ECMT-USDOT WORKSHOP ON
FOSTERING SUCCESSFUL IMPLEMENTATION
OF SUSTAINABLE URBAN TRAVEL POLICIES

5-7 November 2003
Washington D.C.

Housing Incentive Program
Steve Heminger
Metropolitan Transportation Commission
Oakland, California
Housing Incentive Program

USDOT-ECMT Workshop on Sustainable Travel
November 5, 2003

Steve Heminger
Executive Director
What is the MTC region?

- **9** San Francisco Bay Area counties
- **7** Million people; almost 4 million jobs
- **101** Municipalities
- **1,400** Miles of highway
- **19,600** Miles of local streets and roads
- **26** Public transit operators
MTC’s Role in Transportation-Land Use

MTC

- Is the MPO for regional transportation planning
- Responsible for preparing long-range plan
- Finance transportation improvements

Traditionally,

- Respond to mobility demands created by local land use decisions and the derived demand for transportation

CYCLE volunteers working on Richmond Greenway
Commission adopted a transportation-land use connection policy in 1996 in support of plans and projects that:

- Integrate transportation investments with land use decisions
- Enhance community character and mobility through transportation-related improvements
- Involve “non-traditional” stakeholders in innovative transportation plans/projects

Ohlone-Chynoweth Commons housing project adjacent to light-rail and bus stops in San Jose
MTC’s Transportation Incentives

Transportation for Livable Communities
- Started: 1998
- **Purpose:** to provide planning and capital grants for community-based, neighborhood-scaled transportation improvements to transit, pedestrian and bicycle facilities

Housing Incentive Program
- Started: 2000
- **Purpose:** to encourage creation of housing adjacent to transit nodes to maximize transit use and support more sustainable development pattern
Program Overview

TLC Program
- 59 planning projects - $2.2 million
- 59 capital projects - $48.6 million

HIP Program
- 23 housing projects across 12 Bay Area cities
- 2,672 total new housing units
  - 2,980 market rate bedrooms
  - 2,091 affordable rate bedrooms
- $7.3 million in HIP funds

Redesigned 16th/Mission BART Plaza in San Francisco
Why MTC Created HIP Program

Housing construction has not kept pace with population and job growth

- 1 million more people will reside in the Bay Area by 2020
- 1 million more jobs will be added to regional economy by 2020
- Local jurisdictions have zoned for only about half the amount of housing needed

Between 2000 and 2040, the Population will:

- Decrease
- Increase Up To 60%
- Increase 61% To 100%
- Increase Over 100%

Source: California Department of Finance
Why MTC Created HIP Program (cont’d)

Commuters from outside of Bay Area

Source: 1990 & 2000 Census, MTC Forecasts
Why MTC Created HIP Program (cont’d)

Limited existing development near rail or frequent bus service

Source: ABAG
Housing Incentive Program

- Awards HIP grants to local agencies that encourage developers to build compact, transit-oriented housing
- Proposed housing must be within 1/3 mile of major transit station with service intervals of 15 minutes or less during peak commute times
- Number of units per acre determines total grant award:
  - 25 units/acre: $1000 per bedroom
  - 40 units/acre: $1,500 per bedroom
  - 60 units/acre: $2,000 per bedroom
- HIP funds are spent on TLC capital projects anywhere within the applicant’s jurisdiction
- Grant Cycle: $9 million in federal STP, CMAQ, and TEA funds available for programming per cycle

* Additional $500 per bedroom awarded to affordable units

University Avenue Apts. in Downtown Berkeley
Prometheus

A multi-family development with 218 housing units located near bus transit and Caltrain station in downtown San Mateo

San Mateo
San Mateo County

HIP Grant: $682,500
Downtown Petaluma River Apartments

A 81-unit affordable housing complex next to the Petaluma River in downtown Petaluma

Petaluma Sonoma County

HIP Grant: $266,000
Sereno Village Apartments

A 125-unit affordable housing complex adjacent to the new Sereno Transit Bus Transfer Facility

Vallejo
Solano County

Planning Grant: $40,000
HIP Grant: $382,500
Mill & Lumber Mixed-Use Project

A mixed-use retail and 158-unit housing project to be built on an old lumber mill site that is served by bus transit and close to El Cerrito BART station

El Cerrito
Contra Costa County

HIP Grant: $384,000
Dublin Transit Center

A mixed-use development with 3 high density housing projects (yielding 630 housing units) adjacent to the Dublin BART Station

Dublin
Alameda County

HIP Grant: $1.3 million
MTC’s Experience

HIP project delivery takes time

- Economic downturn slows development
- Financing mixed-use projects is tough
- Planning doesn’t happen overnight
- Timing of when housing projects go to construction is uncertain

Under construction:
Fruitvale Transit Village near Fruitvale BART station in Oakland

East Palo Alto’s Nugent Square
Groundbreaking Ceremony
TLC and HIP PROJECTS SINCE 1998
Challenges Ahead

Program Evaluation of TLC/HIP

- Have we accomplished our goals?
- What can we learn from our experience?
- What should we do differently?

Tripling TLC/HIP funding — $420 million over 25 years

- What’s the “right” balance of funding between TLC and HIP?
- With a subvention of $9 million per year to nine counties, how do we coordinate between regional and county programs?
- How will the counties craft their TLC/HIP programs?
- Should we expand TLC portfolio to include grants for specific plans and zoning and general plan amendments that support smart growth and transit-oriented developments?
New MTC Initiative

T-PLUS

Transportation Planning & Land Use Solutions

- Expands partnership for transportation and land use planning with county-level congestion management agencies
- Provides a bridge to local agencies responsible for land use planning
- Sets overall policy direction regionally, while providing local flexibility
- Focuses on TLC/HIP, Smart Growth Scenario, TOD, Resolution 3434, and traffic mitigation programs
Smart Growth Scenario and Resolution 3434 Rail Projects

Areas of Significant Change
- Residential Areas
  - Very High Density
  - Very Low Density
- Mixed-Use Areas and Town Centers
  - Very High Density
  - Very Low Density

Other Features
- Resolution 3434 rail projects