

A low-angle shot of a white Sound Transit train with teal and blue wave-like graphics. The train is moving along a track with a glass and steel structure overhead. The windows reflect the sky and the station.

# TOD within the ST3 System Plan

Expert Review Panel

April 11, 2016

 **SOUNDTRANSIT**

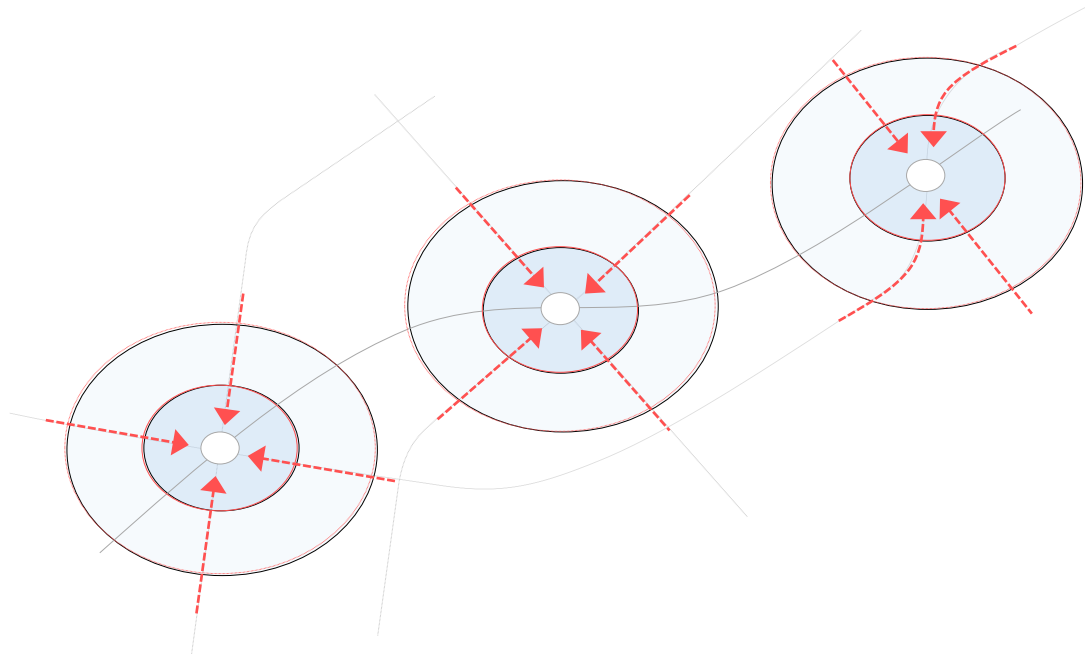
# TOD in the ST3 statute

**For the first time in statute, Sound Transit is required to implement a regional equitable transit-oriented development strategy:**

- + Creates diverse, mixed-use and mixed-income communities**
- + Consistent with TOD plans developed by any regional transportation planning organization**
- + Within the RTA boundaries**
- + Directs us to prioritize affordable housing**

# What is TOD?

TOD is a land development pattern that **integrates transit and land use** by promoting transit ridership while supporting community land use and development visions. TOD strategies focus urban growth around transit facilities and **leverage transit investments** to help produce regional and local benefits.



# Background – TOD, a regional priority

- + ST3 Statue directs Sound Transit implement equitable TOD
- + Sound Transit adopted a TOD policy in 2012
- + RCW 81.112.350, adopted by the Washington State legislature in July 2015, directs Sound Transit to prioritize affordable housing on Agency surplus property and enables the agency to discount fair market value in certain circumstances
- + Sound Transit launched a Regional TOD Initiative in October 2015 to engage stakeholders on possible TOD policy and procedural improvements
- + The Draft ST3 System Plan incorporates funding for TOD planning and in each capital project
- + TOD policy and procedure updates needed

# Background – RCW 81.112.350

## 80% of suitable surplus land offered to qualified entities for affordable housing

“a minimum of eighty percent of the surplus property be disposed or transferred, including air rights, that is **suitable for development as housing**, must be **offered** for either transfer at no cost, sale, or long-term lease first **to qualified entities** that agree to **develop affordable housing** on the property, consistent with local land use and zoning laws.” (emphasis added)

## 80% of constructed housing units must be affordable

“[...] [Sound Transit] must require a minimum of eighty percent of the housing units constructed on [suitable surplus property] to be dedicated to affordable housing.”

## Affordable housing units must be affordable to those making 80% of AMI

“‘Affordable housing’ means long-term housing for persons, families, or unrelated persons living together whose adjusted income is at or below eighty percent of the median income, adjusted for household size, for the county where the housing is located.”

# Background – Staff Outreach

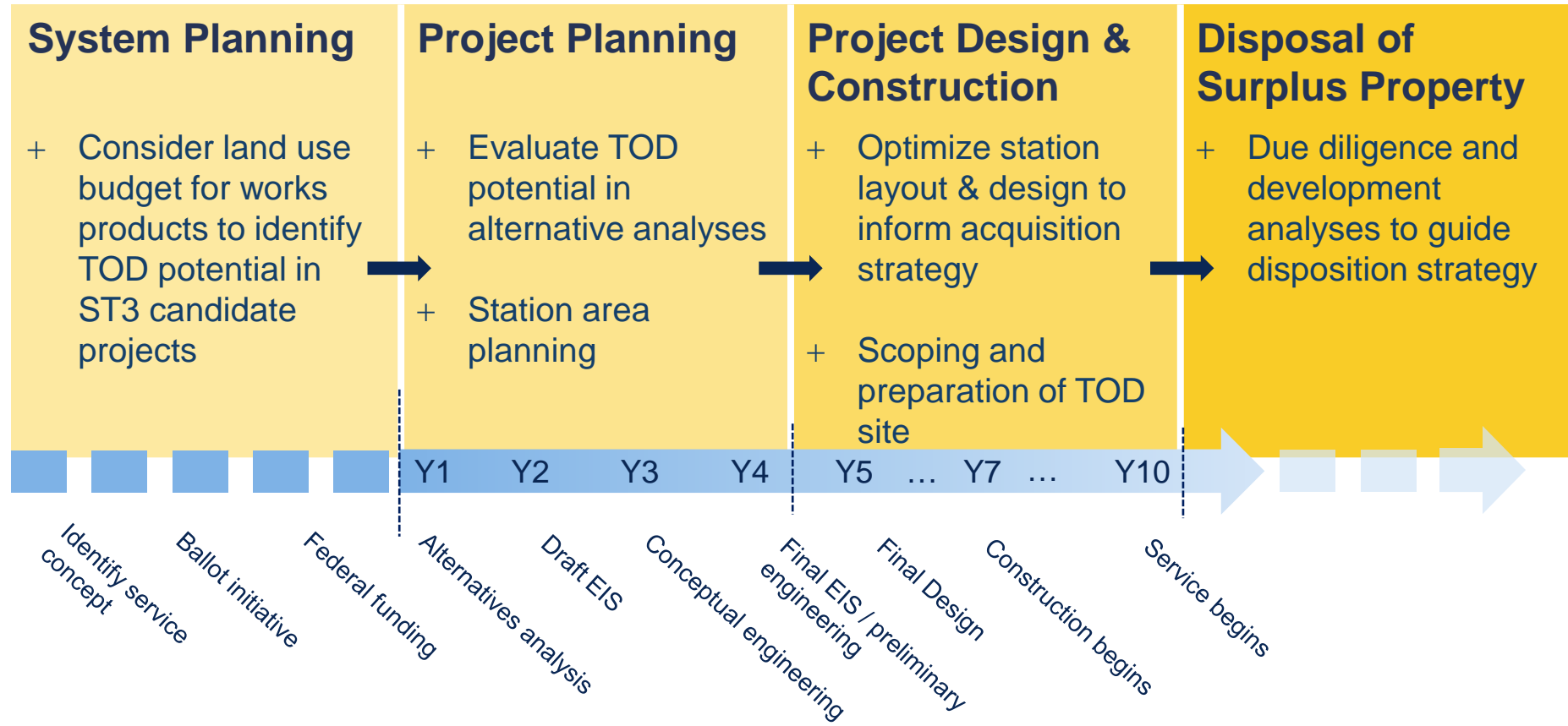
Staff engaged 30+ groups representing: non-profit, for-profit, policy advocates, funders and jurisdictions to help up contemplate meeting the scope of the ST3 Plan.

## What we heard:

- + ST processes need to be more transparent;
- + ST should take a larger role in community/equitable development;
- + Use available tools to advance regional affordable housing goals;
- + Desire to help craft policy language to integrate affordable housing requirement



# ST3 TOD approach – activity based

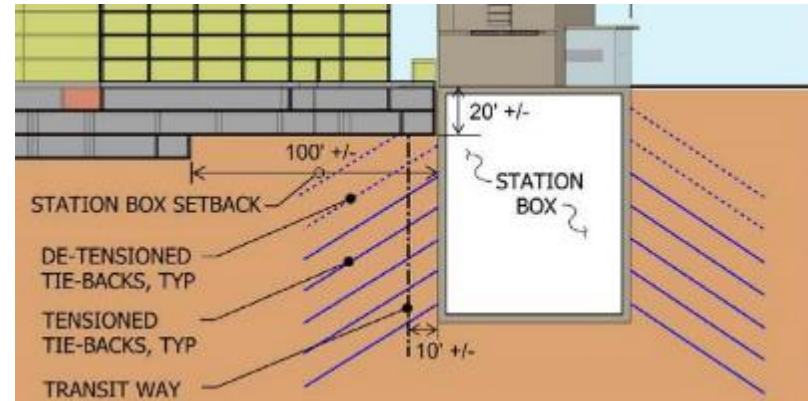


- 
- 200-260 housing units  
~200 stall garage in podium
- Mixed-use development**  
Up to ~80,000 GSF additional commercial space (office/retail)  
200-350 housing units  
~200 stall garage in podium



# Agency surplus land

- + Pre-development studies and outreach activities will inform TOD approach
- + Due diligence activities will provide potential developers with reliable and useful information to plan TOD projects
- + Surplus land will be offered in accordance with new affordable housing legal requirements
- + TOD funds are allocated for TOD predevelopment activities at each station (\$20 million)



# Affordable housing funding

- + Contribute \$20 million to a revolving loan fund to support affordable housing in areas served by ST, as required by RCW 81.112.350
- + ST3 draft financial plan currently assumes contributions of \$4 million per year from 2019 through 2023
- + The RCW gives ST discretion to identify appropriate revolving loan fund to deploy these funds for affordable housing.

# Next Steps

## Current staff effort:

- + In discussion with FTA re: implementing affordable housing tools consistent with federal requirements
- + Developing processes to systematically implement the affordable housing legal requirements in RCW 81.112.350

## Items for the Board's future consideration:

- + Establish disposition policy for TOD that responds to the affordable housing legal requirements within RCW 81.112.350
- + Establish priorities for the revolving loan fund and select an implementation approach/vendor

