

San Francisco
2008

TOD-friendly public and private financing



LISC
Bay Area

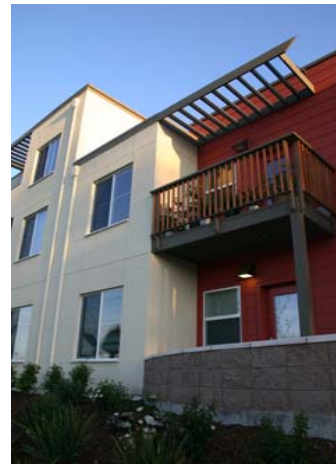
Bay Area Local Initiatives Support Corporation

www.bayarealisc.org

pjen@lisc.org

Overview

- Public financing mechanisms
- Supportive public policies
- Private financing



Public Financing: State of California TOD Housing Program

- Proposition 1C – passed in November 2006
- Included \$285 Million for TOD Housing Program
 - Goal is to stimulate the production of housing developments located near transit stations that include affordable units and increase public transit ridership and minimize automobile trips.

State of California TOD Housing Program

- Three funding rounds initially anticipated (\$95 million/year)
- First funding awards – June 2008
 - \$543 million in requests
 - \$145 million awarded, 16 projects, 3477 housing units
- High demand and highly competitive

State of California TOD Housing Program

- Up to \$17 million available per project
- Loan for housing development – rental and homeownership
 - At least 15% are restricted units
- Grant for infrastructure
 - Acquisition, construction, engineering, environmental, and relocation
 - Public agencies may use for land acquisition

Other public financing

- Local Redevelopment Agency
 - Tax Increment Financing (TIF)
 - State requires at least 20% of TIF is used for low-moderate housing needs

Supportive Public Policies

- SB 375: Sustainable Communities Strategy
 - SCS plan designates a regional development pattern that takes into account housing needs, transportation demands, and conservation of resources and farm lands.
- CA Tax Credit Allocation Committee
 - Site amenities category
 - 7 out of 15 points available for TOD projects

Great Communities Collaborative

Unique cooperative relationship between nonprofit organizations – Greenbelt Alliance, Nonprofit Housing Association of Northern California, Transportation and Land Use Coalition, Urban Habitat, and Reconnecting America.

Goal

Half of the Bay Area's new homes built by 2030 are in walkable neighborhoods near transit, at a range of prices affordable to families of all income levels.

TOD Acquisition Fund

- Grew from the work of GCC
- Recognized that the ability to control key sites and its uses was critical to ensuring equitable development goals
 - Mixed income communities
 - Community facilities
 - Open spaces
- LISC and CTOD working with Steering Committee

TOD Acquisition Fund

- Prepared report on property acquisition strategies to consider
- Convened stakeholders in October 2007
 - Posed key questions to stakeholder to consider
 - Need to have a fund that makes long-term acquisitions financially feasible

TOD Acquisition Fund

Currently evaluating:

- Scale of a fund
- Geography
- Potential funding sources/investors for fund
- What entity would undertake proactive acquisitions
- What are potential sources for permanent financing for projects

Thank You

