

**DRAFT  
METRO  
TRANSIT ORIENTED COMMUNITIES POLICY**

**I. POLICY STATEMENT**

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 last development of the Long Range Transportation Program, 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 a regional serving transit system and the evolving private sector transportation alternatives have a tremendous impact on the communities they serve or do not 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

The continued dramatic growth of Los Angeles County's transit system, as envisioned by Measure M, cannot be a guaranteed success without considering: issues of access and connectivity to the system (such as first/last mile connections); a deep understanding 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.

As a result, Metro finds it appropriate and imperative to include community wide impacts in its planning, development, operations and third-party funding. This broader goal cannot be achieved by Metro or by its municipal partners alone; it is a partnership between these entities along with the local communities we serve. But Metro can and should understand the impacts and the possibilities inherent in its role as a transportation agency and develop policies and procedures that promote Transit Oriented Communities (TOC)s 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 incentive activities around community development and land use.

## II. PURPOSE

This 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 and other regionally controlled funds.
- 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

**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 community development. TOCs differ from Transit Oriented Development (TOD) in that a TOD is a specific building or development project that is fundamentally shaped by close proximity to transit.

TOCs promote equity and sustainable living in a diversity of community contexts by: (a) offering a mix of uses that support transit ridership of all income levels (e.g. housing, jobs, retail, services and recreation); (b) ensuring appropriate building densities, parking policies, and urban design that support accessible neighborhoods connected by multi-modal transit; and (c) ensure that transit related investments provide equitable benefits that serve local, disadvantaged and underrepresented communities<sup>1</sup>.

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<sup>1</sup> 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.

**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. 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. HQTs may be referred to herein as “Stops”.

**Geographic Boundaries of TOC:** The span of Metro’s TOC program is LA County, with a focus on activities, programs and projects within a half mile of a Stop (walk shed) and within 3-miles of a Stop (bike shed).

**Affordable Housing:** using income definitions provided by the California Department of Housing and Community Development (HCD) and the Federal Department of Housing and Urban Development (HUD), this policy considers housing targeting households at or below 80% of the area median income (AMI) as “affordable housing.”<sup>2</sup> 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 80% of AMI; the term may also be used to mean 0% to 80% of AMI

Generally, Affordable Housing must be covenanted and income restricted, however TOC Activities, as defined in Section V, may target “naturally occurring affordable housing” which provides units affordable to low income households but may not (yet) have covenants or other mechanisms to restrict rents to affordable levels..

**Protected Classes:** get definition from Cesar

**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](#)

## IV. GOALS

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<sup>2</sup> Metro’s Joint Development Policy specifically targets households earning 60% of the area median income and below. The definition set forth in this Policy has a broader target, but does not affect Metro’s affordable housing objectives.

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, both improving access to transit and improving 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 municipal and institutional entities, community based organizations, the private sector, philanthropy, and local residents and businesses, to realize TOC goals.

4. Distribute transit benefits to all

- **Equitable Outcomes:** Ensure transportation investments 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.

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. TOC Activities are projects, programs, and policies that support, enable and incentivize TOCs, and upon adoption of this Policy, will be deemed 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

*Within a half mile of a Stop –*

- Public improvements that create stronger connections to transit and improve the transit rider experience.
- Affordable housing: Programs that produce, preserve, and protect affordable housing through:
  - Preservation or development of housing units.
  - Innovative approaches 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.

*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.

## **VI. ADMINISTRATION**

### Implementation

*Municipalities and Eligible Partners* – Most of the TOC Activities outlined in this Policy will be implemented by municipalities and other eligible partners through Measure M Local Return or other eligible transportation funding programs.

*Within Metro* – Specific programs with the objective of meeting TOC goals may be implemented across various Metro departments. While many TOC oriented programs

are carried out by Countywide Planning and Development, such as the Joint Development, First/Last Mile, Active Transportation and Bike Share programs, TOC goals have been realized through programs administered by Safety and Security (Street Vendor Pilot Program), the Diversity and Economic Opportunity Department (Small Business Interruption Fund) and Community Relations (Eat Shop Play efforts).

Metro will only implement TOC Activities directly if they meet the following criteria:

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

#### Funding Administration and Compliance

*Funding Requirements* – TOC Activities funded by Metro and implemented by municipalities and eligible partners must follow the 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.

*Auditing* – Municipalities and eligible partners implementing TOC Activities will require projected and actual budgets, as well as ongoing reporting and audits to confirm compliance with these guidelines. If municipalities do not pass audits, they may risk losing future funding opportunities.

#### Reporting

With adoption of the TOC Policy, Metro will establish an annual TOC report, with the first report to be provided to the Metro Board 18 months after adoption of the Policy.