

**Regional Pedestrian Committee Meeting**  
**August 20, 2009**  
**2009 Transportation for Livable Communities Program**

**1. Incorporating design guidelines into the TLC Capital Program**

**Examples of Guidelines:**

Congress for New Urbanism (CNU)- Context Sensitive Solutions in Designing Major Urban Thoroughfares for Walkable Communities: An ITE Proposed Recommended Practice

<http://www.cnu.org/streets>

FHWA- Design Guidance Accommodating Bicycle and Pedestrian Travel: A Recommended Approach

<http://www.fhwa.dot.gov/environment/bikeped/design.htm>

VTA Community Design and Transportation, CDT Guidelines

San Francisco Better Streets

[http://www.sfgov.org/site/uploadedfiles/planning/Citywide/Better\\_Streets/index.htm](http://www.sfgov.org/site/uploadedfiles/planning/Citywide/Better_Streets/index.htm)

**Key Questions for Regional Bike / Ped Joint discussion:**

- What design standards to cities use, and why?
- Do any communities have an experience implementing projects with the above design standards?
- Legal implications of use?
- Thoughts on these or other, similar design recommendations MTC might point to and use?

## 2. Updated TLC Program

Full July Planning Committee TLC Item available:

[http://apps.mtc.ca.gov/meeting\\_packet\\_documents/agenda\\_1320/TLC\\_Johnson.pdf](http://apps.mtc.ca.gov/meeting_packet_documents/agenda_1320/TLC_Johnson.pdf)

[http://apps.mtc.ca.gov/meeting\\_packet\\_documents/agenda\\_1320/3\\_TLC\\_Johnson.pdf](http://apps.mtc.ca.gov/meeting_packet_documents/agenda_1320/3_TLC_Johnson.pdf)

**TO: Planning Committee**

**DATE: July 10, 2009**

**FR: Executive Director**

**RE: Proposed New Transportation for Livable Communities (TLC) Program Guidelines – “TLC 2.0”**

### *Background*

For the past ten years, the Transportation for Livable Communities (TLC) program has served as one of the Bay Area’s primary tools for fostering smart growth. By promoting compact, mixed-use development in existing communities, smart growth aims to accommodate a growing population by providing housing options, and reduced automobile dependency, while protecting open space and agricultural resources.

Staff conducted an evaluation of TLC in summer 2007, including completed TLC Planning, Housing Incentive Program (HIP), and the TLC Capital grants. It did not include TLC projects funded through the county Congestion Management Agencies (CMAs) or projects funded in the last cycle (awarded in 2005). Staff presented findings from the evaluation and preliminary recommendations to the Planning Committee in April 2008 (Attachment A).

Based on the TLC program evaluation, Reconnecting America’s Center for Transit Oriented Development (CTOD) completed a white paper (a copy of the Executive Summary is attached) detailing various options and strategies for financing transit-oriented development in the Bay Area. The paper made several recommendations for revising the TLC program, including creating a flexible financing program that responds to different market conditions within the region. Staff presented these materials to the Planning Committee in September 2008.

### **Program Considerations**

Picking up from where the TLC evaluation and TOD white paper left off last year, staff has been discussing proposed program changes with a small working group of Commissioners, our advisory committees, CMAs and other partner agencies. Staff believes the current program of spreading the funds around to various smaller streetscape and bicycle/pedestrian projects has served a useful purpose over the past 10 years to seed infill growth in the region. However, we think the time has come to change the program so that it can have a greater positive impact in those communities that have a demonstrated ability to plan and construct

high intensity/quality development and that have taken on increased housing production numbers through the latest Regional Housing Needs Allocation process.

Based on these discussions, we have developed recommendations for four program elements of the TLC 2.0 program:

1. Incentivize development in PDAs
2. Grant size
3. Menu of eligible program categories (see Attachment B for further description)
4. Program structure

All of these program elements are also described in detail in Attachment C to this memorandum.

### **Funding**

The Transportation 2035 Plan recommended a doubling of the current TLC program (about \$27 million/year to about \$60 million/year annualized over the life of the plan) including both Surface Transportation Program/Congestion Mitigation Air Quality (STP/CMAQ) funds and anticipated, unspecified new revenues. Funding levels for the program in the early years of programming will likely be lower due to de-escalation and other programming constraints. Actual TLC funding levels will be determined by federal STP/CMAQ Cycle programming policies to be adopted by the Commission later this year.

### **Next Steps**

Staff will continue to discuss these proposals with our advisory committees and other partner agencies. We seek MTC Planning Committee input at your July meeting and approval in September 2009. We intend to have final guidelines approved by October/November 2009 to solicit Cycle 1 funding projects by the end of this calendar year.

//Steve Heminger//  
Steve Heminger

## ATTACHMENT C

### Proposed Program Elements

Based on these discussions, we have developed recommendations for four program elements for the TLC 2.0 program:

- (1) **Use of TLC funds to incentivize development in Priority Development Areas –**  
Tighten the connection between the TLC program and projects that directly support well planned, transit-oriented development throughout the region by targeting TLC funds to high-impact Priority Development Areas (PDAs) under the FOCUS program.

*Staff recommendation:* Only projects in planned or potential PDAs will be eligible for TLC funds. There are over 120 PDAs representing over 60 jurisdictions throughout the Bay Area.

Discussion with Partners: Most of our partners support this recommendation with the understanding that high-impact projects would mostly occur in planned and potential locally-designated PDAs. Over time, resources will be needed to fund planning to advance more PDAs to the “planned” category.

- (2) **Grant size –** Based on the TLC evaluation and feedback from local jurisdictions, larger grants at more frequent intervals are desirable.

*Staff recommendation:* Increase grant awards from the current \$500,000 - \$3 million to a maximum of \$6 million; we propose there be no grant minimum. Local communities would be expected to participate to their maximum extent possible in the funding of all projects.

Discussion with Partners: Comments focused on the possible need for a minimum grant size in order to ensure efficient use of federal funds which require substantial staff time to administer. Staff agrees with this principal and would leave it up to the CMAs to determine minimum grant size for the local TLC program element (see # 4 below).

- (3) **Menu of eligible program categories -** The menu of eligible program categories, developed with input from city staff from planning, redevelopment, and public works, as well as market rate and non-profit developers, were recommended for consideration in the TOD White Paper previously reviewed with the MTC Planning Committee in September 2008. These include streetscapes (current program eligibility), as well as several new categories: non-transportation infrastructure, transportation demand management, and density incentives such as land banking or site assembly, and are illustrated in Attachment B. Not all of these options are eligible for federal funding available through the TLC Program. Funding exchanges would need to be arranged.

*Staff recommendation:* Build flexibility by allowing all categories included in Attachment B to be eligible for funding, with a goal of selecting the highest impact projects, based on

intensity of existing and proposed adjacent development, proximity to transit service, and local needs. Project selection would also depend on project eligibility for STP/CMAQ funding or the availability of non-federal or other funding exchanges that could deliver the project.

Discussion with Partners: Most discussion centered on concerns about funding non-transportation infrastructure with transportation funds. Staff pointed out that these needs were identified by cities that are actively pursuing the development of TOD, but cannot fund them fully after participation from developers and city funds. It's difficult for staff to predict the types and number of eligible projects that might be able to take advantage of the expanded program eligibility. In that context, we recommend that the expanded TLC 2.0 program categories be eligible as an initial pilot for 1<sup>st</sup> Cycle funding to support local jurisdictions to implement TODs in a way they need most; based on the 1<sup>st</sup> Cycle outcomes, we would make a recommendation to the Commission on whether to continue the expanded program for the 2<sup>nd</sup> Cycle funding.

- (4) **Program Structure** - Given the increase in program size, the spirit of funds between the regional and county-level programs should be reassessed; the program is currently administered jointly by MTC (2/3) and the CMAs (1/3).

*Staff recommendation:* Keep the current split – 2/3 of the program administered regionally by MTC and 1/3 administered at the county level by the CMAs. In addition, per the April 2008 recommendation, staff proposes to: 1) fold the HIP program into elements of the proposed new TLC capital program; 2) fold the TLC Planning program into the Station Area Planning program; and 3) create a new technical assistance program for TOD, fashioned after the current PTAP program.

Discussion with Partners: Many of the CMAs propose a reverse 2/3 County, 1/3 MTC program based on their closer relationship to cities and counties. MTC believes that in order to create a sufficient number of high impact grants that could approach the proposed \$6 million grant maximum, a larger regional program level should be maintained. As discussed in issue #2 above, staff views the new TLC 2.0 as a regional pilot program, at least for Cycle 1 funding. Staff would revisit the program structure with the CMAs after assessing Cycle 1 outcomes.