

Transit-Oriented Development Implementation (TODI) Grant:

Questions and Answers as of Sept. 22, 2021

Update to Grant Guidelines: In Section 8 of the guidelines, Additional Information on SEPA Actions, it was stated that there were no known examples of “Planned Action in Transit Areas” which allows for “additional flexibility for planned actions in the vicinity of major transit stops - under certain criteria an EIS is not required.” However, the **Lakewood Station District Subarea Plan and Form Based Code**, completed using HB 1923 used an expanded checklist with a transportation study. Lakewood issued a determination of non-significance (DNS), and adopted a planned action ordinance (<https://www.lakewoodstation.org/documents-and-materials>). The consultant who worked on this planned action noted this SEPA path was easier to do in the sense that Lakewood had done a planned action EIS for the nearby downtown subarea, and the city had a good handle on its conditions for shared transportation corridors. Also, the area was already largely developed and had limited environmental constraints. Last, the form-based code established design standards and street typologies for urban design compatibility.

Question: What type of analysis or information is Commerce looking for under scoring question (a) *the total number of housing units authorized for new development [above what is currently allowed by the city]*?

Answer: Commerce will be evaluating scoring question (a) based on the estimated increase in density that could be added into your zoning regulations as part of this proposal. For example, if your maximum residential density is being evaluated to go from 48 du/acre to 60 du/acre and the study area is 20 acres, that would yield a new potential of 240 net units. It would also be beneficial to include an estimate of how much potential development might be spurred on by the proposal (planning & SEPA) because of the advanced SEPA work. For example, if average density on properties in the study area is 12 du/acre, but you image one quarter of properties to redevelop to densities on average of 30 du/acre over the next 20 years, that would be an increase of XX units over the current existing conditions that might not materialize because they would have to do SEPA independently.

Question: We are currently identifying our proposed project area. In the grant overview, the example references a station. Is the intent with that to focus narrowly on one particular area (like a station or another similar single area), or is the grant intended to address a larger area like an entire route or corridor? If we are looking at an entire corridor, would we then need to address each station individually, or could we look at transit-oriented development (TOD) across the whole corridor? Just want to make sure we are “rightsizing” our proposed project area so it meets the intent of the grant and is also feasible to implement.

Answer: The direct language from the state capital budget is below. Using the terms bolded here, the intent appears to be for individual station areas. If it were for a whole corridor, the application would have to propose sufficient planning and assessment for each station area to enable easy development within the station areas.

Sec. 1090. FOR THE DEPARTMENT OF COMMERCE Increasing Housing Inventory (92001122): The appropriations in this section are subject to the following conditions and limitations:

(1)(a) The appropriation in this section is provided solely for grants to cities to facilitate transit-oriented development and may be used to pay for the costs associated with the preparation of state environmental policy act environmental impact statements, planned action ordinances, **subarea plans**, costs associated with the use of other tools under the state environmental policy act, and the costs of local code adoption and implementation of such efforts.

(b) Grant awards may only fund efforts that address environmental impacts and consequences, alternatives, and mitigation measures in sufficient detail to allow the analysis to be adopted in whole or in part by applicants for development permits **within the geographic area analyzed in the plan**.

(2) The department shall prioritize applications for grants to facilitate transit-oriented development that maximize the following policy objectives in the area covered by a proposal:

(a) The total number of housing units authorized for new development;

(b) The proximity and quality of transit access in **the area**; ...

Question: Would a corridor count for a TODI grant and would it be competitive?

Answer: A corridor might be appropriate as a subarea, as long as it meets the criteria within the flexible SEPA section you plan to use. We recommend a careful review of those tools. We expect to receive more applications than we can fund with the TODI grant program.

Question: Are counties eligible to apply for the TODI grant too?

Answer: The TODI grant is only eligible for cities, based on the funding provision in the Capital Budget.

Question: Should we propose the sub-area plan, the EIS, or the whole project to get to a planned action?

Answer: The legislative intent of the funding is to have cities conduct sufficient planning and environmental review to help support the development of more housing in the state. The application should show all components of your plan and the timing of the plan, along with the components that you are hoping Commerce will fund. If the proposal does not get all the way to an adopted SEPA document, the documentation should show a strong commitment to finishing the work.

Question: Could we have the draft plan and EIS as our final item?

Answer: Yes, a draft can be the last deliverable of the grant. Unlike the HB 1923 legislation, this funding does not require an adopted action.

Question: Are only the environmental and SEPA components covered by the grant, or are planning activities allowed to be included in the grant as well?

Answer: You can do both. The TODI grant can fund planning work, along with environmental analysis / SEPA work.

Question: Are the grants a given at \$250K or do we need to substantiate the need for the funds we are requesting?

Answer: Applicants should substantiate the need for the funding they request. Commerce reserves the right to grant funds based on the level of effort, proposed scope of work, and the overall ability of the grant proposal to generate additional housing in transit-oriented areas.

Question: Our city is scheduled to receive bus rapid transit (BRT) service from Sound Transit beginning in 2026 and along another corridor beginning in 2027. We currently have BRT service from X to X with a future extension, but the date is not yet known. Would our city be eligible for a TOD grant even though BRT is planned for but not yet serving out downtown/campus area?

Answer: To align with the provisions of RCW 43.21C.440(1)(b)(ii) (additional flexibility for planned actions in vicinity of major transit stops), qualifying transit for applications must be in place in the study area within five years of the adopted planning tool. So the areas supported by the BRT service expecting to begin in 2026 and 2027 would qualify, but the area served by the future extension would probably not qualify.

Question: Are grants for actually planning or building TOD "infrastructure" like street improvements connecting transit stops, park & ride facilities and transit-oriented development (both planned and built)?

Answer: Planning around transit is covered under this grant application, so long as it also includes accompanying SEPA for these items so that future development could proceed without SEPA analysis. This could include updating a city's Planned Action EIS to provide additional development capacity, master planning for TOD at a park and ride lot, and master planning for properties near frequent transit. The TODI grant is not meant for implementation of street improvements or infrastructure.

Question: Under RCW 43.21C.420 (subarea plan), what is needed to qualify as an "Area designated as mixed-use or urban centers in a land use or transportation plan adopted by a regional transportation planning organization"?

Answer: If you are unsure whether your area qualifies for this provision, you should reach out to your regional transportation planning organization (RTPO) for confirmation.

Question: I'd like to inquiry about getting a sample support letter.

Answer: See Section 5 of the Grant Instructions (Letter of Commitment). The key parts of the letter include (1) authorization to apply for the money, and (2) agreement (in principle), to adopt the results.

Question: The grant overview states that the maximum length is 12 pages, not including the letter of commitment and summary page. I am wondering if there is any additional direction on how long the summary can/should be (just one page?).

Answer: The summary page was envisioned as one page to tell us about what the city is proposing to do under the grant (planned action EIS, infill exemption, subarea plan, etc.). The summary page can be more than one page if needed, but it is intended to be a summary to brief us on the application before we start reviewing it, not be the application itself. (In other words, it acts more as a cover page rather than part of the application.)

Question: Can we include any maps or visuals to help define the area? If so, can those just be inserted directly into the grant application?

Answer: You are welcome to include maps and visuals into the application to help us understand the area of the proposed action. Those can be inserted directly into the application form or attached as a page at the end of the pdf if that is easier. Maps could be helpful, just beware that they will take up real estate within the 12 page limit so I wouldn't recommend including many.

Question: Can a city can use the HAPI and TODI funds for a related project, i.e., using the HAPI funds to prepare a subarea plan and then using the TODI funds to prepare the planned action EIS for the subarea plan? With the understanding that the HAPI and TODI applications would be reviewed independently and considering the subarea plan and planned action EIS are co-dependent, does it hurt the applications' changes if the project is a potentially a no-go if both grants aren't awarded?

Answer: Both grants will be reviewed at the same time, with some regional and equity balancing expected. However, because we don't know if the TODI funds will be re-appropriated, it may be risking to have an approach where the grants would follow sequentially. Also, while you can apply for both grants, we would not recommend depending on getting both grants as both programs are expected to be competitive, and we are looking for complete projects within each application.

Question: Is there a definition for "low-income housing" and "workforce housing" that we should be working from? Or is it dependent upon how each City defines it?

Answer: it would be best to use the state definition of "low-income housing" - see below. The state does not have a specific definition for "workforce housing," so a city specific definition could be used or the definition below which is widely accepted.

- "Low-income household" means a single person, family or unrelated persons living together whose adjusted income is less than eighty percent of the median family income, adjusted for household size, for the county where the project is located, as reported by the United States department of housing and urban development ([RCW 36.70A.030](#)).
- Workforce housing: is most often used to indicate a program targeted at households that earn too much to qualify for traditional affordable housing subsidies, therefore it is most commonly intended to imply housing for those households with incomes between 80 and 120% of AMI (however, it may include households earning below 80% but above 50% AMI)

Question: For the letter of commitment, are we able to submit letters beyond the Mayor letter (i.e. Council or other key stakeholders)? If so, is it included within the 12 page limit, or not counted like the Mayor letter?

Answer: Additional letters of commitment would not count towards the page limit. The more your community can commit to an outcome at the beginning of the process, the better your chance for your project's success.