Sound Transit 3

Appendix D:

Social, Economic and Environmental Impacts; Integration with Regional Land Use; Transit-Oriented Development

DRAFT

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Social, Economic and Environmental Impacts of Sound Transit 3 (ST3)

Sound Transit's mission to build, operate and expand regional transit is essential to central Puget Sound's sustainable future. The agency is committed to making long-term transit investments and choices that retain and improve the region's economy, communities and environment. The ST3 projects enable more people to travel more affordably and reliably throughout the area's growing communities on environmentally friendly buses and trains.

This appendix describes the benefits and impacts of ST3 on the region's communities, economy and its environment.

Social Benefits and Impacts

Increased accessibility and mobility options for all residents

Sound Transit 3 provides the next phase of high-capacity transit improvements for central Puget Sound, with the light rail system doubling to 116 miles with over 70 stations. When complete, the system will connect 16 cities with light rail, 30 cities with Bus Rapid Transit/ST Express bus and 12 cities with commuter rail across Pierce, King and Snohomish counties.

The proposed expansion will complete the regional light rail system to improve community connectivity, enhance multi-modal access, connect the region's designated growth centers and provide improved connections to the system by coordinating with local transit partners. Also included in Sound Transit 3 are high-capacity transit studies to examine options for future expansion of the regional system. The addition of Bus Rapid Transit in major corridors, expanded capacity and access improvements for Sounder commuter rail and continued ST Express services will expand opportunities for workers to commute to their jobs. Together, these improvements can provide substantial benefits to all within the region, including minority, low-income, disabled, elderly, transit- dependent residents, and for those who are unable to or who prefer not to drive to access to a variety of destinations throughout the region.

Many populations will have greater access to transportation options and mobility with the ST3 plan. According to the American Community Survey, 12.4 percent of the region's population is classified as low-income, and about nine percent of all households in the region do not have access to a car. About 10.5 percent of the population has a disability, and by 2040 just over 20 percent of the population in each of the region's three counties will be seniors. Compared to others, all of these individuals tend to have lower auto ownership rates, lower incomes, and are less likely to have a car available to them.

For low-income households, Sound Transit 3 investments may make it possible to reduce the number of cars per household, and/or to reduce the annual number of miles driven and costs of operations operating and maintaining a car. and maintenance. For those who cannot drive or afford an automobile, Sound Transit 3 investments will greatly expand their ability to travel quickly and reliability reliably throughout the region, whether they live along a Sound Transit route, or connect via local transit or demand-responsive services. Workers living along or near Link, Sounder, or ST Express routes and stations and traveling to jobs in the off peak direction will have the same frequent reliable service as travelers to downtown destinations.

Transportation is the second largest monthly expense after housing for working families. When residents can access transit and other services without using their cars, they spend less money on transportation and consume less gasoline, which can help reduce air pollution and greenhouse gas emissions.

Enhancing Mobility and Access

The following uses current demographic data (2014) from the American Community Survey conducted by the United States Census and recent studies from Pierce, Snohomish and King Counties to illustrate what populations could have improved mobility and access after completion of the Sound Transit 3 Plan.

- **1. People of color -** Over 38 percent of the population within a mile of future Sound Transit service, including ST3 stations and stops, are currently people of color.
- Low-income residents The <u>current</u> proportion of the low-income population within one mile of Sound Transit 3 proposed service is 14.3 percent. Within the Sound Transit District, a higher percentage of those at the poverty level have a higher percentage of using use public transportation compared to commuters overall.
- 3. **Seniors** People 60 years and older made up 17 percent of the population of King, Snohomish, and Pierce counties in 2014 and have been a growing portion of the population over time. This trend is expected to continue as the general population ages and life expectancy increases. By 2020, all three counties anticipate that over 20 percent of their total population will be 60 or older.
- **4. Subsidized housing residents -** When the Sound Transit 3 system expansion is complete, Sound Transit will serve over 36,000 current units of subsidized housing.
- 5. Renters Renters, who tend to use transit more frequently than homeowners, will have greater mobility options as a result of ST3. The current percentage of renters within a half-mile of Sound Transit service would include nearly 35,000 18,000 more renters from ST2 to ST3 when the Sound Transit 3 system is finished.
- **6. Zero-vehicle households** Today, nearly nine percent of households in the Sound Transit service area do not have access to a car.
- 7. People with low access to food options When ST3 is completed, Sound Transit service will provide transit access for over 38,000 people currently at least a mile from a food establishment. While the total number of people over a mile from a food establishment with access to transit will remain relatively constant, over 7,000 more people will have access to food via more convenient and reliable Link light rail through the ST3 expansion.

Enhancing Access to Regional Services and Amenities

When completed, ST3 projects will enhance access to numerous regional amenities and services. Residents will be able to use access services within ½ mile of transit to reach the following places:

- Educational institutions Additional public transit options will improve access to educational facilities for students of all ages, especially those who might not have access to a vehicle. Analyzing the ST3 Plan in relation to current educational institutions shows that ST3 stations and stops will provide access to 14 more K-12 educational facilities, as well as several additional higher education institutions. When the ST3 Plan is fully built, students will be able to access 135 K-12 facilities and 31 higher education institutions using public transit.
- Community facilities ST3 will also provide access to 51 more community facilities, which include hospitals and medical centers, public health clinics, libraries, museums, park and rides, parks and

- recreation facilities and shopping centers. Altogether, the full system will make 633 community facilities accessible by Sound Transit service.
- Sports and event venues Several major sports and event venues like Husky Stadium, the Washington State Convention Center, Safeco Field and CenturyLink Field already enjoy accessibility by several modes of public transit. Sound Transit 3 would not only expand that access to reach a broader number of attendees, but would also replace some current ST Express bus service with more reliable service via Link light rail. Specifically, ST3 will provide access to 6 more venues via Link light rail. After ST3 is built, 16 major sports facilities and event venues in the region will be accessible via public transit-Sound Transit services, 12 of those by light rail, including the Tacoma Dome, ShoWare Center and Xfinity Arena.

Improving public health and reducing healthcare costs

Expanding transit can help reduce transportation-related air pollution and the diseases associated with them. This is especially critical for vulnerable populations like seniors, children and those with respiratory illnesses. A national study of pollution and health It has been estimated that each ton of carbon reduced from transportation emissions would reduce the incidence of respiratory illnesses and result in \$570,000 in health cost benefits in the Seattle area. National studies have also documented a link between particulate matter and ozone air pollution from road transportation and premature cardiovascular and pulmonary disease-related deaths.

Promoting physical activity through active travel

Regular physical activity can reduce risk factors for several chronic conditions, including heart disease, obesity, cancer, anxiety and depression. Public transit can increase physical activity, since it is usually paired with either walking or cycling to reach a final destination. National studies show that public transit users walk about three times as much as non-transit users and are more likely to meet guidelines for daily physical activity. One study found that nearly a third of transit riders get the recommended 30 minutes or more of daily physical activity from walking to transit.

System Safety

Sound Transit is in the process of establishing a Safety Management System. This system is developed on the framework established by the Federal Transit Administration to ensure that safety programs are cohesive and procedures are effective. Designed to be comprehensive, the program interfaces with every element of Sound Transit - from operations, to capital construction to human resources. It enables Sound Transit to be proactive rather than reactive to safety-related incidents. This system will continue and be updated as required during the Sound Transit 3 plan.

Reducing traffic injuries

Transportation improvements and compact, mixed-use development that often accompanies public transit may increase traffic safety by reducing vehicle miles travelled (VMT). National studies indicate that safety is increased by reducing overall miles driven, slowing traffic speeds and providing more travel options to avoid high risk driving.

Economic Benefits and Impacts of ST3

The ST3 Plan will provide all-day, reliable connections for travelers in the region's most congested corridors. The economic benefits of the ST3 Plan will be realized in many ways, some of which can be quantified and others that are more difficult to measure.

Cutting travel time and costs

Travel time savings are shown in Appendix C for both transit riders and non-transit users. Transit users save money by using transit instead of driving and the region as a whole realizes economic benefits. The region's residents also save substantial costs related to owning and operating a car.

- National data indicate that a \$10 million investment in public infrastructure saves local highway drivers and transit users \$15 million through reduced fuel and lost productivity costs.
- In gasoline costs alone, it's estimated that regional residents riding the expanded ST3 system will save the equivalent of up to 44 19 million gallons of gasoline annually.

Supporting jobs and the regional economy

Improving the reach and reliability of regional transit directly supports the region's economy. It gives employers access to a broader base of workers, and it gives individuals greater choice in where to live, work, shop and conduct personal business. It also gives businesses better access to goods and services and allows more people across the region, especially those without access to a car, to reach job opportunities.

Currently, the regional population within the Sound Transit service area is over 2.9 million people, with 1.8 million jobs. By 2040, that population is expected to grow by 27 percent reaching nearly 3.7 million people. According to the Puget Sound Regional Council:

- By 2040, the number of jobs within the Sound Transit service area is expected to grow by 45 percent, reaching nearly 2.6 million.
- As Map 2 in Appendix C depicts, approximately 84 percent of Sound Transit District residents and 93 percent of district employees would have convenient access to the region's high-reliability rail system in 2040. This includes residents and employees within 2½ miles of rail stations with park-and-ride access, ¾ mile of other rail stations, and ¼ mile of existing local bus services that would allow access to the rail system with one transfer.
- After ST3 is complete, approximately 43 percent of the population and 66 percent of jobs within the Sound Transit District will be within one mile of Sound Transit service.

Creating Jobs

Investment in public transit benefits the economy as a whole by supporting the businesses that provide the goods and services needed to build public transit infrastructure. According to the State of Washington Office of Financial Management, transit investment also flows through the construction

workers and other personnel to local businesses where they spend their wages, creating indirect jobs.

- According to models developed by the Washington State Office of Financial Management, ST3
 would support over 78,000 annual direct jobs and more than 144,000 annual indirect jobs over
 the 25-year period of construction, for a total of over 223,000 jobs. A job is defined as full-time
 employment of one person for one year.
- Additionally, national economic studies have found that every \$1 of public transit investment generates \$4 in economic returns when considering business sales, revenues and new private investment.

Increasing job access and productivity

National studies also indicate that businesses located near transit have lower employee absenteeism and turnover. These and other benefits may contribute to increased productivity; a national study found that transit investments provide more than twice the increase in worker productivity as highway spending. Additionally, local businesses indicated to the Puget Sound Regional Council that a lack of transportation choices and congestion were among the top constraints to doing business in the region.

Environmental Benefits and Impacts of ST3

Environmental Review

Sound Transit conducted an environmental impact review that includes the impacts of the ST3 Plan. In November 2014, Sound Transit issued a plan-level Supplemental Environmental Impact Statement (SEIS) for updating the agency's Regional Transit Long-Range Plan in accordance with the State Environmental Policy Act. The SEIS describes existing conditions and evaluates the environmental impacts and benefits of adopting and implementing an updated Regional Transit Long-Range Plan, including potential ST3 Plan investments. Effects on the environment as well as possible mitigation measures are discussed in the 2014 SEIS at a level of detail appropriate for long-term planning. In addition, the 2014 SEIS broadly describes potential impacts in the areas of transportation, noise and vibration, water quality, ecosystems, visual quality, parks and recreation, historic and cultural resources and other areas. Sound Transit 3 Plan investments support Puget Sound Regional Council's *Vision 2040* directive to concentrate growth and denser development in urbanized areas rather than rural areas, thus helping to preserve high value habitat, wetlands and water quality.

In addition to this environmental review, a more detailed environmental review is required before constructing any ST3 projects. If financing for ST3 is approved by voters, Sound Transit will complete project-level environmental reviews and identify potential mitigation measures for significant adverse environmental impacts. To the extent that they apply, the 2014 SEIS and other planning documents developed in support of the ST3 Plan may be incorporated by reference during project-level environmental reviews in accordance with the provisions for integrating planning and environmental reviews as set forth in federal statutes and mandates that address linking planning and NEPA.

Quantifying Environmental Benefits and Impacts

The ST3 Plan investments are expected have a positive impact on the central Puget Sound's environment. Transit reduces individual vehicle miles travelled, which generally corresponds with reduced energy consumption, air pollution and greenhouse gas emissions. An overview of the impacts

to air quality, greenhouse gas emissions and energy use are presented here and reflect updated modeling for ST3 investments only.

Reducing Regional Energy Consumption

The ST3 Plan will help reduce transportation-related energy consumption in the central Puget Sound. According to the Washington Department of Commerce, cars and trucks account for the majority of total daily energy consumption in the region and gasoline accounts for over half of transportation energy use in Washington. By shifting personal car trips to transit trips and reducing vehicle miles traveled, it is expected that less fuel will be consumed to move those same residents throughout the region.

Improving Regional Air Quality and Greenhouse Gas Emissions

Regional air quality is improved when people choose transit instead of driving alone. Burning fuel to operate motor vehicles results in <u>air pollutant</u> emissions that contribute to climate change and are harmful to human and environmental health. Overall, the ST3 Plan will help reduce vehicle miles traveled (VMT) on the region's roadways, which in turn reduces air pollution <u>and</u> greenhouse gas (GHG) emissions.

Traveling on transit produces less air pollution than driving. National studies show that riding on transit with others instead of driving alone reduces pollution per passenger mile traveled nearly in half, depending on the pollutant. Using methodologies approved by the Federal Transit Administration for analyzing air quality, overall air pollution from ground transportation is expected to be lower in the region with the ST3 Plan compared to not building the ST3 Plan. Traveling on Sound Transit's electric powered light rail trains and upgraded diesel commuter rail locomotives is also less polluting on a per passenger mile basis than standard rail vehicles.

Traveling on transit produces fewer greenhouse gas emissions than driving. In central Puget Sound, transportation-related emissions are the largest source of greenhouse gas emissions. The ST3 Plan represents an important step towards addressing the challenges of climate change by offering a reliable, low carbon transportation choice.

Greenhouse gas emissions savings: Sound Transit 3 Plan only

Based on the draft plan from March 24th[‡], ST3 Sound Transit 3 projects alone are is projected to annually reduce the number of private vehicle miles traveled (VMT) by 313.6 362.2 million miles annually by starting in 2040 (midpoint of range of 314-411 million miles annually). This and would further reduce transportation-related greenhouse gas emissions by nearly more than 125 130,000 metric tons annually in 2040. These savings are based on the Federal Transit Administration's New Starts methodology which takes into account future emission rates. This approach calculates emissions and vehicular mile reductions due only to the Sound Transit 3 Plan These greenhouse gas savings are equal to the annual greenhouse gas emissions from:

¹-This section will be updated by 6/17/2016 with information from the Sound Transit Board of Directors 6/2/2016 meeting.

- Driving more than 312 million miles in an average passenger vehicle.
- Burning more than 14.6 million gallons of gasoline.
- Powering over the electricity for more than 198,000 homes for a year.
- Burning over 650690 railcars of coal.
- Sequestering the carbon equal to growing 3,125,000 more than 3.3 million tree seedlings for a year

The annual value of reducing these emissions is over \$5.34 million, based on a \$38/ton estimate of the social cost of carbon, which is used by federal agencies for estimating the climate benefits of federal air quality regulations.

Greenhouse gas emission savings from the entire Sound Transit System including ST3 in 2040

Sound Transit 3 projects will increase the total annual greenhouse gas emissions savings across the entire Sound Transit system. With the completion Sound Transit 3, by 2040 the entire Sound Transit system It is estimated that by 2040 will save an estimated approximately 793,000 metric tons of greenhouse gas emissions will be saved annually. This average estimate follows guidance from the American Public Transportation Association and is the approach used by Sound Transit and King County in annual reports to quantify the reduction in emissions for these respective transit systems².

These savings are equal to the annual greenhouse gas emissions from:

- Driving more than 1.9 billion miles in an average passenger vehicle
- Burning more than 89 million gallons of gasoline
- Powering the electricity for more than 117,000 homes for a year
- Burning more than 4224 railcars of coal
- Sequestering the carbon equal to growing 22.5 million tree seedlings for a year

Reducing Sound Transit Generated Air Pollution and Greenhouse Gas Emissions

In addition to enabling regional residents to improve air quality by taking transit rather than driving, Sound Transit is committed to reducing its own environmental impacts. The agency is working to integrate energy efficient operating practices at existing and new facilities. The agency will continue to procure and manage fleets that demonstrate increasing fuel efficiency, including alternative fuels and low-and no-emission vehicles. The agency will also work to make its electricity use carbon-neutral and maximize energy efficiency. Furthermore, the agency is committed to reducing the greenhouse gas emissions and air pollution generated during construction of the ST3 Plan.

Sound Transit's recent efficiency and pollution reduction efforts provide a strong foundation for reaching these goals under ST3. The agency has a strong track record of substantially reducing air pollution from its buses and trains. In 2015 alone, Sound Transit reduced the particulate emissions that

² The American Public Transportation Association's methodology also considers secondary effects of transit, including reductions due to congestion relief and land use changes. These secondary environmental benefits of the transit system are not included in *New Starts*, and explain the difference between final outputs of both models.

cause respiratory disease by 21 percent through fuel efficiency projects and engine upgrades by upgrading for Sounder commuter rail engines.

Finally, Sound Transit's role in reducing greenhouse gas emissions and air pollution supports regional climate change goals. The City of Seattle, King County and the State of Washington maintain aggressive greenhouse gas emissions reduction goals that rely on substantial reductions in air pollution from the region's transportation sector. The Puget Sound Regional Council's (PSRC) *Transportation 2040*, the region's action plan for transportation, illustrates how ST3 services are a key component of these efforts. One strategy to reduce greenhouse gas emissions indicates that ST3's extension of light rail to Everett, Tacoma and Redmond as well as bicycle and pedestrian access investments, together could result in a 9 percent reduction decrease in regional greenhouse gas (GHG) emissions.

Supporting Transit System Resiliency

To safeguard the long-term sustainability of agency infrastructure and operations, Sound Transit also strives to plan, design and deliver an ST3 System that demonstrates resilience in the face of projected changes in development patterns and demographics, climate change and extreme weather patterns and natural disasters.

Integration with Regional Land Use Planning

Puget Sound Regional Council's Regional Plan

ST3 investments are consistent with the vision and goals in the region's land use, growth management and transportation plans. Light rail, commuter rail, Bus Rapid Transit (BRT) and express bus services will carry hundreds of thousands of people daily in the region's most dense and highly congested corridors delivering people to regional downtowns, jobs and other activity centers.

Vision 2040, adopted by the Puget Sound Regional Council (PSRC) in 2009, is the integrated, long-range vision for how and where the region will accommodate a substantial growth in population and employment over the next 25 years. The concept of people, planet and prosperity is a central theme to *Vision 2040* as evidenced by the regional goals set forth in the plan.

- Environment—Protect and restore natural systems, conserve habitat, improve water quality, reduce greenhouse gas emissions and air pollutants and address potential climate change impacts.
- Development patterns—Focus growth within already urbanized areas to create walkable, compact and transit-oriented communities.
- Housing—Preserve, improve, and expand housing stock to provide a range of affordable, healthy, and safe housing choices.
- Economy—Promote a prospering and sustainable regional economy by supporting businesses and job creation, investing in all people, sustaining environmental quality and creating great central places, diverse communities and high quality of life.
- Transportation—Provide a safe, cleaner, integrated, sustainable and highly efficient multimodal transportation system that supports the regional growth strategy, promotes economic and environmental vitality and contributes to better public health.
- Public Services—Support development with adequate public facilities and services.

Achieving Vision 2040

Sound Transit's system plans are incorporated into PSRC's regional plan. Sound Transit 3 contributes to the region's ability to achieve many of the above-mentioned goals established in *Vision 2040*.

Between now and 2040, population within the urbanized portions of Pierce, King and Snohomish counties is expected to grow approximately 25 percent, with a projected 45 percent growth in employment and a 30 percent increase in vehicle miles traveled. This means that this area will need to accommodate about 800,000 new residents. Successfully focusing growth within already urbanized areas will depend on the region's ability to develop adequate infrastructure to support more dense development.

Vision 2040's transportation goals are integral to the region's land use vision, which includes linking places of concentrated, transit-oriented development with an efficient multimodal transportation system. In particular, *Vision 2040* calls for high-capacity transit system (HCT) links between and within major urban centers.

Sound Transit 3 expands the region's HCT system, providing a key piece of the transportation

components necessary to implement the transportation element of *Vision 2040*. *Transportation 2040* calls for completing ST2 projects and additional light rail and other HCT projects, such as to Everett, Tacoma, Redmond, Ballard, West Seattle, Issaquah and along I-405 and SR522.

Through the implementation of HCT in key corridors, ST3 supports the *Vision 2040* strategy of concentrating growth within regional growth centers, and supporting that growth with robust mass transportation alternatives. The ultimate goal of this growth strategy is to promote the well-being of people and communities, economic vitality and a healthy environment. By 2040, the ST3 program of investments, when combined with the investments in Sound Move and ST2, will provide light rail, commuter rail or bus connections to 39 cities in the region. The expanded HCT system in the ST3 Plan will provide an effective and reliable alternative to driving and an efficient way for people to move throughout the region.



Transit-Oriented Development

Transit-oriented development focuses development growth within one-half mile of transit stations. Concentrating growth in station areas creates multiple regional benefits, including but not limited to:

- Increased tax base in communities served by transit
- Increased transit ridership
- Increased regional access to goods and services
- Opportunities for less automobile-dependent lifestyles
- Emphasis on pedestrian infrastructure in station areas.

Background

Transit-oriented development is a programmatic component of the ST3 system plan that complements capital project development and guides the disposition of surplus property.

Sound Transit completed a *TOD Program Strategic Plan* in 2010, which introduced the policy framework for the TOD work program within the context of Sound Transit's mission to implement regional high capacity transit.

Sound Transit's Board adopted a *Transit-Oriented Development Policy* in December 2012 through Resolution R2012-24. This provides the policy foundation for how the agency approaches integrating transit infrastructure and local and regional land use development.

The TOD Policy guides the agency to work toward the following goals:

- Increase the value and effectiveness of transit by increasing transit ridership
- Support economic development efforts
- Further implementation of state, regional and local growth plans, policies and strategies
- Foster relationships with regional and local stakeholders
- Encourage creation of housing options including market-rate and affordable units
- Advance related Sound Transit plans and policies, with an emphasis on the agency's Sustainability Plan
- Protect and enhance Sound Transit's assets and investments
- Encourage convenient, safe multi-modal access to the transit system, with an emphasis on non-motorized access.

Sound Transit updated its TOD strategic plan in 2014 to reflect the 2012 TOD Policy.

Regional plans and policies, including those of the Puget Sound Regional Council (PSRC), encourage equitable transit communities. The PSRC's *Growing Transit Communities Strategy*, adopted in 2013 and to which Sound Transit is a signatory, defines "transit community" as the approximately one-half mile area around a high capacity transit station. Equitable transit communities are further described as:

"...mixed-use, transit-served neighborhoods that provide housing and transportation choices and greater social and economic opportunity for current and future residents. Although generally defined by a half-mile walking distance around high-capacity transit stations, they exist within the context of larger neighborhoods with existing residents and businesses. These communities

promote local community and economic development by providing housing types at a range of densities and affordability levels, commercial and retail spaces, community services, and other amenities that are integrated into safe, walkable neighborhoods." (PSRC GTCS)

The state legislature amended Sound Transit's enabling legislation in July 2015, directing the agency to advance transit-oriented development goals, setting forth specific financial and procedural requirements, and giving new tools to the Agency to advance equitable development through prioritizing affordable housing in surplus property disposition.

TOD Components within ST3

Transit planning and transit project development

Consistent with the 2015 amendments to the Sound Transit enabling legislation (RCW 81.112.350), Sound Transit will "implement a regional equitable TOD strategy for diverse, vibrant, mixed-use and mixed-income communities consistent with TOD plans developed with community input by any regional transportation planning organization within the regional transit authority boundaries." This strategy includes transit planning and project development.

Sound Transit 3 distributes \$12 million (\$2014) among identified capital projects to support inclusive and collaborative planning for TOD during the transit project planning and development stages. These funds will be available for:

- Considering TOD opportunities during the alternatives analysis, conceptual station design and preliminary engineering processes.
- Where appropriate during the property acquisition phase, considering TOD potential on property that may later become surplus to construction-related or ongoing transit operations to increase the likelihood that it is supportive of being used for TOD.
- Sound Transit may evaluate alternative land development strategies that meet its on-going and construction property needs and facilitates for the realization of equitable transit oriented development in station areas.
- Developing station design policies that appropriately facilitate and accommodate TOD on and adjacent to agency-owned properties in light of the space needs of transit-supportive facilities and services as well as local community development plans and priorities.
- Working with local jurisdictions, where appropriate, on station area planning, zoning, and/or other opportunities to leverage the ST3 transit investment to support local and regional growth plans.

Surplus property

During land acquisition to acquire sufficient property to construct and operate the transit facility, Sound Transit will consider how the surplus property remaining after construction may be used for TOD, including such factors as size, configuration and relationship to the future transit facility. Sound Transit 3 allocates \$20 million (\$2014) to support TOD program activities with respect to planning and predevelopment activities on surplus property, air rights and joint development sites. Sound Transit 3 provides funding for TOD analysis and support beyond the early project development phase of transit

capital development. The program will fund pre-development activities, community engagement and planning activities required to prepare TOD surplus properties or air rights for sale, lease or transfer.

As required in RCW 81.112.350(1)(b)(i), when Sound Transit disposes or transfers any surplus property, regardless of the date of acquisition, a minimum of 80 percent of the surplus property to be disposed or transferred, including air rights, that is suitable for development as housing, will 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. A "qualified entity" is a local government, housing authority or nonprofit developer. "Affordable housing" is long-term housing for persons, families or unrelated persons living together whose adjusted income is at or below 80 percent of the median income, adjusted for household size, for the county where the housing is located.

As required in RCW 81.112.350(1)(b)(ii), if a qualified entity receives surplus property after Sound Transit offers the property as provided in RCW 81.112.350(1)(b)(i):

- Sound Transit will require that a minimum of 80 percent of the housing units constructed on the property be dedicated to affordable housing
- If a qualified entity sells property or development rights obtained through RCW 81.112.350(1)(b) it must use the proceeds from the sale to construct affordable housing within one-half mile of a light rail station or transit station.

The surplus property disposition requirements described above will not apply to property to be transferred to governments or third parties in order to facilitate permitting, construction or mitigation of high capacity transportation facilities and services. Sound Transit will work in good faith to implement all the requirements of RCW 81.112.350, but is not required to comply with a requirement of RCW 81.112.350(1)(b)(i) or (ii) imposing surplus property disposition requirements if the requirement is in conflict, as determined by the relevant federal agency, with provisions of the applicable Federal Transit Administration master grant agreement, Federal Transit Administration Full Funding Grant Agreement with Sound Transit, or the equivalent Federal Railroad Administration agreement necessary to establish or maintain eligibility for a federal grant program.

Sound Transit will send a report to the appropriate legislative committee and post a report on its website at the end of each fiscal quarter detailing the following activities:

- Any transfers of property that have occurred in the previous fiscal quarter pursuant to RCW 81.112.350(1)(b)
- Any progress in implementing the agency's regional equitable transit-oriented development strategy for diverse, vibrant, mixed-use and mixed-income communities as set forth in this ST3 Plan.

Sound Transit will advance equitable TOD projects on surplus property, air rights and joint development sites by:

 Working with local governments, housing authorities, non-profit developers and others to deliver mixed-use, mixed-income transit communities consistent with the Growing Transit Communities Strategy.

- Incorporating TOD considerations during land acquisition to ensure that, where possible, property that may later become surplus is supportive of its reuse for TOD.
- First offering surplus properties, consistent with RCW 81.112.350, that are suitable for housing for transfer at no cost, sale, or long-term lease to local governments, housing authorities and non-profit developers to develop affordable housing, as provided in statute.
- Funding TOD activities in each capital projects to ensure adequate appropriate consideration and planning for development have occurred, each-project.

Affordable housing funding

Sound Transit will contribute a total of \$20 million (\$4 million annually for 5 consecutive years beginning within three years of voter approval of the ST3 plan; year of expenditure dollars) to a revolving loan fund to support development of affordable housing in opportunities related to equitable transit-oriented development within the boundaries of the Sound Transit District.

