

STAFF REPORT
SOUND TRANSIT
MOTION NO. M2000-90

Proposal to adopt a Transit-Oriented Development Program for Sound Transit

Meeting:	Date:	Type of Action:	Staff Contact:	Phone:
TOD Subcommittee	9/21/00	Discussion	Ken Robertson, Project Coordinator	(206) 689-4920
Executive Committee	10/20/00	Discussion/Possible Action	Jeri Cranney, Manager Real Estate	(206) 689-4934
Board	10/26/00	Action		

PROPOSED ACTION

Authorizes the establishment and funding of the Transit-Oriented Development (TOD) Program for 2001.

KEY FEATURES

<u>Highlights of Proposed Action:</u>
<ul style="list-style-type: none"> ◆ Collaboration with public and private partners to leverage Sound Transit's TOD investment ◆ Training and technical assistance for staff and partners ◆ Seven projects: Four Central Link Light Rail, two Sounder Commuter Rail, and one Regional Express (see Attachment A) ◆ Sources of TOD grant funding (see Attachment B) ◆ TOD Program Budget (see Attachment C)

DISCUSSION OF PROPOSED ACTION

It is Sound Transit's primary mission to provide a high-capacity transportation system in the Central Puget Sound Region. In order to realize this, real property will need to be acquired for Sound Move projects. While the acquisition of this real property will serve the transit system, it may also have secondary uses and provide some benefits. These benefits may include real estate development opportunities that could increase ridership and provide a variety of housing, retail, office, or other supportive uses to stations and surrounding communities. These potential opportunities would be linked with the objectives and goals of the neighborhoods and jurisdictions where Sound Move capital projects are planned.

In some cases, the maximum benefit may be achieved by liquidating the real property asset, selling ground leases or air rights, or partnering with developers to create real estate

developments that support the objectives of Sound Transit and the communities. Two Board adopted policies that support these activities include the TOD criteria (Resolution No. R98-22) and the Surplus Property Policies and Procedures (Resolution No. R99-35).

In order to further support these policies, the Transit-Oriented Development Program is proposed for adoption.

ELEMENTS

Jurisdiction Coordination

Sound Transit will continue to collaborate with other jurisdictions and governmental entities in the identification, evaluation, and facilitation of TOD. Public and private partnerships will be developed to leverage Sound Transit's investment in TOD, maximizing joint marketing and development opportunities. This work may also include the establishment of developer incentives for TOD.

Training/Outreach/Technical Assistance

Staff will provide training and technical assistance to internal and external partners, including local jurisdictions. Technical and project support will be provided by staff and consultants as time and budget allow. Staff time and financial resources will be devoted to internal training, so that Lines of Business Project Managers can be responsible for some TOD work. Staff time and financial resources will be allocated for external training, so that outside entities are trained on how to perform TOD work.

Acquisition/Relocation Coordination

Work with the Acquisition/Relocation, Civil and Architectural teams to address system and property owner issues that relate to TOD and foster solutions.

TOD Project Development Work

TOD staff will spend significant time planning for and implementing the potential development of seven TOD projects: four Central Link Light Rail, two Sounder Commuter Rail, and one Regional Express (see Attachment A for TOD project development detail).

Program Management and Policy Development

Manage the TOD program and work to develop a policy to support and enhance the program. This includes assistance in developing funding mechanisms with other public entities to encourage TOD and developing resource lists for financial and professional assistance to those interested in TOD.

TOD Subcommittee

Continue to provide staffing to assure meaningful sessions occur in a timely and responsive manner and remain responsive to members' needs.

Transit-Oriented Community Development Fund

Provide technical assistance to Transit-Oriented Community Development Fund.

TOD Research

Time and budget will be allocated to the pursuit of research subjects such as TOD case studies, station area zoning maps, land value studies, and area market reports. This research will provide valuable information for partner jurisdictions in their station area planning efforts as well as assisting the TOD Program in creating a baseline for future developments.

Fund Pursuit

Additional funding for the TOD Program will continue to be pursued to augment the TOD Program by grants and other outside sources of funding. All funds received will remain within the TOD program and will be spent according to the program's guidelines. The TOD program will have a dedicated line item in the Real Estate & Facilities division budget for both capital and operating revenues and expenses to accurately track funds received and expended (see Attachment B for TOD Potential Grant Funding Sources Detail).

Staff Increase

Staff is directed to evaluate the methods for implementation of the development program with regard to staffing and/or the use of consultants. Staff is to work in coordination with Transit-Oriented Development Sub-Committee members during this process and keep them well-informed of and decisions.

Phase II Planning

TOD, as well as other land use issues, is among the elements being considered and discussed during the pre-planning for the environmental assessment process for Phase II. This approach will be discussed with the Board as it is developed. TOD Staff is committed to working with Systems Integration to examine how TOD concepts might be incorporated into the planning for developing this process.

BUDGET

The total program budget for 2001 is \$1.03M (see Attachment C for the Proposed TOD Program Budget for 2001).

ALTERNATIVES

- ◆ Outsource all TOD related work to consultants
- ◆ Elect to create a TOD Program within each Line of Business
- ◆ The program budget may be increased or reduced, or money may be reallocated within the program budget to shift funds and work focus

CONSEQUENCES OF DELAY

Delay in adoption of a Transit-Oriented Development Program may result in missed opportunities for project development, preservation of future options, and potential revenue recognition.

REGIONAL PARTNERSHIP AND COOPERATION

The development of this program has been aided by the cooperative efforts provided by Puget Sound Regional Council, City of Seattle, King County, and 1000 Friends of Washington staff.

LEGAL REVIEW

MBL 9/6/00

SOUND TRANSIT

MOTION NO. M2000-90

A motion of the Board of the Central Puget Sound Regional Transit Authority establishing the Transit-Oriented Development Program for 2001.

Background:

It is Sound Transit's primary mission to provide a high-capacity transportation system in the Central Puget Sound Region. In order to realize this, real property will need to be acquired for Sound Move projects. While the acquisition of this real property will serve the transit system, it may also have secondary uses and provide some benefits. These benefits may include real estate development opportunities that could increase ridership and provide a variety of housing, retail, office, or other supportive uses to stations and surrounding communities. These potential opportunities would be linked with the objectives and goals of the neighborhoods and jurisdictions where Sound Move capital projects are planned.

The maximum benefit, in some cases, may be achieved by liquidating the real property asset, selling ground leases or air rights, or partnering with developers to create real estate developments that support the objectives of Sound Transit and the communities. Two Board adopted policies that support these activities include the Transit-Oriented Development (TOD) Program criteria (Resolution No. R98-22) and the Surplus Property Policies and Procedures (Resolution No. R99-35). TOD will provide the resources necessary to implement policies and procedures that support these activities and opportunities.

TOD Program for FY 2001

Jurisdiction Coordination

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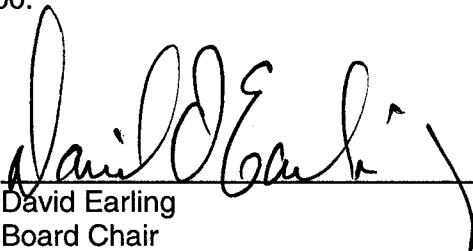
Systems Integration to examine how TOD concepts might be incorporated into the planning for developing this process.

Subject to final Sound Transit Board approval, staff expects to release a request for proposal covering Future Phase High Capacity Transportation Alternatives Analyses and a National Environmental Protection Act Process by January 2001. This is a multi-year effort, meant to enable the Sound Transit Board to craft a Phase II Implementation plan for submission to voters by November 2004 at the latest.


Motion:

It is hereby moved by the Board of the Central Puget Sound Regional Transit Authority that the Transit-Oriented Development Program for 2001 is adopted as set forth herein.

APPROVED by the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on the 26th day of October 2000.


David Earling
Board Chair

ATTEST:


Marcia Walker
Board Administrator

ATTACHMENT A: Potential TOD Projects

TOD Project Work: Significant time will be spent investigating the opportunities and planning for the potential development of TOD projects for all three lines of business; Central Link Light Rail (LINK), Sounder Commuter Rail and Regional Express. Several of these are noted below although projects of like size, nature, and scope may be substituted for those called out in this document, as deemed appropriate. Jurisdictions and partners would receive technical assistance and coordination services through proposed TOD Program Plan. This attachment refers to some specific projects that are currently in the forefront.

Commuter Rail

Kent Station: The City of Kent is very interested in TOD opportunities at and around this station site. The interest includes encouraging TOD at and around the station area. Kent is in the process of finalizing an economic analysis for the station area. TOD program would provide coordination with the City and lines of business (LOB) on potential development alternatives, assist in addressing potential legal and process issues, work with LOB to keep them informed.

Tukwila Station: Continue efforts working with the City of Tukwila to solicit interest and develop a request for proposal (RFP) and go out for response for a TOD Joint Development at the Tukwila Commuter Rail station.

Potential Substitute Project – Tacoma Station: Investigate TOD interest expressed by adjacent property owner, provide coordination with LOB on potential development alternatives, address legal and process issues and participate in planning and pending property acquisitions.

Regional Express

Federal Way Park and Ride: Continue work with regional express and City of Federal Way to address legal and process issues, In order to utilize the existing TOD parcel to implement the downtown vision established by the city in its 1995 comprehensive plan.

Bellevue Park and Ride: Participate in preliminary discussions with Acquisition/Relocation team on potential development alternatives and provide input and expertise as further planning occurs.

Light Rail

McClellan Station: Time will be allocated to the coordination, development, and implementation of LINK's McClellan station area TOD study with continued involvement and support from the City of Seattle's Station Area Planning group.

First Hill Station: Work with City of Seattle to solicit interest and lay groundwork for RFP for TOD-Joint Development at the First Hill LINK station, providing coordination with City and LOB on potential development alternatives, address legal and process issues with continued involvement and support from the City of Seattle's Station Area Planning group.

OTHER LLR PROJETS

Othello Station's Eastblock Impacted Owners

Filipino Community Center – Potential TOD Demonstration Project for Impacted Property Owner

Potential Substitute Project – Northgate Station

Time will be allocated to providing technical assistance projects in cooperation with City of Seattle's Station Area Planning/OED groups, to address legal and process issues. Program resources will coordinate with the ST's Acquisition team, the City and LOB on potential development alternatives.

ATTACHMENT B: Possible TOD Grant Funding Sources					
Program Name	Explanation	Likelihood for TOD Grant Success	Timing and Est Funds Available	ST Estimate	Type of ST Project Submitted
Transportation & Community & System Preservation Pilot (TCSP) - Sponsoring Agency is U.S. Dept. of Transportation and the Federal Highway Administration.	The TCSP program is an initiative of research and grants to investigate the relationships between transportation and community and system preservation and private sector-based initiatives.	This is a national program where ST has not received funding yet. Competition is high for these funds. In the FFY 2000 competition, most of the funds were earmarked - 84 projects were selected from a pool of 327 applications (26% of applicants received funding.)	Applications due annually. Next round of projects selected in October, 00, funds available in 2001 . \$25m is available nationally for this annual program.	26 % chance of receiving \$200k in 01 and each year thereafter through 03 Tea-21 reauthorization.	For ST's FY 2001 application, bike/pedestrian improvements and TOD activities were submitted.
Innovative Community Partnership Program (ICPP) - Sponsoring Agency is U.S. Environmental Protection Agency	The Innovative Community Partnership Program (ICPP) is a new competitive grants program proposed in the President's FY 2001 Budget. EPA expects to use ICPP grants to support communities' efforts to solve their environmental problems and make their communities more livable places to live, work, raise families, and participate in community life.	New program in Clinton's 2001 budget. Uncertain whether it will continue. Percentage of TOD grant success unknown.	EPA estimates approximately \$4.4 million will be available for grants in FFY 2001.	5% chance of receiving \$50K in 01.	ST has not yet submitted an application. EPA expects to give priority consideration to proposals that address restoration/protection of community watersheds and airsheds; integrated community planning for environmental results; and environmentally responsible redevelopment and revitalization.
FTA Section 5307 - 1% for planning in Seattle-Everett UZA - Sponsoring Agency is the Federal Transit Administration	Transit formula funds for capital and planning projects. Seattle and other transit agencies use these funds to complete basic transit needs such as rolling stock procurement, rolling stock maintenance, ADA/paratransit, and transit center/station construction.	ST uses funds for rolling stock procurement and transit center construction. TOD would not be a good fit in the regular competition. However, in 1999, the Seattle-Everett urbanized area had a "1% for planning" criteria where TOD may fit.	Applications due in 2001, funds available in 2003/04, up to \$1 million may be available in the Seattle-Everett urbanized area in 03/04	50% chance of receiving \$300K in 2003/04.	ST uses regular 5307 funds for rolling stock procurement and transit center construction. TOD activities could fit in 1% for planning criteria.

ATTACHMENT C: Proposed Program Budget and Staffing Analysis for FY2001

Proposed Budget

Work Activity	Cost	Committed	R + T Fund*
Jurisdiction Coordination (technical assistance, partnering on TOD development)	75,000	55,000	20,000
Training/Outreach/Media	75,000	60,000	15,000
Program Management and Policy Development	60,000	60,000	0
TOD Subcommittee	10,000	10,000	0
TOD Research	15,000	15,000	0
Fundraising/Grant Pursuit	0	0	0
Subtotal Real Estate	235,000	200,000	35,000
LOB: Commuter Rail (analysis through RFP issuance for 2 potential projects)	95,000	95,000	0
LOB: Regional Express (analysis through RFP issuance for 1 potential project)	107,000	107,000	0
LOB: Light Rail (analysis through RFP issuance for 4 potential projects)	265,000	265,000	0
Subtotal LOB's	467,000	467,000	0
Staffing	328,000	195,000	133,000
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TOTAL	1,030,000	862,000	168,000

Budget Notes

The agency allocated \$200,000 to this program for FY2000. Approximately 60% has been expended to date on consultants, legal counsel, program development, research, training, collateral development and support to partners and jurisdictions. Project work (feasibility assessments, RFP development, etc.) is billed directly to the LOB's. All real estate costs are allocated to LOB's at 60% rate.

*** As per the TOD Subcommittee approval of the draft TOD Plan presented on August 3, 2000, the Research and Technology Fund for Sound Transit will cover \$168K of budget expenses.**