

**MTC Resolution No. 3434: Transit Oriented Development (TOD) Policy Update**

**Subject:** Presentation on upcoming steps for updating the TOD Policy, including planned work scope, timeline, and stakeholder engagement.

**Background:** The Regional Transit Expansion Program (MTC Resolution No. 3434) was amended in 2005 to include one of the first TOD policies in the U.S. MTC's [TOD Policy](#) aligns local land use planning with regional transit investments to support transit ridership. The policy applies to MTC Resolution No. 3434 (Resolution 3434) projects and sets minimum corridor-level thresholds for housing units (based on existing and planned land uses), with more capital-intensive transit modes requiring higher numbers of housing units (table below). To incentivize the production of below-market-rate (BMR) housing in new station areas, these units received a 50 percent bonus toward achieving the threshold. The TOD Policy requires that these corridor-level thresholds are met before MTC allocates regional discretionary funds for project construction.

**Table 1: TOD Policy Corridor Thresholds under MTC Resolution 3434**

Average Housing Units per Half-Mile Station Area					
Project Type	BART	Light Rail	Bus Rapid Transit	Commuter Rail	Ferry
Housing Threshold	3,850	3,300	2,750	2,200	2,500

The TOD Policy also established the region's station area planning program, and created corridor working groups to facilitate coordinated station area planning along Resolution 3434 transit corridors.

While the TOD Policy has not been updated since its adoption, MTC completed policy evaluations in 2006, 2007 and 2014. Overall, the policy has been successful in accomplishing its primary goal of ensuring that local land use policy supports regional transit investments through the policy requirements, as well as through local station area planning, and has resulted in planning/zoning for over 26,000 new housing units in Resolution 3434 corridors.<sup>1</sup> (This figure does not include approximately 100,000 additional units that have been planned as part of the broader Station Area Planning and Priority Development Area Programs.)

**Policy Update:** Since the TOD Policy was adopted in 2005, significant legislative and policy changes have occurred at both the state and regional levels that have influenced development patterns at transit stations and along transit corridors. Additionally, research and best practice approaches to TOD and transit-oriented communities (TOC) have evolved significantly since 2005. These changes, along with the fact that many of the Resolution 3434 transit projects have been completed or are under construction form the rationale for updating the TOD Policy. Furthermore, updating the policy now enables it to be linked to Plan Bay Area (PBA) 2050 as a policy tool to reinforce the transportation and land use objectives outlined in the Plan.

<sup>1</sup> [TOD Policy Status Report, 2014](#), p. 11

Key issues to be explored as part of the policy update include:

**Relationship to other plans/policies** – The TOD Policy update presents an opportunity to operationalize the PBA 2050 regional growth framework by continuing to condition transportation funding on actions that increase housing densities near high frequency transit and/or increase transit service levels to better support densities consistent with PBA 2050. Staff will coordinate with the One Bay Area Grant (OBAG)/Priority Development Area (PDA) evaluation currently underway as the PDA framework, as well as the OBAG program, are likely to be key elements of the next generation TOD Policy.

In addition, staff will review TOD and TOC policies adopted in other regions in California and North America, as well as those adopted by BART, VTA and Caltrain, to identify lessons learned, as well as applicability to the policy update. This will include consideration of employment as well as housing to determine whether the TOD Policy should also address job-generating commercial uses such as office space. This effort will also identify best practices in equitable TOD that will be considered in the update.

**Applicability to transit expansions and existing transit service** – Given that most projects in Resolution 3434 have already received regional funding, and that there are a limited number of planned regional transit expansion projects, the update will explore how the policy may address land uses around existing frequent transit services and the adequacy of transit service to support implementation of the regional growth framework. This will involve reviewing land use policies and service in both Transit-Rich and Connected Community PDAs as transit service and development patterns vary throughout the region.

**Funding** – The update will consider various sources of regional discretionary transportation funding and how they could be used to incentivize or require compliance with new policy objectives. It will review the applicability of funding sources previously included in the policy, as well as others that may be used to achieve intensified land uses around transit.

**Policy compliance** – The most recent TOD Policy evaluation completed in 2014 highlighted the need for a clear and consistent methodology for determining policy compliance. The update will consider transparent metrics to evaluate compliance with a new policy.

Following feedback from the committee, MTC will engage with a variety of stakeholders, including the Partnership Board, County Transportation Agency (CTA) executive and planning directors, local jurisdictions, as well as a variety of transportation and housing organizations. Staff will also convene a project technical advisory committee that will include representatives from these stakeholders and others.

**Next Steps:**

Staff is preparing an RFP for consultant assistance to support the policy update. The scope of work will focus on conducting the TOD/TOC peer review, assessing and developing TOD policy alternatives, and developing metrics for policy evaluation. The following is a tentative schedule for the TOD Policy update.

Brief MTC Planning/ABAG Administrative Committee	May 8, 2020
Release RFP for consultant services	May 2020
Form project TAC	May/June 2020
Finalize key issues, goals, and objectives for policy update	Summer 2020
Finalize project work plan, including consultant scope	Summer/Fall 2020
Peer review and recommendations	Fall/Winter 2020
Develop and assess policy alternatives	Winter 2020/Spring 2021
Draft and final policy	Spring/Summer 2021

**Issues:**

Due to the COVID-19 pandemic, the TOD Policy update will need to consider the short-term impacts on travel behavior and the region's transit system while continuing to plan for a resilient region in the mid- and long-term. The TOD Policy update will also need to coordinate with the work of the Blue Ribbon Transit Recovery Task Force, since the overall health of the region's transit system is critical to the successful implementation of any transit-oriented development or community policy.

**Recommendation:** Information.

**Attachments:** Attachment A: TOD Policy Update Presentation

  
Therese W. McMillan

# MTC Resolution No. 3434 TOD Policy Update

Kara Vuicich

Joint MTC Planning with the ABAG Administrative Committee

May 8, 2020



# Current Policy

- Groundbreaking policy adopted in 2005
- Applies to Regional Transit Expansion Program (MTC Res. 3434)
- Land use must support new regional transit investments



WARM SPRINGS TOD VILLAGE | ILLUSTRATIVE SITE PLAN  
FREMONT, CA | JUNE 9, 2015 | TOLL BROTHERS

Toll Brothers

VAN METER  
WILLIAMS  
POLLACK



# Current Policy: Housing Thresholds

- Sets minimum existing/permitted housing thresholds along expansion corridors as a condition of transportation funding
- New below-market-rate units receive 50% bonus towards achieving thresholds
- Results: successful completion of numerous station area plans that provide for ~26,000 housing units in new transit corridors plus ~100,000 units planned as part of the Station Area Planning and PDA Programs.

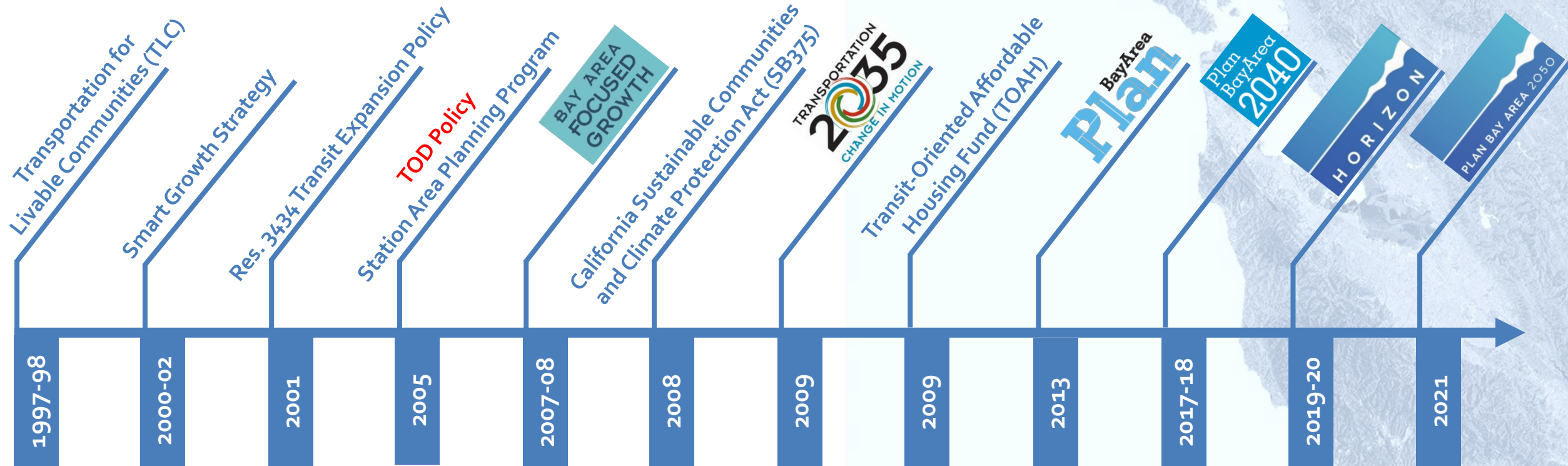
*Corridor Housing Unit Thresholds – Average per Station Area (1/2 mile)*

Project Type	BART	Light Rail	BRT	Commuter Rail	Ferry
Housing Thresholds	3,850	3,300	2,750	2,200	2,500



# The TOD Policy & Regional Planning

A lot has happened since 2005!



# Issues to Address in Update



Relationship to other plans/policies



Incorporating lessons learned and best practices to address equity, housing, & jobs



Applicability: expansions *and* existing transit?



Funding



Policy compliance



# Engagement

## **MTC/ABAG:**

- Joint MTC Planning/ABAG Admin Committee

## **Key Stakeholders:**

- County Transportation Agencies (CTAs)
- Transit Agencies
- Local Jurisdictions
- Regional Housing/Transportation Stakeholders

# Next Steps

Release RFP for Consultant Services

Form Project TAC

May/June 2020

Key Issues, Goals, & Objectives

Finalize Work Plan and Scope

Summer 2020

Peer Review/Recommendations

Develop & Assess Policy Alternatives

Fall/Winter 2020  
Spring 2021

Draft and Final Policy

Spring/Summer 2021