro Gold Line
Los Angeles*	\$499,200	Downtown Los Angeles TIF Feasibility Study	85	\$370,000	Metro Rail, Blue, Gold, Expo, Red, Purple, Silver, Metro Rapid and Local Bus lines
Compton	\$410,000	Compton Mixed-Use Policies: General Plan/Zoning Code Consistency	84	\$410,000	Metro Blue Line: Compton Station
Burbank	\$410,000	Downtown Burbank Metrolink Station TOD Specific Plan and General Update	76	\$410,000	Metrolink Burbank Downtown Station - Serving Antelope Valley Line/Ventura County Line
El Segundo	\$659,500	El Segundo Transit Corridor Plan	73	\$659,500	Metro Green Line Stations: Aviation, Mariposa, El Segundo and Douglas Stations
Pico Rivera	\$390,000	Washington & Rosemead Boulevards Gold Line Eastside Extension TOD Plan	73	\$390,000	Gold Line East Side Extension
Los Angeles	\$1,270,400	Specific Plan for Slauson Avenue Corridor	70	\$580,000	Blue and Silver Line Stations: Slauson & Fairview Heights Stations / Crenshaw/ Slauson Transit Corridor
<b>Total Recommended Funding</b>				<b>\$3,080,500</b>	
Glendora	\$300,000	Glendora Station Area Plan with Overlay Zone	63	\$0	Gold Line Foothill Extension Phase 2B- Glendora Station
Paramount	\$266,400	North Paramount Boulevard Station Gateway Plan	56	\$0	West Santa Ana Branch Transit Corridor
Covina*	\$350,000	Covina Metrolink Station Local TIF Feasibility Study and Overlay Plan	55	\$0	Covina Metrolink Station
South Pasadena	\$282,070	City of South Pasadena Downtown Specific Plan	44	\$0	Gold Line Station South Pasadena Station/
<b>Total Requested</b>	<b>\$5,098,570</b>				

**\*Tax Increment Financing Pilot Program Applications**

# **Los Angeles County Metropolitan Transportation Authority**

## **Transit Oriented Development Planning Grant Program Guidelines**

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### **Round 5**

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3/1/2018

## I. BACKGROUND AND OBJECTIVES

### TOD Planning Grant: Background

Los Angeles County is experiencing a transformational expansion of the public transit system that will dramatically change the options and opportunities that people traveling to, from, or through Los Angeles County will have to get around. The Los Angeles County Metropolitan Transportation Authority (Metro) has a vested interest in planning and investment efforts around transit stations that create an environment that promotes, encourages, and supports transit riders and the interface between public transportation and surrounding communities.

As a result, in 2011 Metro created the TOD Planning Grant Program (Program), a competitive grant program that funds local governments to develop and adopt transit supportive regulations that promote equitable, sustainable, transit-supportive planning.

Transit-supportive places are places where the presence of effective and predictable transit can be enhanced through appropriate patterns and types of development. This can be achieved through practices such as community-scaled density, diverse land use mix, reduced reliance upon private automobiles, and enhanced infrastructure for pedestrians, bicyclists and people of all ages and abilities.

Between 2011 and 2016, Metro released four (4) rounds of the TOD Planning Grant, and awarded \$21.6 million in 35 grants, to 30 cities across LA County.

### TOD Planning Grant: Round 5

#### *Transit Supportive Planning Toolkit*

In 2016, Metro released the Transit Supportive Planning Toolkit (Toolkit). Funded by a grant from the Strategic Growth Council, and as part of a broader study on Climate Change Adaption Strategies, the Toolkit is a comprehensive research-based resource that includes best practices, tools and case studies that local municipalities can use to advance Transit Supportive Planning in Los Angeles County. The Toolkit identifies 10 characteristics of transit supportive places that collectively are shown to reduce vehicle miles traveled and increase transit ridership (see Attachment A for brief overview). Round 5 of the TOD Planning Grant will require grantees to utilize the Toolkit as a resource and apply the 10 characteristics of transit supportive planning in grant funded efforts. The Toolkit is a web-based program that can be found on Metro's website at <https://www.metro.net/projects/tod-toolkit/>

#### *Transit Oriented Communities (TOC) Tax Increment Financing (TIF) Pilot Program*

In 2011, the California State legislature abolished redevelopment and the state's only effective TIF vehicle. Since then, the legislature has created new enabling legislation to support tax increment financing (TIF). Unlike redevelopment, the new TIF programs (EIFDs & CRIAs) cannot include property taxes from education entities (approximately ½ of all property taxes). Property tax contributions from the other taxing entities are voluntary. TIF can be an important tool in the creation of transit



supportive communities, as it can be used to finance infrastructure improvements as well as affordable housing. With Round 5 of the TOD Planning Grant program, Metro is partnering with SCAG to offer funding to municipalities seeking to study the feasibility of forming TIF districts (Enhanced Infrastructure Financing District (EIFD), Community Revitalization and Investment Authority (CRIA), **or similar TIF program**. Study funding may be available to examine areas around transit stations for municipalities that:

- Have adopted or are in progress with creating a transit supportive regulatory environment; and
- **As applicable, measure** favorably against the Southern California Association of Governments (SCAG) online Screening Criteria that can be found at [EIFD/CRIA Technical Assistance Tool](#).

As a partner in this effort, SCAG will provide training on the formation and study of the EIFD and CRIA districts as well as use of their TIF screening tool. The County of Los Angeles will provide support by providing updated and accurate tax assessment and collection information.

## II. PROGRAM OBJECTIVES

- Support municipalities in implementing complimentary transit-supportive infrastructure projects and affordable housing.
- Increase transit ridership.
- Increase the number of comprehensive, community-driven transit supportive planning efforts around Metro light rail, Metrolink stations, and Metro Transitway/Bus Rapid Transit stations and adjacent transit corridors in Los Angeles County.
- Improve local and regional efforts that enhance an equitable integration of transportation and community planning.
- Improve the transit network and increase utilization of public transit by reducing the number of modes of transportation necessary to access regional and local transit lines;
- Further the reduction in greenhouse gases through encouraging in-fill development along transit corridors and transit use;
- Support and implement sustainable development principles.
- Increase opportunities to meaningfully engage diverse stakeholders, especially underserved and vulnerable communities, in advancing transit supportive planning efforts across the region.

## III. ELIGIBLE APPLICANTS

Cities and the County of Los Angeles with land use regulatory authority:

- Within 1/2 mile of Metro Light Rail, Metrolink Stations and/or Transitway/Bus Rapid Transit stations and adjacent transit corridors in Los Angeles County; and
- Within 1/2 mile of the existing, funded, planned (priority will be given to station area planning efforts that are nearer-term) Metro rail or bus rapid transit stations and/or adjacent transit corridors. Grantees are not required to focus on a circular 1/2 mile radius around a transit facility. Adjacent transit corridors refer to proposed planning areas that are less circular and more corridor-based. Grantees must make the case for the corridor-level approach.

Applicants seeking funds along transit corridors **MUST** demonstrate the corridor's relevancy to the development of transit supportive planning around the station area. The corridor may, for example, connect the station area to significant activity centers, carry significant pedestrian traffic to and from the station area, and/or connect the station area to other areas with significant transit service.

#### **IV. ELIGIBLE ACTIVITIES**

Round 5 of the Program offers two categories of activities: (1) Transit supportive regulatory documents, which will result in the elimination of regulatory constraints and the development of regulatory documents that promote transit supportive planning that can be adopted by governing bodies; and (2) TIF Feasibility Studies, which will study the feasibility of pursuing an EIFD, CRIA, **or similar TIF program** within 1/2 mile of Metro Light Rail, Metrolink Stations and/or Transitway/Bus Rapid Transit stations and adjacent transit corridors in Los Angeles County, create a vision/objectives for such a district, and determine the amount of TIF that could be generated under several scenarios. Applicants may apply to one or both of the categories; however, the TIF feasibility study requires that transit supportive land use regulations are already in place or under development, so an applicant cannot apply for the regulatory change and TIF feasibility study in the same area at the same time. Robust and inclusive multilingual community engagement shall be an integral component of all Metro-funded planning efforts.

##### **Transit Supportive Regulatory Documents**

Regulatory documents must include a land use component (with corresponding zoning code updates). However, Applicants and Grantees are required to advance comprehensive plans that encompass the 10 Toolkit characteristics to ensure that the region is advancing holistic, transit supportive plans. **Additionally, plans must be consistent with Metro adjacent development requirements as defined in Section VIII.** Eligible Regulatory Documents include, but are not limited to:

- New or amended specific plans;
- New or amended ordinances;
- New or amended overlay zones;

- New or amended general plans;
- Transit Village Development Districts; and
- Environmental studies required to support the new or amended regulatory documents.

### TIF Feasibility Studies

- Through the TOC TIF Pilot, Round 5 of the Program will fund TIF Feasibility Studies. Grantees may explore the formation of an Enhanced Infrastructure Financing District (EIFD), a Community Revitalization Investment Authority (CRIA), **or other comparable TIF programs**, including engaging with stakeholders to determine vision and objectives for a TIF district. The Round 5 Grant application includes a sample scope of work for such studies to provide guidance on eligible activities.
- To be eligible, Grantees must (1) demonstrate that a transit supportive regulatory document is in place or under development; (2) show eligibility for a TIF districts (EIFD, CRIA, **or similar**) using the SCAG TIF Screening Criteria (**as applicable**); (3) meet the criteria for TIF formation adopted by the County Board of Supervisors in spring 2017, included as Attachment B; and (4) Priority will be given to the most Disadvantaged Communities as defined by CalEnviroScreen.

## **V. EVALUATION CRITERIA**

Proposals will be evaluated according to the following criteria. The first section applies to regulatory documents (Specific Plans, General Plan Amendments, Overlays, etc.), the second set of criteria apply to TIF Feasibility Studies. More detailed scoring criteria are provided in the grant application.

### Transit Supportive Regulatory Documents Criteria

#### *Section 1. Project Scope*

##### *a. Project Area/Targeted Communities:*

- Concise and clear description of the project area, targeted communities, and specific transit stations and/or corridors the project will impact.
- Clear description of the prominent equity concerns in the community (such as lack of affordable housing, economic development, environmental justice, safety, active transportation needs, public health disparities, and so forth).
- Description of the station and/or corridor significance to the local community and larger region including importance for the transit network and ridership.
- Description of the most pressing barriers to public transportation usage and non-private vehicle multi-modalism (walking, rolling, biking).

##### *b. Regulatory Constraints:*

- Clear description of the specific regulatory constraints and/or general land use challenges/ barriers in the project area to advancing an equitable transit supportive planning effort. (Does current zoning support transit-supportive development patterns? Has the jurisdiction adopted a Complete Streets Policy?)
- Description of the regulatory barriers that preclude the jurisdiction from addressing the equity issues identified in Section 1.a.
- Degree to which constraints and barriers are aligned with the Toolkit's 10 characteristics of Transit Supportive Places (i.e. outdated parking requirements, height or density restrictions, incompatible land uses, lack of bicycle and pedestrian access and utilization incentives, etc.).

*c. Proposed Regulatory Documents:*

- Clear description of the regulatory documents that will require revision and/or new regulatory documents. Documents may include a community's general plan, zoning ordinances, parking codes, specific plans, Transit Village District documents, etc. If General Plan land uses are proposed, a clear description of whether or not zoning code updates will be included should be noted.
- Extent to which regulatory documents promote Program objectives as identified in these Guidelines and the Toolkit and are consistent with Metro Adjacent Development requirements where applicable.

*d. Impact of Proposed Regulatory Changes:*

- Thoroughness in explaining how the regulatory changes directly mitigate the constraints previously identified; how they will improve community-specific equity concerns; how they will result in an increase in transit-ridership; and how they will improve the overall interface between the public transportation system and the surrounding community.

## *Section 2. Public Participation*

*a. Outreach Plan:*

- Clear identification of all impacted communities and stakeholders affected by the proposed regulatory changes, including description of key community organizations (advocacy groups, business groups, religious/social organizations, etc.) that will be engaged and the role that they will play in the process.
- Demonstration of a comprehensive and meaningful public participation and outreach program necessary to bring the regulatory changes forward.
- Clear description of how disadvantaged and/or underserved communities will be engaged in the process and the proactive activities that will be undertaken to engage these populations (translators, preparing materials in multiple languages, hosting meetings in the evenings and/or weekends, etc.).

*b. Community and Policy Maker Support:*

- Demonstration that community stakeholder and policy maker support for the types of regulatory changes being proposed exist. This could be evidenced by prior actions implementing similar changes elsewhere in the community, specific direction by elected officials, letters of support, etc.

### *Section 3 Future Implementation*

#### *a. Opportunity Sites:*

- Ability to link regulatory changes with the near term potential for implementing transit supportive projects through the availability of suitable opportunity sites, particularly if controlled by the applicant.

#### *b. Next Steps:*

- Demonstration of a well thought out long term plan for building a successful transit supportive area once grant funded regulatory changes are adopted.

### *Section 4. Project Implementation Plan*

#### *a. Project Schedule, Tasks, and Budget:*

- Schedule demonstrates the overall approach for project completion and that the project can be completed in 36 months.
- Principle tasks that will be undertaken to complete the project are identified, reasonable, and realistic.
- Overall expenditures (local and grant) as well as expenditures per task are both realistic and highly cost efficient, maximizing the impact of the funds requested.

#### *b. Project Management:*

- Clear description of team composition, including the roles and responsibilities of city/county staff and/or consultants.

#### *c. Prior Grant Performance:*

Demonstrated performance that does not include:

- Project delays to due unreasonable schedule proposals, and
- Numerous untimely or incomplete quarterly reports and invoices.

### TOC TIF Feasibility Studies Criteria

Applicants seeking funding for TIF Feasibility Studies must utilize SCAG's Screening Criteria available at [EIFD/CRIA Technical Assistance Tool](#) to assess TIF District viability and grant program eligibility. SCAG will offer training on this tool as well as technical assistance to applicants. TIF Feasibility Study applications will require data collection from the City, SCAG, the County Assessor, the County Auditor-Controller and, as appropriate, the State Department of Finance.

## A. Screening Criteria

Applicants are required to perform an initial screening of their proposed TIF district in order to ensure that the feasibility study is for an area that meets the State's legal requirements and also that has the capacity to generate enough investment and TIF to create the desired impacts. For EIFDs and CRIAs, the TOC TIF grant application will include questions that closely align with the SCAG screening criteria. Interested parties will be required to advise on how their proposed project fares against the screening criteria. The SCAG Screening Criteria will be critical to vetting applications and informing on potential project viability. The screening criteria will be discussed further in a pre-application workshop. An overview is provided below.

### *1: EIFD/CRIA Successor Agency Prerequisites*

- Clear description of any former redevelopment project areas that overlap with the proposed TIF project boundaries.
- If overlap exists, a **Receipt of Finding of Completion** must be secured from the Department of Finance and submitted along with grant application.
- Provide detailed overview of current ROPS obligations (include most recent report submitted to the Department of Finance) and whether the City is producing residual revenues that could be applied toward the EIFD/CRIA. Lack of residual revenues post-dissolution could disqualify a proposed area for lack of property taxes if they are pledged to repay the debts of the former CRA in the foreseeable future.

*Resource: City to obtain from the State Department of Finance and City Finance Department*

### *2: Economic Development Potential*

Demonstrated potential for economic development and therefore, a financially viable TIF district. This can be demonstrated by identifying underutilized and/or publicly owned parcels, planned projects, and looking at changes in parcel values over time:

- Identify underutilized and/or publicly held properties and planned projects within the study area.
- Clearly describe existing parcel values within the potential project area(s) and any significant changes over time (past 5-15 years).
- Clear demarcation and description (size, location, zoning, current use, obligation status) of publicly held properties within the potential TIF district that can be leveraged for economic development purposes.

*Resource: SCAG GIS Land Use Data and Parcel Data (Screening Site)*

### *3: Current Zoning and Density in Project Area*

- Clear description of the adopted or in-progress transit supportive regulatory document (Specific Plan, Overlay, etc.) with adoption date. Including:
- The current or proposed zoning and General Plan principles and how they align with the 10 elements of the Transit Supportive Toolkit.
- The nexus with the transportation network,
- Clear description of regulatory principles that lend themselves to TIF district formation (infrastructure, economic development, sustainability, affordable housing, etc.).
- Whether an updated environmental clearance would be required.

*Resource: City documents and SCAG GIS data (including General plan, Specific Plans, existing land uses).*

#### *4: Project Location and Infrastructure Needs*

Proposals must demonstrate a strong and compelling nexus to public transportation and how project implementation will advance accessibility, integration, and usability of the public transportation system. This can be demonstrated by:

- Half-mile from a Metro Light Rail Station, Metrolink Station, and Metro Transitway/Bus Rapid Transit stations and adjacent transit corridors.
- Description the infrastructure needs such as bike and pedestrian improvements with map(s) that shows the project area, transit network, and 'infrastructure need' areas. Data should be gathered from the Metro Active Transportation Strategic Plan.
- Clear description of how a TIF district could improve infrastructure needs, improved connectivity to public transportation, district-scale sustainable infrastructure improvements, and encourage redevelopment of underutilized properties.

*Resource: SCAG GIS data, HQT/ TPP/ TPA maps, City documents*

#### *5: Potential Infrastructure Financing Solutions*

- Using SCAG's Screening Criteria, Projects must demonstrate a Tax Increment Capture Rate of 15 cents (.15) for every dollar (\$1) for the Project Area. Taxing entity proportional shares should be current (redevelopment era shares were pre-ERAF) and come from County Auditor-Controller.
- Clear demonstration of project area viability to secure grant funding to advance early implementation of TIF District activities, such as location in a disadvantaged community, other demographic data, safety statistics, etc.

*Resource: SCAG Property Tax Data, GIS Data, TPA, Disadvantaged Community Maps*

## 6: CRIA Eligibility

Clear description of the Project Area's eligibility to form a Community Revitalization Investment Authority (CRIA):

- 80% of land (calculated by census tracts or block groups) must have median household income of less than 80% of statewide median
- Must exhibit at least three of the following conditions:
  1. Non-seasonal unemployment rate 3% higher than statewide median
  2. Crime rates 5% higher than statewide median
  3. Deteriorated or inadequate infrastructure
  4. Deteriorated commercial or residential structures
- Note: AB 2492 (NEW) to qualify under CalEPA designation as disadvantaged community (based on geographic, socioeconomic, public health, environmental factors).

*Resource: SCAG Socioeconomic Data, GIS Data, including Disadvantaged Community Maps*

### B. Project Description and Stakeholder Engagement

#### Section 1: Project Description

- While a specific, defined boundary for the TIF district would be determined through the feasibility study, applicant must offer a clear, concise description of the targeted geographic area under consideration, the transit station(s) within the area, and the kinds of projects/programs that would be funded if a TIF district were in place
- The application must describe how it has positioned itself to advance a successful TIF district and transit supportive investments, through regulatory plan adoption or proposed plan under development, economic development efforts, early TIF exploration, and/or securing other funding sources to implement transit supportive projects.
- Describe how the proposed TIF district could support increased transit access and ridership. This can be based on anticipated public improvements, new development and community serving facilities, etc.

#### Section 2: Stakeholder Engagement

##### a. Outreach Plan:

- Clear identification of impacted communities and stakeholders affected by the proposed TIF district, including description of key community organizations (advocacy groups, business groups, religious/social organizations, etc.) that will be engaged and the role that they will play in the process
- Demonstration of a comprehensive and meaningful public participation and



outreach program necessary to identify support and create a vision/objectives for a TIF district.

- Clear description of how disadvantaged, underserved communities will be engaged in the process and the proactive activities that will be undertaken to engage these populations (translators, preparing materials in multiple languages, hosting meetings in the evenings and/or weekends, etc.).

A panel of LACMTA staff will evaluate all applications. TIF applications may include evaluators from SCAG. Applicants who do not receive award will have an opportunity to appeal to Metro's Technical Advisory Committee following Board of Directors' action on staff recommendations for award. Unsuccessful applicants will receive an email by LACMTA notifying them of the opportunity to appeal. Unsuccessful applicants interested in presenting their appeal should reply to LACMTA's project manager.

***Disclaimer:** Please note that successful award does not imply County participation in future TIF District.*

## **VI. ELIGIBLE COSTS**

Applicants will develop and submit a budget as part of the application. Funds awarded will not exceed the budget submitted and may be less if the key objectives can be achieved at lower costs. Any cost overruns shall be the responsibility of the applicant. The grant can fund:

- a. Both third party consulting costs and internal staff costs for staff directly providing services with respect to the project will be eligible for funding. Such eligible costs shall not include overtime costs.
- b. Costs associated with community outreach may include food, and non-cash incentives. Such proposed expenditures must be approved by Metro in advance of incurring costs.

## **VII. NON-ELIGIBLE COSTS**

- a. Third party consultants and contracted staff costs such as equipment, furniture, rental vehicles, mileage, food, office leases or space cost allocations.
- b. Applicant staff overtime costs, mileage reimbursements, food and use of pool cars.

## **VIII. GENERAL AND ADMINISTRATIVE CONDITIONS**

- a. **Duration of Grant Projects.** Projects' schedules must demonstrate that the projects can be completed, including related actions by the governing body (if any), within 36 months of award.
- b. **Governing Body Authorization.** Completed TOD Planning Grant Program and

TOC TIF Feasibility Study applications must include authorization and approval of the grant submittal and acceptance of award by the governing body, if required, within three months of notification of award.

- c. **Grant Agreement.** Each awarded applicant must execute a Grant Agreement with Metro. The Agreement will include the statement of work, including planning objectives to be achieved, the financial plan reflecting grant amount and any local match, if applicable, as well as a schedule and deliverables. The schedule must demonstrate that the project will be completed within 36 months from the date of execution.
- d. **Funding Disbursements.** The Program is reimbursement-based. Funding will be disbursed on a quarterly basis subject to satisfactory compliance with the expenditure plan and schedule as demonstrated in a quarterly progress/expense report supported by a detailed invoice demonstrating the staff and hours charged to the project, any consultant hours, etc. An amount equal to 5% of each invoice will be retained until final completion of the project and audits. In addition, final scheduled payment will be withheld until the project is complete and approved by Metro and all audit requirements have been satisfied. All quarterly reports will be due on the last day of the months of October, January, April, and July. Project expenditures that reach 75% of grant budget will be put on suspension when they are behind in submitting a series of quarterly reports and deliverables. Grantees are responsible for submitting on-time completed quarterly reports and invoices. Reports that are delayed or incomplete will result in payments being suspended until the work is on schedule and deliverables are provided according to the Scope of Work and Attachment A.
- e. **Audits.** All grant program funding is subject to Metro audit. The findings of the audit are final. At the Project Manager's discretion, informal audits will be administered by the project manager for grant awards under \$750,000. Grant awards above the \$750,000 threshold will be assigned a formal audit.
- f. **Contract Management.** Program and contract grant management shall be administered by the City staff. City staff must clearly define roles of staff administration and management and may budget through the grant to hire contract staff to assist in managing the program. The contractor or consultant must be defined in the grant application and scope of work. Contractor or consultant staff shall not be associated with the hiring of consultants to perform the development of the regulatory documents.
- g. **Design Guidelines.** Program outreach activities will adhere to Metro's logo and design requirements and standards by clicking on the following link:  
[https://media.metro.net/projects\\_studies/tod/images/Metro\\_Logo\\_Guidelines.pdf](https://media.metro.net/projects_studies/tod/images/Metro_Logo_Guidelines.pdf)
- h. **Metro Adjacent Development Review Process. To ensure that future development in the vicinity of Metro's right-of-way (ROW) is designed and constructed to allow for continuous safe operations of the transit network, the Grantee shall comply with the Metro adjacent development review process as outlined in the Grant Agreement.**

- i. **Program Conditions-** Delivery of draft work products at significant milestones and quarterly project briefings will be coordinated with Metro grant administrator.
- Grant recipients are required to share their proposed draft RFP, draft consultant contract and draft regulatory documents to Metro project staff prior to City approval.
  - Quarterly briefings will be conducted with Metro staff throughout the project schedule at significant milestones, i.e., kick off meetings, draft documents, outreach events and committee approvals, etc.
  - Grantee shall demonstrate that it can meet project milestones and stay within the budget identified in the Grant Agreement. If at the time Grantee has expended seventy-five percent (75%) of the Grant Funds and Grantee has not demonstrated that the work is sufficiently complete consistent with Grant Agreement, LACMTA's Project Manager will notify Grantee's Project Manager through written notice that payments will cease until a mutually agreed-to cost control plan is in place. In the case of insufficient funds to complete the Project, no further payments will be made and Grantee will identify and secure additional funds to complete the project identified in Attachment A.

**IX Deobligation of Funds.** Grantee must demonstrate timely use of the funds and effective implementation of project scope of work by:

- a. Executing the Agreement within sixty (60) days of receiving formal transmittal of the Agreement from LACMTA.
- b. Meeting the Project milestone and deliverable due dates as stated in the Project Schedule and Budget, and Scope of Work.
- c. Timely submitting of the Quarterly Progress/Expense Reports as defined in Part II, Section 2 of the Agreement and the Reporting and Expenditure Guidelines; and
- d. Expending funds granted within thirty-six (36) months from the date the Grant Agreement is fully executed.
- e. Procuring contract/consultant to complete grant Scope of Work within six (6) months of agreement execution with LACMTA.
- f. Notifying LACMTA as soon as grantee is aware of any changes and circumstances which alter the eligibility of the Board approved project.

In the event that timely use of funds and effective implementation of the project scope of work is not demonstrated, the Project will be reevaluated by LACMTA as part of its annual budget recertification of funds/TOD Planning Grant Program deobligation process and the Funds may be deobligated and reprogrammed to another project by the LACMTA Board of Directors. Prior to LACMTA Board of Directors' action to deobligate funds, Grantees recommended for deobligation will

have an opportunity to appeal to Metro's Technical Advisory Committee. Grantees will receive a letter by LACMTA notifying them of the opportunity to appeal. Grantees interested in presenting their appeal should reply to LACMTA's project manager.

Administrative extensions may be granted under the following conditions:

- a. Project delay due to an unforeseen and extraordinary circumstance beyond the control of the project sponsor (legal challenge, act of God, etc).
- b. Project delay due to an action that results in a change in scope of work or project schedule that is mutually agreed upon by LACMTA and the project sponsor prior to the extension request.
- c. Project fails to meet completion milestone, however public action on the proposed regulatory change(s) has been scheduled and noticed to occur within 60 days of the scheduled completion milestone.
- d. Administrative time extensions longer than 6 months will require a formal written amendment of the grant agreement.

Informal administrative amendments may be granted under the following conditions:







- a. Project that requires a one-time 6-month time extension based on the Administrative extensions conditions noted above may be eligible for an informal administrative approval. Informal administrative approval will be provided via a signed letter from Metro Project Manager. The Metro Project Manager must secure concurrence from the Senior Executive Officer.





Upon full execution of agreement, Grantee has committed to having the staffing necessary to fulfill the scope of the project. Therefore, inadequate staffing shall not be considered a basis for administrative extensions or appeal of deobligation of funds.

If Grantee does not complete an element of the Project, as described in the Scope of Work, due to all or a portion of the Funds lapsing, the entire Project may be subject to deobligation at LACMTA's sole discretion. In the event that all the Funds are reprogrammed, the Project shall automatically terminate.

# ATTACHMENT A

## Transit Supportive Planning Toolkit

10 Transit Supportive Planning Elements			
 <p>Compact Design</p>	<p>Higher density, especially within a quarter or half mile of a transit facility, can impact travel behavior by providing more opportunities to live in close proximity to transit.</p>	 <p>Complete Neighborhoods</p>	<p>Complete neighborhoods include a variety of housing options, retail and commercial services, and community services. Complete neighborhoods bring land uses and amenities closer together, reduce travel distances, and allow for more non-automobile trips.</p>
 <p>Street &amp; Network Connectivity</p>	<p>Well-connected streets and non-automobile networks bring destinations closer together, reduce travel distances, and improve pedestrian and bicycle access to adjacent areas and uses.</p>	 <p>Site Layout, Parking Layout &amp; Building Design</p>	<p>Placing building towards the edges of streets and public spaces help create walkable urban environments.</p>
 <p>Affordable Housing</p>	<p>Low-income residents often have some of highest rates of transit ridership. Adding new affordable housing near transit can improve access to employment, health care, and education opportunities and reduce commuting cost for low-income families.</p>	 <p>Commercial Stabilization, Business Retention &amp; Expansion</p>	<p>Commercial stabilization measures can help protect and encourage existing small, local businesses that serve the needs of neighborhood residents.</p>

 <p>Transit Prioritization, Accessibility &amp; Area Design</p>	<p>Prioritizing transit and active transportation as the first and highest priority of a circulation network may result in increased transit service, through better travel times and speeds, which can result in significant transit ridership improvements.</p>	 <p>Parking Management</p>	<p>Efficient parking management can reduce the parking supply needed, allowing an increase in land use intensity, mix of uses, wider sidewalks, and bike networks.</p>
 <p>Transportation Demand Management</p>	<p>TDM strategies influence a variety of factors to encourage greater transportation system efficiency, including trip mode, trip timing, travel safety, and trip cost.</p>	 <p>Pedestrian &amp; Bicycle Circulation</p>	<p>Adding pedestrian and bicycle amenities to station areas and connecting those facilities to the surrounding area can create a more accessible transit environment, encouraging new riders.</p>

## Attachment C: Funding Table

<b>Project Cost \$</b>	\$3,080,500
<b>Cost Type</b>	Actual Cost

### Revenue

Funding Source	Type	Amount	Status
Local	Measure R 2% (Metro Rail Capital System Improvement) & 3% (Metrolink Capital Improvement projects)	\$3,080,500	Approved in SRTP.
	Metro Local	\$0	N/A
<b>Total Revenue</b>		<b>\$3,080,500</b>	