

MTC's Transit-Oriented Communities Policy

On September 28, 2022, the Metropolitan Transportation Commission (MTC) adopted the Transit-Oriented Communities (TOC) Policy ([MTC Resolution 4530](#)) to support the region's transit investments by creating communities around transit stations and along transit corridors that not only enable transit ridership, but also are places where Bay Area residents of all abilities, income levels, and racial and ethnic backgrounds can live, work, and access services.

Future One Bay Area Grant (OBAG) funding cycles will consider prioritizing investments in transit station areas that are subject to and compliant with the TOC Policy. Jurisdictions should anticipate demonstrating compliance prior to the adoption of OBAG 4, expected in 2026. See the [draft of MTC's TOC Policy Administrative Guidance](#) for more information on requirements and the process and required documentation for confirming compliance.

Applicability

The TOC Policy applies to the half-mile area around existing and planned fixed-guideway transit stops and stations (i.e., regional rail, commuter rail, light-rail transit, bus rapid transit, and ferries).

Compliance with the TOC Policy is voluntary for jurisdictions that want to advance the goals of [Plan Bay Area 2050](#) or to be eligible and/or competitive for some MTC discretionary funding.

TOC Policy Goals

1. Increase the overall housing supply in part by increasing the density for new residential projects. Prioritize affordable housing in transit-rich areas.
2. In areas near regional transit hubs, increase density for businesses and commercial development.
3. Prioritize bus transit, active transportation, and shared mobility within and to/from transit-rich areas, particularly to Equity Priority Communities.
4. Support and build partnerships to create equitable transit-oriented communities within the San Francisco Bay Area.

Transit Tiers

Areas subject to the TOC Policy are categorized by tier according to level of transit service:

- **Tier 1:** Rail stations serving regional centers (i.e., Downtown San Francisco, Downtown Oakland, and Downtown San José).
- **Tier 2:** Stop/station served by two or more BART lines or BART and Caltrain.
- **Tier 3:** Stop/station served by one BART line, Caltrain, light rail transit, or bus rapid transit.
- **Tier 4:** Commuter rail (SMART, ACE, Capitol Corridor, Valley Link) stations, Caltrain stations south of Tamien, or ferry terminals.

Implementation Process and Timeline

MTC's process to confirm compliance will begin in early 2024 and continue on a rolling basis until an anticipated deadline corresponding with OBAG 4 in 2026. MTC will provide an online submission form to streamline the process for local jurisdictions to demonstrate compliance with TOC Policy requirements. Technical support from MTC to assist with the compliance process will begin in 2024.



TOC Policy Requirements

The TOC Policy focuses on the core elements of **land use density, affordable housing, parking management, and complete streets/multimodal access** to implement Plan Bay Area 2050 strategies.

1. Minimum residential and commercial office densities for new development:

- *On average*, the minimum density for parcels in the ½-mile TOC area must exceed a threshold determined by the TOC area’s Transit Tier.
- If a jurisdiction adopts a maximum density for parcels in the ½-mile TOC area, *on average*, the maximum density must exceed a threshold determined by the TOC area’s Transit Tier.
- A jurisdiction is not required to zone for a particular land use in the TOC area.
- Only areas where residential uses are allowed are included in residential density calculations, and only zoning districts that allow commercial office land uses as a primary use are included in commercial office density calculations.
- Parcels with existing dwelling units can be excluded from the residential and commercial office density calculations.

2. Policies for affordable housing and commercial stabilization:

- A jurisdiction must adopt at least two policies for each of the “3Ps” of affordable housing (production, preservation, protection) and at least one policy for commercial stabilization.
- A jurisdiction chooses policies that best meet local needs from a menu of options.
- Policies must apply in TOC areas, but a jurisdiction may choose to apply them beyond the TOC area(s), including jurisdiction wide.

3. Parking management:

- No minimum parking requirements allowed in most Transit Tiers for new residential or commercial development.
- Parking maximums for new residential and general/neighborhood commercial uses vary by Transit Tier.
- Requirements for bicycle, shared, and unbundled parking as well as Transportation Demand Management (TDM)/curb management.

4. Transit station access and circulation:

- Adopt policies/guidelines that comply with Complete Streets Policy.
- Prioritize implementation of Active Transportation Plan and/or relevant Community Based Transportation Plans within TOC station area.
- Complete an access gap analysis and accompanying capital and/or service improvement program.
- Identify opportunities for Mobility Hub planning and implementation.

See the [draft](#) of [MTC’s TOC Policy Administrative Guidance](#) for more information on requirements and the process and required documentation for confirming compliance.

