

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

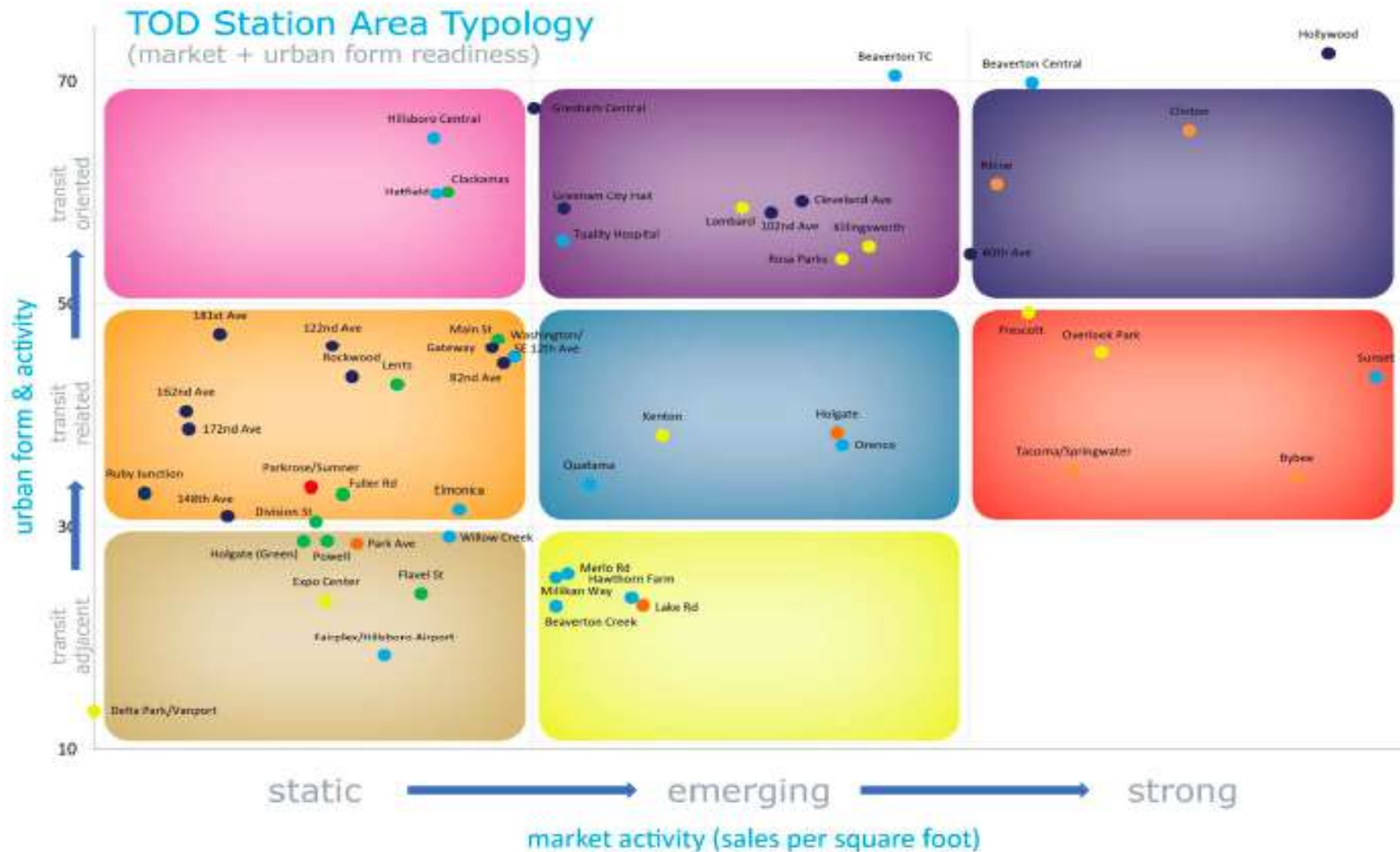
Innovative Programs –

- **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

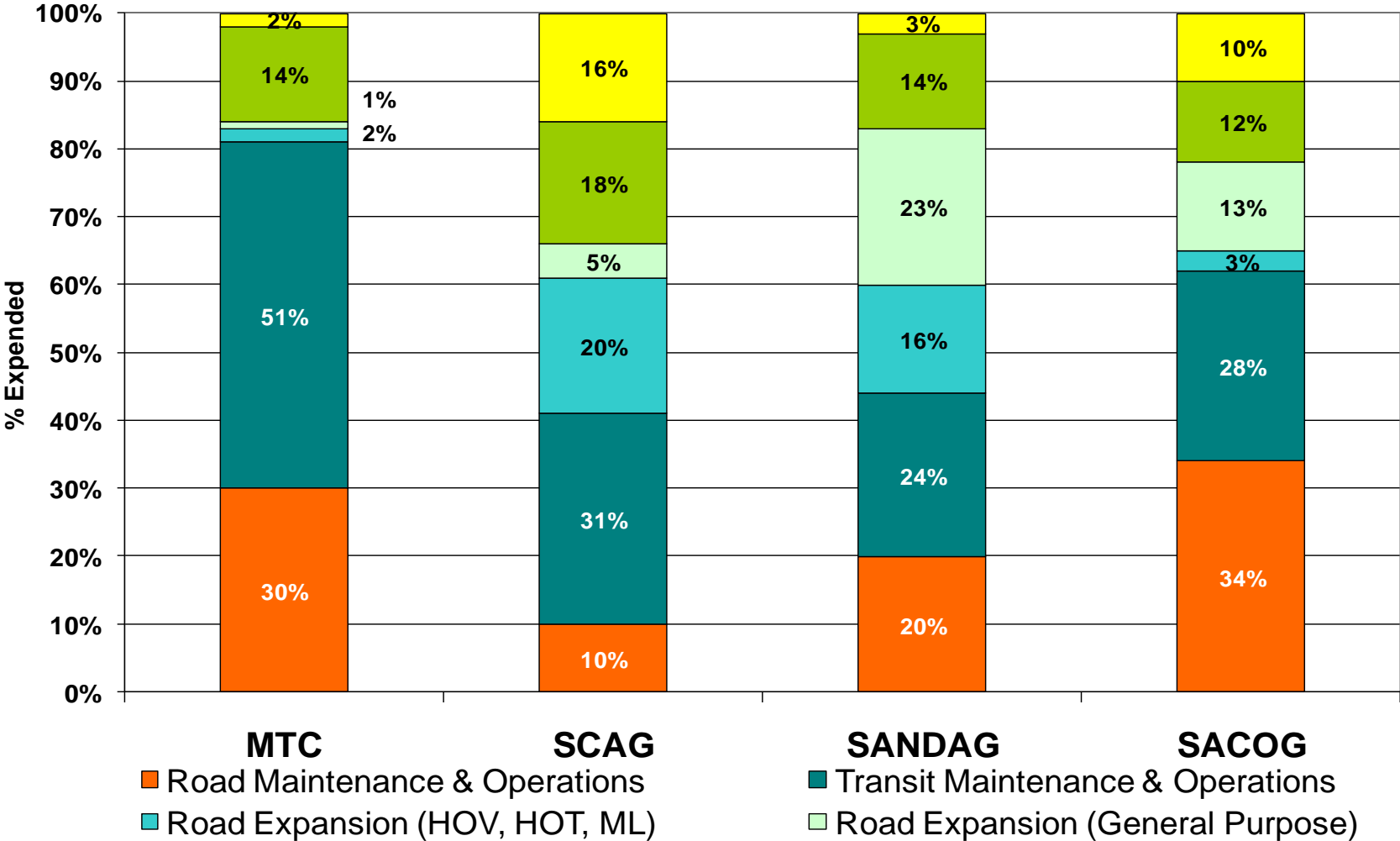
- Exchange of Urban Formula, STP & CMAQ

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)



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