

## DRAFT Equitable Transit-Oriented Development Policy

*Please Note: Agency background, ST3 and RCW Recitals will be added in the actual policy and not included here for review.*

### Scope

Sound Transit seeks to create diverse, vibrant, mixed-use and mixed-income communities through system and station planning and development and real property disposition.

### Section 1: Goals

Sound Transit seeks to:

- 1.1 Increase the value and effectiveness of transit by increasing transit ridership.
- 1.2 Support implementation of state, regional and local growth plans, policies and strategies.
- 1.3 Make equitable TOD an integral component of and supportive of transit project planning and delivery.
- 1.4 Engage a broad cross-section of the public, reflecting diverse communities.
- 1.5 Encourage creation of housing options near transit with priority given to affordability.
- 1.6 Encourage convenient, safe multi-modal access to the transit system, with an emphasis on non-motorized access.

### Section 2: Strategies

- 2.1 **Integrated project delivery.** Sound Transit facilitates TOD through all phases of its transit projects including early system planning, construction, and transit system operations. The agency documents evaluations and decisions to ensure continuity throughout project delivery. Sound Transit utilizes TOD and urban design best practices to plan and design station areas that integrate with the surrounding community and promote agency and community TOD opportunities.
- 2.2 **Engagement.** Sound Transit fosters relationships with local and regional stakeholders, including but not limited to jurisdictions, community organizations, property owners, partners and the public, to implement TOD.
- 2.3 **Fiscal responsibility.** Sound Transit makes decisions about TOD delivery in the context of project delivery, consistent with Sound Transit's primary responsibility of building and operating the high capacity transit system. Revenue from the disposition of property supports the delivery of system expansion projects and programs and transit operations.
- 2.4 **Types of TOD.** Sound Transit promotes and implements equitable TOD on its own excess property and in areas around its transit facilities that are controlled by others. Recognizing that TOD may, and often does, involve a combination of actions by Sound Transit, local and regional stakeholders, and private and public development, the following terms clarify Sound Transit's role:
  - a. **Agency TOD:** Facilitate or create TOD on Sound Transit property that is no longer needed for a transit purpose. Agency TOD may include joint development and other partnerships. Sound Transit takes the lead role in identifying and implementing agency TOD strategies.

- b. **Community TOD:** Support and promote TOD within the larger area around a Sound Transit facility (generally ½ mile, or a 10-15 minute walk, around a transit facility and along corridors that provide key connections to the regional transit system). Strategies that support community TOD may be identified and implemented by Sound Transit, as appropriate, or by others and may include partnerships.

2.5 **Partnerships.** Sound Transit seeks partnerships with local and regional stakeholders, as allowed by law, for property acquisition and disposition activities to better deliver transit project elements and TOD. Sound Transit generally defines a TOD partner as a public or private entity that adequately shares in risks and benefits and commits time and resources to achieving TOD goals near Sound Transit projects.

2.6 **Property acquisition.** During acquisition of land sufficient to construct and operate the transit facility, Sound Transit considers how potential surplus property after construction may be used for TOD, including such factors as size, configuration and relationship to a future transit facility. This consideration allows the agency to make thoughtful and intentional decisions about property acquisitions and how the final footprint of the agency’s constructed facility may allow for future excess Sound Transit property or adjacent property to be effectively developed into agency or community TOD.

2.7 **Property disposition.** Sound Transit disposes of property, in a manner consistent with federal requirements and state law prioritizing affordable housing, to support agency projects, plans and goals including the implementation of a regional equitable TOD strategy.

### **Section 3: Engagement**

3.1 **Sound Transit strives for inclusive and transparent engagement, starting early in transit project development and throughout project delivery. Sound Transit:**

- a. Collaborates with local and regional stakeholders to articulate a vision and goals for potential TOD.
- b. Works with local and regional stakeholders to shape local plans that support Sound Transit’s investments, encourage TOD-supportive public policy and promote TOD best practices.
- c. Seeks input through public engagement that informs, involves, and empowers people and communities. Engagement strives to include low-income communities, communities of color, immigrants, refugees, and other underrepresented and vulnerable populations.
- d. Uses a variety of innovative methods and technology to reach and engage stakeholders.

### **Section 4: Integrated Project Delivery**

4.1 **Sound Transit commits to TOD analysis and measures early in system planning and throughout transit project delivery. Sound Transit:**

- a. Incorporates TOD criteria as a decision-making factor during alternatives development, design and land acquisition activities. Sound Transit reports through project development on how project decisions affect and support TOD.
- b. Promotes connection to adjacent uses, high-quality public spaces and a sense of place during siting, configuration, design and use of a transit facility.

- c. Supports strategies that reduce displacement of existing businesses and individuals from properties indirectly impacted by Sound Transit.
- d. Incorporates sustainability measures in TOD.

**4.2 Sound Transit acquires property in a manner that promotes TOD.** Sound Transit considers TOD in selecting among otherwise reasonable alternatives for the acquisition, use and disposition of land. Sound Transit considers how the siting, configuration or design of a transit facility may affect or facilitate:

- a. Availability of air rights for TOD.
- b. Availability of property that may become surplus to transit project needs for TOD.
- c. Opportunities for community TOD.
- d. Access and connections between a transit facility and community TOD.

**4.3 Sound Transit pursues joint or co-development of transit facilities, where such opportunities exist. Sound Transit:**

- a. Considers alternative methods to deliver transit project elements and TOD.
- b. Evaluates options to co-locate transit facilities and TOD, including mixed- and shared-use parking.

## **Section 5. Equitable TOD Implementation**

**5.1 Sound Transit generates revenue through property disposition to support delivery of the agency's voter-approved plans. Sound Transit:**

- a. Develops and implements a revenue approach for its surplus property and joint development portfolio to satisfy the revenue projections identified within Sound Transit's financial plan.
- b. Implements property discounts, including no cost transfers where appropriate, to achieve affordable housing development. All property discounts for affordable housing development shall be determined by a financial assessment that includes relevant project, corridor and overall system expansion delivery analysis, as well as a gap analysis demonstrating the necessity of the property discount for the project to succeed.
- c. Evaluates opportunities to capture property value to support affordable housing development.
- d. Recovers infrastructure costs that support TOD including joint development.
- e. Sells property as-is except under extenuating circumstances. When Sound Transit is leasing property it owns for development and as the long-term property owner, the agency may remediate environmental conditions.
- f. Disposes of property in manners consistent with requirements governing the funding used for the initial purchase of the property by Sound Transit, i.e. recoups any and all federal dollars used to purchase the property.

**5.2 Sound Transit leverages available funding sources and strategies to facilitate equitable TOD. Sound Transit:**

- a. Seeks, as appropriate, direct or alternate funding sources to support joint or co-development of property by others.
- b. Explores local, state and federal funding opportunities for transit projects that allow for TOD and provide for local flexibility in joint development or property disposition.
- c. Coordinates with local jurisdictions, housing authorities and other funders on available funding resources for affordable housing projects.
- d. Builds relationships with affordable housing funders and seeks opportunities to jointly offer properties to qualified entities with pre-committed funding.
- e. Develops and implements guidelines for investment in a revolving loan fund that considers multiple strategies to promote the development of affordable housing near transit stations or on Sound Transit properties.

**5.3 Sound Transit maintains a flexible approach to how and when the agency offers its surplus property and joint development opportunities to optimize equitable TOD, in particular affordable housing development. Sound Transit:**

- a. Develops and implements approaches to determining the suitability of surplus property for housing development to support equitable TOD while considering individual property characteristics and the vision of local municipalities.
- b. Explores community and mission-based development opportunities that create local wealth and reduce risk of displacement.
- c. Develops and implements a TOD portfolio-wide approach, consistent with statutory requirements for affordable housing, prioritizing the development of properties near transit stations.
- d. Evaluates qualifications regarding experience, ability to perform, and project financing plans for developers or partners of joint development, disposition or leasing of property before finalizing applicable agreements.
- e. Evaluates equitable TOD criteria, as appropriate, when considering proposals for developing agency TOD opportunities, such as but not limited to inclusion of space for small businesses, child/health care services and cultural/community institutions.

**5.4 Development of property leased by the agency will occur consistent with agency labor standards for Sound Transit construction projects.** When Sound Transit leases property around stations for TOD, it will, consistent with law, include in its evaluation criteria whether a proposer demonstrates:

- a. Inclusion of all members of the workforce, including underrepresented groups, and workforce utilization goals.
- b. Apprenticeship and work-training opportunities.
- c. Plans to keep workers safe at job sites.
- d. Area standards for wages and benefits.
- e. Equivalent pay for equivalent work for all workers.

**5.5 Sound Transit develops necessary plans, procedures and/or guidelines to implement this policy. Sound Transit staff report at least annually to the Board to inform the Board on TOD progress.**

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