

REQUEST FOR INFORMATION

Transit-Oriented Development Capital Grant and Revolving Loan Fund Program

July 29, 2024

Purpose

The Maryland Department of Transportation (MDOT) Office of Real Estate and Development (ORED) is seeking information from stakeholders to help inform the new Transit-Oriented Development (TOD) Capital Grant and Revolving Loan Fund program before an anticipated launch later this year.

Background

On May 8, 2023, Governor Wes Moore signed the Equitable and Inclusive TOD Enhancement Act ([Chapter 512 of 2023](#)) sponsored by Senator Malcolm Augustine and Delegate Jazz Lewis. The law establishes the TOD Capital Grant and Revolving Loan Fund to promote the equitable and inclusive development of transit-oriented developments and authorizes the Maryland Department of Transportation to use the Fund to provide financial assistance to local jurisdictions. It also establishes that the fund will have \$5 million allocated to it in its first year and must maintain that balance at minimum going forward. The funding for FY25 is allocated from the Transportation Trust Fund. Projects that are eligible for funding must be within a State-designated TOD area and must reflect the advancement of the TOD goals established in that Designation.

Scope & Objective

This request for information (RFI) serves to gather input for MDOT to ensure the program is clear and supports effective TOD projects while also informing local jurisdictions and eligible partner applicants of the Fund's future launch and gauging interest from prospective applicants. This RFI also includes updated information on the State's new process for official TOD Designation (see Appendix A). Program details shared in this RFI are preliminary and are subject to change before program launch.

Please note that the RFI is not an application for funding under the program. Responding to the RFI is not a prerequisite to participating in a future application process. Further, responding to this RFI does not provide any advantages to the participant during any future application process. All information obtained in a participant's response will be made available for interagency review and may be used by MDOT to inform the implementation of the Fund.

Program Summary

The purpose of MDOT's TOD Capital Grant and Revolving Loan Fund is to support local jurisdictions in the implementation of equitable and inclusive development of transit-oriented development throughout the State.

Eligible applicants are local jurisdictions¹ in the State of Maryland. Private or nonprofit entities can apply in partnership with a local jurisdiction. If a local jurisdiction is applying in partnership with a business, the business will need to have Good Standing² status with the State of Maryland.

Eligible projects and planning studies must be located within a State-designated TOD area and advance the Designation Plan for the TOD. Applicants will be expected to demonstrate how the proposed project they are requesting funding for is advancing the overall plan and goals of the Maryland TOD Designated site. If a site received Maryland TOD Designation prior to July 31, 2023, they will be required to submit a Plan as outlined in the current TOD application process.³

Applicants can apply for funding at eligible TOD sites for the following uses:

- 1) Design Plans for a TOD, provided it is designed to meet at least one of the following equity and inclusion goals:
 - Access to transit for low-income and minority residents
 - Encourage inclusive development around underdeveloped and underutilized transit stations
 - Access to transit in areas with affordable housing and a diversity of job and educational opportunities

- 2) Public infrastructure improvements within a designated TOD

Public infrastructure includes infrastructure systems, structures, and facilities, including but not limited to transportation, public utility systems, and capital projects that are defined as follows and help advance the goals of the TOD Designation plan:

1. owned, occupied, developed, or operated/maintained by the public sector; **or**
2. open to the public, support a public service, or serve a public purpose

“Open to the public” is understood in this context to mean accessible and available to all without discrimination, restriction, or impediment. Examples may include streets, sidewalks, parks, plazas, or open spaces without regard to public vs. private ownership. “Support a public service” is understood in this context to mean the project provides space for a public agency to function, operate, or provide service to the public.

¹ “Local jurisdiction” means a county or municipal corporation.

² [Maintain Good Standing Status - Maryland Business Express \(MBE\)](#) Good Standing Status is issued by the State Department of Assessments and Taxation.

³ See Appendix A for more information on the updated TOD Designation Process.

Examples may include public housing, civic centers, or buildings that include space for government agencies. “Serve a public purpose” is understood in this context to mean a project or activity that confers a public benefit. For example, if a project receives public financial assistance – such as grants or tax credits – it can reasonably be assumed to benefit and promote the welfare of the government that authorized the use of funds or tax credits and its citizens and not solely the specific recipient and/or project.

3) Gap financing for public or private development within a designated TOD.

Gap financing is defined in this context as financing provided to compensate for a shortfall between the expected development costs of a project and the available funds for the project. Applicants for gap financing must demonstrate the need for financial assistance to help meet goals of the TOD Designation, including affordable housing, public infrastructure or to meet or exceed density goals defined in the TOD Designation or underlying zoning. Applications for gap financing should preferably be applied for as a partnership between a local jurisdiction and a private or non-profit sector entity and must demonstrate creditworthiness with potential guarantees by the local jurisdiction as well as a targeted time to amortize the proposed loan. MDOT will be developing loan rates based on appropriate markets and the agency’s perimeters for risk.

Applicants will also need to provide the following as part of their application for funding:

- Complete Streets: Commitment from local jurisdiction to implement, where practicable, improvements to the TOD that promote the State’s [Complete Streets Policy](#)
- Land Use: Applicant must show that the project site has the appropriate local zoning policy in place to support the advancement of the TOD Designation plan.
- Letters of Support: Applicants are encouraged to include at least one letter of support from community partners. If the local jurisdiction is applying in partnership with another organization, the letters of support should reflect support for that partnership as well.

Applications will be scored by an interagency review group led by MDOT using the anticipated evaluation criteria in Table 1. Applicants will be evaluated on all three equity & inclusion goals but will be asked to choose one as their core focus for a weighted score. Applicants will be evaluated on their project plan and readiness, their funding and budget plan for the project, and their project’s advancement of equity & inclusion goals.

Table 1: TOD Fund Application Evaluation Rubric

Project Scoring (Quality of Project Submission)		Max. Points Available
Project Plan and Readiness		35 Total Points
<i>Preliminary Work Performed</i>		10 points
<i>Timeline for Project Execution</i>		10 points
<i>Project advancement of TOD Designation Plan</i>		10 points
<i>Community Engagement Plan</i>		5 points
Project Funding Plan/Budget		20 Total Points
<i>Itemized project budget</i>		5 points
<i>Timeline of milestones for project funding</i>		10 points
<i>Other funding sources sought or secured</i>		5 points
Equity & Inclusion Goal Attainment*		45 Total Points
<i>1.) Access to transit for low-income and minority residents</i>		25 points (core focus) 10 points (secondary)
<i>2.) Access to Transit in areas with Affordable Housing and a diversity of Job and Educational opportunities</i>		25 points (core focus) 10 points (secondary)
<i>3.) Encourage Development Around Underdeveloped and Underutilized Transit Stations</i>		25 points (core focus) 10 points (secondary)
Total Score		100 Points

Program Timeline

Please note that this is a tentative schedule and is subject to change. MDOT anticipates that the program will have an open application period annually.

July 29 – September 16, 2024: Request for Information soliciting feedback and interest from potential applicants

September 2024: Finalize program details following RFI

October 2024 (Date TBA): Application portal opens on Maryland OneStop

October-December 2024 (Dates TBA): Application period open

January-March 2025: Application evaluation

March/April 2025: Awards announced

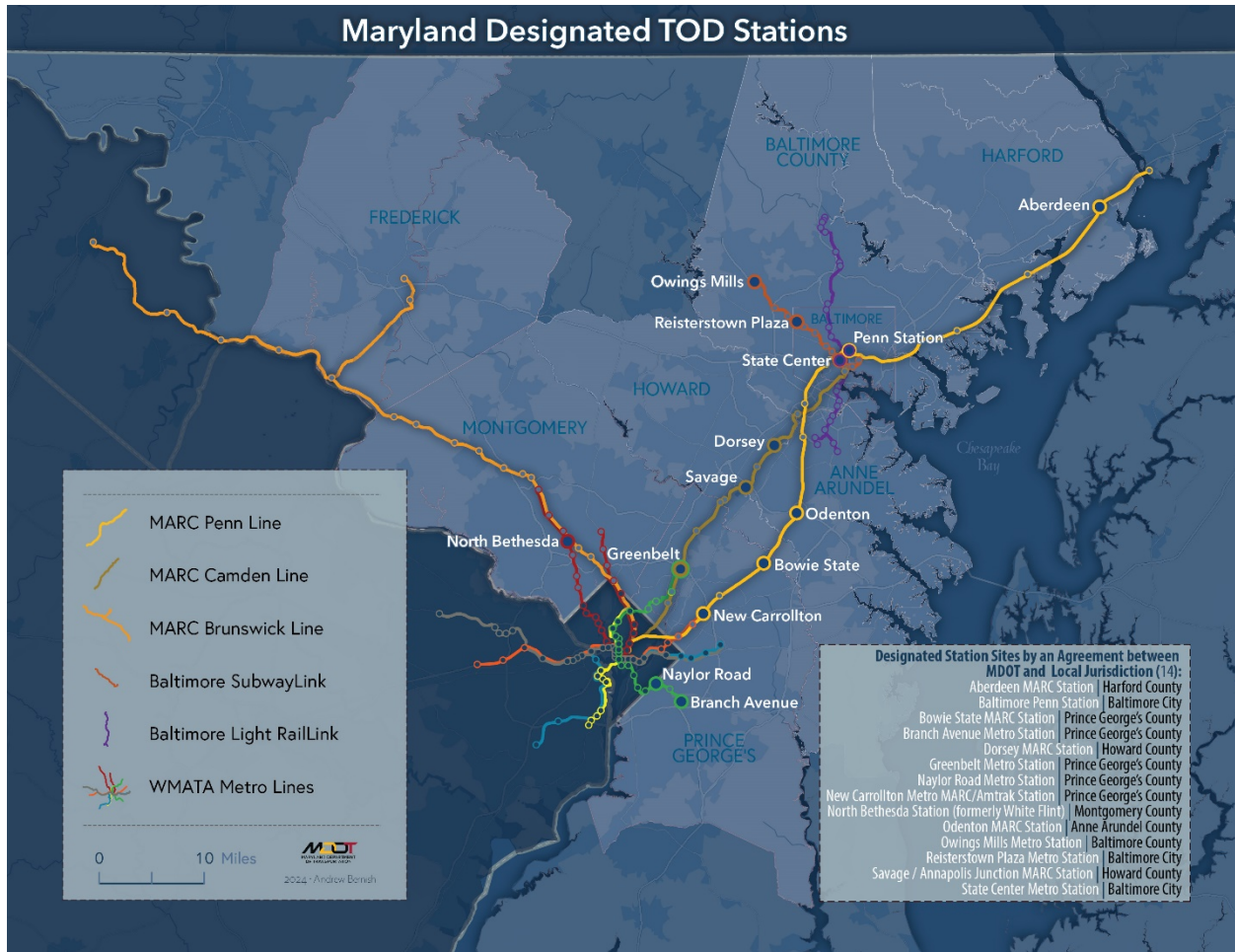
Request for Information

Please submit your responses via email to Alex Walinskas, TOD Coordinator at awalinskas@mdot.maryland.gov by September 16th, 2024. All interested parties are encouraged to respond to any question to which they can provide meaningful or helpful input.

1. Are these requirements clear? If not, please provide feedback on how we can clarify them.
2. Does your jurisdiction or organization have plans or interest in TOD that would be eligible for funding from this program?
3. Based on the preliminary program details, do you anticipate interest in submitting an application?
 - a. If yes, which of the eligible uses would your scope of work likely reflect? Considering that the fund pool for 2024 is estimated to be \$5 million, what amount of funding do you anticipate seeking?
 - b. For local jurisdictions: do you anticipate partnering with a private or nonprofit developer when submitting your application?
 - i. If your project requires gap funding, what are the anticipated gap funding needs?
 - c. If your jurisdiction were to receive an award, would you consider utilizing the funding as a match to a federal discretionary grant?
4. If your jurisdiction or organization is interested in work that is eligible to be funded by this program, but does **not** have interest in applying, please explain why.
5. What are some practices MDOT can adopt during the grant application process to ensure that eligible applicants have the information and tools they need to provide a good application and, if awarded, produce an effective development?
6. Is there further guidance that would be helpful in preparing a plan for TOD Designation (or to meet program requirements for existing designations)?
7. Please share any further feedback or comments you may have that are not addressed by the previous questions.

Appendix A – TOD Designation Process

Image 1: Existing Maryland Designated TOD Sites



In July 2024, the Smart Growth Subcabinet (soon to be renamed the Sustainable Growth Subcabinet) approved a new process for local jurisdictions or multicounty agencies with land use and planning responsibility for a relevant area to apply for Maryland TOD Designation. The new Maryland TOD Designation process will be published on MDOT's website in the coming weeks and details are shared here to help prospective applicants understand the requirements associated with the new Designation process.

Information for existing Maryland Designated TOD sites

Existing Maryland Designated TOD Sites will retain their designation status. If an existing TOD designation includes an expiration date, the site will have to resubmit for designation under the new process. In order to be eligible for funding from the TOD Capital Grant and Revolving Loan Fund, TOD sites designated prior to July 31, 2023 will need to submit a plan (see Image 3) for the site to be reviewed and approved by the Smart Growth Subcabinet, as proscribed in the process for new Maryland Designated TOD sites.

Information for prospective new Maryland Designated TOD sites

Image 2 provides an overview of the process for local jurisdictions to apply for Maryland TOD Designation. Image 3 is an overview of the plan elements applicants will be asked to share detail on when applying for TOD Designation.

In the coming weeks, MDOT ORED plans to post a form on its [website](#) where local jurisdictions can submit an application for Maryland TOD Designation. Applicants will be asked to describe or document their planning for the site in each of the eight categories listed in Image 2. A jurisdiction's plan could be specific development proposal(s) that are current being advanced for the proposed TOD Designated area or the current planning documents for which the local jurisdiction is using to advance or enable the TOD. The overall goal is to ensure that the intended TOD is driving towards meaningful density, connectivity and is actionable.

Local jurisdictions will also need to have their local legislative body recognize the proposed site as a transit-oriented development in order for their application to be considered by the Smart Growth Subcabinet.

Image 2: Overview of Maryland TOD Designation Process

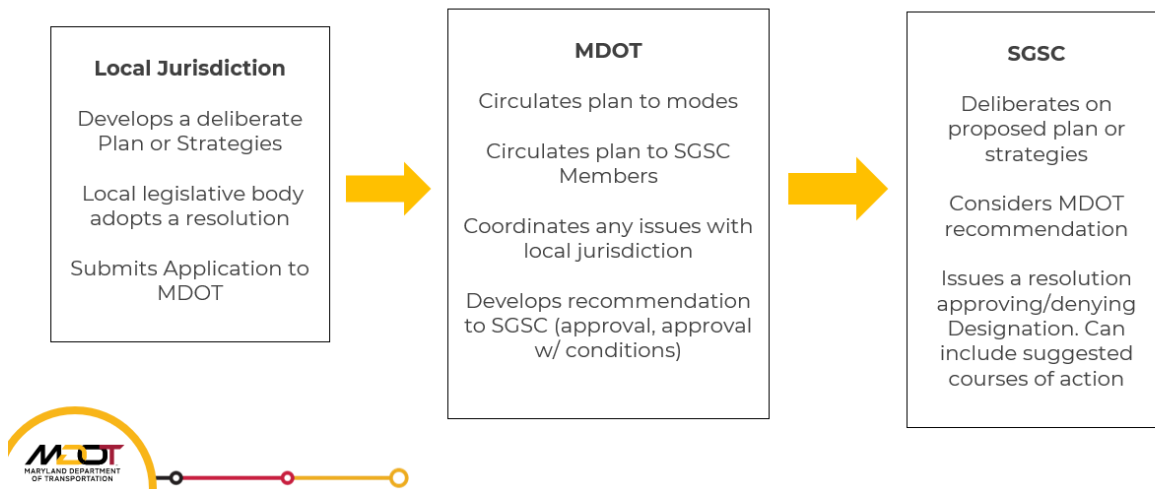
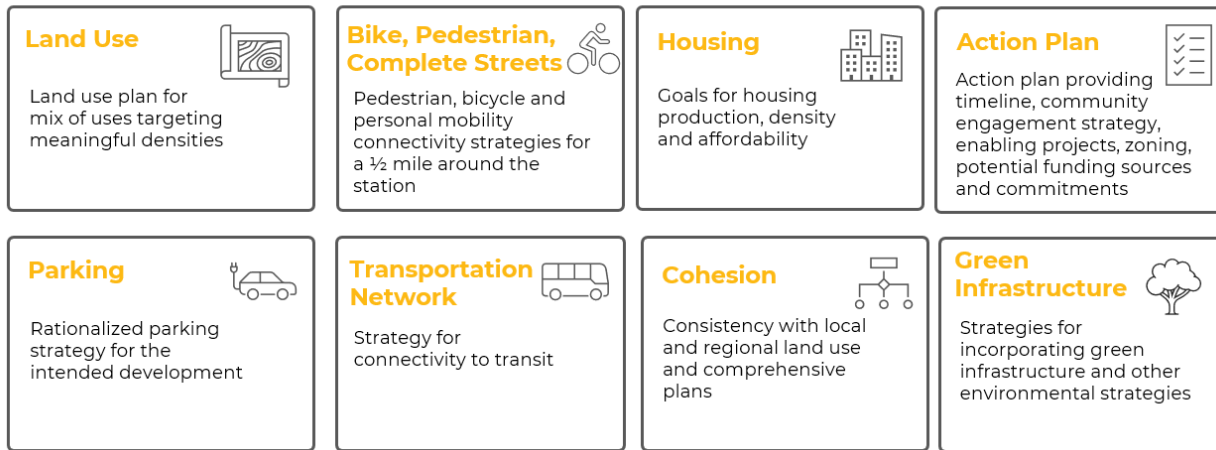


Image 3: Overview of required TOD Designation Plan

TOD Designation Plan



Appendix B – Glossary

The definitions in this glossary come directly from the Transportation Article of the Maryland Law.

Local jurisdiction means a county or a municipal corporation.

Transit corridor means a geographically bound set of two or more contiguous subway, light rail, bus rapid transit or bus transit stations. Transit corridor includes a geographically bound set of two or more contiguous bus transit stations that have fixed-route bus service that operates on a roadway dedicated to buses.

Transit-oriented development means a mix of private or public parking facilities, commercial and residential structures, and uses, improvements, and facilities customarily appurtenant to such facilities and uses, that:

- 1) Is part of a deliberate development plan or strategy involving:
 - i. Property that is adjacent to the passenger boarding and alighting location of a planned or existing transit station;
 - ii. Property, any part of which is located within one-half mile of the passenger boarding and alighting location of a planned or existing transit station; or
 - iii. Property that is adjacent to a planned or existing transit corridor;
- 2) Is planned to maximize the use of transit, walking, and bicycling by residents and employees; and
- 3) Is designated as a transit-oriented development by:
 - i. The Smart Growth Subcabinet established under § 9–1406 of the State Government Article; and
 - ii. The local government or multicounty agency with land use and planning responsibility for the relevant area applying for designation.

Transit facility includes any one or more or combination of tracks, rights-of-way, bridges, tunnels, subways, rolling stock, stations, terminals, ports, parking areas, equipment, fixtures, buildings, structures, other real or personal property, and services incidental to or useful or designed for use in connection with the rendering of transit service by any means, including rail, bus, motor vehicle, or other mode of transportation, but does not include any railroad facility.

Transit service means the transportation of persons and their packages and baggage and of newspapers, express, and mail in regular route, special, or charter service by means of transit facilities between points within the District. Transit service does not include any vanpool operation or railroad service.

Transit station means any facility, the primary function of which relates to the boarding and alighting of passengers from transit vehicles. Transit station includes platforms, shelters, passenger waiting facilities, parking areas, access roadways, and other real property used to facilitate passenger access to transit service or railroad service.

Transit vehicle means a mobile device used in rendering transit service.