

Historical Perspective

The concept of Transit Oriented Communities was introduced to Metro in May 2015 by Chief Executive Officer 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. Adopted by the Metro Board on June 28, 2018, 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.

ATTACHMENT A (REVISED)

METRO TRANSIT ORIENTED COMMUNITIES POLICY

I. POLICY CONTEXT

Traditionally transit agencies have focused their mission on a combination of planning, constructing, and operating the public transit system with a focus on moving people from station to station within that system. Community impacts associated with the transit system, both positive and negative, were relegated to local jurisdictions to manage, promote or mitigate. Since the development of the last Long Range Transportation Plan, and with the passage of Measure R in 2008 that started a massive investment in public transportation in Los Angeles County, it has become evident that the regional serving transit systems we plan, construct, and operate have a tremendous impact on the communities we serve. These investments and services can:

- Result in targeted economic development/real estate investments or disinvestments
- Change the perception of a community as a desirable place to live or work, both positively and negatively
- Provide mobility and thus enhance access to jobs, schools, health care and economic mobility
- Accelerate change to the character and cultural cohesion of a community, in both positive and negative ways

Los Angeles made clear its commitment to continuing dramatic growth of its transit system in 2016 when voters approved Measure M and an additional \$120 billion in investment over 40 years. This investment will only be successful if Metro considers: issues of access and connectivity to the system (such as first/last mile connections); a deep understanding of the demographics of the customer base (to target and adjust service); safety, timeliness and consistency of service; and the impact of the system on issues of equity and equitable opportunity in the County. It is imperative for Metro to consider community wide impacts in its planning, development, operations and third-party funding.

To achieve this integrated goal of transit expansion and consideration of community impacts, Metro must forge partnerships with the municipal partners and local communities we serve. One of the most significant ways Metro can understand, define and measure both the possibilities and the impacts of its investments in public transit is to develop policies and procedures that promote Transit Oriented Communities (TOCs), as a path for communities to maximize the benefits of Measure M investments. This

TOC Policy is a step toward defining Metro’s goals in how we consider, fund, enable, and/or incentivize activities that support the development of balanced communities throughout Los Angeles County.

II. PURPOSE

The purpose of this policy is to:

- a. Define the concept of TOCs for Metro and develop the goals and objectives of Metro’s approach to enabling TOCs.
- b. Define those “TOC Activities” that will be considered a “transportation purpose” and thus are eligible activities for funding under the Measure M guidelines, by Metro and by its municipal partners through Local Return as well as for other eligible sources at the federal, state and local level.
- c. Establish 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.

III. DEFINITIONS (put in alphabetical order)

Affordable Housing: The California Department of Housing and Community Development (HCD) and the Federal Department of Housing and Urban Development (HUD) define affordable housing as housing for households earning 80% of the area median income (AMI) and below. This Policy specifically targets households earning 60% of AMI and below, a lower income level than HCD and HUD. In this Policy Affordable Housing is defined as covenanted, income-restricted, housing for households earning income 60% of AMI or below.

Income levels are further defined as:

- Extremely low-income: 0-30% of AMI
- Very low-income: 30% to 50% of AMI
- Low-income: 50% to 60% of AMI; the term may also be used to mean 0% to 60% of AMI

Geographic Boundaries of TOC: The span of Metro’s TOC program is LA County, with targeted activities, programs and projects: (1) generally, across the County; (2) within 3-miles of a Stop; and (3) within a half mile of a Stop.

High Quality Transit Stop (HQT): an existing or environmentally-cleared fixed-guideway transit station or the intersection of two buses with 15 minute headways, or

fewer, at the peak. High Quality Transit Stops may be served by any transit operator. A planned fixed-guideway station may also be considered if its location is the only alternative under consideration for a transit corridor in the planning stages. This definition may change to match changes in the State of California definition of a High Quality Transit Stop. High Quality Transit Stops may be referred to herein as “Stops”.

Low-income Households: This policy considers Low-income Households to be households earning annual income at or below 60% of the area median income (AMI).

Neighborhood-serving Amenities: community serving uses such as grocery retail, child care, health care, education, and recreational activities.

Small Business: a business that is independently owned and operated and adheres to the size standards established by the U.S. Small Business Administration (SBA) in terms of the average number of employees over the past 12 months or the average annual receipts over the past three years. These standards are defined at the following link: [SBA Size Standards Table](#).

Transit Oriented Communities: Transit Oriented Communities (TOCs) are 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; (c) elevating vulnerable users and their safety in design; and (d) ensuring that transit related investments provide equitable benefits that serve local, disadvantaged and underrepresented communities¹.

TOC Activities: Activities identified in this policy that support, enable and incentivize TOCs, and thereby serve a transportation purpose.

¹ For the purposes of this Policy, where Metro identifies disadvantaged and underrepresented communities, included are lower income households as well as households under the following protected categories as defined by the California Fair Employment and Housing Act (FEHA): race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age for individuals over forty years of age, military and veteran status, and sexual orientation.

IV. GOALS

The TOC Policy will set direction for how Metro plans and implements new and existing transit corridor projects, for supporting land use and community development around existing transit corridors, and for encouraging and incentivizing partners to pursue the same goals. Specific TOC Goals include (*in no particular order*):

1. Increase transportation ridership and choice

- **Ridership:** Increase system ridership and promote usage of alternate, non-motorized, modes of transportation.
- **Transportation Options:** Leverage land use and urban design to encourage non-single occupant vehicle transportation options both on and off Metro property, through enhanced first/last mile options, travel demand management, and seamless transit connectivity.
- **Safety:** Work to reduce collisions and create welcoming environments for all ages, abilities and protected classes in the planning, construction, and operation of transit oriented community projects.

2. Stabilize and enhance communities surrounding transit

- **Housing Affordability:** Prioritize development and preservation of transit-adjacent Affordable Housing.
- **Neighborhood Stabilization:** Protect and support local residents and businesses from displacement.
- **Sustainability:** Ensure that infrastructure investments are multi-beneficial, improving access to transit and enhancing communities' environmental resilience.
- **Economic Vitality:** Promote sustained economic vitality directly benefiting existing communities.

3. Engage organizations, jurisdictions, and the public

- **Community Engagement:** Ensure that stakeholders across a broad spectrum, including those that are harder to reach through traditional outreach strategies, are meaningfully engaged in the planning, construction and operation of Metro's transit system.
- **Foster Partnerships:** Through planning, coordination, policy advocacy and funding, foster relationships and partnerships with local residents and

businesses, labor, municipal and institutional entities, community-based organizations, workforce development providers, the private sector, and philanthropy, to realize TOC goals.

4. Distribute transit benefits to all

- **Equitable Outcomes:** Ensure transportation investments and planning processes consider local cultural and historical contexts and improve social, economic, health, and safety outcomes that serve and benefit local, disadvantaged and underrepresented communities.
- **Complete Communities:** Promote and realize complete communities that support a mix of incomes, land uses, transportation choices, and equitable access to safe, sustainable and healthy living.
- **Small Business:** Encourage the utilization of Small Businesses in the contracting opportunities generated by Metro’s investments.

5. Capture value created by transit

- **Value Capture:** Capture increased value of properties surrounding Metro’s transit investments and re-invest that value into TOC activities.

V. TOC ACTIVITIES

Transportation Purpose

Metro can only fund activities deemed to have a transportation purpose. If that transportation purpose is not otherwise explicitly defined in existing Metro policies or guidelines, the Board must make a finding that the activity has a transportation nexus. The Metro Board adoption of this Policy will represent that finding, deeming the TOC Activities in this Policy to have a transportation purpose.

TOC Activities are consistent with responsibilities outlined in Metro’s enabling statute in the California Public Utilities Code Section 130001:

“(e) The Transportation system should offer adequate public transportation to all citizens, including those immobilized by poverty, age, physical handicaps, or other reasons,” and “(h) Transportation planning should recognize that transportation systems have significant effect on the physical and socioeconomic characteristics of the area served, and emphasis should be given to the protection and enhancement of the

environment and restoration of blighted neighborhoods near community centers.”

TOC Activities by Geography

TOC Activities funded with Metro transportation funds must be within Los Angeles County. Some TOC Activities are general and may not be targeted around one particular High Quality Transit Stop (“Stop”), and others must take place, or be targeted within a half mile of the Stop (often referred to as the walk-shed) or within 3 miles of the Stop (often referred to as the bike-shed). References to “walk-shed” and “bike-shed” are not limited to walking and biking, but include rolling or other alternate modes of mobility. Eligible TOC Activities are characterized by these geographic requirements below.

General activities –

- Community engagement that targets harder-to-reach communities around/regarding TOC Activities or transit
- Events or programs that promote multi-modal transit options
- Discounted transit passes
- Grants and/or technical assistance to support projects and programs that achieve TOC goals
- Staffing or consultants that can implement TOC Activities
- Transportation related workforce training and education

Within 3 miles of a Stop –

- First/last mile improvements
- Complete Streets
- Land use planning that promotes TOC goals.
- Value capture studies and formation activities that support investment in TOCs. A value capture district must include at least one transit Stop but may span a broader radius around that Stop.

Within a half mile of a Stop –

- Public improvements that create stronger and safer connections to transit and improve the transit rider experience recognizing vulnerable users and their safety in design.
- Affordable Housing: Programs that produce, preserve, and protect affordable housing through:
 - Preservation or development of Affordable Housing units.
 - Innovative anti-displacement strategies to protect and retain Low-income Households.
- Small Business preservation: Programs that support and protect Small Businesses.

- Neighborhood--serving Amenities: Programs that preserve, protect and/or produce Neighborhood-serving Amenities.

VI. ADMINISTRATION

Implementation

Most of the TOC Activities outlined in this Policy will be implemented by municipalities and other eligible partners through Local Return or other eligible transportation funding programs, subject to the legal requirements and/or specifications of those funding programs. Some activities Metro will fund, enable or incentivize through its existing programs, planning work, policies and discretionary funding offered to partners.

Metro will only implement TOC Activities directly if they are within Metro's functional jurisdiction. Specific programs with the objective of meeting TOC goals may be implemented across various Metro departments.

Compliance with Funding Requirements

TOC Activities funded by Metro and implemented by municipalities and eligible partners must follow the legal requirements, specifications, guidelines and administrative procedures of the applicable funding program and will be subject to any specific limitations that may apply to those funding sources, including matching requirements. Using transportation funds for a TOC Activity may require the implementing entity to provide a clear description of the TOC Activity and how it furthers the TOC Policy Goals defined in Section IV. If municipalities do not pass audits, they may risk losing future funding opportunities.

Transparency and Accountability

With adoption of the TOC Policy, Metro will establish a TOC Implementation Plan that will include performance metrics. Thereafter, staff will prepare an annual TOC report.