

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF UPDATING THE
TRANSIT-ORIENTED DEVELOPMENT (TOD)
PROGRAM WORK PLAN TO IMPLEMENT
THE TOD STRATEGIC PLAN AND
IMPROVE PROGRAM TRANSPARENCY

RESOLUTION NO. 12-4363

Introduced by Metro Councilor Carlotta
Collette with the concurrence of Metro
Council President Tom Hughes

WHEREAS, on April 9, 1998, the Metro Council adopted Resolution No. 98-2619 (For the Purpose of Authorizing Start-Up Activities for the Transit-Oriented Development (TOD) Implementation Program at Metro), which authorized start-up activities and set forth the operating parameters of the TOD Program in a Work Plan providing for selection criteria for TOD projects; and

WHEREAS, the TOD Work Plan was amended: (1) to include provision for a site improvements category by Resolution 00-2906 (For the Purpose of Amending the TOD Program Procedures to Facilitate TOD Projects Including the Round at Beaverton Central,) adopted March 9, 2000; (2) to include additional light rail corridors, streetcar, frequent bus, urban centers and green buildings by Resolution No. 04-3479 (For the Purpose of Amending the Transit-Oriented Development (TOD) Program Work Plan to Expand the TOD Program Area and Initiate An Urban Centers Program,) adopted July 15, 2004; (3) to add selection criteria for frequent bus line projects by Resolution No. 05-3563 (For the Purpose of Amending the Transit-Oriented Development (TOD) Program Work Plan to Apply Additional Selection Criteria to TOD Program Frequent Bus Line Projects), adopted May 19, 2005; (4) to allow a process for unsolicited proposals by Resolution No. 05-3617 (For the Purpose of Amending the Transit-Oriented Development (TOD) Program Work Plan to Allow a Process for Consideration of Unsolicited Development Proposals for Metro TOD & Centers Program Owned Land), adopted September 13, 2005; and (5) to establish the Urban Living Infrastructure program and designate focus centers by Resolution 07-3861 (For the Purpose of Amending the Transit Oriented Development (TOD) and Urban Centers Implementation Program to Designate Focus Centers, Establish an Urban Living Infrastructure Program, and Make Technical Changes), adopted November 1, 2007; and

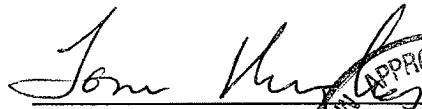
WHEREAS, the TOD Program provides Metro with a set of development tools that help implement Metro's Region 2040 Growth Concept by being a public partner in higher density, mixed use development projects in regional and town centers, in light rail station communities and along frequent bus corridors; and

WHEREAS, the Metro TOD Program Strategic Plan establishes an objective, research-based investment framework that identifies areas facing similar challenges and directs program activities where they will be most effective in stimulating private investment to create the vibrant communities envisioned in the Region's 2040 Growth Concept; and

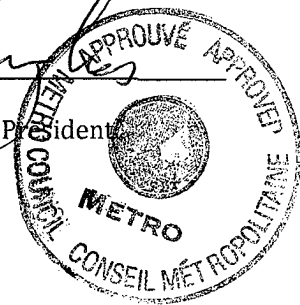
WHEREAS, the Transit Oriented Development Program Work Plan has been updated to implement the strategic investment framework and other key recommendations from the TOD Strategic Plan,

BE IT RESOLVED, that the Metro Council adopts the updated Transit-Oriented Development Program Work Plan.

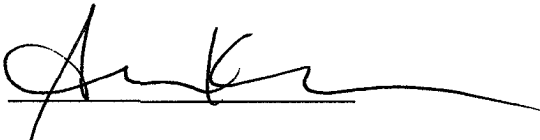
ADOPTED by the Metro Council this 16th day of August 2012.



Tom Hughes, Council President



Approved as to Form:



Alison Campbell, Metro Attorney

TOD PROGRAM WORK PLAN

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1. INTRODUCTION

The TOD program has a unique and critical role in implementing the region's 2040 growth concept of vibrant, urban centers and station areas linked by transit. TOD Program activities help to optimize the existing transit system through bringing more people to live, work and shop in areas with a functional pedestrian connection to transit. The core program activity is providing development project funding to stimulate construction of higher-density and mixed-use projects near transit, in areas where the real estate market is not yet able to support those higher cost development forms. Related program activities include opportunity site acquisition, investment in urban living infrastructure, and technical assistance.

The purpose of this workplan is to set forth the policy, governance and operating framework for the Transit Oriented Development Program, as approved by the Metro Council.

2. PROGRAM MISSION, OBJECTIVES & STRATEGIES

2.1 MISSION

The core mission of the TOD program is to stimulate private sector investment to create the vibrant communities envisioned in the Region's 2040 Growth Concept

TOD program investments help achieve six desired outcomes for our region: vibrant communities; economic prosperity; safe and reliable transportation; leadership on climate change; clean air and water; and equity.

2.2 OBJECTIVES

- A. Optimize transit system efficiency through increased ridership.
- B. Create new market comparables for higher density buildings near transit and in centers.
- C. Build community acceptance of urban style buildings through high quality design
- D. Develop developers with expertise in compact and mixed-use development.
- E. Improve availability of urban living infrastructure retail services and amenities.
- F. Carry out placemaking and contribute to local identity.
- G. Remove barriers to compact and mixed-use development.
- H. Attract investment, create jobs, and strengthen local tax bases.

2.3 STRATEGIES

- A. Strategically target project investments by identifying and prioritizing areas based upon their likelihood of supporting transit lifestyles and catalyzing private investment in the near term.
- B. Act as a strong development partner by responding quickly to project funding proposals in order to respect development timelines.
- C. Adapt investment activities in response to changing market cycles, variable local conditions, and availability of funds.
- D. Prudently manage program resources and make cost-effective project investments.
- E. Provide education and technical assistance to local jurisdictions and development partners to encourage compact transit-supportive development.

3. GOVERNANCE

3.1 METRO CHARTER

In accordance with Section 4 of the Metro charter, the Metro Council has determined that implementing transit-oriented development is a matter of metropolitan concern and has authorized the operation of the Metro Transit-Oriented Development and Urban Centers Implementation Program. (Ordinance 08-1204A, For the Purpose of Determining that Implementing Transit-Oriented Development is a Matter of Metropolitan Concern, adopted January 15, 2009.)

3.2 METRO COUNCIL

The Metro Council provides policy direction for the TOD program by:

- A. Adoption and approval of TOD Workplan to set forth the policy, governance and operating framework for the Transit Oriented Development Program.
- B. Adoption of the operating budget, as part of the Metro budgeting process, to approve the annual financial, organizational and performance plan for the TOD program.
- C. Authorization of the Metropolitan Transportation Improvements Program to allocate federal transportation funds to finance TOD & urban centers project investments.
- D. Approval of intergovernmental agreements with TriMet to coordinate and periodically exchange federal funds with TriMet General Funds to support the efficient operation of the TOD Program.
- E. Approval of intergovernmental agreements with local jurisdictions, as needed, to formalize partnerships for land acquisition, TOD project development and related activities.
- F. Assignment of a Metro Councilor to serve as a voting member of the TOD Steering Committee and directly participate in project funding decisions.
- G. Review of TOD Seven-Day Notices issued by the Metro Chief Operating Officer to inform the Metro Council of project funding decisions, property acquisitions/dispositions, and TOD Workplan changes. The Council shall have seven (7) days from issuance to request that the COO schedule a Council briefing and/or bring the matter forward for formal Council action. The decision becomes final after seven (7) days if no Councilor(s) requests it be presented to the full Metro Council for review. The Metro Council may allow the decision stand, send the decision back for reconsideration, or take formal action to deny or approve the decision.
- H. Metro Council briefings and, as needed, legislative action to review and provide direction to the TOD Program regarding strategic plans, priorities, program initiatives, project funding, and other matters of policy concern.

3.3 CHIEF OPERATING OFFICER

The Metro Chief Operating Officer is authorized by the Metro Council to implement this TOD Program Workplan and conduct all activities set forth herein, including policy implementation, program administration and financial oversight of the TOD program by:

- A. Issuance of TOD Seven-day Notices to inform the Metro Council of project funding decisions, property acquisitions or dispositions, and TOD Workplan changes.
- B. Appointment of TOD Steering Committee members and chair:
 - 1. One Metro Councilor, as designated by the Metro President and confirmed by the Council.
 - 2. Two governmental agency representatives, one from Oregon Housing and Community Services and one from TriMet.
 - 3. Four to six additional members to provide additional expertise, as needed, in transit-oriented development, urban revitalization, public-private partnerships, or real estate economics.
 - 4. Committee member (re)appointments shall be for staggered 3 year terms.
 - 5. Committee chair (re)appointments shall be for 1 year terms.
- C. Other activities consistent with the role and responsibilities of the COO position.

3.4 TOD STEERING COMMITTEE

The TOD Steering Committee provides expert guidance, review and approval of TOD Program investment activities by:

- A. Provision of expert advice regarding real estate economics and transit-oriented development.
- B. Approval of development project funding, including TOD projects, ULI projects, green building projects and others, in accordance with the TOD workplan.
- C. Approval of property acquisitions/dispositions.
- D. Approval of developer selection for properties owned by Metro.

3.5 METRO STAFF

Metro staff administers the TOD Program under the direction of the Metro COO and departmental management by operation of the program in accordance with the:

- A. TOD Workplan, to align with the policy and governance framework approved by the Metro Council.
- B. TOD Program Procedures Manual, to support efficient, transparent, and accountable program practices.
- C. TOD Program Strategic Plan, as updated at least every five years, to clarify and communicate updated TOD typology analysis results and strategic investment priorities.
- D. Grant program requirements, as applicable.

4. PROGRAM ACTIVITIES

4.1 TOD PROJECT INVESTMENTS

The region's growth concept encourages development in compact urban centers and station areas – higher density areas that combine housing, employment, retail, cultural, and recreational activities in a walkable environment that is well served by transit. The regional benefits of compact development include: increased transit, walk and bike trips; reduction of VMT; better air quality; protection of farm and forest land; and more efficient provision of public services. Mixed-use areas also maintain property values, create a sense of community, and attract new businesses. However, despite these longer-term benefits, development of mixed-use and higher density buildings has higher costs than the market can support in many parts of the region. Expanding affordable housing opportunities in areas where there is not an existing concentration of poverty improves equity and strengthens our community fabric. Introducing workforce and market rate housing increases market demand and attracts urban living infrastructure businesses to underserved areas.

- A. TOD project investments are site-specific development project investments to provide incentives for compact development of buildings that would not otherwise proceed.
- B. TOD projects are categorized as Catalytic, Catalytic Plus, Housing Choice, or Site Improvement projects in order to identify the related investment guidelines:
 1. Catalytic TOD projects -- projects with relatively modest public financial participation, generally of less than 20% total development costs, that are expected to improve the financial feasibility of future private sector projects within the real estate submarket.
 2. Catalytic Plus TOD projects – projects which qualify as Catalytic TOD projects and, in addition, significantly contribute to place-making or serve as a new prototype for development in that submarket.
 3. Housing Choice TOD projects - projects with higher levels of public financial participation, such as low income housing tax credits, that are expected to expand the income diversity of households in a particular area by producing additional affordable or workforce housing units.
 4. Site improvement projects -- site preparation or improvement projects which are separated in time, responsibility, or financing structure from TOD project development.
- C. TOD project investments may support costs related to land acquisition, site improvements, and development costs. Predevelopment costs are ineligible unless the site is owned, in whole or in part, by Metro.
- D. TOD Easements shall be recorded against the property to secure public benefits by requiring TOD supportive uses for a period of not less than 30 years.
- E. TOD project investments may be funded by federal funding for the TOD Program (either as localized through a fund exchange with TriMet or as direct grant funding) or by other funds approved by the Metro Council.

4.2 OPPORTUNITY SITES

Metro TOD Program acquisition and ownership of property is expected to support transit-oriented development through facilitating parcel assembly, ensuring transit-supportive design and land uses, or providing an avenue for financial assistance.

- A. Opportunity sites are properties considered for acquisition by Metro, alone or in partnership with local jurisdictions, other public agencies, or a private development partner for the purposes of land banking, parcel assembly, TOD project development, short or long-term lease, or future sale.
- B. Opportunity site investments may support costs related to due diligence, property acquisition and closing costs, property maintenance and repair, site improvements, environmental remediation, redevelopment planning, and other predevelopment activities.
- C. Opportunity site investments may be funded by federal funding for the TOD Program (either as localized through a fund exchange with TriMet or as direct grant funding) or by other funds approved by the Metro Council.

4.3 URBAN LIVING INFRASTRUCTURE

Locations with a rich array of retail services and other amenities within a comfortable walking distance offer the urban lifestyle experience that attracts people to live in urban centers and station areas. Empirical research has demonstrated that investment in the services and amenities that comprise a basic urban living infrastructure (theatre, restaurant, café, bookstore, grocery store, bakery, flower shop, etc.) can be a cost-effective strategy to catalyze higher density and mixed use development.

- A. Urban Living Infrastructure (ULI) project investments are site-specific development project investments to provide incentives to attract ULI businesses to improve the mix and convenience of retail services available to residents.
- B. ULI project investments may include the full or partial costs of improvements through construction or renovation that will remain with the building. The program shall not fund inventory or operating costs.
- C. ULI Easements shall be recorded against the property to secure the public benefits by requiring continuation of eligible uses for a period of not less than 5 years.
- D. ULI project investments are funded by interest earned on TOD Program revenues, or by other funds approved by the Metro Council.

4.4 TECHNICAL ASSISTANCE AND OUTREACH

Technical assistance and outreach activities that make communities more development ready can support achievement of the 2040 framework plan goals and help areas transition to higher density development patterns over time. The objectives of this work may include: to remove regulatory barriers to compact development; to advance pedestrian-oriented station area planning; to share innovative development practices; to improve understanding of development economics; to provide expertise in public-private development partnerships; to attract development; to leverage funding; and to encourage local jurisdictions to develop financial tools to support TOD development.

Technical assistance and outreach investments are funded by Metro general funds or by other funds approved by the Metro Council.

4.5 OTHER RELATED ACTIVITIES

As funding permits, the TOD program may engage in other related activities that are consistent with the program mission and core areas of program expertise. These may include program initiatives or events such: the Development Opportunity Fund supported by Metro general funds; green building investments supported by earned income from the Oregon Business Energy Tax Credit program; special events and tours supported by sponsorships; station area planning and redevelopment supported by FTA grants; and other activities, as opportunities arise and funding is available.

5. INVESTMENT GUIDELINES

5.1 TOD TYPOLOGY & STRATEGIC INVESTMENT FRAMEWORK

The TOD Program has a responsibility to promote TOD on a region-wide scale, but not all parts of the region are equally prepared to support TOD. Differences in real estate market strength and transit oriented land uses require different strategies and program activities. Applying objective research-based approaches, TOD Program staff analyze regional data to determine the current real estate market strength and transit orientation conditions in station areas, transit corridors and urban centers. TOD typology place types are assigned for station areas and transit corridors as part of the TOD Strategic Plan update process. However, since the region's urban centers vary greatly in size and land uses, it is most appropriate to evaluate the place type characteristics of specific locations within urban centers to determine if the proposed project location qualifies for investment.

As illustrated in Figure 1, the TOD typology place types can be grouped into three clusters that face similar challenges and would benefit from similar investment strategies: Plan and Partner; Catalyze and Connect; and Infill and Enhance. Figure 2 presents the TOD program strategic investment framework, illustrating the investment strategies which are eligible or conditionally eligible in each TOD typology cluster.

A. Plan and Partner Areas

Plan and Partner areas lack many of the key market and physical features needed to ensure that Metro TOD Program investments will leverage further investment or catalyze an emerging market. Technical assistance and outreach is needed in these areas to improve the prospects for the full value of transit investments to be captured in the future. These areas are generally not appropriate for development project investments, but consideration may be given to funding projects that are part of a large initiative to transform the area where the project is located.

1. Eligible activities:
 - a. Technical assistance and outreach activities; and
 - b. Opportunity site investments.
2. Conditionally allowable program activities:
 - a. Catalytic TOD, Catalytic Plus TOD, and site improvement project investments may be considered when the area has emerging transit orientation characteristics, and the project is part of a large scale investment initiative that is expected to move forward in a timely manner and is expected to substantially improve the TOD readiness characteristics of the area.
 - c. Housing Choice TOD project investments may be considered when the area has emerging transit orientation characteristics, the project is part of a large scale investment initiative that is expected to move forward in a timely manner and substantially improve the TOD readiness characteristics of the area, and the project would not exacerbate an existing concentration of poverty in the area.
 - d. Other related program activities may be provided, or become conditionally available, if new funding sources become available.

Figure 1. TOD Typology Clusters

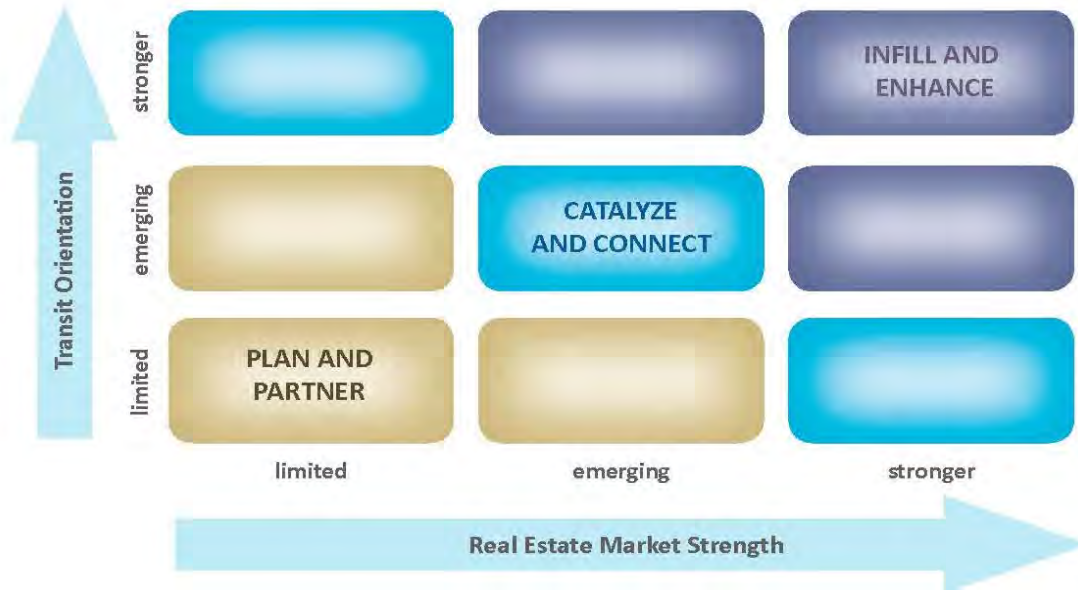


Figure 2. TOD Program Strategic Investment Framework

Program activities	Eligible Typology areas			Conditionally Eligible areas		
Catalytic TOD projects						
Catalytic plus TOD projects						
Housing choice TOD projects						
Opportunity site investments						
Urban living infrastructure projects						
Technical assistance and outreach activities						

B. Catalyze and Connect Areas

Catalyze and Connect areas offer some physical and/or market foundation for supporting transit oriented development, but are not yet able to achieve TOD building types without public participation, due to the current market or physical context. In general, these are the prime areas for investment in projects that help to catalyze future private development, and to increase activity levels through density and/or urban living infrastructure.

1. Eligible activities
 - a. Catalytic TOD project, Catalytic Plus TOD project, and site improvement project investments.
 - b. Opportunity site acquisitions.
 - c. Technical assistance and outreach activities.
2. Conditionally allowable program activities
 - a. Housing Choice TOD project investments may be considered if they would not exacerbate an existing concentration of poverty in the area.
 - b. Urban living infrastructure investments may be considered if the Metro TOD Program owns land in the vicinity or there is a larger downtown revitalization program in which the Metro TOD Program is a core partner.
 - c. Other related program activities may be provided, or become conditionally available, if new funding sources become available.

C. Infill and Enhance Areas

Infill and Enhance areas have stronger urban character including medium to higher densities, a mix of activities, quality urban form and transportation options combined with emerging to stronger market strength. However, the development economics may not be able to support local aspirations for vibrant centers, station areas and corridor communities. In general, the TOD Program is expected to make more limited investments in these areas, except in the case of important strategic opportunities that may include investments in prototypical TOD projects, urban living infrastructure or workforce/affordable housing.

1. Eligible activities
 - a. Catalytic Plus TOD project investments and site improvements.
 - b. Opportunity site acquisitions.
 - c. Technical assistance and outreach activities.
2. Conditionally allowable program activities
 - a. Housing Choice TOD project investments may be considered if it would not exacerbate an existing concentration of poverty in the area.
 - b. Urban living infrastructure investments may be considered if the Metro TOD Program owns land in the vicinity or there is a larger downtown revitalization program in which the Metro TOD Program is a core partner.
 - c. Other related program activities may be provided, or become conditionally available, if new funding sources become available.

5.2 TOD PROJECT INVESTMENT CRITERIA

A. THRESHOLD REQUIREMENTS

TOD Project investments must meet every threshold requirement, as set forth below, to be eligible for funding consideration.

1. Site control
 - a. The applicant shall be a public entity or a willing and capable developer with site control or the ability to establish site control; AND
 - b. The TOD development shall be privately owned and operated.
2. Connection to transit
 - a. Station communities - Properties must have a functional pedestrian connection between the site and existing or planned rail stations, generally less than ½ mile; OR
 - b. Frequent bus and streetcar - Properties must have a functional pedestrian connection between the site and the transit corridor, generally less than ¼ mile; OR
 - c. Urban centers - Properties must be within the boundary of an urban center, have a functional pedestrian connection to the main street or commercial core, and be within an eligible TOD typology place type as set forth in section 5.1
3. Eligible TOD typology areas
 - a. Catalytic project investments and site improvements are eligible in “Catalyze and Connect” areas and may be considered conditionally in “Plan and Partner” areas, in accordance with section 5.1; OR
 - b. Catalytic Plus project investments are eligible in “Infill and Enhance” and “Catalyze and Connect” areas and may be considered conditionally in “Plan and Partner” areas, in accordance with section 5.1; OR
 - c. Housing Choice project investments may be considered conditionally in “Infill and Enhance”, “Catalyze and connect” and “Plan and Partner” areas, in accordance with section 5.1.
4. Transportation and environmental benefits
 - a. The project development program will generate additional transit trips as a result of more intensive use of the site compared to what would occur without public participation in the proposed project; AND
 - b. The project development program is expected to reduce regional VMT compared to what would occur without public participation in the proposed project; AND
 - c. The site plan and building design enhance the pedestrian and bicyclist experience, and makes the pedestrian realm more visually attractive, active, vibrant and safe; AND
 - d. The development has the lowest reasonable parking ratio.
5. Land use efficiency
 - a. The development has the highest reasonable floor area ratio; AND
 - b. The development has the highest reasonable site coverage ratio.

6. Financial need
 - a. The project has cost premiums related to higher density, urban infill, or vertically integrated mixed use development; AND
 - b. There are not adequate local, state, or federal resources or incentives available to close the financing gap without Metro participation; AND
 - c. Metro funding shall not exceed the minimum amount necessary for the project to move forward and be constructed.
7. Cost effectiveness
 - a. Metro funding will leverage significant private investment; AND
 - b. Cost per induced transit rider is reasonable relative to other development project investments; AND
 - c. Metro's program, legal and other administrative costs are reasonably proportionate to the TOD Program development investment in the project; AND
 - d. Upon stabilization, the project is expected to be financially feasible and successful in the market.

B. COMPETITIVE INVESTMENT CRITERIA

In addition to the threshold requirements, projects will be evaluated to determine the extent to which they support the achievement of TOD Program objectives, as set forth in section 2.2 of the TOD Workplan. Competitive investment criteria allow a project to distinguish itself among other qualified projects. These criteria shall be considered by TOD staff in determining whether and what level of TOD project funding to recommend for approval, and what conditions to apply. Not all of these criteria will apply to every investment opportunity. The relative importance of these criteria will vary depending on the characteristics of the project and the area in which it is located.

1. Optimizes transit system efficiency through increased ridership:
 - a. Induces increased transit ridership from more intense development.
 - b. Incorporates features which improve the access to the transit system such as transit information services, way-finding signage, lighting, sidewalk improvements, additional bike parking/storage, or new access routes.
 - c. Integrates transportation demand management strategies such as limited or no parking, charging for parking, car sharing, bike storage, or transportation alternatives programming efforts.
 - d. Generates significant transit ridership by the creation of new employment, institutional, or entertainment destinations near transit.
2. Creates new market comparables for higher density buildings near transit and in centers:
 - a. Creates new market comparables as a result of demonstrating market acceptance of new product types, faster absorption, or higher achievable pricing.

3. Builds community acceptance of urban style buildings through high quality design:
 - a. Uses higher quality of design and/or materials than is typical in the area.
 - b. Demonstrates innovative green building elements or development practices that serve to improve the environmental impact of the development and enhance both the human and natural environment.
4. Improves availability of urban living infrastructure retail services and amenities.
 - a. Strengthens economic base to support retail services and amenities.
 - b. Integrates ULI amenities or retail services into the new development.
5. Develops developers with expertise in compact and mixed-use development:
 - a. Engages new development partners for the TOD Program.
 - b. Inspires developers to innovate in compact and mixed-use development forms.
6. Contributes to placemaking and local identity:
 - a. Incorporates elements that help create a sense of place.
 - b. Incorporates elements that reflect and/or build unique local identity.
 - c. Furthers a large scale initiative that will improve the TOD readiness of the area.
 - d. Supports downtown revitalization.
 - e. Provides affordable housing in areas where it increases housing choices and does not exacerbate concentrations of poverty.
7. Removes barriers to compact and mixed-use development:
 - a. Necessitates changes to local plans or development regulations.
 - b. Introduces product types, building materials, or building systems which are relatively new to the area.
8. Attracts investment, create jobs and strengthen local tax bases:
 - a. Attracts direct investment in development.
 - b. Creates jobs.
 - c. Leverages contributions from other public and non-profit entities such as: local government (tax abatement; tax increment financing; reduced SDCs; or support for entitlement changes); state/federal government (low income housing tax credits, public bond financing, grants); or private foundations.
 - d. Generates additional property tax revenues.

5.3 OPPORTUNITY SITE ACQUISITION CRITERIA

A. Site control

1. Metro may acquire property as sole purchaser from any willing buyer or in partnership with another public agency if the expected consequences of terminating that partnership relationship, should it become necessary, are deemed acceptable.
2. Consideration may be given to opportunity site acquisitions for properties that are not proximate to an existing or planned transit station if the site is located within an urban center with moderate to strong transit orientation characteristics.

B. Eligible TOD typology area

1. “Infill and Enhance”, “Catalyze and Connect” and “Plan and Partner” typology areas are eligible for Opportunity Site investments.

C. Transportation and environmental benefits

1. Increases transit ridership as a result of more intensive use of the site; AND
2. Reduces regional vehicle miles traveled (VMT) as a result of locating uses on the opportunity site rather than elsewhere in the region.

D. Cost effectiveness

1. Metro’s investment is expected to leverage future private investment and contributions from other public and non-profit entities, such as local governments (tax abatement; tax increment financing; reduced SDCs; or support for entitlement changes) and state/federal (low income housing tax credits, public bond financing, grants) programs; AND
2. Metro’s program, legal and other administrative costs are reasonably proportionate to the acquisition cost.

5.4 URBAN LIVING INFRASTRUCTURE INVESTMENT CRITERIA

A. Site control

1. The property must be controlled by a public entity or a willing and capable private developer; AND
2. The ULI business will be operated by a willing and capable private developer.

B. TOD typology

1. ULI project investments may be considered conditionally in “Infill and Enhance” and “Catalyze and Connect” typology areas, in accordance with section 5.1., provided the Metro TOD Program owns land in the vicinity or there is a broader downtown revitalization program in which the Metro TOD Program is a core partner.

C. Eligible ULI business types and uses of funds

1. Uses such as cinema-cafes, farmer’s markets, grocery stores, bookstores, restaurants and cafes, bakeries, bike shops, garden/flower shops, and specialty retail will be eligible for program funding. Priority will be given to projects that support local or regional business. Ineligible uses include bars, liquor stores, tanning salons, adult only businesses, and offices.
2. Funding supports building improvements, renovations, or the purchase of permanent fixtures that will stay with and add value to the building for future ULI type businesses. Inventory, operating costs and tenant-specific improvements are ineligible. For example, soft-shell improvements (interior walls, electrical, restrooms, etc.) or a restaurant kitchen ventilation system could be eligible, but purchase of restaurant appliances and furnishings would not be eligible.

D. Anticipated benefits

1. The ULI project will have a direct impact on the achievable pricing for one or more specifically identified higher density housing projects which are not yet stabilized or are to be developed in the area in the near future; AND
2. The expected ULI use improves the mix and convenience of retail services and amenities available for residents of the area; AND
3. The expected ULI use is expected to be commercially viable; AND
4. The building improvements or expected ULI use contribute to placemaking; AND
5. The building improvements or expected ULI use activates the pedestrian realm along the street.

E. Cost effectiveness

1. The expected marginal increase in the achievable pricing of the other specifically identified higher density housing project(s) exceeds the ULI funding amount;
2. Metro’s investment leverages contributions from other public or non-profit entities, such as local governments (tax abatement; tax increment financing; reduced SDCs; or support for entitlement changes) or state/federal (low income housing tax credits, public bond financing, grants) programs; AND
3. Metro’s program, legal and other administrative costs are reasonably proportionate to the acquisition cost.

5.5 MULTI-PART INVESTMENT POLICY

Any given property or development project may benefit from a multi-part investment strategy including technical assistance, opportunity site investment, TOD project investments, ULI investments, and other related activities as authorized by the TOD Workplan or Metro Council. Eligibility for services and funding awards is cumulative and shall be determined by the selection criteria established for each type of program activity. Multi-part investments differ from recurring investments in that they combine different program activities together to support one property or development project.

5.6 RECURRING INVESTMENT POLICY

A. Definitions

1. "Project Reinvestments" - Funding for a TOD project that has already received a TOD project investment, for purposes of providing an incentive to the developer to construct additional TOD Program features, or to assist the project in attaining completion and stabilization.
2. "Repeat Investments" - Funding for a new project proposed by a developer who has been the recipient of TOD project investments in the past that resulted in a satisfactorily completed project.
3. "Concurrent Investments" - Funding for a new TOD Project proposed by a developer before a prior TOD project investment with that same developer has resulted in a satisfactorily completed and stabilized development.
4. "New TOD projects" - Projects which are separate in time or location; staff shall determine whether different components of a phased project should be considered as "new." The recurring investment policy is not intended to govern a phased project.

B. TOD Project Reinvestments

The TOD Program's initial investment in projects is typically less than the calculated induced fare box revenue and often much less than the cost premiums associated with the higher density development. The funding "gap" declared by the developer in its application to the TOD Program is generally significantly more than the assistance the Metro TOD Program commits to provide. On occasion, this built-in scarcity of subsidy may result in a request for further funding. The TOD Program must maintain the flexibility to further assist a project that is under construction but has suffered from an unforeseen setback that threatens the feasibility of the project and is not within the developer's control. However, the TOD Program must not serve as a guarantor that all TOD Program supported projects will be "moneymakers." Project Reinvestments to assist the project towards completion or stabilization may only be made if, upon a review of the project's financial statements, the Program Manager determines that:

1. An unforeseen setback not in the developers control, arising out of fluctuations in financial markets, commodities markets, labor markets, or unanticipated site conditions threatens the financial feasibility of the project; and

2. It is reasonably expected, all things considered, that the Project will be completed and reach stabilization within the time period supported by project financing; and
3. The aggregate TOD investment will not exceed estimates of the lesser of the induced farebox revenues or the total TOD cost premiums for the project.

C. Repeat investment policy

TOD Program objectives may, at times, be best achieved through repeat investments with particular developer or entities organized by that developer. Development risks are better understood and may be better managed by professionals who have done similar projects within a particular jurisdiction and submarket. Further, it may take a number of public-private partnerships to stimulate a self-sustaining momentum for the private sector investment needed to create the vibrant communities envisioned in the Region's 2040 Growth Concept. The TOD Program must balance these realities against the competing objective to "recruit new developers and build expertise within the developer community in compact and mixed use development."

1. Repeat Investments with a developer or entities organized or controlled by that developer in any one regional center, town center, or defined submarket shall be limited generally to three (3) projects, unless the TOD Steering Committee provides express approval.
2. This policy imposes no limits on Repeat Investments in different regional centers, town centers, or defined submarkets.

D. Concurrent Investments

Metro TOD Project support is provided to projects rather than to developers, and each subsequent project is its own distinct financial entity, usually a different LLC, with differing equity partners. The addition and/or substitution of these new equity partners to subsequent developments spreads the financial risk of developing TODs. The TOD Program must balance this reality against its duty to ensure that a developer's ongoing project will be successful before providing support for a new project.

1. Concurrent Investments may be made if: 1) they satisfy the Repeat Investment Policy; and 2) upon review of the financial statements of the ongoing TOD Project, the TOD Program Manager determines that it is reasonably expected that the ongoing TOD Project will be completed and reach financial stabilization within the time period supported by project financing, with or without TOD Program support for the new TOD project.

5.7 LOAN POLICY

The majority of TOD transactions are structured as land dispositions with value write-down or TOD easements. However, there are certain circumstances that arise related to the specific financial arrangements of a project or a potential project that give rise to the need for the TOD Program to participate financially by utilizing a loan.

- A. Loan agreements may be entered into to provide financing for land acquisition, TOD/Centers Easements, Urban Living Infrastructure projects, and any other authorized development expense.

- B. Circumstances under which a loan will be utilized include:
1. When the TOD Program is assisting a developer in securing a TOD site for future development by way of a purchase money loan. This type of loan will be secured with a first trust deed.
 2. When the project's financial structure allows for the TOD Program to obtain a TOD Easement and still recoup some of its investment. This type of loan will be provided on terms designed to enable the development to proceed and fulfill the objectives of the TOD Program. This type of loan will typically be secured in a subordinate position and will be structured so as not to negatively impact the project loan-to-value ratio (LTV), debt coverage ratio (DCR), or short-term cash flow requirements of the construction and permanent lenders.
 3. When a financial gap arises in a TOD Project resulting from market conditions or construction cost increases, and the gap must be closed in order to facilitate completion of the project or to protect an existing TOD investment. This type of loan will be provided on terms designed to enable the development to proceed and fulfill the objectives of the TOD Program. This type of loan will typically be secured in a subordinate position and will be structured so as not to negatively impact the project loan-to-value ratios (LTV), debt coverage ratios (DCR), and short-term cash flow requirements of the construction and permanent lenders.
- C. The TOD Program will obligate the entire loan amount for program budgeting purposes.
- D. TOD loans will be secured by land, typically in a position subordinate to a prime lender's first trust deed. On occasion, institutional lenders (insurance companies) and securitized lending programs (conduit lenders) will not allow a subordinate trust deed. In such situation, the TOD loan will be unsecured, but a TOD Easement must be recorded. The loan amount and terms will depend upon the circumstances of the particular project and project lender restrictions. TOD loans resulting in aggregate LTV ratios above 1.0 on projects are allowed, in order to assist in the creation of higher market comparables. Loans can range from short term (up to 4 years) to long term (up to 50 years). Interest rates may be simple or compounding, will be below market and may range as low as 1%. Terms and rates will be individually negotiated and will be structured so as not to negatively impact the LTV, DCR, or short-term cash flow requirements of the project. The discounted interest rate, gross loan amount and the discounted present value of the repayment obligation shall be disclosed to the TOD Steering Committee and included in the seven day letter to the Metro Council.
- E. In all instances, due diligence will be performed and loan documents will be prepared by the Metro Attorney and financial controls will be maintained by the Metro Finance Officer in accordance with any applicable procedures. TOD Steering Committee approval will be obtained and a 7-day Notice issued to Metro Council in accord with standard Metro TOD Program Workplan procedures.

6. PROGRAM OPERATIONS

6.1 INFORMATION & OUTREACH

Information about TOD program activities, project selection criteria, procedures and accomplishments will be easily accessible through the Metro website and a variety of written publications. Program staff will make conference and other group presentations, as well as responding to individual requests for information.

6.2 TECHNICAL ASSISTANCE AND OUTREACH

Program staff may provide education and technical assistance to: local, national or international jurisdictions and agencies working to implement TOD programs, plans or projects; academics studying TOD and public/private partnerships; and members of the private real-estate development community. The nature and extent of assistance shall be determined by TOD program management, considering staff availability, potential leverage to support TOD program goals, and funder requirements.

6.3 PROGRAM FUNDING

A. Funding coordination with TriMet

Metro shall continue funding coordination with TriMet to support the efficient and effective operation of the TOD Program. In accordance with the terms of the Intergovernmental Agreement(s), TriMet general funds are transferred to the TOD Program in exchange for an equivalent commitment to obligate flexible federal funds to TriMet for transit related uses.

B. Other funding

Other funding sources may be utilized for current and new program activities as they become available, consistent with the TOD Work Plan and as approved by the Metro Council.

6.4 INVESTMENT TOOLS/ACTIVITIES

Operating within the Metro management structure and consistent with the TOD Work Plan, TOD Procedures Manual, other Metro policies, and any applicable laws, Metro TOD staff shall implement the TOD program utilizing a broad range of investment tools and activities including: property acquisition and disposition; site improvements, predevelopment studies and implementation planning; exclusive negotiating agreements; financing agreements structured as grants or loans; purchase of restrictive TOD or ULI Easements; disposition and development agreements; and other activities as deemed appropriate and necessary by management.

6.5 PROGRAM PROCEDURES MANUAL

A. Purpose

A program procedures manual shall be maintained to support: fair and consistent consideration of program funding requests; compliance with Metro contracting, financial and other applicable administrative policies and procedures; and continuous improvements in program operations.

B. Contents

The TOD program procedures will include, at a minimum, guidance related to:

1. Project eligibility analyses: TOD typology place types; induced ridership; vehicle miles traveled; urban living infrastructure pricing effects; and cost premiums.
2. Developer selection methods: request for expressions of interest (RFEI); request for qualifications (RFQ); Request for proposal (RFP); and unsolicited proposal submissions.
3. Inter-agency agreements: Letters of agreement; memorandums of understanding; and intergovernmental agreements.
4. Project authorizations: TOD Steering Committee staff reports and minutes; Seven-day Notices; and real estate contracts and other standard legal documents.
5. Financial reporting: TOD Steering Committee budget status reports; and information required by Metro's Office of Finance and Regulatory Services.
6. Risk controls: preconditions for contractual commitments and release of funds; project monitoring during development; loan policies; and recurring investment policies.
7. Program monitoring, evaluation and reporting: annual report; project monitoring after completion; and travel behavior studies.

6.6 INTER-AGENCY PARTNERSHIPS

The Metro TOD Program seeks opportunities to partner with other public agencies and to leverage resources to stimulate private investment in transit-oriented development. Metro may enter into inter-agency agreements and may jointly own properties. Metro may terminate those inter-agency partnerships when there is failure to make progress in a timely manner or it appears that the desired outcomes will not be achieved.

6.7 DEVELOPER SELECTION

A. Metro controlled sites

1. Developer selection processes shall be conducted in a manner that provides transparency and open access to program funding while maintaining the flexibility to respond to time-sensitive business opportunities and respecting the proprietary and confidential character of the business endeavor.
2. Developer selection processes may use one or more of the following approaches: request for expressions of interest (RFEI); request for qualifications (RFQ); request for proposal (RFP); or unsolicited proposal submissions.
3. Metro may delegate significant developer selection process responsibilities to other governmental agencies that have a co-ownership position in the subject property, but shall retain concurrent developer selection approval authority. .
4. Developer selection decisions and, as applicable, exclusive negotiating agreements and disposition and development agreements (DDAs) shall be approved by the TOD Steering Committee, Metro Chief Operating Officer, and Metro Council through the Seven-day notice process.

B. Developer controlled sites

Developers with site control may take the initiative to contact Metro directly to determine funding eligibility of TOD projects that would not be feasible without public participation. Staff will evaluate requests and determine whether or not to present a funding recommendation for TOD Steering Committee consideration.

6.8 PROPERTY ACQUISITION AND DISPOSITION

A. Property acquisition parameters

1. The landowner is a willing seller.
2. The Office of the Metro Attorney shall perform industry standard, commercially reasonable pre-acquisition due-diligence, including, but not limited, to environmental assessment and testing.
3. Purchase price
Metro intends to pay no more than fair market value for property. However, the Metro area real estate market is dynamic and the process of identifying fair market value is not exact. Metro's acquisition process should provide as much flexibility as possible to achieve the goals of the TOD Program and to reflect the actual market conditions affecting the air market value of properties. The negotiated purchase price of the property:
 - a. Shall not exceed the minimum amount necessary for the property acquisition to proceed; AND
 - b. Shall be equal to or less than the fair market value as established by the appraisal and appraisal review processes; OR

- c. Shall be expressly authorized to exceed the fair market value as established by the appraisal and appraisal review processes, provided that the acquisition of the property at the negotiated price is expressly declared in the Seven-day Notice or other Metro Council authorization action to be in the “public interest”.

B. Property disposition parameters

1. Metro may transfer, sell or convey property purchased by the TOD Program to a willing and able public agency, a development partner, or a disinterested third party, with or without TOD development requirements.
2. Sale price of property with TOD development requirements, to a public agency or development partner, shall be at a negotiated price:
 - a. Equal to or above the fair market value established by a current appraisal, or competitive auction, or open real estate listings and marketing; or
 - b. Equal to or above the as-encumbered value established by a current appraisal that takes into account the requirements, reservations, covenants, conditions, restrictions or other limitations, exclusive of zoning or land use regulations, that the Metro TOD program imposes on the development or use of the land by Development Agreement and TOD Easement; or
 - c. At the value as established through a written staff analysis, after taking into account the anticipated benefits of the related TOD project, the amount and methods of public participation required for the project to proceed, and the fair market value and the as-encumbered value as established by a current appraisal.
3. Sale price of property without TOD development requirements, to a public agency or a disinterested third party, shall be at fair market value and may be undertaken if Metro determines that ownership of the property no longer represents the best use of TOD Program resources.

C. Appraisal Requirements

1. The Office of Metro Attorney shall procure and supervise the preparation of an appraisal of property prior to Metro acquisition or disposition, unless the Metro COO provides express written approval for reliance upon an appraisal secured by another governmental agency that has a co-ownership interest in the property.
2. The Office of Metro Attorney shall procure and supervise the preparation of a review appraisal of the property if either: (1) the property’s purchase or sale price is \$250,000 or more; or (2) the Office of Metro Attorney determines, at its sole discretion, that such an appraisal review is appropriate under the circumstances of a particular proposed acquisition.
3. If the review appraiser determines that the appraisal does not meet USPAP or other general appraisal standards, the review appraiser, after consultation with and at the direction of the Office of the Metro Attorney, may either: (a) work with the appraiser to correct the deficiencies; (b) perform a second appraisal; or (c) make a final determination of the range of value for the property.

D. Authorization

1. Property acquisitions and dispositions shall be approved by the TOD Steering Committee, Metro Chief Operating Officer, and Metro Council through the Seven-day notice process.

6.9 PROJECT AUTHORIZATIONS

A. Staff analysis

Metro staff shall evaluate funding requests for TOD projects, Opportunity sites, ULI projects, and other development project investments to determine the extent to which the proposed project meets the eligibility criteria set forth in the TOD Workplan, using methods set forth in the TOD Program Procedures Manual. Staff recommendations for project funding or property acquisitions or dispositions will be presented to the TOD Steering Committee for consideration.

B. TOD Steering Committee action

Project funding and property acquisition or disposition decisions shall be approved by a majority vote of the members present at a duly noticed meeting. Steering Committee members who have the appearance of a personal or professional conflict of interest are expected to abstain from decision making. The Office of Metro Attorney shall provide advice to assist in making such determinations.

C. Metro Council action

Following project funding approval by the TOD Steering Committee, the Chief Operating Officer shall issue a Seven-day Notice to provide written notification to the Metro Council of the proposed project. The Councilors have seven (7) days from issuance to request that the COO provide an opportunity to review the decision in executive session. The decision of the TOD Steering Committee becomes final after seven (7) days if no Councilor(s) request it be presented to the full Metro Council for review. The Metro Council may allow the TOD Steering Committee decision stand, send the decision back for reconsideration, modify the decision, or deny the approval entirely.

D. Legal documents

The Metro Chief Operating Officer shall have authority to execute legal documents to implement approved projects, consistent with the advice of the Office of Metro Attorney. These may include exclusive negotiating agreements, disposition and development agreements, purchase and sale agreements, Easements, Intergovernmental agreements, grant or loan agreements, and other documents as deemed appropriate by the Office of Metro Attorney.

6.10 RECORDED EASEMENTS

Metro shall routinely record encumbrances (Easements) on the title of the private properties which are directly participating in the TOD, ULI, or potentially other programs. The encumbrances shall acknowledge the incorporation of specifically identified TOD/ULI or other program features into the project, prohibiting specified non-program uses and encumbering the project with a requirement that the program uses of the property be maintained for a specified period.

6.11 CANCELLATION OF PROJECT AUTHORIZATIONS

Projects shall be deemed eligible for cancellation if TOD program staff determine that the developer has failed to make progress, the property owner and/or developer for the project has changed or the project design or development programs are significantly different from what was approved for funding. Previous funding commitments can be terminated by TOD Steering Committee action followed by a Seven-day Notice to Metro Council, in accordance with section 3.2.G.

6.12 WORKPLAN AMENDMENTS

The TOD Workplan shall be updated, as needed, to ensure the Metro Council concurs with recommended modifications to the policy, governance or operating framework for Metro's Transit Oriented Development Program. The Chief Operating Officer shall issue a Seven-day Notice to provide written notification to the Metro Council of proposed amendments to the TOD Workplan, in accordance with section 3.2.G. The Councilors shall have seven (7) days from issuance to request that the COO schedule a Council briefing and/or bring the matter forward for formal Council action. The amendment becomes final after seven (7) days if no Councilor(s) request it be presented to the full Metro Council for review or formal action.

STAFF REPORT

IN CONSIDERATION OF RESOLUTION NO. 12-4363, FOR THE PURPOSE OF UPDATING THE TRANSIT-ORIENTED DEVELOPMENT (TOD) PROGRAM WORK PLAN TO IMPLEMENT THE TOD STRATEGIC PLAN AND IMPROVE PROGRAM TRANSPARENCY

Date: August 16, 2012

Prepared by: Meganne Steele,
Megan Gibb

BACKGROUND

The Transit Oriented Development Program Work Plan has been updated to implement the strategic investment framework and other key recommendations from the TOD Strategic Plan, as previously presented to the Metro Council, MPAC and others. The TOD Work Plan provides the policy, governance and operating framework for Metro's Transit Oriented Development Program. Originally adopted in 1998, it has been amended four times by formal Metro Council action. Although the scope and content of the TOD Work Plan remain generally the same, it has been entirely rewritten in collaboration with the Office of Metro Attorney to improve clarity and readability.

- **Articulates program mission** – The core mission of the TOD program is stated succinctly: To stimulate private sector investment to create the vibrant communities envisioned in the Region's 2040 Growth Concept.
- **Implements TOD strategic plan investment framework** – As illustrated in Figure 1. TOD Typology Clusters and Figure 2. TOD Program Strategic Investment Framework, program activities are strategically directed toward the areas that would most benefit from each particular type of investment or technical assistance. Conditional eligibility standards are set forth, including that housing choice projects not exacerbate an existing concentration of poverty in the area.
- **Broadens eligible area along transit corridors** - Properties along transit corridors served by frequent bus and street car become eligible for consideration if they are within ¼ mile of the route and have a functional pedestrian connection; it is no longer required that properties be within 800 feet of a transit stop.
- **Clarifies program governance** – In response to a Metro Auditor's Office recommendation, the roles and responsibilities of the Metro Council, Chief Operating Officer, TOD Steering Committee, and Metro Staff are clarified to reflect current practice. Use of the 7-day notice process is expanded to facilitate efficient and transparent decision-making related to property acquisitions/dispositions and TOD Work Plan amendments.
- **Updates TOD Steering Committee membership** – The Metro Council liaison, Oregon Housing and Community Service, and TriMet positions continue. Metro's Chief Operating Office is given authority to appoint the four to six members to provide additional expertise in transit-oriented development, urban revitalization, public-private partnerships, or real estate economics. It is anticipated that all current TOD Steering Committee members will be appointed to serve staggered three year terms, starting September 2012. Two currently vacant positions may be filled by new appointments, as needed.

- **Continues the Urban Living Infrastructure program**– The Urban Living Infrastructure program, established on a pilot basis when the TOD Work Plan was amended in 2007, continues to operate as a small program with limited funding. Strategic Plan advisors recommended program continuation as an effective tool in promoting transit-oriented development. This program is funded by interest earned from TOD Program revenues.
- **Improves transparency of program eligibility criteria** – TOD project investment criteria are expanded to integrate strategic plan recommendations and explicitly communicate the full set of factors the TOD Steering Committee has historically considered in allocating limited TOD project funding.
- **Sets forth property acquisition and disposition parameters** – TOD property acquisition and disposition parameters formalize oversight responsibilities of the Office of Metro Attorney. Staff are provided more discretion in negotiating purchase and sales terms and may vary from appraised values provided the COO concurs that it is merited because of the public benefits created; this approach is modeled after the Open Spaces acquisition program. Specific transactions may be authorized through the Seven-day Notice process instead of requiring formal action at a Metro Council meeting, thereby improving the ability to respond quickly to market opportunities.
- **Incorporates broader investment policies** – In response to a Metro Auditor's Office recommendation, the TOD loan, recurring investment, and multipart investment policies are included in the Work Plan.

ANALYSIS/INFORMATION

1. **Known Opposition:** There is no known opposition.
2. **Legal Antecedents:** On April 9, 1998, the Metro Council adopted Resolution No. 98-2619 (For the Purpose of Authorizing Start-Up Activities for the Transit-Oriented Development (TOD) Implementation Program at Metro), which authorized start-up activities and set forth the operating parameters of the TOD Program in a Work Plan providing for selection criteria for TOD projects. The TOD Work Plan was amended: (1) to include provision for a site improvements category by Resolution 00-2906 (For the Purpose of Amending the TOD Program Procedures to Facilitate TOD Projects Including the Round at Beaverton Central,) adopted March 9, 2000; (2) to include additional light rail corridors, streetcar, frequent bus, urban centers and green buildings by Resolution No. 04-3479 (For the Purpose of Amending the Transit-Oriented Development (TOD) Program Work Plan to Expand the TOD Program Area and Initiate An Urban Centers Program,) adopted July 15, 2004; (3) to add selection criteria for frequent bus line projects by Resolution No. 05-3563 (For the Purpose of Amending the Transit-Oriented Development (TOD) Program Work Plan to Apply Additional Selection Criteria to TOD Program Frequent Bus Line Projects), adopted May 19, 2005; (4) to allow a process for unsolicited proposals by Resolution No. 05-3617 (For the Purpose of Amending the Transit-Oriented Development (TOD) Program Work Plan to Allow a Process for Consideration of Unsolicited Development Proposals for Metro TOD & Centers Program Owned Land), adopted September 13, 2005; and (5) to establish the Urban Living Infrastructure program and designate focus centers by Resolution 07-3861 (For the Purpose of Amending the Transit Oriented Development (TOD) and Urban Centers Implementation Program to Designate Focus Centers, Establish an Urban Living Infrastructure Program, and Make Technical Changes), adopted November 1, 2007.
3. **Anticipated Effects:** Metro Council adoption of the updated Work Plan is necessary to align the TOD Program policy, governance and operating framework with the TOD Strategic Plan and to improve program transparency. The TOD Program will use objective, research-based approaches to determine station typologies and direct program activities where they are most effective. With program eligibility

criteria more comprehensively explained, potential development partners will better understand the desired project characteristics that are expected to stimulate further private investment to create the vibrant communities envisioned in the Region's 2040 Growth Concept.

4. **Budget Impacts:** None.

RECOMMENDED ACTION

It is recommended that the Metro Council approve the TOD Work Plan as presented in Exhibit A.

Figure 1. TOD Typology Clusters

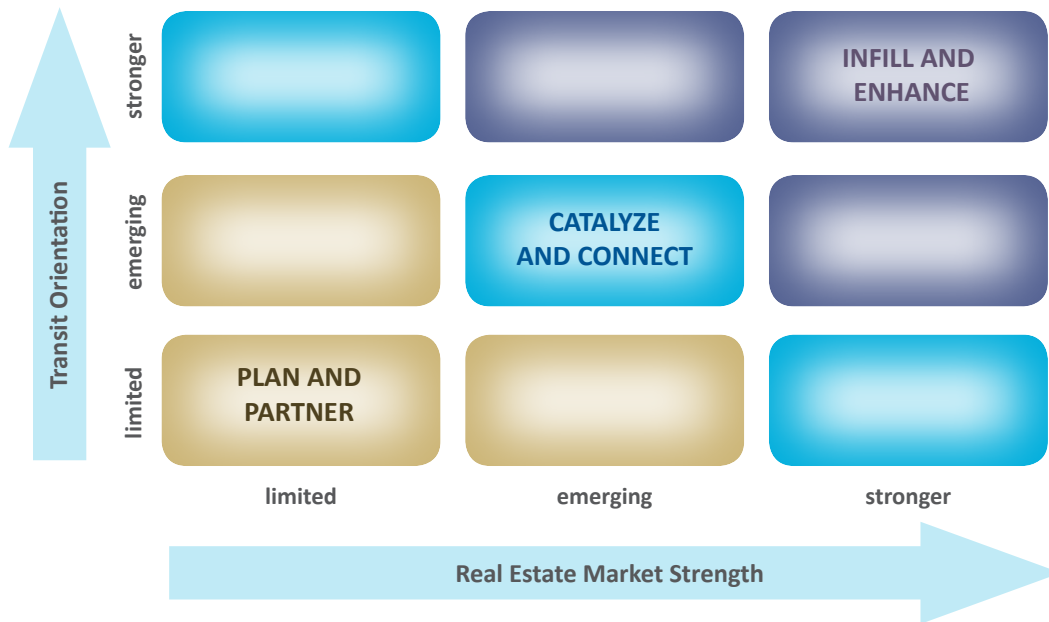


Figure 2. TOD Program Strategic Investment Framework

Program activities	Eligible Typology areas			Conditionally Eligible areas		
Catalytic TOD projects	[Blue]	[White]	[White]	[White]	[White]	[White]
	[White]	[Blue]	[White]	[Gold]	[White]	[White]
	[White]	[White]	[Blue]	[White]	[White]	[White]
Catalytic plus TOD projects	[Blue]	[Dark Blue]	[Dark Blue]	[White]	[White]	[White]
	[White]	[Blue]	[Dark Blue]	[Gold]	[White]	[White]
	[White]	[White]	[Blue]	[White]	[White]	[White]
Housing choice TOD projects	[White]	[White]	[White]	[Blue]	[Dark Blue]	[Dark Blue]
	[White]	[White]	[White]	[Gold]	[Blue]	[Dark Blue]
	[White]	[White]	[White]	[White]	[White]	[Blue]
Opportunity site investments	[Blue]	[Dark Blue]	[Dark Blue]	[White]	[White]	[White]
	[Gold]	[Blue]	[Dark Blue]	[White]	[White]	[White]
	[Gold]	[Gold]	[Blue]	[White]	[White]	[White]
Urban living infrastructure projects	[White]	[White]	[White]	[Blue]	[Dark Blue]	[Dark Blue]
	[White]	[White]	[White]	[Gold]	[Blue]	[Dark Blue]
	[White]	[White]	[White]	[Gold]	[Gold]	[Blue]
Technical assistance and outreach activities	[Blue]	[Dark Blue]	[Dark Blue]	[White]	[White]	[White]
	[Gold]	[Blue]	[Dark Blue]	[White]	[White]	[White]
	[Gold]	[Gold]	[Blue]	[White]	[White]	[White]