

April 20, 2020

BART Board of Directors
300 Lakeside Drive
P. O. Box 12688
Oakland, CA 94604-2688
Via email

**RE: April 23, 2020 BART Board of Directors Meeting Agenda Item 6.A
Transit-Oriented Development Policy Amendment - Affordable Housing Financial Terms.**

Dear Board of Directors:

Thank you for the opportunity to weigh in on the proposed affordable housing update to BART's Transit-Oriented Development Policy. SPUR remains extremely supportive of BART's existing TOD Policy Goals, and we support the proposed policy changes before you this week. Transit-oriented development that includes both market-rate and affordable housing will be a critical piece in building the sustainable and equitable region we need.

Today's proposed policy changes create important tools to help meet BART's ambitious goal of 35 percent affordability across the District, including policies that:

- Allow for a tiered land discount (10-60%, depending on depth and breadth of affordability) for affordable and mixed-income projects
- Allow the BART Board to contemplate deeper land discounts for projects involving partnerships that provide external (state, regional, philanthropic) funding to alleviate homelessness
- Extend the ground lease term for affordable projects to 75 years

These are concrete steps that will help create additional affordable units for the region's residents at BART's transit-oriented locations.

We were struck by the data shared in the slides on TOD ridership, pointing to the importance of including both market-rate and affordable homes at BART station areas. TOD residents of *both* market-rate and affordable housing developments use BART more and drive cars less than similar income residents who live elsewhere. Notably, slides 19 and 20 show higher off-peak use by low-income riders. Assuming that

we will someday return to peak capacity problems on BART, this is an important financial argument for expanding affordable housing at BART stations.

In addition, we suggest that there are several other priorities and activities that BART should consider in order to both (a) move quickly to take advantage of subsidy/partnership opportunities or potentially lowered/flattened construction costs that may arise in this moment, and (b) ensure the long-term success of the TOD strategy:

- BART should continue to prioritize the staffing necessary to move these projects forward
- BART should undergo a thorough evaluation of its development processes to (a) reduce the time to move projects from inception to construction, (b) reduce the additional costs imposed on the projects on BART land compared to projects adjacent to BART land, which taken together risk making development projects on BART land infeasible; and (c) establish clear, transparent and certain processes that projects can rely on.
- BART should bundle certain TOD efforts together, to be able to move more projects forward with fewer staff resources.
- BART should continue to prioritize maximizing density on both market-rate and affordable projects, taking steps to ensure that development proposals make good use of BART station land from a long-term perspective.

Thank you for your consideration. SPUR urges you to support these proposed amendments, which will help implement BART's important and ambitious Transit-Oriented Development Policy. Please do not hesitate to contact us with any questions.

Sincerely,

A handwritten signature in black ink, appearing to read 'Kristy Wang', with a stylized flourish at the end.

Kristy Wang
Community Planning Policy Director

cc: Kamala Parks
Abby Thorne-Lyman