

Date: March 22, 2023

W.I.: 1611

Referred by: PLNG

## ABSTRACT

MTC Resolution No. 4567

This Resolution sets forth nomination criteria for Priority Sites. Priority Sites are places planned for mixed-income and affordable housing, complemented by on-site or nearby essential services and served by frequent transit. The Priority Sites program is rooted in Plan Bay Area 2050, and enhances the ability of MTC and ABAG to partner with local governments to complete the projects that are central to realizing Plan Bay Area 2050 and achieving the visions embodied in local plans for Priority Development Areas. Further discussion of the nomination criteria and broader Priority Sites program is contained in the Joint MTC Planning with the ABAG Administration Committee summary sheet dated March 10, 2023.

Date: March 22, 2023

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Re: Adoption of Priority Sites Nomination Criteria

METROPOLITAN TRANSPORTATION COMMISSION

RESOLUTION NO. 4567

WHEREAS, the Metropolitan Transportation Commission (MTC) is the regional transportation planning agency for the San Francisco Bay Area pursuant to Government Code Section 66500 et seq; and

WHEREAS, MTC adopted Resolution No. 3434 in 2001 which set forth MTC's Regional Transit Expansion Program of Projects, which was amended to add the Transit-Oriented Development Policy in 2005; and

WHEREAS, the TOD Policy successfully increased zoned capacity for residential development in key transit expansion corridors and initiated the regional Station Area Planning Program by requiring major transit expansion projects to meet minimum housing density thresholds around stations in new transit corridors before programming regional discretionary funds for project construction; and

WHEREAS, the TOD Policy applied to a specific set of transit expansion projects listed in Resolution No. 3434, the majority of which have been completed or are under construction; and

WHEREAS, the Station Area Planning program was expanded to become the Priority Development Area Program in 2008 which has resulted in over 61 completed plans with zoning for more than 100,000 housing units and more than 75 million square feet of commercial development near transit to date; and

WHEREAS, in 2021, MTC unanimously adopted Plan Bay Area 2050, the region's long-range plan, which meets a large share of the region's future housing need through two key strategies, public land reuse (H-6) and aging mall and office park reuse (H-8), which would produce mixed-income and affordable housing, supported by local services, in Growth Geographies; and

WHEREAS, in 2022, MTC adopted Resolution 4530, the Transit Oriented Communities (TOC) Policy, updating the TOD Policy to align with Plan Bay Area 2050, encompass a broader range of regional policy objectives, and promote transit-supportive development around all of the region's fixed guideway transit stops; and

WHEREAS, in 2021 and 2022, MTC and ABAG completed initiatives identified in the Plan Bay Area 2050 Implementation Plan to advance the public land reuse and aging mall and office park reuse strategies, which included surveys and interviews of local staff, developers, community-based organizations, and other stakeholders throughout the Bay Area, as well as analysis of best practice guides, plans and peer-reviewed literature; and

WHEREAS, in 2022, MTC, ABAG, and BAHFA staff presented the findings and recommendations emerging from this initiative, which included a Priority Sites Program to implement the public land reuse and mall and office reuse strategies, strengthen the ability of regional programs to deliver affordable housing, and enhance the connection between regional and local priorities in future iterations of Plan Bay Area, to MTC, ABAG, and BAHFA committees, local jurisdiction staff, developers, community-based organizations, and other stakeholders; and

WHEREAS, MTC, ABAG, and BAHFA staff responded to feedback received during presentations and outreach and incorporated that feedback into a detailed program design, including criteria for Priority Site nominations; and

WHEREAS, in November 2022, MTC approved the inclusion of \$28 million for the Priority Sites Program, including program development and funding for pilot projects, in its application to the California Department of Housing and Community Development for the second Regional Early Action Program (REAP 2.0), that included preliminary criteria aligned with Plan Bay Area 2050, supporting the region's transit investments, implementing the Transit-Oriented Communities Policy, and reducing GHG emissions; and

WHEREAS, incentivizing planning and partnerships to accelerate the completion of large-scale projects delivering affordable and mixed-income housing, supported by essential services and other amenities, in Regional Growth Geographies and Transit Priority Areas, including all areas subject to the Transit-Oriented Communities Policy, supports the region's transit investments, advances its Equity Platform, and implements key GHG reduction strategies from Plan Bay Area 2050; now, therefore, be it

RESOLVED, that MTC adopts the Priority Sites nomination criteria, as detailed in Attachment A, attached hereto and incorporated herein as though set forth at length.

METROPOLITAN TRANSPORTATION COMMISSION

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Alfredo Pedroza, Chair

The above resolution was entered into by the Metropolitan Transportation Commission at a duly called and noticed meeting held in San Francisco, California on March 22, 2022.

Attachment A

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Attachment A  
MTC Resolution No. 4567

**PRIORITY SITES NOMINATION CRITERIA**

The following criteria shall determine the eligibility of nominations for a Priority Site:

**(a) Eligible Applicants.** Priority Sites shall be nominated by:

- (1) The local jurisdiction with land use authority over the site; or
- (2) The project sponsor for a development project on the site that is either:
  - (A) Entitled; or
  - (B) For which a pre-application or application has been filed, and the nomination is accompanied by a letter of support from the local planning official.

**(b) Minimum Eligibility Requirements.** Areas eligible for nomination as Priority Sites shall meet the following location, site type and development capacity, and local commitment criteria:

- (1) Location. Within the boundaries of either:
  - (A) Priority Development Area (PDA) in Plan Bay Area 2050; or
  - (B) If outside a Plan Bay Area 2050 PDA:
    - i. Transit-Rich or High-Resource Area in a Plan Bay Area 2050 Growth Geography; or
    - ii. Transit Priority Area, including all areas to which the Transit-Oriented Communities (TOC) policy applies
- (2) Site Type and Development Capacity. One of the following:
  - (A) Regionally Significant Site: Development capacity for 500 or more homes in a locally adopted plan,<sup>1</sup> zoning, or project entitlement; or
  - (B) Community Anchor: Site with both of the following:
    - i. Development capacity in a locally adopted plan, zoning, or project entitlement (or a project application that satisfies (a)(2)(B) above) equivalent to either 100 or more homes or at least 25% of the jurisdiction's very low- or low-income 2023, and

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<sup>1</sup> May include a Specific, Precise, or other area-specific land use plan, a General Plan Housing Element or General Plan Land Use Element.

- ii. Identified in a locally adopted plan, capital improvement program, zoning, or project entitlement (or a project application that satisfies (a)(2)(B) above) as the location for 10,000 or more square feet of community facilities.
- (C) Public Sites Portfolio: Multiple parcels owned by a single public agency that have a cumulative development capacity for 200 or more homes in a locally adopted plan, zoning, or project entitlement, and for which there is a meaningful linkage between projects on the parcels to enhance impact and/or achieve economies of scale.<sup>2</sup>
- (3) Affordability. Commitment to maximize share of new homes that are deed-restricted affordable to very low-, low-, and moderate-income households, exceeding any applicable local inclusionary housing requirement.
  - (4) Local Commitment. A completed application signed by the planning official or adopted through resolution by the governing body of the local government with land use authority over the site.
- (c) Priority Sites Pipeline.** For the purposes of funding and technical assistance, eligible Priority Sites shall be categorized into one of three Pipeline categories based upon the following criteria:
- (1) Prioritization: Sites that do not meet the criteria for (c)(2) Predevelopment, or (c)(3) Production, below.
  - (2) Predevelopment: Sites on which an entitlement has been issued for a residential or mixed-use development project that comprise part or all of the total development capacity of the site.
  - (3) Production: Sites that meet the requirements of (c)(2), Predevelopment, above, and for which a building permit has been issued.
- (d) Funding and Technical Assistance.** Competitive funding, technical assistance, and other resources supporting Priority Sites shall prioritize projects that deliver the highest levels of affordability, address racial disparities, reverse displacement or do not contribute to displacement, reduce greenhouse gas emissions, affirmatively further fair housing, and implement Plan Bay Area 2050, or the San Francisco Bay Area’s most recently adopted Sustainable Communities Strategy/Regional Transportation Plan.
- (e) Exceptions.** Certain minimum eligibility requirements may be waived if nominated sites otherwise present compelling affordability, racial equity, neighborhood revitalization, or economic and environmental sustainability elements.

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<sup>2</sup> Publicly owned sites with development capacity greater than 500 homes shall be categorized as “Regionally Significant.”