



January 18, 2013

AGENDA ITEM #1

INFORMATION ITEM

To: Growing Transit Communities Oversight Committee

From: Ben Bakkenta, Program Manager

Subject: **Growing Transit Communities Staff Report**

This update summarizes recent progress in implementing the Growing Transit Communities Partnership work program.

GRANT ADMINISTRATION

Ben Bakkenta and Mary Pat Lawlor attended a December 3-5, 2012 mandatory convening of all of the HUD Office of Sustainable Housing and Communities grantees in Washington DC, where they learned about grant administrative requirements and HUD resources for grantees. This is part of the peer learning network that HUD has established and rolled out in 2012.

At the end of January staff will submit a second annual report to the National Office at HUD, reporting grant activity and progress, as well as financial information. PSRC has invoiced HUD approximately \$2,400,000 through December 2012.

PSRC's contract with Strategic Economics, who provided consultant support for transit corridor market analysis and development of the transit community typology, was completed and closed out November 30, 2012. All work was completed on schedule and on budget.

OUTREACH

Newsletter. December and January electronic newsletters highlighting Growing Transit Communities activities were distributed to an email list of approximately 2,500 recipients.

Seattle Transit Oriented Development Summit. Staff participated in a panel presentation and discussion at this event on December 19, organized by BizNow, and attended by around 75 mostly private development sector representatives.

Governing for Racial Justice Equity. PSRC staff participated in the two-day conference organized by the City of Seattle.

AFFORDABLE HOUSING STEERING COMMITTEE

The Affordable Housing Steering Committee had a special meeting on November 28, 2012 with the Equity Network and Sound Transit Staff. The Committee received a brief presentation about Sound Transit's Transit Oriented Development (TOD) Policy. The Committee worked with the Equity Network to provide a comment letter to the Sound Transit Board on the TOD Policy. The letter focused on four major issues: 1) Commending Sound Transit on the "Assessment Tool" identified in the TOD Policy, but asking that it include an indicator that assesses the risk of displacement. 2) Encouraging a more proactive approach to partnership with other agencies. 3) Encouraging Sound Transit to revisit its surplus property disposition policy to consider prioritizing affordable housing, and 4) Including affordable housing and equity in the definition of TOD. Some minor revisions suggested from this letter were addressed in Sound Transit's TOD Policy adopted by the Sound Transit Board at a public hearing on December 20, 2012. Several Board members commented at the public hearing about the need to address Sound Transit's property disposition policy (which was adopted in 1999) in the near future.

The Committee will meet again on February 5, 2013. The regular meeting will be abbreviated and a forum on best practices will take place after the meeting as a follow up to the issues highlighted through Sound Transit's TOD Policy adoption. Melinda Pollack of Enterprise Community Partners, author of [*Making Affordable Housing at Transit a Reality: Best Practices in Transit Agency Joint Development*](#), will make a presentation on findings from this report and experiences in Denver. Also, Jillian Detweiler of Portland TriMet, will present on TriMet's innovative practices with joint development. Jillian made a [presentation about TriMet's approach to joint development](#) at the February 2012 Federal Transit Administration joint development webinar. The Committee plans to reach out locally to King County Metro as well. Staff will share more details about the February 5th Best Practices in Joint Development Forum soon.

Fair Housing Subcommittee. PSRC staff is working to put together a request for proposals for consultants to write a regional fair housing report based on the data collected by PSRC to date. In addition, consultant support is needed to reach agreement on the barriers to fair housing choice that might be identified by a regional fair housing strategy. The group will meet again on January 14th to review a draft request for proposals (RFP) for developing the fair housing strategy report and associated work and discuss next steps.

Transit-Oriented Development (TOD) Fund Subcommittee. The TOD Fund Subcommittee is working to develop a pool of funds from various sources to acquire land and finance affordable housing development in transit station areas. The Subcommittee worked with PSRC to issue a RFP in late November for a TOD Fund Manager and recently received responses on January 7, 2013. One proposal was received from a collaboration of Enterprise Community Partners and Impact Capital. A selection panel composed of members of the TOD Fund Subcommittee will review the proposal and make a decision about how to proceed in late January. The scope of work for the TOD Fund Manager will include developing a business plan, raising capital, and structuring the governance and loan products of the TOD Fund.

Value Capture Financing (formerly Tax Increment Financing) Subcommittee. The Value Capture Financing Subcommittee has spent time researching tax increment financing (TIF) and other approaches to capturing the added value to property from nearby transit improvements to finance infrastructure and affordable housing development. A draft report is available titled [*Value Capture Financing Alternatives*](#)

for Equitable Transit-Oriented Communities. The Value Capture Subcommittee met on December 4, 2012 to continue discussion on a set of principles to guide development of potential new state legislation. Subcommittee members are pursuing legislation in the 2013. The Subcommittee will meet on January 10, 2013 to discuss differences between a draft bill from NAIOP (commercial real estate developers) and the legislative framework of the Growing Transit Communities Value Capture Financing Subcommittee. The group is working to form a coalition to advance the legislation in Olympia.

Public Surplus and Underutilized Land Subcommittee. The Public Surplus Property Subcommittee has worked to identify legal barriers to providing public property at a discount for affordable housing development and mapped publicly owned lands in station areas. The group has worked towards legislation that would remove barriers for disposal of publicly owned land (i.e. transit agencies, utilities, cities, counties, state) for the development of affordable housing in proximity to transit service. The Subcommittee has developed guiding goals for legislation. The Housing Development Consortium of Seattle – King County is working to finalize a draft bill and is working to build a coalition with other Growing Transit Communities partnership consortium members. Please contact Emily Alvarado at HDC at emily@housingconsortium.org if you are interested in learning more.

If you have questions or would like additional information on the Affordable Housing work program, please contact Tim Parham, PSRC at 206-971-3278 or tparham@psrc.org.

EQUITY NETWORK STEERING COMMITTEE

Equity Grant Program. The Oversight Committee approved Round 3 grantee recommendations at their November 16 meeting. Eight grants have been awarded this round, representing a range of projects and communities from throughout the region. This represents an investment of \$105,000 and a total investment of \$377,874 thus far in community-based outreach and engagement, research, and organizing projects through the Growing Transit Communities Partnership. See the press release for details about Round 3 grant projects.

The Equity Network hosted a “Planning 101” workshop with all Round 3 grantees on December 6 at the Filipino Community Center in South Seattle, in partnership with Forterra. This was an interactive workshop focused on the planning process, especially why planning is relevant to communities and how to influence the process. The workshop included a presentation from El Centro de la Raza on their community-inspired Plaza Roberto Maestras TOD project in Beacon Hill as the basis for a detailed case study and role play. Grantees also shared with their peers about their projects and key issues they are addressing. The Equity Network Manager is in the process of finalizing work plans and contracts with all the round 3 grantees.

Nearly all first round grantees concluded their grant performance period as of December 31. The Equity Network Manager has been working with these Round 1 grantees to wrap up their projects, get documentation, and talk about next steps for some of the work. Several grantees again hosted community events and conversations. For example, East African Community Services hosted a forum with East African businesses in mid-December; Refugee and Immigrant Services Northwest hosted a forum with some of the community members they reached through their outreach and education workshops and staff from key public agencies (housing, transportation, social services) to establish some relationships and build dialogue; Tacoma Pierce County Affordable Housing Consortium was part of a city of Tacoma community meeting in early December focused on the MLK planning process.

Policy Work Group and Corridor Action Strategies. Some members of the Policy Work Group met with City of Seattle staff after the last steering committee meeting on November 7 to get an update on the Northgate demonstration project and discuss opportunities. Equity Network members have also been active in the Value Capture Financing and Public Surplus Properties sub-committees. In early January, we met jointly with staff representing several departments of the City of Seattle to discuss how to apply the city's Race and Social Justice Toolkit to the draft Corridor Action Strategies. These discussions will continue as the corridor process moves forward.

Regional Equity Summit. The Equity Network is moving forward with planning for a regional equity summit for fall 2013. A group of stakeholders met in late November to further discuss and refine a draft concept and structure for the summit. The Equity Network Manager met with a group of community grantees to further discuss these ideas to get community input before key decisions are made. A planning committee is being formalized and will be meeting in late January to move this effort forward

If you have questions or would like additional information on the Equity Network work program, please contact Heidi Hall, Impact Capital at 206-658-2619 or heidi@impactcapital.org.

CORRIDOR TASK FORCES

Task Force meetings were held in the South, East, and North corridors in the months of November and December, and January meetings are underway. For additional details about the meeting agendas and meeting summaries, please visit <http://www.psrc.org/growth/growing-transit-communities>.

The three Task Forces continued discussion of the Growing Transit Communities regional compact, as well as the draft Corridor Action Strategies presented to the Oversight Committee at the September meeting. The Task Forces are expected to continue their discussions on recommendations for priority tools and actions at their February 2013 meetings.

For more information about the current status of the regional Growing Transit Communities compact and Corridor Action Strategies, see staff memos under agenda items 4 and 5.

In addition, the November and December meetings, the East Corridor Task Force discussed and finalized a work plan for phase two of the *East Corridor Implementation Strategies* Catalyst Demonstration Project, see description below.

CATALYST DEMONSTRATION PROJECTS

East Corridor Implementation Strategies. In addition to the work that the North and South Corridor Task Forces are doing, between October 2011 and May 2012, the East Corridor Task Force identified a set of focus areas to be further studied in order to assess the pivotal opportunities to transform Eastside station areas into more vibrant, economically healthy neighborhoods that offer equitable housing choices, more convenient access to jobs and jobs-to-housing balance within the rapid transit corridor and region, and better connectivity to goods and services. This resulted in the scope of work and associated budget for the Eastside Implementation Support project. The project was launched in July with the consultant team of Otak, and its sub-consultants, Nelson/Nygaard and Bay Area Economics (BAE). The project will support immediate advancement of the implementation of visions and plans that have already been developed by

participating jurisdictions on the Eastside. The emphasis of the Implementation Support project is on implementing equitable transit-oriented development related to these four issues on the Eastside:

- ✓ Affordable Housing
- ✓ Business Retention and Attraction
- ✓ Partnerships
- ✓ Transportation Access and Connectivity

Phase 1 concluded in December. It focused on a review and summary of best practices and a high-level assessment of seven of the easternmost East Corridor station areas. Phase 2, beginning January 2013, will be a more detailed development of recommended actions, strategies, and products to address the four topical areas in two selected station areas. Through an evaluation process developed by the consultant and project management teams, the East Corridor Task Force determined that the two station areas that will be focused on in Phase 2 are: 130th Avenue NE (Bellevue) and Overlake Village Station (Redmond). The Oversight Committee will receive regular briefings on this work and all materials that are being developed will be shared on the Growing Transit Communities resource page.

For questions and additional information on the East Corridor Implementation Support work program, please contact Mary Pat Lawlor, Principal Planner, at 206-971-3272 or mlawlor@psrc.org

Northgate. King County is seeking to develop four parcels surrounding the future Sound Transit Link Light Rail station at Northgate. To date, King County has completed property analysis of the gross development area in addition to market studies on affordable housing, market-rate housing, and commercial retail opportunities for this site. In addition, Public Health Seattle King County has also completed a health analysis and methodology to be integrated into each of the design scenarios as the project evolves. King County is working closely with the City of Seattle on the Urban Design Framework process with a potential development agreement as the end goal that would determine location of streets, parcel size, development envelope flexibility, green space requirements, etc. These concepts will be reviewed by the public beginning in February 2013.

Sound Transit is currently negotiating with Simon Properties (owners of Northgate Mall) to build a parking garage on the SW portion of property adjacent to the project site. The garage will enable continued use of the park and ride facility during the construction of the Link Light Rail Station. King County updated the feasibility report for a conceptual pedestrian and bicycle bridge crossing Interstate 5 and linking North Seattle Community College and the surrounding area on the west side of the freeway to the transit center east side of the freeway. The update includes geotechnical investigation of the soil conditions for main span and approach span sections and updated cost estimate of the proposed bridge. The updated cost estimate ranges from \$16.2 to \$18.7 million depending on structure type and preferred alignment.

Three transit-access lane options are now being evaluated to replace the current bus transit center: 1) a replacement north-south transit access street similar to the existing configuration with transit operations on the east side of 1st Ave and west side of the transit street and 2) two similar options involving a north-south street closer to the station, creating a "transit island" with operations on the east side of 1st Ave and west side of the transit island. The estimated cost for the project, including design costs and construction costs, is in the range of \$15 million to \$20 million. These concepts will also be included in the Urban Design Framework process for public input in February 2013.

The City of Seattle has contracted with VIA Architecture to prepare an Urban Design Framework (“UDF”) that will address the entire Northgate Urban Center, with a focus on the area immediately surrounding the light rail station. In the station area, the UDF will help define access routes for pedestrians, bikes and buses. It will also help determine appropriate building sites, the location of open spaces and street designs for key streets in the area. Seattle staff continues to work with Sound Transit and King County Metro on specific design issues related to the light rail station and to bus circulation and loading.

The City has met with the Equity Network and hired a consultant team for expanding outreach to under-represented communities in the Northgate area. Unlike some other Seattle neighborhoods, under-represented communities here are less likely to be racial minorities, and more likely to be other groups who do not often participate in urban planning discussions – renters, students and retail employees. The City and consultant have begun meeting with some of these groups, with more scheduled in the near future. These meetings will provide new perspectives to the UDF. An additional goal of these meetings is to broaden continuing community engagement in the Northgate station area. The goal is to conduct the enhanced outreach by the end of January and to complete the UDF in the first quarter of 2013.

Tacoma. Tacoma. The South Downtown Sub-Area Plan and Environmental Impact Statement (EIS) are on schedule to be completed this year and are within budget. VIA Architecture is leading the consultant team. The initial outreach work required under the State Environmental Policy Act has been completed and the Station Working Group (SWG) required under the Growing Transit Communities work program has been formed and meets quarterly at UWT; the most recent meeting was January 9, 2013. This 37-member group is overseeing the preparation of the sub-area plan/EIS, the first draft of which is scheduled for release in February, 2013.

Thanks to additional funding support from the University of Washington and the Growing Transit Communities Partnership, the Decision Commons visualization tool will be available to assist with the public review of the alternatives that will be presented in the draft EIS. This work is being coordinated with sub-area planning work in the MLK and North Downtown sub-areas in order to have functional sub-area plans for the entire Downtown Regional Growth Center.

Background documentation can be found at www.cityoftacoma.org/southdowntownplan.