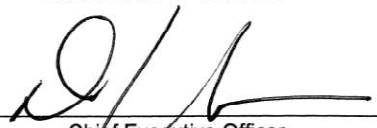




Executive Office

  
 Chief Executive Officer

## JOINT DEVELOPMENT POLICY AND PROCEDURES

Policy#: EO-200.05JOINTDEVELOPOrigination Date: 09/26/2016Revised Date: 10/08/2019

### I. PURPOSE

The purpose of this policy is to encourage the joint development of Orange County Transportation Authority (OCTA) properties to increase transit ridership and generate new sources of revenue, consistent with local community goals.

### II. ORGANIZATIONAL UNITS AFFECTED

This policy applies to all OCTA-owned properties along transit routes.

### III. POLICY

- A. There is a public need for timely acquisition, design, construction, improvement, renovation, expansion, equipping, maintenance, and operation of transit systems in the OCTA service area. Authorizing private entities or other persons to develop all or a portion of the OCTA-owned properties may help address these needs and serve the public safety. This will also be a benefit to the welfare of the residents and businesses within the OCTA service area by making the projects available to the public in a timely or less costly fashion.
- B. The Federal Transit Administration (FTA) promotes joint development to maximize the utility of FTA-funded projects and encourage transit agencies to generate program income through joint development. According to the FTA, the benefits of joint development include revenue generation for the transit system through "value capture" mechanisms, such as income derived from rental or lease payments, and private sector contributions to public infrastructure.
- C. In addition, appropriate joint development may help to:
  - 1. Support and enhance economic growth
  - 2. Increase the efficient use of infrastructure
  - 3. Reduce the cost of infrastructure to the public sector
  - 4. Use land more efficiently
  - 5. Lower housing and transportation costs
  - 6. Reduce congestion and greenhouse gases
  - 7. Promote alternatives to drive-alone trips.
- D. Therefore, it is the policy of OCTA to encourage and pursue joint development projects on OCTA-owned properties along OCTA transit routes including office, commercial, residential, and other facilities to promote the safety, convenience, accessibility, environmental and air quality, and economic benefits to the public.

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**E. The goals of this policy are to:**

1. Comply with regional growth principles as developed by local elected officials
2. Efficiently and adequately operate and maintain OCTA infrastructure
3. Promote regional mobility through transportation choices
4. Promote regional collaboration
5. Pursue opportunities that supplement OCTA's ability to provide safe, reliable, and courteous countywide transit services
6. Increase transit ridership through coordinated planning of land use and development of properties at or near OCTA stops, stations, and transit centers
7. Encourage high quality development projects on and around OCTA properties and along OCTA transit routes that enhance revenues to the transit system
8. Enhance financial capabilities of the agency to sustain countywide transit services

**IV. DEFINITIONS**

Joint Development - refers to an OCTA public transportation asset or project that is integrally related to and/or co-located with commercial, residential, or mixed-use development. Joint development may include partnerships for public, private, and/or non-profit development associated typically with rail or bus transit systems and other OCTA assets that are being improved through new construction, renovation, or extension.

**V. PROCEDURE**

**A. The following principles will guide OCTA's approach to joint development projects:**

1. OCTA will work through an open and transparent process, including a predictable and timely decision-making process to foster a positive investment climate for the private sector.
2. OCTA will follow all applicable zoning, planning, and permitting processes.
3. OCTA will involve relevant city staff, planning commissions, mayors, and councils.
4. OCTA should work cooperatively with local jurisdictions, developers, and other public and private sector entities to promote land use policies that encourage high quality development on and surrounding transit properties and routes.
5. OCTA should promote joint development projects that enhance the use of the transit system and encourage connections from surrounding developments to promote pedestrian and bike access.
6. OCTA should consider development opportunities in the acquisition of additional property for new transit facilities.
7. OCTA will retain appropriate authority over its assets and facilities.

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8. Joint development projects must demonstrate, at a minimum, fair market value to OCTA.
  9. OCTA joint development revenue sharing agreements will target a fair share of gross profit/sales profit (before deducting any overhead, payroll, taxes, or interest payments.)
  10. OCTA will include a Title VI analysis as part of any joint development proposal.
- B.** OCTA will periodically conduct market feasibility studies and site assessments for OCTA-owned properties. This effort will include consultation with local agencies regarding land use and development in the project area. The studies will be used to prioritize projects that will be presented to the Board for direction and action. Studies will include necessary information regarding environmental and FTA compliance procedures and other requirements.
- C.** Joint Development studies will be the basis for soliciting development proposals for appropriate OCTA-owned transit properties. In soliciting proposals, OCTA will use the request for proposal (RFP) and procurement process to solicit competitive proposals from potential partners. In addition to the RFP evaluation committee, OCTA may convene an urban design panel to serve in an advisory capacity to the evaluation committee. All recommendations by the urban design panel are advisory but fall within OCTA procurement policies (including, but not limited to, standards of conduct, conflict of interest, and other requirements as included in the current OCTA Procurement Policy Manual.) The site-specific RFP shall include a draft development agreement that includes project development tasks (e.g., planning, environmental clearance, final design, permits, construction, etc.), draft ground lease, and other OCTA requirements for the future joint development project. Specific project task authorization by OCTA may proceed on a task-by-task basis in order to maintain continuing project control.

**VI. EXCEPTIONS**

Not applicable.

**VII. PROVISIONS AND CONDITIONS**

Not applicable.

**VIII. RELATED DOCUMENTS**

Not applicable.

**END OF POLICY**