INNOVATIVE FUNDING AND FINANCE OF TRANSIT ORIENTED DEVELOPMENT AT THE REGIONAL LEVEL

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Overview

- MPOs & Transit-Supportive Investments
- Innovative Programs
  - Transportation for Livable Communities Program
    San Francisco Bay Area
  - Transit-Oriented Development Program
    Portland, Oregon
- Funding Sources & Context
- Lessons Learned
Metropolitan Planning Organizations & Transit Supportive Investments

- ISTEA – 1991
  - Additional funding to MPOs
  - Allowed more authority to select projects
  - More flexibility in use of funds
  - Greater emphasis on air quality

- Disparity among states
  - Restriction of state funds to highways
  - Inhibits provision of local match for transit and transit-supportive investments
Innovative Programs –

- Transportation for Livable Communities (Bay Area MTC, 1998)
  - Planning grants
  - Capital grants
    - Streetscape improvements
    - Non-transportation infrastructure
    - Transportation demand management
    - Transit-oriented development
- $10M investment in Transit Oriented Affordable Housing Fund
Innovative Programs –

- Metro TOD Program (Portland, OR, 1997)
  - Direct TOD Grants
  - Land Acquisition
  - Pilots
    - Urban Living Infrastructure Grants
    - Green Improvement Grants
    - Predevelopment Grants
  - Educational Programs
Matching Station Area Types with Appropriate Investments
Funding Sources

- TLC
  - Planning – Surface Transportation Program
  - Streetscape – Congestion Mitigation & Air Quality Improvement Program & STP
  - TDM – STP & CMAQ
  - Non-transportation infrastructure, TOD & TOAH
    - STP & CMAQ funds exchanged for local unrestricted sources

- TOD Program
  - Exchange of Urban Formula, STP & CMAQ
Funding Context

- **Bay Area MTC’s TLC Program**
  - California MPOs have significant funding & authority
  - Bay area system is mature, MTC is leveraging existing investments

- **TOAH context**
  - Strong demand & scarce land
  - Multi-year, regional advocacy effort

- **Proposed OneBayArea Program**
California RTP Expenditures

Comparison of RTP Expenditures
(Expenditures as % of Total RTP Cost)

- Road Maintenance & Operations
- Transit Maintenance & Operations
- Road Expansion (HOV, HOT, ML)
- Road Expansion (General Purpose)

Comparison of RTP Expenditures by Region:
- MTC
- SCAG
- SANDAG
- SACOOG

Bay Area MTC
Funding Context

- Portland Metro TOD Program
  - 1973 – State required smart growth compliance requirements
  - Suburban system build-out, need for catalyst
  - 1997 Direct FTA grant for Joint Development
  - Difficulty using FTA funds led to exchange with TriMet
Lessons Learned

- Know your state funding context
- Federal funding restrictions can be overcome
- Start with a central City pilot if regional funds are unavailable
- Different systems & markets call for different investments