Beyond Housing in TOD Vision

Philadelphia, PA
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Presenters

Moderator:
★ Robin Hacke, Living Cities

Panelists:
★ Jennifer Standiford, Low Income Investment Fund
★ Mike LaFave, Neighborhood Development Center
★ Mary Tingerthal, Minnesota Housing Finance Agency
What is equitable TOD?

★ Creates equal opportunities for people of all incomes, particularly low-income communities, by prioritizing affordable housing near transit;
★ Provides transit-accessible services, such as schools, health clinics, childcare and grocery stores; and
★ Enhances access for transit-dependent populations through connecting bicycle and pedestrian facilities.
LIIF views TOD within a Healthy Communities Framework

- Safe, decent homes
- Safe communities
- Sustainable communities

Healthy Communities

- Young children, ready to learn
- High performing schools

Thriving Families & Kids

Economic Opportunity & Mobility

- College access
- Closing skills and wage gap

Many CDFIs
ONE PURPOSE
#OFNCONF
Enterprise Community Partners (ECP) and the Low Income Investment Fund (LIIF), through their national TOD partnership, were asked to author a paper on TOD finance using capital absorption framework as a lens.

Objective: To review the equitable TOD finance system, identify gaps, and suggest innovative financial tools and potential federal, state and local policy solutions.

National focus and relevance with regional case studies: Atlanta, Denver, Minnesota-St. Paul, San Francisco Bay Area.
A Model Equitable TOD Financing System Involves Coordination Among these Key Actors:

- Federal/State/Local Government
- MPOs
- Transit Agencies
- Philanthropy
- Business Community
- Community & CBOs
- Developers
- Financial Institutions
- National TA Providers
- Equitable TOD

Many CDFIs, One Purpose
TOD financing systems need to be viewed holistically

- Greater need to look at the whole financing system, from predevelopment through permanent financing
- Housing and business finance exist in silos
- Focus too much on one stage of the development process
- Without a clear path to permanent financing, acquisition and development stall
- TOD Funds are not a panacea
Mile High Vista

*Denver, CO*

**Project Summary**

- $32+ million mixed-used development next to new West Rail Line
- 70 units of affordable housing
- New Denver Public Library, childcare, nonprofit office space and retail space
- Developed from excess parking in an underutilized strip mall which attracted a new grocer due to development

**Financing**

- Borrower: Urban Land Conservancy.
- Funding partners include Denver TOD Fund, City of Denver, Colorado Housing and Finance Authority and the Federal Home Loan Bank
Ed Roberts Campus  
*Berkeley, CA*

**Project**
- $49.6 million innovative community facility
- 7 nonprofit orgs operate in the 800,000-SF environmentally sustainable building
- Features exhibition space, non-profit office space, child development center and vocational training facilities
- ERC is an accessible location for people with disabilities to meet, work, receive services and take classes

**Financing**
- $21.7 MM in grants from federal and state transportation agencies
- Bridge financing from Northern California Community Loan Fund and Wells Fargo
- Leveraged NMTC program
Rhode Island Station

*Washington, D.C.*

**Project**

- 247 units of housing (55 affordable)
- 70,000 square feet of ground-floor flexible retail space - 10% reserved for local tenants
- Formerly highest crime metro stop, now mix of restaurants, stores, and DMV
- Awarded the 2007 Smart Growth Recognition award from the Washington Smart Growth Alliance

**Financing**

- $18.7 million in NMTC from LIIF and Mid-City Community CDE
- $82.4 million FHA Loan with GNMA Guarantee
- $5.3 million equity investment and $13.4 million leveraged loan from US Bank $8.2 million from District of Columbia
Bay Area TOAH Fund Overview

★ $50 million equitable TOD Fund
★ Nine-county Bay Area
★ 10-year Fund; 5-year origination period
★ Five loan products for affordable housing, mixed-income and mixed-use projects
★ Mission is to promote equitable TOD by catalyzing the development of affordable housing, community services, fresh foods markets and other neighborhood assets near transit
Eddy & Taylor
TOAH Fund Project Profile

★ $7 MM acquisition loan
★ 7-year term
★ 14-story affordable family housing building with estimated 153 units
★ 8,000 sq. ft. grocery store on ground floor
★ Tenderloin neighborhood of San Francisco
Neighborhood Development Center

Building Neighborhood Economies from Within

- Emphasis on developing human capacity AND revitalizing specific places

- Program Areas:
  1. Entrepreneur Training
  2. Lending
  3. Technical Assistance
  4. Real Estate Development/Small Business Incubators
Mission Driven - TOD

1. Revitalizing Specific Places
2. Pursuing Equity
3. Creating “Economic Hubs”
Midtown Global Market

MANY CDFIs
ONE PURPOSE

NEIGHBORHOOD DEVELOPMENT CENTER
CELEBRATING 20 YEARS OF COMMUNITY REVITALIZATION
Midtown Global Market

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NEIGHBORHOOD DEVELOPMENT CENTER
CELEBRATING 20 YEARS OF COMMUNITY REVITALIZATION
Lessons

• Importance of Defined Goals
• Legitimate & Impactful Projects
• Appropriate Expertise Matters
• Balance Economic Risk
• Access not Sufficient
  • Additional Supports Required

AND

Challenges

• Not Scalable Financing Model
• Making the Case
  • Cost Gap
  • Affordability Gap
A snapshot of Corridors of Opportunity and other work related to transitways and associated development.

**RESEARCH**
- University of MN Transitway Impacts Research Program
- Corridors of Opportunity & CCFC Evaluation
- Ehlers Research on Southwest Light Rail

**HOUSING RESOURCES**
- HousingLink Website Enhancements
- Improving Energy Efficiency in Multifamily Rental Housing
- Location Efficient Mortgages Project
- Furthering Fair Housing Toolkit
- Housing and Transit Affordability Index & Calculator
- The Big Picture Project
  - Central Corridor Affordable Housing Coordinated Plan

**CORRIDORS OF OPPORTUNITY & RELATED ACTIVITIES**
- Jobs Central
  - Anchor Institution Strategies
  - NDC Small Business Loan Program
  - UT's Technical Assistance & Façade Grants
  - Central Corridor Business Resources Collaborative's Strategic Plan
  - Central Corridor Cultural Strategy
  - Irrigate – Artist-Led Community Development
  - University Ave Urban Manufacturing Project
  - LRT Works
  - Contracting for Success

**ECONOMIC VITALITY**
- Thrive MSP 2040
- Fair Housing & Equity Assessment
- ULI's Reality Check 2.0

**TOD IMPLEMENTATION & DIRECT INVESTMENT**
- Central Corridor TOD Investment Framework
- Met Council's Livable Communities TOD Grants
- Hennepin County TOD Fund & Sustainable Communities Challenge Grants
- Many CDFIs

**CORRIDOR PLANNING & ENGAGEMENT**
- Community-Based Corridor Outreach & Engagement
- Local Implementation Capacity Grants
- Transit Corridor Plans: NorthStar, Southwest, Bottineau, Cedar Avenue, Gateway
- Central Corridor: Stormwater & Green Infrastructure Planning
  - Transit, More Than a Ride – Trusted Advocate Project
  - Various Plans Along Central Corridor

**POLICY & STRATEGY**
- Program of Projects
- Preferred Sustainability Status
- TOD Finance Studies (Report and Follow-Up Workshops Led by Deidre Schmidt, Plus Forthcoming Study by Low Income Investment Fund)
- ITasca Study on Transit ROI
- Met Council's TOD Strategic Action Plan
- MSP Chambers of Commerce Infrastructure for Economic Development
- Thrive MSP 2040
- Fair Housing & Equity Assessment
- ULI's Reality Check 2.0

**REGIONAL PLANNING**
- Anchor Institution Strategies
- NDC Small Business Loan Program
- UT's Technical Assistance & Façade Grants
- Central Corridor Business Resources Collaborative's Strategic Plan
- Central Corridor Cultural Strategy
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**2013 OPPORTUNITY FINANCE NETWORK CONFERENCE**

**MANY CDFIs**

**ONE PURPOSE**

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Twin Cities Metro Transportation Priority Areas
Lyndale Gardens
2700 University Avenue