

| No. | Transit-Oriented Development (TOD) Implementation Policy                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
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| 1.0 | <p><u>Purpose</u></p> <p>Chapter 451 of the Texas Transportation Code, including but not limited to Subchapter D, Station or Terminal Complex Systems, establishes broad authority for CapMetro to engage in transit-oriented development (TOD) projects. The purpose of this policy is to establish the framework for CapMetro's implementation of TOD. This policy outlines the guiding principles and expectations the Board of Directors sets for TOD projects undertaken on CapMetro-owned or third-party-owned land, or for partnerships that advance TOD across the service area.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| 2.0 | <p><u>Scope and Applicability</u></p> <p>All TOD projects on or involving CapMetro- or third-party-owned land, or where CapMetro has an existing or planned interest.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| 3.0 | <p><u>Policy</u></p> <p>Through thoughtful and strategic implementation of TOD, CapMetro will endeavor to foster walkable, mixed-use communities with seamless connectivity to multi-modal transportation across its service area. TOD projects will be coordinated with member cities, transit-adjacent landowners, development partners, and community stakeholders to ensure that the project reflects local priorities while furthering CapMetro's mission to empower, enhance, and serve the region and its communities through the responsible delivery of high-quality public transportation.</p> <p>The purpose of TOD Implementation is to enhance mobility and connectivity, support local and regional economic development goals, reduce vehicular congestion and air pollution, and build thriving, accessible, lasting communities. To do this, CapMetro will pursue TOD in alignment with the following guiding principles and Board expectations:</p> <ol style="list-style-type: none"> <li>1. Advance CapMetro's core mission, values, and goals through TOD delivery and long-range planning;</li> <li>2. Transform underutilized or underperforming agency-owned land into income-generating assets that optimize long-term value and support CapMetro's financial sustainability;</li> <li>3. Use TOD as a strategic tool to promote and grow transit ridership through increased access, density, and connectivity in the Central Texas region;</li> <li>4. Ensure that CapMetro-led TOD projects are guided by and are responsive to the unique context and priorities of the surrounding neighborhoods;</li> <li>5. Pursue and encourage development projects that incorporate Community Benefits appropriate to the needs of the neighborhood and station area; and</li> <li>6. Streamline organizational efficiency, communication protocol, and procedures when implementing TOD.</li> </ol> |

### **3.1 Joint Development on CapMetro-owned Land**

TOD Implementation through Joint Development on CapMetro-owned land will prioritize the following guiding principles and Board expectations as appropriate:

- Long-term investment structures that retain land control with alternative deal structures considered when they offer greater financial returns to CapMetro;
- Integration of existing and planned transit facility and multimodal connectivity enhancements;
- Mixed-use development that includes mixed-income housing with an appropriate range of housing options for different household incomes, sizes, and ages;
- Vibrant, accessible, safe, and people-centered spaces including through public realm enhancements, active ground-floor uses, integrated mobility options, and community-focused design elements;
- Consideration of TOD opportunities in all acquisitions of new properties, including construction staging of new transit infrastructure; and
- Opportunities to capture a share of the value created by CapMetro TODs through partnerships with local jurisdictions, adjacent property owners, and other beneficiaries.

### **3.2 Guidelines for Selecting Joint Development Projects on CapMetro-Owned Land**

CapMetro will abide by the following guidelines when pursuing Joint Development projects on CapMetro-owned land:

- Selection of TOD partners for Joint Development of agency-owned property will be accomplished through a competitive solicitation process. In accordance with CapMetro's Acquisition Policy, CapMetro will avoid Sole Source Procurements except in circumstances where it is allowed by law and in the best interest of the agency.
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- Solicitations may be facilitated through Expressions of Interest (EOI), Statement of Qualifications (SOQ), and/or Requests for Proposals (RFP).
- Unsolicited TOD proposals presented to CapMetro may be considered but must align to organizational and TOD program priorities and must still include a competitive solicitation process if CapMetro is to procure a Joint Development partner.
- CapMetro retains authority over its transit facilities and services.
- CapMetro retains the right of reasonable review and approval for all design and significant components of any project.

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|     | <ul style="list-style-type: none"> <li>• All projects must meet applicable laws and regulations. Federal Transit Administration (FTA) circulars and other relevant guidance should be reviewed and adhered to in all projects as applicable.</li> <li>• Projects shall be consistent with adopted regional and local community policies and plans.</li> <li>• Projects shall be consistent with existing and planned public transportation facilities.</li> <li>• Land transfers that are part of a TOD project shall demonstrate, at a minimum, fair market value for CapMetro considering the use of the property.</li> <li>• Projects are prioritized that minimize CapMetro's financial commitment and risk while maximizing asset security for the agency.</li> <li>• To the extent they can maximize outcomes for CapMetro, TOD projects should pursue external funding and financing opportunities such as federal and state grants, loans, and financing programs, and collaborative partnerships with public, private, and non-profit entities.</li> </ul> <p><b>3.3 TOD Outcomes on Third-Party-owned Land</b></p> <p>When development projects are in close proximity to current or planned CapMetro service routes or facilities but CapMetro does not own the land, CapMetro will collaborate with public and private partners to advocate for transit-supportive policies, site development, and increased transit use in accordance with CapMetro standard operating procedures.</p> |
| 4.0 | <p><u>Definitions</u></p> <ul style="list-style-type: none"> <li>• <b>Transit-Oriented Development (TOD):</b> means a common approach to coordinated land use and transportation planning that focuses on developing areas surrounding transit stations and stops. This makes public transportation easier to reach and simultaneously provides more housing, jobs, services, and retail.</li> <li>• <b>Joint Development:</b> means collaborative projects between CapMetro and private/public development partners to create transit-oriented developments</li> <li>• <b>Community Benefits:</b> means site, building, landscape, and transit elements or amenities that are a part of or support a TOD project and may be enjoyed by community members including but not limited to: affordable housing, good jobs, education, health care, climate resiliency, energy efficiency, open public space, and may include provision for residential, institutional, recreational, commercial, and industrial facilities.</li> <li>• <b>Solicited Proposal:</b> A TOD proposal submitted in response to a formal request by CapMetro or a related entity to perform the work for a specific TOD project. Solicitations may take the form of Requests for Expressions of Interest (RFI), Requests for Qualifications (RFQ), and Requests for Proposals (RFP).</li> </ul>                                                                                                                               |

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|     | <ul style="list-style-type: none"> <li>• <b>Unsolicited Proposal:</b> A TOD proposal initiated by a third party without a formal request from CapMetro.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| 5.0 | <p><u>Board Oversight</u></p> <p>Board of Directors responsibilities include:</p> <ul style="list-style-type: none"> <li>• Review and approve this policy and future revisions.</li> <li>• Approve TOD transactions that exceed expenditure thresholds established by the Board Acquisition Policy or as required by law.</li> <li>• Delegate responsibilities to CEO as appropriate.</li> <li>• Receive updates on significant TOD activities.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| 6.0 | <p><u>Activities and Procedures</u></p> <p>The President and CEO shall ensure the development and maintenance of administrative activities and standard operating procedures (SOPs) to support this policy. These shall include, but are not limited to:</p> <ul style="list-style-type: none"> <li>• Activities for TOD program management as consistent with any related plans and policies.</li> <li>• Joint Development activities for TOD on CapMetro-owned land, including: <ol style="list-style-type: none"> <li>1. Identifying viable TOD projects for Joint Development;</li> <li>2. SOPs for conducting solicitations to identify and select Joint Development partners;</li> <li>3. Obtaining approval from the Board of Directors for transactions as required by applicable laws or CapMetro policy, including but not limited to the Board's Real Estate Transaction Policy.</li> <li>4. Finalizing and executing the TOD project.</li> </ol> </li> <li>• Activities for TOD Outcomes on Third-Party-owned land.</li> </ul> |
| 7.0 | <p><u>Additional Documentation (if applicable)</u></p> <ul style="list-style-type: none"> <li>• N/A</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |