



State of California Department of Housing and Community Development

Rail-Volution

Measuring Success: Promoting
Equity with TOD



HCD's Mission

Provide leadership, policies and programs to preserve and expand safe and affordable housing opportunities and promote strong communities for all Californians.



Program Administration

HCD administers more than 20 programs that award loans and grants for the construction, acquisition, rehabilitation and preservation of affordable rental and ownership housing.

Transit Oriented Development (*and Infill Infrastructure*) Programs



Both programs authorized under Proposition 1C, the Housing and Emergency Shelter Trust Fund Act of 2006



Proposition 1C Award Results

- TOD Program awarded over \$274M to 27 projects that originally proposed over 6,500 housing units
- IIG Program awarded over \$730M to 93 projects that originally proposed over 20,000 units



Power of Leverage

HCD awarded over \$1 billion in Proposition 1C funds that leveraged over \$7 billion in total project funding...in two funding cycles



Development of TOD Program

- Framed statutory mandates
- Convened panel of noted TOD experts to develop certain scoring methodology (trip generation matrix, density, etc)
- Conducted initial stakeholder meetings
- Developed and issued 1st draft guidelines for stakeholder input
- Retooled guidelines and issued 1st NOFA



TOD Program Objectives

- Stimulate development of higher density uses including affordable rental and ownership housing opportunities within close proximity to transit
- Encourage increased public transit use and to minimize automobile trips
- Facilitate connectivity between housing and transit



Major Scoring Categories:

- Increased Transit Ridership
- Infill-designated Area and Coordinated Public Private Investment
- Affordability
- Transit Supportive Land Uses
- Walkable Corridor Features
- Parking
- Community Support



Type of Program Assistance

- Loans for rental housing developments and mortgage assistance for homeownership developments
- Grants for infrastructure improvements necessary for the development of housing near transit



Assistance Terms and Limits

- Maximum Program loan or grant combination for a single Housing Development shall be \$17 million
- Total maximum amount of Program assistance for applications based on a single Qualifying Transit Station shall be \$50 million over the life of the program



Eligible Applicants

- Developers for rental housing loans
- Redevelopment agencies for land acquisition loans
- Localities and transit agencies for infrastructure grants
- Localities for homeownership grants
- Joint Powers Authorities comprised of the above



Affordability Drives TOD Loan and Grant Amounts

- TOD loans are modeled after the Department's multifamily housing program (MHP)
- The lower the affordability limit, the greater loan amount the restricted unit will qualify for
- Grants qualify at \$35/\$50K per unit



Infrastructure Projects Must Include Either or Both of The Following:

- Capital improvements required by a locality, transit agency, or special district as a condition to the development of the Housing Development, or
- Capital improvements that clearly and substantially enhance public pedestrian or bicycle access from one or more specifically identified Housing Developments to the nearest Transit Station

Types of Eligible Infrastructure Uses



- Sewer or water system upgrades, streets, construction of drainage basins, parking spaces or structures, utility access, connection or relocation, and noise mitigation
- Pedestrian walkways, plazas, or mini-parks, signal lights, streetscape improvements, security enhancements, bicycle lanes and intelligent transportation information systems



Key Threshold Requirements of Housing Developments

- Must be located in a qualified urbanized area that have one or more freeway segments where there is Recurrent Congestion.
- Be located within one-quarter mile of a qualifying transit station
- Minimum 15% of total housing units must be restricted to low or very-low income
- Be at least 50 units in size
- Meet minimum net density requirements ranging from 25-60 units/acre



Metrics of Diversity and Equity

- TOD guidelines promoted diversity in its competitive scoring approach (as long as 15% is met)
- Projects that involve demolition or rehabilitation must include an equal or greater number of units and affordability than originally existed
- Statewide geographical distribution of funds



Preserving Affordability

- For TOD and IIG infrastructure grants, the Department records a 55-year restrictive covenant against the affordable parcel
- For TOD rental housing loans, a 55-year regulatory agreement is recorded against the housing development



Linking Housing to Transit

- 1/4 mile proximity to qualified transit station threshold
- Funding improvements that enhance access from housing to transit
- Higher densities-reduced parking ratios
- Rewarding transit efficiency (on-time performance, reduced headways)



Encouraging Walkability

- Corridor blocks that are less than 500' in length
- ADA-compliant sidewalks that are adequately lighted
- Transit stations that are lighted and have bicycle access and storage facilities



Location Designation and Transit-Supportive Land Uses

- Location of project in an area designated for infill or TOD as identified in local planning documents
- Existing or planned amenities within 1/2 mile of transit station



Measuring Success By Filling Need

- Over 120 applications received over two funding rounds
- Total of over \$1 billion in funding requested
- HCD awarded just 27 projects using all \$274 million in available funds



TOD Housing Program

“Research indicates that TOD development is most effective in minimizing automobile trips and increasing public transit ridership where there is substantial roadway congestion and convenient and reliable transit in high density areas”

For more information:

<http://www.hcd.ca.gov/fa/tod/>

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